

\$ \_\_\_\_\_  
SANDY CITY, UTAH  
WATER REVENUE BONDS,  
SERIES 2017

\_\_\_\_\_  
BOND PURCHASE AGREEMENT  
\_\_\_\_\_

\_\_\_\_\_, 2017

Sandy City, Utah  
10000 Centennial Parkway  
Sandy, Utah 84070

The undersigned, \_\_\_\_\_ and \_\_\_\_\_ as underwriters (the “Underwriters”), and not as fiduciaries or agents for you, offer to enter into this Bond Purchase Agreement (the “Purchase Agreement”) with Sandy City, Utah (the “Issuer”) which, upon the acceptance by the Issuer of this offer, shall be in full force and effect in accordance with its terms and shall be binding upon you and the Underwriters.

This offer is made subject to your acceptance and approval on or before 11:59 P.M., Utah Time, on \_\_\_\_\_, 2017. Terms not otherwise defined herein shall have the same meanings as are set forth in the hereinafter referred to Preliminary Official Statement.

ARTICLE I

SALE, PURCHASE AND DELIVERY

Section 1.1 (a) On the basis of the representations, warranties and agreements contained herein and upon the terms and conditions herein set forth, the Underwriters hereby agree to purchase, and the Issuer hereby agrees to sell to the Underwriters, all, but not less than all, of the Issuer’s \$ \_\_\_\_\_ aggregate principal amount of Water Revenue Bonds, Series 2017 (the “Series 2017 Bonds”), at a purchase price of \$ \_\_\_\_\_ (representing the principal amount of the Series 2017 Bonds, plus a net reoffering premium of \$ \_\_\_\_\_ and less an Underwriters’ discount of \$ \_\_\_\_\_) plus accrued interest, if any, from their dated date to the date of delivery of the Series 2017 Bonds to the Underwriters. The Series 2017 Bonds will mature on the dates and in the amounts and bear interest at the rates per annum as set forth in Exhibit A hereto. The Series 2017 Bonds shall be as described in the Official Statement dated \_\_\_\_\_, 2017, of the Issuer relating to the Series 2017 Bonds (together with all appendices thereto, the “Official Statement”) and shall be issued and secured under and pursuant to a General Indenture of Trust dated April 1, 2004, as heretofore amended and supplemented (the “General Indenture”), and as further amended and supplemented by a Third Supplemental Indenture of Trust dated as of \_\_\_\_\_ 1, 2017 (the “Third Supplemental Indenture,” and together with the General Indenture, the “Indenture”), each

by and between the Issuer and ZB, National Association, as successor trustee (the “Trustee”), all as authorized pursuant to a resolution adopted by the Issuer on March 7, 2017 (the “Resolution”). The Series 2017 Bonds are payable from and secured solely by (i) all revenues, fees, income, rents and receipts derived by the Issuer (as further defined in the Indenture, the “Revenues”) from or attributable to the water facilities owned and operated by the Issuer (collectively, the “System”) after payment of operation and maintenance costs of the System as provided in the Indenture (“Net Revenues”), and (ii) all funds (other than the Rebate Fund and the Repair and Replacement Fund) established by the Indenture. The Series 2017 Bonds are being issued pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Act”). The proceeds from the sale of the Series 2017 Bonds will be used for the purpose of (a) financing \_\_\_\_\_ (the “Project”) and (b) paying costs of issuance of the Series 2017 Bonds.

(b) The Issuer has previously issued its Water Revenue Refunding Bonds, Series 2012 (the “Outstanding Parity Bonds”), which are payable from and secured by a pledge of the Net Revenues on a parity with the Series 2017 Bonds.

Section 1.2 The Underwriters agree to make a public offering of the Series 2017 Bonds at the initial offering prices or yields set forth on the inside front cover of the Official Statement. The Underwriters may, however, change such initial offering prices or yields as they deem necessary in connection with the marketing of the Series 2017 Bonds and offer and sell the Series 2017 Bonds to certain dealers (including dealers depositing the Series 2017 Bonds into investment trusts) and others at prices lower than the initial offering prices or yields set forth in the Official Statement. The Underwriters also reserve the right (a) to over-allot or effect transactions which stabilize or maintain the market prices of the Series 2017 Bonds at levels above those which might otherwise prevail in the open market and (b) to discontinue such transactions, if commenced, at any time without prior notice.

Section 1.3 (a) By acceptance and approval of this Purchase Agreement, the Issuer hereby authorizes the use of copies of the following in connection with the public offering and sale of the Series 2017 Bonds: the Official Statement and the Indenture. The Issuer hereby agrees to provide to the Underwriters within seven business days of the date hereof sufficient copies of the Official Statement to enable the Underwriters to comply with the requirements of paragraph (b)(4) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board (the “MSRB”). The Issuer has heretofore “deemed final” the Preliminary Official Statement dated \_\_\_\_\_, 2017, relating to the Series 2017 Bonds (the “Preliminary Official Statement”) for purposes of paragraph (b)(1) of Rule 15c2-12 and acknowledges and ratifies the use by the Underwriters prior to the date hereof, of the Preliminary Official Statement in connection with the public offering of the Series 2017 Bonds.

(b) In order to assist the Underwriters in complying with paragraph (b)(5) of Rule 15c2-12, the Issuer will undertake, pursuant to a Continuing Disclosure Undertaking to be dated as of the Closing Date (the “Continuing Disclosure Undertaking”) to provide

annual reports and notices of certain events to the MSRB pursuant to the requirements of Section (b)(5) of Rule 15c2-12.

Section 1.4 At 9:00 a.m., Utah time, on \_\_\_\_\_, 2017, or on such later date as shall be agreed upon in writing by the Issuer and the Underwriters (the “Closing Date”), the Issuer will cause the Series 2017 Bonds to be delivered to the Underwriters in definitive form, duly executed and authenticated, and will deliver to the Underwriters the other documents herein mentioned at the offices of Gilmore & Bell, P.C., Salt Lake City, Utah, or such other location as may be mutually agreed upon by the Issuer and the Underwriters. The Underwriters will accept such delivery and pay the purchase price of the Series 2017 Bonds as set forth in Section 1.1(a) hereof by wire transfer, payable in Federal Funds or other immediately available funds to the order of the Trustee (such delivery and payment are herein called the “Closing”). The Series 2017 Bonds shall be issued in the form of one fully registered Bond for each maturity of the Series 2017 Bonds, shall be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”).

## ARTICLE II

### REPRESENTATIONS, WARRANTIES AND

### AGREEMENTS OF ISSUER

By its acceptance hereof, the Issuer represents and warrants to and covenants with the Underwriters that:

Section 2.1 The Issuer is a political subdivision and body politic duly organized and existing under the laws of the State of Utah with full power and authority to consummate the transactions contemplated by this Purchase Agreement, the Indenture, and the Official Statement, including the execution, delivery and/or approval of all documents and agreements referred to herein or therein.

Section 2.2 The Issuer has duly adopted and approved the Resolution in accordance with all requirements of Utah law and procedural rules of those respective bodies, and the Resolution is in full force and effect on the date hereof.

Section 2.3 The adoption of the Resolution and the execution and delivery of the Continuing Disclosure Undertaking, the Indenture, and this Purchase Agreement, compliance by the Issuer with the provisions of any or all of the foregoing documents and the application of the proceeds of the Series 2017 Bonds for the purposes described in the Preliminary Official Statement do not and will not conflict with or result in the breach of any of the terms, conditions or provisions of, or constitute a default under, any existing law, court or administrative regulation, decree or order, agreement, indenture, mortgage, lease or instrument to which the Issuer is a party or by which the Issuer or any of its property is or may be bound.

Section 2.4 The Issuer has duly authorized all necessary action to be taken by it for the adoption of the Resolution; the issuance and sale of the Series 2017 Bonds by the

Issuer upon the terms and conditions set forth herein, in the Official Statement and in the Indenture; and the execution, delivery and receipt of this Purchase Agreement, the Indenture and the Continuing Disclosure Undertaking, and any and all such agreements, certificates and documents as may be required to be executed, delivered and received by the Issuer in order to carry out, effectuate and consummate the transactions contemplated hereby and by the Official Statement, including but not limited to such certifications as may be necessary to establish and preserve the excludability from gross income for federal income tax purposes of interest on the Series 2017 Bonds.

Section 2.5 Except as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court or administrative body pending or, to the best of the Issuer's knowledge, threatened against the Issuer, or to the knowledge of the Issuer, any meritorious basis therefor, wherein an unfavorable decision, ruling or finding would have a material adverse effect on the operation of the System, the Revenues of the System, the financial condition of the Issuer or the transactions contemplated by this Purchase Agreement and the Preliminary Official Statement, or would have an adverse effect on the validity or enforceability of the Series 2017 Bonds, the Resolution, the Indenture, or the Continuing Disclosure Undertaking, or which would in any way adversely affect the existence or any power of the Issuer or the titles of its officers to their respective positions or which would in any way adversely affect the excludability from gross income for federal income tax purposes of interest on the Series 2017 Bonds.

Section 2.6 When delivered to and paid by the Underwriters at the Closing in accordance with the provisions of this Purchase Agreement, the Series 2017 Bonds will have been duly authorized, executed, issued and delivered and will constitute valid and binding special limited obligations of the Issuer in conformity with, and entitled to the benefit and security of the Indenture.

Section 2.7 The Issuer is not in breach of or in default under any existing law, court or administrative regulation, decree or order, ordinance, resolution, agreement, indenture, mortgage, lease, sublease or other instrument to which the Issuer is a party or by which the Issuer or its property is bound; and the execution and delivery of the Series 2017 Bonds, the Continuing Disclosure Undertaking, the Indenture, and this Purchase Agreement, and compliance with the provisions thereof, will not conflict with or constitute a breach or a default under any law, administrative regulation, judgment, decree, loan agreement, mortgage, indenture, deed of trust, note, resolution, agreement or other instrument to which the Issuer or its property is or may be bound.

Section 2.8 No event has occurred or is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under the Indenture, the Continuing Disclosure Undertaking or this Purchase Agreement, or which could have a material adverse effect on the financial condition of the Issuer, the operation of the System, the Revenues of the System or the transactions contemplated by this Purchase Agreement and the Preliminary Official Statement, or have an adverse effect on the validity or enforceability in accordance with their respective terms of the Series 2017 Bonds, the Resolution, the Indenture or the Continuing Disclosure Undertaking or in

any way adversely affect the existence or any powers of the Issuer or the titles of its officers to their respective positions or the excludability from gross income for federal income tax purposes of interest on the Series 2017 Bonds.

Section 2.9 The information contained in the Preliminary Official Statement was, as of its date, and the information contained in the Official Statement is as of its date and will be, as of the Closing Date, true and correct in all material respects. The Preliminary Official Statement does not contain, and the Official Statement, as of its date and as of the Closing Date, will not contain any untrue statement of a material fact, and the Preliminary Official Statement does not omit and the Official Statement, as of its date and as of the Closing Date, will not omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not be deemed to cover or apply to (a) information provided to the Issuer in writing by the Underwriters or the Issuer's municipal advisor and included on the cover page or inside front cover page of the Preliminary Official Statement or the Official Statement regarding the principal amount, interest rates, maturities and initial public offering prices of the Series 2017 Bonds or (b) statements in the Preliminary Official Statement or the Official Statement relating to DTC, or its book-entry system.

Section 2.10 The Issuer has full power and authority to own and operate the System and to establish and collect the rates for the services provided by the System.

Section 2.11 The Issuer will not take or omit to take any action which will in any way cause the proceeds from the sale of the Series 2017 Bonds to be applied or result in such proceeds being applied in a manner other than as provided in the Indenture.

Section 2.12 The Issuer hereby authorizes the use of the Official Statement, including all amendments and supplements thereto, by the Underwriters in connection with the public offering and sale of the Series 2017 Bonds and consents to the use by the Underwriters prior to the date hereof of the Preliminary Official Statement in connection with the public offering and sale of the Series 2017 Bonds.

Section 2.13 The Issuer agrees to reasonably cooperate with the Underwriters in any endeavor to qualify the Series 2017 Bonds for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States as the Underwriters may request; provided, however, that the Issuer shall not be required with respect to the offer or sale of the Series 2017 Bonds to file written consent to suit or to file written consent to service of process in any jurisdiction. The Issuer hereby consents to the use of the Official Statement by the Underwriters in obtaining such qualification.

Section 2.14 If between the date of this Purchase Agreement and 25 days following the "end of the underwriting period" (as defined under Rule 15c2-12), any event shall occur which might or would cause the Official Statement to contain any untrue statement of a material fact or to omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstance under which they were made, not misleading, the Issuer shall notify the Underwriters and if, in the

opinion of the Underwriters, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer will supplement or amend the Official Statement in a form and in a manner approved by the Underwriters. If the Official Statement is so supplemented or amended prior to the Closing, such approval by the Underwriters of a supplement or amendment to the Official Statement shall not preclude the Underwriters from thereafter terminating this Purchase Agreement, and if the Official Statement is amended or supplemented subsequent to the date hereof and prior to the Closing, the Underwriters may terminate this Purchase Agreement by notification to the Issuer at any time prior to the Closing if, in the reasonable judgment of the Underwriters, such amendment or supplement has or will have a material adverse effect on the marketability of the Series 2017 Bonds.

Section 2.15 When executed by the respective parties thereto, this Purchase Agreement, the Indenture and the Continuing Disclosure Undertaking will constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms.

Section 2.16 The Issuer has complied, and will at the Closing be in compliance in all respects, with the obligations on its part contained in the Continuing Disclosure Undertaking, this Purchase Agreement, the Indenture, and any and all other agreements relating thereto.

Section 2.17 Each representation, warranty or agreement stated in any certificate signed by any officer of the Issuer and delivered to the Underwriters at or before the Closing shall constitute a representation, warranty, or agreement by the Issuer upon which the Underwriters shall be entitled to rely.

Section 2.18 The Issuer has obtained or will obtain all necessary licenses, permits, consents and approvals of any kind of any governmental body in order to operate the System.

Section 2.19 The Issuer has obtained or will obtain all necessary title, rights of way and easements in order to operate the System.

Section 2.20 With the exception of the Outstanding Parity Bonds, the Issuer has not otherwise pledged or assigned the Revenues other than to secure and pay the Series 2017 Bonds and the Series 2017 Bonds enjoy a first lien and pledge on the Net Revenues on a parity with the Outstanding Parity Bonds.

Section 2.21 The use of the System complies with, all applicable federal, State of Utah and local laws or ordinances (including rules and regulations) relating to zoning, building, safety, wetlands preservation and environmental quality.

Section 2.22 The Issuer has duly authorized and approved the issuance of the Series 2017 Bonds, the execution and delivery of the Indenture and this Purchase Agreement.

Section 2.23 Except as described in the Preliminary Official Statement, the Issuer is in compliance with each undertaking it has entered into pursuant to Rule 15c2-12 of the Securities Exchange Commission.

### ARTICLE III

#### UNDERWRITERS' CONDITIONS

Section 3.1 The Underwriters have entered into this Purchase Agreement in reliance upon the performance by the Issuer of its obligations hereunder. The Underwriters' obligations under this Purchase Agreement are and shall be subject to the following further conditions:

(i) At the time of Closing, (1) the Official Statement, the Indenture, the Resolution, the Continuing Disclosure Undertaking and this Purchase Agreement shall be in full force and effect and shall not have been revoked, rescinded, repealed, amended, modified or supplemented, except as therein permitted or as may have been agreed to in writing by the Underwriters, and (2) the Issuer shall have duly adopted and there shall be in full force and effect such resolutions and ordinances as, in the opinion of Gilmore & Bell, P.C., bond counsel to the Issuer ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby.

(ii) The Underwriters may terminate their obligations hereunder by written notice to the Issuer if, at any time subsequent to the date hereof and on or prior to the Closing Date:

(A) Legislation shall have been enacted by the Congress, introduced in the Congress, or recommended to the Congress for passage by the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration, or (B) a decision shall have been rendered by a court established under Article III of the Constitution of the United States, or the United States Tax Court, or (C) an order, ruling, regulation, or communication (including a press release) shall have been issued by the Treasury Department of the United States or the Internal Revenue Service or (D) any action shall be taken or statement made by or on behalf of the President of the United States or the Department of Treasury or the Internal Revenue Service or any member of the United States Congress which indicates or implies that legislation will be introduced in the current or next scheduled session of the United States Congress, with the purpose or effect, directly or indirectly, of requiring the inclusion in gross income for

federal income tax purposes of interest to be received by any owners of the Series 2017 Bonds; or

(B) Legislation shall be enacted or any action shall be taken by the Securities and Exchange Commission which, in the opinion of the Underwriters, has the effect of requiring the offer or sale of the Series 2017 Bonds to be registered under the Securities Act of 1933, as amended, or any other “security,” as defined in the Securities Act of 1933, as amended, issued in connection with or as part of the issuance of the Series 2017 Bonds to be so registered or the Indenture to be qualified as an indenture under the Trust Indenture Act of 1939, as amended; or any event shall have occurred or shall exist which, in the reasonable judgment of the Underwriters, makes or has made untrue or incorrect in any respect any statement or information contained in the Official Statement or is not or was not reflected in the Official Statement but should be or should have been reflected therein in order to make the statements or information contained therein not misleading in any material respect; or

(C) In the reasonable judgment of the Underwriters, it is impractical or inadvisable for the Underwriters to market or sell or enforce agreements to sell Series 2017 Bonds because (A) trading in securities generally shall have been suspended on the New York Stock Exchange, Inc., or a general banking moratorium shall have been established by federal or the State of Utah authorities, or (B) the State of Utah shall have taken any action, whether administrative, legislative, judicial or otherwise, which would have a material adverse effect on the marketing or sale of the Series 2017 Bonds, including any action relating to (i) the tax-exempt status under Utah law of the interest to be received by any owner of the Series 2017 Bonds, or (ii) a limitation on the ability of the Issuer to fix and collect rates for the System, or (C) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency or there shall have occurred any other outbreak or escalation of hostilities or a national or international calamity or crises, financial or otherwise, (D) a war involving the United States of America shall have been declared or any other conflict involving the armed forces of the United States of America has escalated, in either case to such a magnitude as to materially adversely affect the Underwriters’ ability to market the Series 2017 Bonds, (E) there shall have occurred the declaration of a general banking moratorium by any authority of the United States or the States of New York or Utah or if any material disruption in commercial banking or securities settlement or clearance services shall have occurred; or



(D) Any financial rating assigned to the Series 2017 Bonds, or any other obligations of the Issuer, by Standard & Poor's Ratings Services ("S&P"), Fitch Ratings ("Fitch"), or Moody's Investors Service, Inc. ("Moody's"), as the case may be, shall have been downgraded, withdrawn, or any other action taken, and such action, in the opinion of the Underwriters, has a material adverse effect on the marketability of the Series 2017 Bonds; or

(E) Any litigation shall be instituted, pending or threatened (A) to restrain or enjoin the issuance, sale or delivery of the Series 2017 Bonds, (B) to restrain or enjoin the operation of the System, (C) in any way contesting or affecting any authority for or the validity of the Series 2017 Bonds, any of the proceedings of the Issuer or the Trustee taken with respect to the issuance or sale thereof, the pledge, appropriation or application of any moneys or securities provided for the payment of the Series 2017 Bonds or (D) in any way contesting or affecting the existence or powers of the Issuer or the Trustee or the titles of their officers to their respective offices; or

(F) Any other event or circumstances shall have occurred which shall be beyond the reasonable control of the Underwriters and, in the opinion of the Underwriters, might in any way have a material adverse effect on the marketability of the Series 2017 Bonds.

(iii) At or prior to the Closing, the Underwriters shall receive the following:

(A) (1) The approving opinion of Gilmore & Bell, P.C., Bond Counsel, dated the Closing Date, in substantially the form attached as Appendix E to the Official Statement and (2) the approving opinion of Issuer's Counsel, dated the closing date, in form and substance satisfactory to the Underwriters and Bond Counsel;

(B) The supplemental opinion of Gilmore & Bell, P.C., dated the Closing Date and addressed to the Underwriters, substantially in the form attached hereto as Exhibit B;

(C) The Issuer's certificate, dated the Closing Date, signed by the Mayor of the Issuer and the City Recorder of the Issuer and in form and substance satisfactory to the Underwriters and Bond Counsel, to the effect that (A) the representations of the Issuer herein are true and correct in all material respects as of the Closing Date as if made on the Closing Date; (B) no litigation is pending or, to the best of their knowledge, threatened against the Issuer (i) to restrain

or enjoin the issuance or delivery of any of the Series 2017 Bonds, the operation of the System, or the collection of Revenues under the Indenture, (ii) in any way contesting or affecting the authority for the issuance of the Series 2017 Bonds or the adoption of the Resolution or the execution and delivery of the Indenture, the Continuing Disclosure Undertaking or this Purchase Agreement, the validity or enforceability of the Series 2017 Bonds, the Indenture, the Continuing Disclosure Undertaking or this Purchase Agreement, or the excludability from gross income for federal income tax purposes of interest on the Series 2017 Bonds, (iii) questioning or challenging the power of the Issuer to own and operate the System or to fix, charge and collect rates and charges in connection therewith, or (iv) in any way contesting the organization, existence or powers of the Issuer or the titles of its officers to their respective offices, or (v) contesting or attempting to restrain or enjoining the application of the proceeds thereof or the payment, collection or application of Revenues or the pledge of Net Revenues, or of other moneys, rights and interests pledged pursuant to the Indenture or the adoption of the Resolution; (C) the descriptions and information contained in the Official Statement relating to the Issuer, its organization and financial and other affairs, the System and the application of the proceeds of sale of the Series 2017 Bonds are correct in all material respects, as of the date of the Official Statement and as of the Closing Date; (D) such descriptions and information, as of the date of the Official Statement did not, and as of the Closing Date do not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; (E) no event affecting the Issuer has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purpose for which it is to be used or that is necessary to be disclosed therein in order to make the statements and information therein not misleading in any material respect; (F) the Indenture, the Continuing Disclosure Undertaking, and this Purchase Agreement have been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the other parties thereto, the Indenture, the Continuing Disclosure Undertaking, and this Purchase Agreement constitute legal, valid and binding agreements of the Issuer enforceable in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights and by the availability of equitable remedies; (G) the Resolution has been duly adopted and has not been modified, amended or repealed; and (H) the execution and delivery of the Indenture, the Continuing Disclosure Undertaking,

and this Purchase Agreement and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under any indenture, mortgage, deed of trust, agreement or other instrument to which the Issuer is a party or any law, public administrative rule or regulation, court order or consent decree to which the Issuer is subject;

(D) Copies of each of the Resolution, the Indenture, and the Continuing Disclosure Undertaking, each duly executed by each of the parties thereto;

(E) Copies of the Tax Certificate of the Issuer, relating to matters affecting the excludability from gross income for federal income tax purposes of interest on the Series 2017 Bonds, including the use of proceeds of sale of the Series 2017 Bonds and matters relating to arbitrage rebate pursuant to Section 148 of the Code and the applicable regulations thereunder, in form and substance satisfactory to Bond Counsel;

(F) Copies of the Official Statement executed on behalf of the Issuer by the Mayor of the Issuer;

(G) Evidence satisfactory to the Underwriters that the Series 2017 Bonds have received ratings of “\_\_” and “\_\_\_” from [S&P and Moody’s], respectively;

(H) All documents, certificates and opinions required by the Indenture; and

(I) Such additional legal opinions, certificates, instruments and other documents as the Underwriters or Bond Counsel may reasonably request.

All the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriters, and the Underwriters shall have the right to waive any condition set forth in this Section.

## ARTICLE IV

### EXPENSES

All expenses and costs in connection with the authorization, issuance and sale of the Series 2017 Bonds to the Underwriters, including rating agency fees, the costs of printing of the Series 2017 Bonds, advertising costs, the costs of printing, duplicating and mailing the Preliminary Official Statement, the Official Statement, the initial fees of the Trustee in connection with the issuance of the Series 2017 Bonds, the fees and expenses of Municipal Advisor, Bond Counsel and counsel to the Issuer, verification agent fees, and travel and other expenses shall be costs and expenses of the Issuer and shall be paid by the Issuer.

The Underwriters shall pay their customary costs in connection with the sale of the Series 2017 Bonds to the Underwriters.

## ARTICLE V

### GENERAL

Section 5.1 Any notice or other communication to be given to the Underwriters under this Purchase Agreement may be given by delivering the same in writing to [Underwriter], \_\_\_\_\_; Attention: \_\_\_\_\_. Any notice or other communication to be given to the Issuer under this Purchase Agreement may be given by delivering the same in writing to Sandy City, 10000 Centennial Parkway, Sandy, Utah 84070, Attention: Mayor, with a copy thereof to Issuer's counsel, Robert Wall, Esq., at 10000 Centennial Parkway, Sandy, Utah 84070. The approval or other action or exercise of judgment by the Underwriters shall be evidenced by a writing signed on behalf of the Underwriters and delivered to the Issuer.

Section 5.2 This Purchase Agreement is made solely for the benefit of the Issuer and the Underwriters (including their respective successors or assigns) and no other person shall acquire or have any right hereunder or by virtue hereof. All the representations, warranties, covenants and agreements contained herein shall remain operative and in full force and effect and shall survive delivery of and payment of the Series 2017 Bonds hereunder and regardless of any investigation made by the Underwriters or on their behalf.

Section 5.3 This Purchase Agreement shall be governed by the laws of the State of Utah.

Section 5.4 This Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.5 The Issuer acknowledges and agrees that (i) the purchase and sale of the Series 2017 Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the Issuer and the Underwriters, (ii) in connection

therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriters are and have been acting solely as principals and are not acting as agents, advisors or fiduciaries of the Issuer, (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Issuer with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the Issuer on other matters) and the Underwriters have no obligation to the Issuer with respect to the offering contemplated hereby except the obligations expressly set forth in this Bond Purchase Agreement, (iv) the Underwriters are not acting as municipal advisors (as defined in Section 15B of the Securities Exchange Act of 1934, as amended), and (v) the Issuer consulted its own legal, financial and other advisors to the extent it deemed appropriate in connection with the offering of the Series 2017 Bonds, and (vi) the Issuer received from \_\_\_\_\_ its letter dated \_\_\_\_\_ and from \_\_\_\_\_ its letter dated \_\_\_\_\_, each addressed to the Issuer concerning the Underwriters' disclosure obligations relating to the Series 2017 Bonds under MSRB Rule G-17 and the Issuer on \_\_\_\_\_ and on \_\_\_\_\_, respectively, acknowledged receipt of such letters.

(Signature page(s) follow)

This Purchase Agreement shall become effective upon the execution by \_\_\_\_\_, as representative of the Underwriters, and the Issuer.

Very truly yours,

\_\_\_\_\_, on behalf of itself and  
\_\_\_\_\_, as the Underwriters

By: \_\_\_\_\_

Title: \_\_\_\_\_

SANDY CITY, UTAH

By: \_\_\_\_\_  
Mayor

ATTEST:

By: \_\_\_\_\_  
City Recorder

(SEAL)

SCHEDULE A

\$ \_\_\_\_\_  
SANDY CITY, UTAH  
WATER REVENUE BONDS,  
SERIES 2017

<u>Maturity Date</u> ( <u>November 15</u> )	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Yield</u>
--	-----------------------------------	--------------------------------	--------------

EXHIBIT B

(FORM OF SUPPLEMENTAL OPINION OF BOND COUNSEL)

\_\_\_\_\_, 2017

[Underwriter]

Re:    \$\_\_\_\_\_ Sandy City, Utah Water Revenue Bonds, Series 2017

We have acted as bond counsel to Sandy City, Utah (the “Issuer”) in connection with the issuance of its \$\_\_\_\_\_ aggregate principal amount of Water Revenue Bonds, Series 2017 (the “Bonds”), issued under and pursuant to a General Indenture of Trust dated April 1, 2004, as heretofore amended and supplemented (the “General Indenture”), and as further supplemented by a Third Supplemental Indenture of Trust dated as of \_\_\_\_\_ 1, 2017 (the “Third Supplemental Indenture,” and together with the General Indenture, the “Indenture”), each by and between the City and ZB, National Association, as successor trustee.

In that connection, we have examined originals, or copies certified or otherwise identified to our satisfaction, of such documents, opinions, records and other instruments as we deemed necessary or appropriate for the purpose of this opinion, including, without limitation, the Indenture, the Official Statement of the Issuer dated \_\_\_\_\_ relating to the Bonds (the “Official Statement”), and the Bond Purchase Agreement dated \_\_\_\_\_ (the “Purchase Agreement”) by and between the Issuer and \_\_\_\_\_ and \_\_\_\_\_ (together, the “Underwriter”).

In arriving at the conclusions hereinafter expressed, we are not expressing any opinion or view on, and are assuming and relying on, the validity, accuracy and sufficiency of the documents, certificates and opinions referred to above (including the accuracy of all factual matters represented and legal conclusions contained therein). We have assumed that all documents, certificates and opinions that we have reviewed, and the signatures thereto, are genuine.

Based on and subject to the foregoing, and in reliance thereon, we are of the opinion that:

1.       The Purchase Agreement has been duly authorized, executed and delivered by the Issuer.
2.       The Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.
3.       The statements in the Official Statement under the captions entitled [“THE SERIES 2017 BONDS,” “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS,” “TAX MATTERS” and “APPENDIX B—EXTRACTS OF CERTAIN



PROVISIONS OF THE INDENTURE”] insofar as such statements purport to summarize certain provisions of the Bonds and the Indenture and our firm’s opinion concerning the federal tax implications of certain aspects of the Bonds, present a fair and accurate summary or extract of such provisions and implications in all material respects.

Because the primary purpose of our professional engagement as bond counsel was not to establish factual matters and because of the wholly or partially nonlegal character of many determinations involved in the preparation of the Official Statement, we are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of any of the statements contained in the Official Statement other than those set forth in the immediately preceding paragraph above and make no representation that we have independently verified the accuracy, completeness or fairness of any such statements. However, in our capacity as bond counsel, we met in conferences with your representatives, representatives of and counsel for the Issuer, the financial advisor to the Issuer and others, during which conferences the contents of the Official Statement and related matters were discussed. Based on our participation in the above-mentioned conferences, and in reliance thereon and on the documents, certificates and opinions herein mentioned, we advise you that, during the course of our service as bond counsel, no information came to the attention of the attorneys of our firm rendering legal services in connection with such service, which caused them to believe that the Official Statement as of its date and as of the date of this opinion contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading (except that no opinion or belief is expressed as to the financial statements, numerical, financial, economic, demographic and statistical data, forecasts, charts, estimates, projections, assumptions, expressions of opinion, any information about book-entry and The Depository Trust Company, and information contained under the captions [“ESTIMATED SOURCES AND USES OF FUNDS,” “DEBT SERVICE SCHEDULE FOR THE SERIES 2017 BONDS AND THE OUTSTANDING PARITY BONDS,” “SANDY CITY,” “THE SYSTEM,” “HISTORICAL AND PROJECTED REVENUES AND DEBT SERVICE COVERAGE OF THE SYSTEM,” “DEBT STRUCTURE OF THE CITY,” “FINANCIAL INFORMATION REGARDING THE CITY,” and Appendices “A,” “C,” and “F” to the Official Statement]).

We are furnishing this letter to you solely for your benefit. No attorney-client relationship has existed or exists between our firm and you in connection with the Bonds or by virtue of this letter. We disclaim any obligation to update this letter. This letter is not to be used, circulated, quoted or otherwise referred to or relied upon for any other purpose or by any other person. This letter is not intended to be relied upon by holders of the Bonds.

Respectfully submitted,