

NOTICE OF SPECIAL MEETING

TO THE MEMBERS OF THE BOARD OF DIRECTORS OF THE REDEVELOPMENT AGENCY OF SANDY CITY, UTAH:

NOTICE IS HEREBY GIVEN that a special meeting of the Board of Directors (the “Board”) of the Redevelopment Agency of Sandy City, Utah (the “Agency”) will be held at the Board’s regular meeting place at 5:15 p.m. or as soon thereafter as possible following the City Council meeting on October 19, 2021, for the purpose of authorizing the issuance and sale of the Agency’s Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021, and for the transaction of such other business incidental to the foregoing as may come before said meeting.

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Secretary

ACKNOWLEDGMENT OF NOTICE  
AND CONSENT TO SPECIAL MEETING

We, the Chair and Boardmembers of the Board of Directors of the Redevelopment Agency of Sandy City, Utah, do hereby acknowledge receipt of the foregoing Notice of Special Meeting, and we hereby waive any and all irregularities, if any, in such notice and in the manner of service thereof upon us and consent and agree to the holding of such special meeting at the time and place specified in said notice, and to the transaction of any and all business which may come before said meeting.

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Chair

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Boardmember

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Boardmember

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Boardmember

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Boardmember

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Boardmember

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Boardmember

Sandy, Utah

October 19, 2021

The Board of Directors (the “Board”) of the Redevelopment Agency of Sandy City, Utah (the “Agency”), met in special public session at the regular meeting place of the Board in Sandy, Utah, on October 19, 2021, at the hour of 5:15 p.m. or as soon thereafter as possible following the City Council meeting, with the following members of the Board being present:

Alison Stroud	Chair
Brooke Christensen	Boardmember
Kristin Coleman-Nicholl	Boardmember
Marci Houseman	Boardmember
Zach Robinson	Boardmember
Cyndi Sharkey	Boardmember
Monica Zoltanski	Boardmember

Also present:

Kurt Bradburn	Executive Director
Cyndie Nell	Secretary

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this Resolution had been discussed, the following Resolution was introduced in written form along with a Certificate of Compliance with Open Meeting Law with respect to this October 19, 2021, meeting, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in writing, was fully discussed, and pursuant to motion duly made by Boardmember \_\_\_\_\_ and seconded by Boardmember \_\_\_\_\_, was adopted by the following vote:

AYE:

NAY:

The resolution was then signed by the Chair and recorded in the official records of the Agency. The Resolution is as follows:

RESOLUTION NO. RD 21-06

A RESOLUTION OF THE BOARD OF DIRECTORS (THE “BOARD”) OF THE REDEVELOPMENT AGENCY OF SANDY CITY, UTAH (THE “AGENCY”), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$18,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS TRANSIENT ROOM TAX AND SALES TAX REVENUE REFUNDING BONDS, SERIES 2021 (THE “SERIES 2021 BONDS”); FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE AGENCY THE AUTHORITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE SERIES 2021 BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE PUBLICATION OF A NOTICE OF INTERLOCAL AGREEMENT AND BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AUTHORIZING THE USE AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT; AUTHORIZING AND APPROVING THE EXECUTION OF A GENERAL INDENTURE OF TRUST, A SUPPLEMENTAL INDENTURE, A SALES TAX INTERLOCAL PLEDGE AND LOAN AGREEMENT, A BOND PURCHASE AGREEMENT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AND RELATED MATTERS.

WHEREAS, the Agency is a redevelopment agency (a public body, corporate and politic) duly created, established, and authorized to transact business and exercise its powers, pursuant to the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C, Utah Code Annotated 1953, as amended (the “Redevelopment Act”) and to refund its outstanding bonds pursuant to the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the “Refunding Bond Act” and together with the Redevelopment Act, the “Act”); and

WHEREAS, a community development plan for the Agency’s 9400 South Community Development Project Area (the “Project Area”) has heretofore been adopted and approved and all requirements of law for, and precedent to, the adoption and approval of said plan have been duly complied with; and

WHEREAS, in order to achieve a debt service savings, the Agency has determined that it would be in furtherance of its public purposes to issue its Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021 (to be issued in one or more series and with such other series or title designation as may be determined by the Agency) (the “Series 2021 Bonds”) in an amount not to exceed Eighteen Million Dollars (\$18,000,000), to provide funds to (a) refund outstanding bonds or other obligations

related to the Project Area (the “Refunded Bonds”), (b) fund a debt service revenue fund, if necessary, and (c) pay costs associated with the issuance of the Series 2021 Bonds; and

WHEREAS, the Series 2021 Bonds shall be issued pursuant to a General Indenture of Trust, as supplemented by a Supplemental Indenture, each by and between the Agency and a trustee (collectively, the “Indenture”), in substantially the form attached hereto as Exhibit B and a related Sales Tax Interlocal Pledge and Loan Agreement (the “Interlocal Agreement”) between the Agency and Sandy City, Utah (the “City”) in substantially the form attached hereto as Exhibit E; and

WHEREAS, pursuant to the Interlocal Agreement, the Agency may receive certain sales tax revenues from the City (the “Sales Tax Revenues”) and the Agency desires to pledge the Sales Tax Revenues to the payment of the Series 2021 Bonds issued hereunder; and

WHEREAS, it is the intent of the Agency that the Series 2021 Bonds shall be payable primarily from the transient tax revenues received by the Agency (the “TRT Revenues”) pursuant to an interlocal cooperation agreement dated as of May 8, 2007, between the City and the GOED, acting on behalf of the State; and

WHEREAS, in the event the TRT Revenues and other amounts available under the Indenture are insufficient to pay debt service on the Series 2021 Bonds in any given year, the Agency shall use Sales Tax Revenues available under the Interlocal Agreement to cover such shortfall; and

WHEREAS, there has been presented to the Board at this meeting a form of a bond purchase agreement (the “Bond Purchase Agreement”) to be entered into between the Agency and the purchaser or underwriter selected by the Agency for the Series 2021 Bonds (the “Purchaser/Underwriter”), in substantially the form attached hereto as Exhibit C; and

WHEREAS, in the event that the Designated Officers (as defined herein) determine that it is in the best interests of the Agency to publicly offer all or a portion of the Series 2021 Bonds, the Agency desires to authorize the use and distribution of a Preliminary Official Statement (the “Preliminary Official Statement”) in substantially the form attached hereto as Exhibit D, and to approve a final Official Statement (the “Official Statement”) in substantially the form as the Preliminary Official Statement, and other documents relating thereto; and

WHEREAS, the Agency desires to publish a Notice of Interlocal Agreement and Bonds to be Issued with respect to the Interlocal Agreement and Series 2021 Bonds in compliance with the Act; and

WHEREAS, in order to allow the Agency (with the consultation and approval of the Agency’s financial advisor, Lewis Young Robertson & Burningham (the “Financial Advisor”)) flexibility in setting the pricing date of the Series 2021 Bonds to minimize debt service costs to the Agency, the Board desires to grant to any two of the following: the Chair, the Executive Director, the City’s Finance Director or the City’s Assistant

Finance Director (the “Designated Officers”), who may act on behalf of the Board, the authority to select the Purchaser/Underwriter, approve the final interest rates, principal amounts, terms, maturities, redemption features, and purchase price at which the Series 2021 Bonds shall be sold, to determine whether all or a portion of the Series 2021 Bonds should be sold pursuant to a private placement or a public offering (including via a negotiated underwriter or public bid), and any changes with respect thereto from those terms which were before the Board at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the “Parameters”).

NOW, THEREFORE, it is hereby resolved by the Board of Directors of the Redevelopment Agency of Sandy City, Utah, as follows:

Section 1. All terms defined in the foregoing recitals hereto shall have the same meanings when used herein.

Section 2. For the purpose of (a) refunding the Refunded Bonds, (b) funding a deposit to a debt service reserve fund, if necessary, and (c) paying costs of issuance of the Series 2021 Bonds, the Agency hereby authorizes the issuance of the Series 2021 Bonds which shall be designated “Redevelopment Agency of Sandy City, Utah Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021” (to be issued from time to time as one or more series and with such other series or title designation as may be determined by the Agency) in the initial aggregate principal amount of not to exceed Eighteen Million Dollars (\$18,000,000). The Series 2021 Bonds shall mature in not more than seven (7) years from their date or dates, shall be sold at a price not less than ninety-seven percent (97.00%) of the total principal amount thereof, shall bear interest at a net effective rate of not to exceed five percent (5.00%) per annum, as shall be approved by the Designated Officers, all within the Parameters set forth herein. The issuance of the Series 2021 Bonds shall be subject to the final approval of Gilmore & Bell, P.C., Bond Counsel to the Agency, and to the approval of the attorney for the Agency.

Section 3. The final interest rate or rates for the Series 2021 Bonds shall be set by the Designated Officers, in consultation with the Financial Advisor, at the rate or rates which, taking into account the purchase price offered by the Purchaser/Underwriter of the Series 2021 Bonds, will, in the opinion of the Designated Officers and the Financial Advisor result in the lowest cost of funding reasonably achievable given the manner of offering the Series 2021 Bonds at the time of the sale of the Series 2021 Bonds. The approval of the Designated Officers shall be evidenced by the execution of the Bond Purchase Agreement.

Section 4. The Indenture, the Bond Purchase Agreement and the Interlocal Agreement in substantially the forms presented to this meeting and attached hereto as Exhibits B, C and E, respectively, are hereby authorized, approved, and confirmed. The Executive Director and Secretary are hereby authorized to execute and deliver the Indenture, the Bond Purchase Agreement and the Interlocal Agreement in substantially the forms and with substantially the content as the forms presented at this meeting for and on behalf of the Agency, with final terms as may be established by the Designated

Officers, in consultation with the Financial Advisor, within the Parameters set forth herein, and with such alterations, changes or additions as may be necessary or as may be authorized by Section 6 hereof. The Designated Officers are each hereby authorized to select the Purchaser/Underwriter and to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2021 Bonds for and on behalf of the Agency, provided that such terms are within the Parameters set by this Resolution.

Section 5. Should the Designated Officers determine to have the Series 2021 Bonds underwritten, the Agency hereby authorizes the utilization of the Preliminary Official Statement, in the form attached hereto as Exhibit D, in the marketing of the Series 2021 Bonds and hereby approves the Official Statement in substantially the same form as the Preliminary Official Statement.

Section 6. The Designated Officers and other appropriate officials of the Agency are authorized to make any alterations, changes or additions to the Indenture, the Series 2021 Bonds, the Bond Purchase Agreement, the Interlocal Agreement, the Preliminary Official Statement, the Official Statement, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2021 Bonds (within the Parameters set by this Resolution), to conform to any applicable bond insurance or reserve instrument or to remove the same, to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution or any resolution adopted by the Board or the provisions of the laws of the State of Utah or the United States.

Section 7. The form, terms, and provisions of the Series 2021 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Executive Director and Secretary are hereby authorized and directed to execute and seal the Series 2021 Bonds and to deliver said Series 2021 Bonds to the Trustee for authentication. The signatures of the Executive Director and Secretary may be by facsimile or manual execution.

Section 8. The Executive Director and Secretary and other appropriate officials of the Agency are hereby authorized and directed to execute and deliver to the Trustee the written order of the Agency for authentication and delivery of the Series 2021 Bonds in accordance with the provisions of the Indenture.

Section 9. Upon their issuance, the Series 2021 Bonds will constitute special limited obligations of the Agency payable solely from and to the extent of the sources set forth in the Series 2021 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2021 Bonds, or any other instrument, shall be construed as creating a general obligation of the Agency, or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Agency or its taxing powers.

Section 10. The Designated Officers and other appropriate officials of the Agency, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Agency any or all additional certificates, documents and other papers (including, without limitation, any escrow deposit agreements, insurance or reserve instrument guaranty agreements permitted by the Indenture) and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 11. After the Series 2021 Bonds are delivered by the Trustee to the Purchaser/Underwriter, and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Series 2021 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 12. In accordance with the provisions of the Act, the Secretary shall cause the following “Notice of Interlocal Agreement and Bonds to be Issued” to be (i) published one (1) time in The Salt Lake Tribune, a newspaper of general circulation in the City, (ii) posted on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, and (iii) posted on the Utah Legal Notices website ([www.utahlegals.com](http://www.utahlegals.com)) created under Section 45-1-101, Utah Code Annotated 1953, as amended, and shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the Secretary’s office in Sandy, Utah, for public examination during the regular business hours of the Board until at least thirty (30) days from and after the date of publication thereof. The “Notice of Interlocal Agreement and Bonds to be Issued” shall be in substantially the following form:

## NOTICE OF INTERLOCAL AGREEMENT AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C, Utah Code Annotated 1953, as amended and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, that on October 19, 2021, the Board of Directors (the “Board”) of the Redevelopment Agency of Sandy City, Utah (the “Agency”) adopted a resolution (the “Resolution”) authorizing the issuance and sale of the Agency’s Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021 (to be issued in one or more series from time to time and with such other series or title designation as may be determined by the Agency) (the “Bonds”).

### PURPOSE FOR ISSUING THE BONDS

The Bonds will be issued for the purpose of (a) refunding outstanding bonds or other obligations (the “Refunded Bonds”) related to the Agency’s 9400 South Community Development Project Area, (b) funding a debt service revenue fund, if necessary, and (c) paying costs associated with the issuance of the Bonds.

### REVENUES PROPOSED TO BE PLEDGED

The Bonds shall constitute special limited obligations of the Issuer and, except as otherwise provided in the herein referenced Indenture, are secured by an irrevocable pledge of, and shall be payable as to principal, premium, if any, and interest solely from transient room tax revenues received by the Agency (the “TRT Revenues”) and sales tax revenues received from and pledged by Sandy City, Utah.

### INTERLOCAL AGREEMENT

The Agency and Sandy City, Utah (the “City”) have approved a Sales Tax Interlocal Pledge and Loan Agreement (the “Interlocal Agreement”). The Interlocal Agreement provides that the City will loan the Agency local sales and use tax revenues to the extent debt service on the Bonds exceed available TRT Revenues and other amounts available to the Agency, plus any additional payment obligations of the Agency, under the Indenture (defined herein), including the obligation to replenish any reserve funds or to deposit amounts to any reserve instrument fund thereunder, if necessary. The term of the Interlocal Agreement shall commence upon the issuance of the Bonds and unless amended, shall terminate 50 years from such date.

### PARAMETERS OF THE BONDS

The Agency intends to issue its Bonds in the aggregate principal amount of not more than Eighteen Million Dollars (\$18,000,000), to mature in not more than seven (7) years from their date or dates, to be sold at a price not less than ninety-seven percent (97%) of the total principal amount thereof, and to bear interest at a net effective rate of not to exceed five percent (5.0%) per annum. The Bonds are to be issued and sold by the





Section 13. The Agency hereby reserves the right to opt not to issue all or any portion of the Series 2021 Bonds for any reason.

Section 14. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

APPROVED AND ADOPTED this October 19, 2021.

REDEVELOPMENT AGENCY OF  
SANDY CITY, UTAH

(SEAL)

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

ATTEST:

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

PRESENTATION TO THE EXECUTIVE DIRECTOR

The foregoing resolution was presented to the Executive Director for approval or disapproval on October 19, 2021.

\_\_\_\_\_  
Chair

EXECUTIVE DIRECTOR'S APPROVAL OR DISAPPROVAL

The foregoing resolution is hereby approved this October 19, 2021.

\_\_\_\_\_  
Executive Director

(Other business not pertinent to the foregoing appears in the minutes of the meeting.)

Upon the conclusion of all business on the Agenda, the meeting was adjourned.

(SEAL)

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

ATTEST:

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

STATE OF UTAH                    )  
  : ss.  
COUNTY OF SALT LAKE    )

I, the duly appointed and qualified Secretary of the Redevelopment Agency of Sandy City, Utah (the “Agency”), do hereby certify according to the records of said Agency in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the Board of Directors held on October 19, 2021, including a resolution (the “Resolution”) adopted at said meeting as said minutes and Resolution are officially of record in my possession.

I further certify that the Resolution, with all exhibits attached, was deposited in my office on October 19, 2021, and that pursuant to the Resolution, there was published a Notice of Interlocal Agreement and Bonds to be Issued (a) one time in The Salt Lake Tribune, a newspaper having general circulation in Sandy City, Utah, with the affidavit of such publication attached hereto upon availability, (b) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, and (c) on the Utah Legal Notices website ([www.utahlegals.com](http://www.utahlegals.com)) created under Section 45-1-101, Utah Code Annotated 1953, as amended.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said Agency, this October 19, 2021.

(SEAL)

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

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH  
OPEN MEETING LAW

I, the undersigned Secretary of the Redevelopment Agency of Sandy City, Utah (the "Agency"), do hereby certify, according to the records of the Agency in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, there was not less than twenty-four (24) hours public notice of the agenda, date, time and place of the October 19, 2021, public meeting held by the Agency as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the Agency's principal offices at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(a) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted on the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting; and

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to The Salt Lake Tribune pursuant to its subscription to the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting.

The Agency meets on "as needed" basis.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this October 19, 2021.

(SEAL)

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

SCHEDULE 1

NOTICE OF MEETING

(attach Proof of Publication of  
Notice of Interlocal Agreement and Bonds to be Issued)



EXHIBIT B

FORM OF INDENTURE

FIRST SUPPLEMENTAL INDENTURE

By and Between

REDEVELOPMENT AGENCY OF SANDY CITY, UTAH

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION  
as Trustee

Relating to:

REDEVELOPMENT AGENCY OF SANDY CITY, UTAH

\$ \_\_\_\_\_  
TRANSIENT ROOM TAX AND SALES TAX REVENUE REFUNDING BONDS,  
SERIES 2021

Dated as of \_\_\_\_\_ 1, 2021

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## FIRST SUPPLEMENTAL INDENTURE

This First Supplemental Indenture, dated as of \_\_\_\_\_ 1, 2021, by and between the Redevelopment Agency of Sandy City, Utah (the “Agency”) and Zions Bancorporation, National Association, as trustee, a national banking association organized under the laws of the United States and authorized to accept and execute trusts of the character herein set out (the “Trustee”).

### WITNESSETH:

WHEREAS, the Agency has entered into a General Indenture of Trust, dated as of \_\_\_\_\_ 1, 2021 (the “General Indenture”) with the Trustee; and

WHEREAS, a redevelopment plan for the project area known and designated as the 9400 South Community Development Project Area (the “Project Area”) has heretofore been adopted and approved and all requirements of law for, and precedent to, the adoption and approval of said plan has been duly complied with; and

WHEREAS, the Agency has previously entered into a General Indenture of Trust, dated as of August 1, 2007, as supplemented and amended (the “Senior General Indenture”) with the Trustee and previously issued its Transient Room Tax Revenue Bonds, Series 2007A, in the total principal amount of \$27,000,000 (the “Series 2007A Bonds”); and

WHEREAS, the Agency has previously entered into a Subordinate General Indenture of Trust, dated as of August 1, 2007, as supplemented and amended (the “Senior General Indenture”) with the Trustee and previously issued its Subordinated Transient Room Tax and Annual Contribution Revenue Bonds, Series 2007B, in the total principal amount of \$8,000,000 (the “Series 2007B Bonds”); and

WHEREAS, to achieve a debt service savings, the Agency desires to refund all of the outstanding Series 2007A Bonds and Series 2007B Bonds (the “Refunded Bonds”), and thereby refinance improvements in the Project Area; and

WHEREAS to (a) refund the Refunded Bonds and (b) pay the costs of issuance of the Series 2021 Bonds herein authorized, the Agency has determined to issue its Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021 in the aggregate principal amount of \$ \_\_\_\_\_ (the “Series 2021 Bonds”); and

WHEREAS, pursuant to the provisions of the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the “Act”) and the General Indenture, the Agency has authority to issue bonds for the purposes set forth above; and

WHEREAS, the Series 2021 Bonds will be authorized, issued, and secured under the General Indenture, as amended and supplemented by this First Supplemental Indenture (collectively with the Trust Indenture, and any amendments thereto or hereto, the “Indenture”); and

WHEREAS, the Series 2021 Bonds will be secured by certain Allocated Taxes and Sales and Use Tax Revenues, all as more fully described in the General Indenture; and

WHEREAS, the execution and delivery of the Series 2021 Bonds and of the Indenture have been duly authorized and all things necessary to make the Series 2021 Bonds, when executed by the Agency and authenticated by the Trustee, valid and binding legal obligations of the Agency and to make this First Supplemental Indenture a valid and binding agreement, have been done.

NOW, THEREFORE, for and in consideration of the premises and the mutual promises and covenants herein contained, the parties hereto agree as follows:

## ARTICLE I

### SHORT TITLE, DEFINITIONS AND AUTHORITY

Section 1.1 Short Title. This First Supplemental Indenture shall be known as and may be designated by the short title “First Supplemental Indenture” (the “First Supplemental Indenture”).

Section 1.2 Definitions. All words and phrases defined in Section 1.2 of the General Indenture (defined below) shall have the same meaning in this First Supplemental Indenture, except as otherwise appears in this Section. In addition, the following terms shall have the following meanings, unless the content otherwise requires:

“Authorized Denominations” means, with respect to the Series 2021 Bonds, \$1,000 or any integral multiple thereof.

“Cede” means Cede & Co. and any substitute nominee of DTC who becomes the registered Bondholder.

“DTC” means The Depository Trust Company, New York, New York, a limited-purpose trust company organized under the laws of the State of New York.

“General Indenture” or “Indenture” means the General Indenture by and between the Trustee and the Agency dated as of even date herewith.

“Interest Payment Date” means, with respect to the Series 2021 Bonds, each \_\_\_\_\_ and \_\_\_\_\_, commencing \_\_\_\_\_.

“Purchaser” means \_\_\_\_\_.

“Record Date” means, with respect to the Series 2021 Bonds, the 15th day of the month next preceding any Interest Payment Date for the Series 2021 Bonds.

“Refunded Bonds” means, collectively, the Series 2007A Bonds and the Series 2007B Bonds.

“Series 2007A Bonds” means the Agency’s Transient Room Tax Revenue Bonds, Series 2007A.

“Series 2007B Bonds” means the Agency’s Subordinated Transient Room Tax and Annual Contribution Revenue Bonds, Series 2007B.

“Series 2021 Bonds” means the series of Bonds authorized by Section 2.1 of this First Supplemental Indenture and titled “Redevelopment Agency of Sandy City, Utah Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021.”

“Series 2021 Debt Service Reserve Account” means the account established within the Debt Service Reserve Fund under the General Indenture held by the Trustee with respect to the Series 2021 Bonds.

“Series 2021 Debt Service Reserve Requirement” means, with respect to the Series 2021 Bonds, \$\_\_\_\_\_. [The Series 2021 Debt Service Reserve Requirement shall initially be funded with the Series 2021 Reserve Instrument.]

ARTICLE II

AUTHORIZATION, TERMS AND ISSUANCE OF SERIES 2021 BONDS

Section 2.1 Principal Amount, Designation and Series. Pursuant to the provisions of the General Indenture and this First Supplemental Indenture, Bonds entitled to the benefit, protection and security of the General Indenture are hereby authorized in the aggregate principal amount of \$ \_\_\_\_\_ and shall be designated as and shall be distinguished from the Bonds of all other Series by the title, “Redevelopment Agency of Sandy City, Utah Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021.”

Section 2.2 Purposes. The Series 2021 Bonds are issued for the purpose of (i) refunding the Refunded Bonds and (ii) paying issuance expenses to be incurred in connection with the issuance and sale of the Series 2021 Bonds.

Section 2.3 Date, Maturities, and Interest Rates. The Series 2021 Bonds shall be dated as of the Dated Date, and shall mature on the dates and in the amounts and shall bear interest from the Interest Payment Date next preceding their date of authentication thereof unless authenticated as of an Interest Payment Date, in which event such Bonds shall bear interest from such date, or unless such Bonds are authenticated prior to the first Interest Payment Date, in which event such Bonds shall bear interest from their dated date or unless, as shown by the records of the Trustee, interest on the Series 2021 Bonds shall be in default, in which event such Bonds shall bear interest from the date to which interest has been paid in full, or unless no interest shall have been paid on such Bonds, in which event such Bonds shall bear interest from their dated date, payable on each Interest Payment Date at the rates per annum as set forth below:

Maturity Date	Principal	Interest Rate
( 1)	<u>Amount</u>	

Interest on the Series 2021 Bonds shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 2.4 Form, Denomination, Numbers and Letters. The Series 2021 Bonds shall be issued in the form of fully registered bonds without coupons, in substantially the form set forth as Exhibit A. The Series 2021 Bonds shall be issued in the Authorized Denominations and shall be numbered separately from 1 upward preceded by the letter prefixed to the number.

Section 2.5 Redemption of Series 2021 Bonds.

(a) Optional Redemption of Series 2021 Bonds. The Series 2021 Bonds maturing (or subject to mandatory redemption) on or after \_\_\_\_\_, are subject to call and redemption prior to maturity on any date on or after \_\_\_\_\_, in



whole or in part, from such maturities or parts thereof as may be selected by the Agency and by lot within each maturity if less than the full amount of any maturity is to be redeemed at a redemption price equal to 100% of the principal amount of the Series 2021 Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

(b) Mandatory Sinking Fund Redemption of Series 2021 Bonds. The Series 2021 Bonds maturing on \_\_\_\_\_ are subject to mandatory sinking fund redemption at a price of 100% of the principal amount thereof plus accrued interest to the redemption date on the dates and in the principal amounts as follows:

Redemption Date (_____)	Principal <u>Amount</u>
----------------------------	----------------------------

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\*Final Maturity

To the extent that a mandatory sinking fund redemption results in the reduction in aggregate Principal amount of the Series 2021 Bonds Outstanding, a Registered Owner shall not be required to submit its Series 2021 Bond certificate to the Trustee for payment and shall instead make an appropriate notation on such Series 2021 Bond certificate indicating the date and amounts of such redemption in Principal, except in the case of final maturity, in which case the certificate must be presented to the Trustee prior to payment. The Trustee’s records shall govern in the case of discrepancy with the noted schedule on the Series 2021 Bonds, absent manifest error.

Section 2.6 Book-Entry System. (a) Except as provided in paragraphs (b) and (c) of this Section 2.6 the Registered Owner of all Series 2021 Bonds shall be, and the Series 2021 Bonds shall be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (together with any substitute securities depository appointed pursuant to paragraph (c)(ii) of this Section 2.6, “DTC”). Payment of the interest on any Series 2021 Bond shall be made in accordance with the provisions of this Thirteenth Supplemental Indenture to the account of Cede on the Interest Payment Dates for the Series 2021 Bonds at the address indicated for Cede in the registration books of the Bond Registrar.

(b) The Series 2021 Bonds shall be initially issued in the form of a separate single fully registered Bond in the amount of each separate stated maturity of the Series 2021 Bonds. Upon initial issuance, the ownership of each such Series 2021 Bond shall be registered in the registration books of the Agency kept by the Registrar, in the name of Cede, as nominee of DTC. With respect to Series 2021 Bonds so registered in the name of Cede, the Agency, Registrar and any Paying Agent shall have no responsibility or obligation to any DTC participant or to any beneficial owner of any of such Series 2021 Bonds. Without limiting the immediately preceding sentence, the Agency, Registrar and any Paying Agent shall

have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC participant with respect to any beneficial ownership interest in the Series 2021 Bonds, (ii) the delivery to any DTC participant, beneficial owner or other person, other than DTC, of any notice with respect to the Series 2021 Bonds, including any notice of redemption, or (iii) the payment to any DTC participant, beneficial owner or other person, other than DTC, of any amount with respect to the principal or redemption price of, or interest on, any of the Series 2021 Bonds. The Agency, the Bond Registrar and any Paying Agent may treat DTC as, and deem DTC to be, absolute owner of each Series 2021 Bond for all purposes whatsoever, including (but not limited to) (1) payment of the principal or redemption price of, and interest on, each Series 2021 Bond, (2) giving notices of redemption and other matters with respect to such Series 2021 Bonds and (3) registering transfers with respect to such Bonds. So long as the Series 2021 Bonds are registered in the name of Cede & Co., the Paying Agent shall pay the principal or redemption price of, and interest on, all Series 2021 Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to satisfy fully and discharge the Agency's obligations with respect to such principal or redemption price, and interest, to the extent of the sum or sums so paid. Except as provided in paragraph (c) of this Section 2.6, no person other than DTC shall receive a Bond evidencing the obligation of the Agency to make payments of principal or redemption price of, and interest on, any such Bond pursuant to this First Supplemental Indenture. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of this First Supplemental Indenture, the word "Cede" in this First Supplemental Indenture shall refer to such new nominee of DTC.

(c) Except as provided in paragraph (d)(iii) of this Section 2.6, and notwithstanding any other provisions of this First Supplemental Indenture, the Series 2021 Bonds may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

(d) (i) DTC may determine to discontinue providing its services with respect to the Series 2021 Bonds at any time by giving written notice to the Agency, the Registrar, and the Paying Agent, which notice shall certify that DTC has discharged its responsibilities with respect to the Series 2021 Bonds under applicable law.

(ii) The Agency, in its sole discretion and without the consent of any other person, may, by notice to the Registrar, terminate the services of DTC with respect to the Series 2021 Bonds if the Agency determines that the continuation of the system of book-entry-only transfers through DTC is not in the best interests of the beneficial owners of the Series 2021 Bonds or the Agency; and the Agency shall, by notice to the Registrar, terminate the services of DTC with respect to the Series 2021 Bonds upon receipt by the Agency, the Registrar, and the Paying Agent of written notice from DTC

to the effect that DTC has received written notice from DTC participants having interests, as shown in the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then outstanding Series 2021 Bonds to the effect that: (1) DTC is unable to discharge its responsibilities with respect to the Series 2021 Bonds; or (2) a continuation of the requirement that all of the outstanding Series 2021 Bonds be registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC, is not in the best interests of the beneficial owners of the Series 2021 Bonds.

(iii) Upon the termination of the services of DTC with respect to the Series 2021 Bonds pursuant to subsection (d)(ii)(2) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Series 2021 Bonds pursuant to subsection (d)(i) or subsection (d)(ii)(1) hereof the Agency may within 90 days thereafter appoint a substitute securities depository which, in the opinion of the Agency, is willing and able to undertake the functions of DTC hereunder upon reasonable and customary terms. If no such successor can be found within such period, the Series 2021 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC. In such event, the Agency shall execute and the Registrar shall authenticate Series 2021 Bond certificates as requested by DTC of like principal amount, maturity and Series, in authorized denominations to the identifiable beneficial owners in replacement of such beneficial owners' beneficial interest in the Series 2021 Bonds.

(iv) Notwithstanding any other provision of this First Supplemental Indenture to the contrary, so long as any Series 2021 Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal or redemption price of, and interest on, such Series 2021 Bond and all notices with respect to such Series 2021 Bond shall be made and given, respectively, to DTC.

(v) In connection with any notice or other communication to be provided to Holders of Series 2021 Bonds registered in the name of Cede pursuant to this First Supplemental Indenture by the Agency or the Registrar with respect to any consent or other action to be taken by such Holders, the Agency shall establish a record date for such consent or other action by such Holders and give DTC notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

## Section 2.7 Perfection of Security Interest.

(a) The Indenture creates a valid and binding pledge and assignment of security interest in all of the Pledged Revenues pledged under the Indenture in favor of the Trustee as security for payment of the Series 2021 Bonds, enforceable by the Trustee in accordance with the terms thereof.

(b) Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-501, Utah Code Annotated 1953, as amended, and is and shall have priority as against all parties having claims of any kind in tort, contract, or otherwise hereafter imposed on the Pledged Revenues.

Section 2.8 Series 2021 Bonds as Initial Bonds. The Series 2021 Bonds are issued as the Initial Bonds under the General Indenture.

## ARTICLE III

### ACCOUNTS; APPLICATION OF PROCEEDS

Section 3.1 Creation of Accounts. Within the Funds established pursuant to Article III of the General Indenture, there are hereby created the following Accounts:

(a) [Within the Debt Service Reserve Fund, a Series 2021 Debt Service Reserve Account; and

(b) Within the Rebate Fund, a Series 2021 Rebate Account to be held by the Trustee.]

Section 3.2 Disposition of Series 2021 Bond Proceeds. The proceeds from the sale of the Series 2021 Bonds in the amount of \$\_\_\_\_\_ (constituting the aggregate principal amount of the Series 2021 Bonds, plus a reoffering premium of \$\_\_\_\_\_, less a Purchaser's discount of \$\_\_\_\_\_) shall be deposited as follows:

(a) An amount equal to \$\_\_\_\_\_ shall be deposited into the Series 2021 Cost of Issuance Account; and

(b) An amount equal to \$\_\_\_\_\_ shall be deposited into the bond fund for the Series 2007A Bonds and used to redeem the Series 2007A Bonds on \_\_\_\_\_ (the "Redemption Date") and an amount equal to \$\_\_\_\_\_ shall be deposited into the Bond Fund for the Series 2007B Bonds and used to redeem the Series 2007B Bonds on the Redemption Date.

Section 3.3 Creation and Operation of Series 2021 Cost of Issuance Account. A Series 2021 Cost of Issuance Account is hereby created to be held by the Trustee. Moneys in such Account shall be used to pay costs of issuance of the Series 2021 Bonds. Costs of issuance shall be paid by the Trustee from the Series 2021 Cost of Issuance Account upon receipt from the Agency of an executed Cost of Issuance Disbursement Request by an Authorized Representative in substantially the form of Exhibit B attached hereto. Any unexpended balances remaining in the Series 2021 Cost of Issuance Account [60] days after delivery of the Series 2021 Bonds shall be paid to the Agency.

Section 3.4 Series 2021 Debt Service Reserve Account. [The Series 2021 Debt Service Reserve Requirement shall be fully funded by the Series 2021 Reserve Instrument.]

Section 3.5 Refunding of Refunded Bonds. The Agency has irrevocably elected to redeem the Refunded Bonds on the Redemption Date, at a redemption price equal to one hundred percent (100%) of the principal amount of each Refunded Bond to be so redeemed, plus accrued interest thereon to the Redemption Date. The Trustee hereby certifies that the amounts deposited in Section 3.2(b) herein shall be sufficient to accomplish such redemption of the Refunded Bonds on the Redemption Date.

Section 3.6 Certain Tax Covenants. Unless otherwise approved by Supplemental Indenture, the Series 2021 Bonds are not "private activity bonds" within the

meaning of Section 141 of the Code and neither (i) the private business use test and private payment test of Section 141 of the Code or (ii) the private loan financing test will be met, as used in Section 141 of the Code. Neither principal nor interest on the Series 2021 Bonds shall be paid from any proceeds from the sale, lease or other disposition of property in the Redevelopment Project Area nor shall the payment of such principal, premium, if any, or interest be, directly or indirectly or under the terms of any underlying arrangement, (a) secured by any interest in property used or to be used for a private business use or payments in respect of such property or (b) derived from payments in respect of property, or borrowed money, used or to be used for a private business use, within the meaning of Section 141(b)(6) of the Code and the Regulations.

## ARTICLE IV

### MISCELLANEOUS

Section 4.1 First Supplemental Indenture Construed with General Indenture. All of the provisions of this First Supplemental Indenture shall be deemed to be and construed as part of the General Indenture to the same extent as if fully set forth therein.

Section 4.2 General Indenture as Supplemented to Remain in Effect. Save and except as herein supplemented by this First Supplemental Indenture, the General Indenture shall remain in full force and effect.

Section 4.3 Execution in Counterparts. This First Supplemental Indenture may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original; but such counterparts shall together constitute but one and the same instrument.

Section 4.4 Severability. If any section, paragraph, clause or provision of this First Supplemental Indenture shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this First Supplemental Indenture.

Section 4.5 Governing Law. This First Supplemental Indenture shall be construed in accordance with the laws of the State of Utah.

Section 4.6 Further Assurances. At any and all times the Agency, so far as it may be authorized by law, shall make, do, execute, acknowledge and deliver, all and every such further acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, pledging, assigning and confirming all and singular the rights, Pledged Revenues and other moneys, securities and property, pledged or assigned by this Indenture, or intended so to be, or which the Agency may become bound to pledge or assign.

Section 4.7 Headings for Convenience Only. The description headings in this Second Supplemental Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 4.8 Effective Date. This First Supplemental Indenture shall become effective immediately upon its execution and delivery.

IN WITNESS WHEREOF, the undersigned Chair and Secretary of the Redevelopment Agency of Sandy City, Utah and the undersigned officers of the Trustee have hereunto executed this First Supplemental Indenture as of the date first written above.

REDEVELOPMENT AGENCY OF  
SANDY CITY, UTAH

By \_\_\_\_\_  
Chair

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

(SEAL)

ZIONS BANCORPORATION,  
NATIONAL ASSOCIATION

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



EXHIBIT A

SERIES 2021 BOND FORM

Unless this certificate is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA  
STATE OF UTAH  
REDEVELOPMENT AGENCY OF SANDY CITY, UTAH  
TRANSIENT ROOM TAX AND SALES TAX REVENUE REFUNDING BONDS,  
SERIES 2021

No. R- \_\_\_\_\_ \$ \_\_\_\_\_

<u>INTEREST</u> <u>RATE</u>	<u>DATED</u> <u>DATE</u>	<u>MATURITY</u> <u>DATE</u>	CUSIP
_____	_____	_____	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: \_\_\_\_\_

The Redevelopment Agency of Sandy City, Utah (hereinafter sometimes called the "Agency"), a public body corporate and politic, duly organized and existing under the laws of the State of Utah, for value received, hereby promises to pay (but solely from the funds hereinafter mentioned) to the Registered Owner indicated above, or registered assigns, on the Maturity Date set forth above, upon presentation and surrender of this bond at the principal corporate trust office of Zions Bancorporation, National Association, in Salt Lake City, Utah (the "Trustee") the principal amount set forth above, with interest thereon (payable solely from said funds), at the interest rate per annum set forth hereinabove, interest payable semiannually on \_\_\_\_\_ and \_\_\_\_\_ of each and every year, commencing \_\_\_\_\_ until this bond is paid, interest being payable by check or draft mailed on said interest payment date to the registered owner of record as of the fifteenth day of the month next preceding the applicable interest payment date or, as provided in the hereinafter mentioned Indenture as of any duly established special record date; provided, however, that if at the maturity date or prior redemption date of this bond, funds are available for payment thereof, as provided in the Indenture this bond shall then cease to bear interest. Interest on this bond shall be computed on the basis of a 360-day year of twelve 30-day

months. Both principal and interest are payable in lawful money of the United States of America which is legal tender for the payment of public and private debts. Interest on this bond shall accrue from the interest payment date next preceding the date of authentication hereof unless this bond is authenticated as of an interest payment date, in which event this bond shall bear interest from such date, or unless, as shown by the records of the Trustee, interest on the Series 2021 Bonds, as hereinafter identified, shall be in default, in which event this bond shall bear interest from the date to which interest has been paid in full, or unless no interest shall have been paid on the Series 2021 Bonds, in which event this bond shall bear interest from its Dated Date.

This bond is one of a duly authorized issue of bonds of the Agency designated “Redevelopment Agency of Sandy City, Utah Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021” (the “Series 2021 Bonds”) limited in aggregate principal amount to \$\_\_\_\_\_, all of like tenor (except for bond numbers, maturity dates and differences, if any, in interest rate and denomination) and all of which have been issued pursuant to and in full conformity with the Constitution and the laws of the State of Utah particularly, the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C, Utah Code Annotated 1953, as amended and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (together, the “Act”), and the Agency’s redevelopment plan for the project area known and designated as the 9400 South Community Development Project Area (the “Redevelopment Plan”) and in connection with the redevelopment project contemplated therein for the purpose of refunding certain outstanding bonds of the Agency as more fully described in the Indenture.

This bond and the interest thereon are not general obligations or debts of Sandy City, Utah, the State of Utah or any of its political subdivisions and neither said City, said State nor any of its political subdivisions is liable thereon, nor in any event shall this bond or said interest give rise to a general obligation or liability of said City, said State or any of its political subdivisions or a charge against their general credit or taxing powers, or be payable out of any funds or properties other than the funds of the Agency hereinafter mentioned. This bond does not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Neither the members of the Agency nor any persons executing this bond are liable personally on this bond by reason of its issuance. The Agency has no taxing power.

All of the Series 2021 Bonds are equally secured in accordance with the terms of the General Indenture of Trust (the “General Indenture”) and a First Supplemental Indenture (the “First Supplemental Indenture” and, together with the General Indenture, the “Indenture”), each entered into by and between the Agency and the Trustee and each dated as of \_\_\_\_\_ 1, 2021, reference to which is hereby made for a specific description of the security therein provided for the Series 2021 Bonds, for the nature, extent and manner of enforcement of such security, for the covenants and agreements made for the benefit of the bondowners and for a statement of the rights of the bondowners; and by the acceptance of this bond the owner hereof assents to all of the terms, conditions and provisions of the Indenture. Under the Indenture the Agency may issue Bonds in addition to the Series 2021 Bonds which may be secured on a parity with the Series 2021 Bonds (the “Additional Bonds”). The Series 2021 Bonds and any Additional Bonds are herein referred to as the

“Bonds.” In addition, the Agency may issue bonds or other obligations secured by the Pledged Revenues (defined in the Indenture) which is subordinate to the pledge made with respect to the Series 2021 Bonds. In the manner and subject to the requirements provided in the Indenture, said Indenture and the rights and obligations of the Agency and of the owners of the Bonds may (with certain exceptions as stated in the Indenture) be modified or amended with the consent of the owners of 66 2/3% in aggregate of principal amount of the Bonds then outstanding. Capitalized terms used in this Bond which are not defined herein but which are defined in the Indenture shall have the respective meanings set forth in the Indenture when used herein.

Except as otherwise provided in the Indenture, the principal of this bond and the interest thereon are, along with all other Bonds issued on a parity therewith, secured by an irrevocable first lien pledge of, and are payable solely from, the Pledged Revenues (as defined in the Indenture) and other funds, all as more particularly set forth in the Indenture.

This bond shall be registered on the books of the Agency to be kept for that purpose at the principal corporate trust office of the Trustee in Salt Lake City, Utah, such registration shall be noted hereon, and this bond shall be transferable only upon said books at said office by the Registered Owner hereof or by his duly authorized attorney. Such transfers shall be without charge to the owner hereof, but any taxes or other governmental charges required to be paid with respect to the same shall be paid by the owner requesting such transfer as a condition precedent to the exercise of such privilege. Upon any such transfer, the Agency shall execute and the Trustee shall authenticate and deliver in exchange for this bond a new registered bond or bonds without coupons, of the same maturity, series and interest rate, registered in the name of the transferee, of Authorized Denominations. The Agency, the Trustee and the Paying Agent may deem and treat the person in whose name this bond is registered as the absolute owner hereof, whether or not this bond is overdue, for the purpose of receiving payment and for all other purposes, and the Agency, the Trustee and the Paying Agent shall not be affected by any notice to the contrary. The Agency, the Trustee and the Paying Agent shall not be required (a) to issue, transfer or exchange Bonds from the fifteenth day of the month next preceding any interest payment date through and including such interest payment date; or (b) to transfer or exchange any Bond called for redemption or selected for call for redemption. The Series 2021 Bonds are issuable as registered bonds in the denominations of \$1,000 or any integral multiple thereof.

The Series 2021 Bonds are subject to redemption prior to maturity at the times and with notice as provided in the Indenture.

It is hereby recited, certified and declared that any and all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this bond exist, have happened and have been performed in due time, form and manner as required by the Redevelopment Plan, the Act, and the Constitution and statutes of the State of Utah.

This bond shall not become valid or obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been manually signed by the Trustee.



IN WITNESS WHEREOF, the Redevelopment Agency of Sandy City, Utah has caused this bond to be executed on its behalf by the manual or facsimile signature of its Chair and to be countersigned and attested by the manual or facsimile signature of its Secretary and the seal of said Agency to be impressed, imprinted or reproduced hereon.

REDEVELOPMENT AGENCY OF SANDY CITY, UTAH

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

(SEAL)

COUNTERSIGNED AND ATTESTED:

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

CERTIFICATE OF AUTHENTICATION

This bond is one of the Series 2021 Bonds described in the within mentioned Indenture and is one of the Agency's Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021.

ZIONS BANCORPORATION, NATIONAL  
ASSOCIATION

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

Date of Authentication:

\_\_\_\_\_

ABBREVIATIONS

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 - as 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

UNIF GIF MIN ACT - \_\_\_\_\_

(Cust.)

Custodian for \_\_\_\_\_

(Minor)

under Uniform Gifts to Minors Act of \_\_\_\_\_

(State)

(Form of Assignment)

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

\_\_\_\_\_  
(Please Print or Typewrite Name and Address of Transferee)

the within bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: \_\_\_\_\_

ASSIGNOR' S SIGNATURE: \_\_\_\_\_

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

SIGNATURE GUARANTEED: \_\_\_\_\_

NOTICE: Signature(s) must be guaranteed by an "eligible guarantor institution" that is a member of or a participant in a "signature guarantee program" (e.g., the Securities Transfer Agents Medallion Program, the Stock Exchange Medallion Program or the New York Stock Exchange, Inc. Medallion Signature Program).

EXHIBIT B

COST OF ISSUANCE DISBURSEMENT REQUEST

Zions Bancorporation, National Association  
Corporate Trust Department  
One South Main Street, 12<sup>th</sup> Floor  
Salt Lake City, Utah 84133

Pursuant to Section 3.3 of the First Supplemental Indenture dated as of \_\_\_\_\_ 1,  
2021, you are hereby authorized to pay to the following costs of issuance from the Series  
2021 Cost of Issuance Account:

[See Attached Schedule]

---

AUTHORIZED REPRESENTATIVE,  
REDEVELOPMENT AGENCY OF  
SANDY CITY, UTAH

COSTS OF ISSUANCE

<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
--------------	----------------	---------------



TRANSIENT ROOM TAX AND SALES TAX REVENUE BONDS

GENERAL INDENTURE OF TRUST

Dated as of \_\_\_\_\_ 1, 2021

between

REDEVELOPMENT AGENCY OF SANDY CITY, UTAH

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION  
as Trustee

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THIS GENERAL INDENTURE OF TRUST, dated as of \_\_\_\_\_ 1, 2021, by and between the Redevelopment Agency of Sandy City, Utah, a public body established under the laws of the State of Utah (the “Agency”), and Zions Bancorporation, National Association, a national banking association duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having a corporate trust office in Salt Lake City, Utah, as trustee (the “Trustee”),

WITNESSETH:

WHEREAS, the Agency is a redevelopment agency (a public body, corporate and politic) duly created, established by the City of Sandy City, Utah (the “City”) and authorized to transact business and exercise its powers, all under and pursuant to the Limited Purpose Local Government Entities—Community Development and Renewal Agencies Act, Title 17C, Utah Code Annotated 1953, as amended (the “Redevelopment Act”), and the powers of the Agency include the power to issue bonds for any of its corporate purposes; and

WHEREAS, a redevelopment plan (the “Redevelopment Plan”) for the Agency’s 9400 South Community Development Project Area (the “Redevelopment Project Area”) has heretofore been adopted and approved and all requirements of law for, and precedent to, the adoption and approval of the Redevelopment Plan have been duly complied with; and

WHEREAS, it is intended that this General Indenture be supplemented by one or more Supplemental Indentures (each a “Supplemental Indenture”) containing specific provisions for a designated series of Bonds; and

WHEREAS, pursuant to a Sales Tax Interlocal Pledge and Loan Agreement (the Interlocal Agreement”), the City has pledged to the Agency its Sales and Use Tax Revenues, as described in the Interlocal Agreement, for the payment of Bonds and other obligations described therein and herein; and

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

For and in consideration of the premises, the mutual covenants of the Agency and the Trustee, the purchase from time to time of the Bonds by the Registered Owners thereof, the issuance by Security Instrument Issuers from time to time of Security Instruments and the issuance by Reserve Instrument Providers from time to time of Reserve Instruments, and in order to secure the payment of the principal of and premium, if any, and interest on the Bonds, of all Repayment Obligations according to their tenor and effect and the performance and observance by the Agency of all the covenants expressed or implied herein, in the Bonds, in all Security Instrument Agreements and in all Reserve Instrument Agreements, the Agency does hereby convey, assign and pledge unto the Trustee and unto its successors in trust forever all right, title and interest of the Agency in and to (i) the Pledged Revenues, (ii) all moneys in funds and accounts held by the Trustee hereunder (except the Rebate Fund), and (iii) all other rights hereinafter granted, first, for the further securing of the Bonds and all Security Instrument Repayment Obligations, and second, for

the further security of all Reserve Instrument Repayment Obligations, subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Indenture;

TO HAVE AND TO HOLD all the same with all privileges and appurtenances hereby and hereafter conveyed and assigned, or agreed or intended so to be, to the Trustee and its respective successors and assigns in such trust forever;

IN TRUST NEVERTHELESS, upon the terms and trust set forth in this Indenture, FIRST, for the equal and proportionate benefit, security and protection of all Registered Owners of the Bonds issued pursuant to and secured by this Indenture and all Security Instrument Issuers without privilege, priority or distinction as to the lien or otherwise of any Bond or Security Instrument Issuer over any other by reason of time of issuance, sale, delivery or maturity or expiration thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Indenture; and SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers, without privilege, priority or distinction as to the lien or otherwise of any Reserve Instrument Repayment Obligation over any of the others by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever;

PROVIDED, HOWEVER, that if the Agency, its successors or assigns, shall well and truly pay, or cause to be paid, the principal and premium, if any, on the Bonds and the interest due or to become due thereon, at the times and in the manner mentioned in the Bonds, all Security Instrument Repayment Obligations, according to the true intent and meaning thereof, and all Reserve Instrument Repayment Obligations, according to the true intent and meaning thereof, or shall provide, as permitted by this Indenture, for the payment thereof as provided in Article X hereof, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions of this Indenture, then upon such final payments or provisions for such payments by the Agency, this Indenture, and the rights hereby granted, shall terminate; otherwise this Indenture shall remain in full force and effect.

The terms and conditions upon which the Bonds are to be executed, authenticated, delivered, secured and accepted by all persons who from time to time shall be or become Registered Owners thereof, and the trusts and conditions upon which the Pledged Revenues are to be held and disposed, which said trusts and conditions the Trustee hereby accepts, are as follows:

## ARTICLE I

### DEFINITIONS

Section 1.1 Definitions. As used in this Indenture, the following terms shall have the following meanings unless the context otherwise clearly indicates:

“Accreted Amount” means, with respect to Capital Appreciation Bonds of any Series and as of the date of calculation, the amount representing the initial public offering price, plus the accumulated and compounded interest on such Bonds, as established pursuant to the Supplemental Indenture authorizing such Capital Appreciation Bonds.

“Additional Bonds” means all Bonds issued under this Indenture other than the Initial Bonds.

“Administrative Costs” means all Security Instrument Costs, Reserve Instrument Costs and Rebutable Arbitrage.

“Agency” means the Redevelopment Agency of Sandy City, Utah.

“Aggregate Annual Debt Service Requirement” means the total Debt Service (including any Repayment Obligations) for any one Bond Fund Year (or other specific period) on all Series of Bonds Outstanding or any specified portion thereof.

“Allocated Taxes” means those Transient Room Tax revenues received by the Agency pursuant to the State Interlocal Agreement.

“Authorized Amount” means, with respect to a Commercial Paper Program, the maximum Principal amount of commercial paper which is then authorized by the Agency to be outstanding at any one time pursuant to such Commercial Paper Program.

“Authorized Representative” means the Chair or Secretary of the Agency or any other officer of the Agency certified in writing to the Trustee by the Agency.

“Average Aggregate Annual Debt Service Requirement” means the total of all Aggregate Annual Debt Service Requirements divided by the total Bond Fund Years of the Bonds Outstanding or any specified portion thereof.

“Base Year” means the year upon which taxable values are set for purposes of determining available tax revenues, all pursuant to the Redevelopment Plan.

“Bond Fund” means the Redevelopment Agency of Sandy City, Utah Transient Room Tax and Sales Tax Revenue Bond Fund created in Section 3.2 hereof to be held by the Trustee and administered pursuant to Section 6.2(a) hereof.

“Bond Fund Year” means the 12-month period beginning July 1 of each year and ending on the next succeeding June 30, except that the first Bond Fund Year shall begin on the date of delivery of the Initial Bonds and shall end on the next succeeding June 30.

“Bondholder,” “Bondowner,” “Registered Owner” or “Owner” means the registered owner of any Bonds herein authorized according to the registration books of the Agency maintained by the Trustee as Registrar.

“Bonds” means bonds, notes, commercial paper or other obligations (other than Repayment Obligations) authorized by and at any time Outstanding pursuant to this Indenture, including the Initial Bonds and any Additional Bonds.

“Business Day” means (i) any day (a) on which banking business is transacted, but not including any day on which banks are authorized to be closed in New York City or in the city in which the Trustee has its Principal Corporate Trust Office or, with respect to a related Series of Bonds, in the city in which any Security Instrument Issuer has its principal office for purposes of such Security Instrument and (b) on which the New York Stock Exchange is open, or (ii) as otherwise provided in a Supplemental Indenture.

“Capital Appreciation Bonds” means Bonds, the interest on which (i) is compounded and accumulated at the rates and on the dates set forth in the Supplemental Indenture authorizing the issuance of such Bonds and designating them as Capital Appreciation Bonds, and (ii) is payable upon maturity or prior redemption of such Bonds.

“Chair” means the Chair of the Agency or any other authorized representative or successor to the duties of such office.

“City” means Sandy City, Utah.

“Code” means the Internal Revenue Code of 1986, as amended.

“Commercial Paper Program” means commercial paper obligations with maturities of not more than two hundred seventy (270) days from the dates of issuance thereof which are issued and reissued by the Agency from time to time pursuant to Article II hereof and are outstanding up to an Authorized Amount.

“Construction Fund” means the Redevelopment Agency of Sandy City, Utah Transient Room Tax and Sales Tax Revenue Construction Fund created in Section 3.1 hereof to be held by the Trustee and administered pursuant to Section 6.1 hereof.

“Cost” or “Costs” or “Cost of Completion”, or any phrase of similar import, in connection with a Project or with the refunding of any bonds, means all costs and expenses which are properly chargeable thereto under generally accepted accounting principles or which are incidental to the financing, acquisition and construction of a Project, or the refunding of any bonds, including, without limiting the generality of the foregoing:

(a) amounts payable to contractors and costs incident to the award of contracts;

(b) cost of labor, facilities and services furnished by the Agency and its employees or others, materials and supplies purchased by the Agency or others and permits and licenses obtained by the Agency or others;



(c) engineering, architectural, legal, planning, underwriting, accounting and other professional and advisory fees;

(d) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;

(e) interest expenses, including interest on the Series of Bonds relating to a Project;

(f) printing, engraving and other expenses of financing, including fees of financial rating services and other costs of issuing the Series of Bonds (including costs of interest rate caps and costs related to Interest Rate Swaps (or the elimination thereof));

(g) costs, fees and expenses in connection with the acquisition of real and personal property or rights therein, including premiums for title insurance;

(h) costs of furniture, fixtures, and equipment purchased by the Agency and necessary to construct a Project;

(i) amounts required to repay temporary or bond anticipation loans or notes made to finance the costs of a Project;

(j) cost of site improvements in anticipation of, and infrastructure improvements related to, a Project;

(k) moneys necessary to fund the funds created under this Indenture;

(l) costs of the capitalization with proceeds of a Series of Bonds issued hereunder of any operation and maintenance expenses and other working capital appertaining to any facilities to be acquired for a Project and of any interest on a Series of Bonds for any period not exceeding the period estimated by the Agency to effect the construction of a Project plus one year, as herein provided, of any discount on bonds or other securities, and of any reserves for the payment of the principal of and interest on a Series of Bonds, of any replacement expenses and of any other cost of issuance of a Series of Bonds or other securities, Security Instrument Costs and Reserve Instrument Costs;

(m) costs of amending any indenture or other instrument authorizing the issuance of or otherwise appertaining to a Series of Bonds;

(n) all other expenses necessary or desirable and appertaining to a Project, as estimated or otherwise ascertained by the Agency, including costs of contingencies for a Project; and

(o) payment to the Agency of such amounts, if any, as shall be necessary to reimburse the Agency in full for advances and payments theretofore made or costs theretofore incurred by the Agency for any item of Costs.

In the case of refunding or redeeming any bonds or other obligations, “Cost” includes, without limiting the generality of the foregoing, the items listed in (c), (e), (f), (i), (k), (l), (m) and (o) above, advertising and other expenses related to the redemption of such bonds to be redeemed and the redemption price of such bonds (and the accrued interest payable on redemption to the extent not otherwise provided for).

“Cross-over Date” means, with respect to Cross-over Refunding Bonds, the date on which the Principal portion of the related Cross-over Refunded Bonds is to be paid or redeemed from the proceeds of such Cross-over Refunding Bonds.

“Cross-over Refunded Bonds” means Bonds or other obligations refunded by Cross-over Refunding Bonds.

“Cross-over Refunding Bonds” means Bonds issued for the purpose of refunding Bonds or other obligations if the proceeds of such Cross-over Refunding Bonds are irrevocably deposited in escrow in satisfaction of the requirements of Section 11-27-3, Utah Code, to secure the payment on an applicable redemption date or maturity date of the Cross-over Refunded Bonds (subject to possible use to pay Principal of the Cross-over Refunding Bonds under certain circumstances) and the earnings on such escrow deposit are required to be applied to pay interest on the Cross-over Refunding Bonds until the Cross-over Date.

“Current Interest Bonds” means all Bonds other than Capital Appreciation Bonds. Interest on Current Interest Bonds shall be payable periodically on the Interest Payment Dates provided therefor in a Supplemental Indenture.

“Debt Service” means, for any particular Bond Fund Year and for any Series of Bonds and any Repayment Obligations, an amount equal to the sum of (i) all interest payable during such Bond Fund Year on such Series of Bonds plus (ii) the Principal Installments payable during such Bond Fund Year on (a) such Bonds Outstanding, calculated on the assumption that Bonds Outstanding on the day of calculation cease to be Outstanding by reason of, but only by reason of, payment either upon maturity or application of any Sinking Fund Installments required by the Indenture, and (b) such Repayment Obligations then outstanding;

*provided, however, for purposes of Section 2.13 hereof,*

(1) when calculating interest payable during such Bond Fund Year for any Series of Variable Rate Bonds or Repayment Obligations bearing interest at a variable rate which cannot be ascertained for any particular Bond Fund Year, it shall be assumed that such Series of Variable Rate Bonds or related Repayment Obligations will bear interest at such market rate of interest applicable to such Series of Variable Rate Bonds or related Repayment Obligations, as shall be established for this purpose in the opinion of the Agency’s financial advisor, underwriter or similar agent (which market rate of interest may

be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise);

(2) when calculating interest payable during such Bond Fund Year for any Series of Variable Rate Bonds which are issued with a floating rate and with respect to which an Interest Rate Swap is in effect in which the Agency has agreed to pay a fixed interest rate, such Series of Variable Rate Bonds shall be deemed to bear interest at the effective fixed annual rate thereon as a result of such Interest Rate Swap; provided that such effective fixed annual rate may be utilized only if such Interest Rate Swap does not result in a reduction or withdrawal of any rating then in effect with respect to the Bonds and so long as such Interest Rate Swap is contracted to remain in full force and effect;

(3) when calculating interest payable during such Bond Fund Year for any Series of Bonds which are issued with a fixed interest rate and with respect to which an Interest Rate Swap is in effect in which the Agency has agreed to pay a floating amount, Debt Service shall include the interest payable on such Series of Bonds, less fixed amounts to be received by the Agency under such Interest Rate Swap plus the amount of the floating payments (using the market rate in a manner similar to that described in (1) above, unless another method of estimation is more appropriate, in the opinion of the Agency's financial advisor, underwriter or similar agent with the approval of each Rating Agency, for such floating payments) to be made by the Agency under the Interest Rate Swap; provided that the above described calculation of Debt Service may be utilized only if such Interest Rate Swap does not result in a reduction or withdrawal of any rating then in effect with respect to the Bonds and so long as such Interest Rate Swap is contracted to remain in full force and effect; and

(4) when calculating interest payable during such Bond Fund Year with respect to any Commercial Paper Program, Debt Service shall include an amount equal to the sum of all principal and interest payments that would be payable during such Bond Fund Year assuming that the Authorized Amount of such Commercial Paper Program is amortized on a level debt service basis over a period of ten years beginning on the date of calculation or, if later, the last day of the period during which obligations can be issued under such Commercial Paper Program, and bearing interest at such market rate of interest applicable to such Commercial Paper Program as shall be established for this purpose in the opinion of the Agency's financial advisor, underwriter or similar agent (which market rate of interest may be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise);

and further provided, that there shall be excluded from Debt Service (a) interest on Bonds (including Cross-over Refunding Bonds or Cross-over Refunded Bonds) to the extent that Escrowed Interest or capitalized interest is available to pay such interest, (b) Principal on Cross-over Refunded Bonds to the extent that the proceeds of Cross-over Refunding Bonds are on deposit in an irrevocable escrow in satisfaction of the requirements of Section 11-27-3, Utah Code, as amended, and such proceeds or the earnings thereon are required to be applied to pay such Principal (subject to the possible use to pay the Principal of the Cross-over Refunding Bonds under certain circumstances) and such amounts so required to be applied are sufficient to pay such Principal, (c) Repayment Obligations to the extent that

payments on Pledged Bonds relating to such Repayment Obligations satisfy the Agency's obligation to pay such Repayment Obligations, and (d) all interest on Bonds to the extent of Direct Payments attributable to Debt Service on Outstanding Bonds or Additional Bonds proposed to be issued.

"Debt Service Reserve Fund" means the Redevelopment Agency of Sandy City, Utah Transient Room Tax and Sales Tax Revenue Debt Service Reserve Fund created in Section 3.5 hereof to be held by the Trustee and administered pursuant to Section 6.5 hereof.

"Debt Service Reserve Requirement" means, with respect to each Series of Bonds issued pursuant to this Indenture, the amount, if any, specified in the related Supplemental Indenture. Each account of the Debt Service Reserve Fund shall only be used with respect to the related Series of Bonds.

"Direct Obligations" means noncallable Government Obligations.

"Direct Payments" means the interest subsidy payments received by the Agency from the Internal Revenue Service pursuant to Direct Payment Bonds, Section 6431 of the Code, or other similar programs with respect to Bonds issued hereunder.

"Direct Payment Bonds" means the interest subsidy bonds issuable by the Agency under Sections 54AA and 6431 of the Code and a "qualified bond" under Section 54AA(g)(2) of the Code or such other tax credit bonds of substantially similar nature which may be hereafter authorized.

"Escrowed Interest" means amounts irrevocably deposited in escrow in accordance with the requirements of Section 11-27-3, Utah Code, in connection with the issuance of refunding bonds or Cross-over Refunding Bonds secured by such amounts or earnings on such amounts which are required to be applied to pay interest on such Cross-over Refunding Bonds or the related Cross-over Refunded Bonds.

"Event of Default" means with respect to any default or event of default hereunder any occurrence or event specified in and defined by Section 7.1 hereof.

"Fitch" means Fitch Ratings.

"Governing Body" means the Board of Directors of the Agency.

"Government Obligations" means one or more of the following:

- (a) State and Local Government Series issued by the United States Treasury ("SLGS");
- (b) United States Treasury bills, notes and bonds, as traded on the open market;
- (c) Zero Coupon United States Treasury Bonds; and

(d) Any other direct obligations of or obligations fully and unconditionally guaranteed by, the United States of America (including, without limitation, obligations commonly referred to as “REFCORP strips”).

“Indenture” means this General Indenture of Trust as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms of this Indenture.

“Initial Bonds” means the first Series of Bonds issued under this Indenture.

“Interest Payment Date” means the stated payment date of an installment of interest on the Bonds.

“Interest Rate Swap” means an agreement between the Agency or the Trustee and a Swap Counterparty related to a Series of Bonds whereby a variable rate cash flow (which may be subject to any interest rate cap) on a principal or notional amount is exchanged for a fixed rate of return on an equal principal or notional amount. If the Agency or the Trustee enters into more than one Interest Rate Swap with respect to a Series of Bonds, each Interest Rate Swap shall specify the same payment dates.

“Interlocal Agreement” means that certain Sales Tax Interlocal Pledge and Loan Agreement dated as of \_\_\_\_\_, entered by and between the Agency and the City pursuant to which the City has pledged to the Agency its Sales and Use Tax Revenues as provided therein.

“Investment Income” means the net gain derived from the investment of moneys held in the Bond Fund and the Rebate Fund created in this Indenture.

“Moody’s” means Moody’s Investors Service, Inc.

“MSRB” means the Municipal Securities Rulemaking Board.

“Outstanding” or “Bonds Outstanding” means at any date all Bonds which have not been canceled which have been or are being authenticated and delivered by the Trustee under this Indenture, except:

(a) Any Bond or portion thereof which at the time has been paid or deemed paid pursuant to Article X of this Indenture; and

(b) Any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered hereunder, unless proof satisfactory to the Trustee is presented that such Bond is held by a bona fide holder in due course.

“Owner(s)” or “Registered Owner(s)” means the registered owner(s) of the Bonds according to the registration books of the Agency maintained by the Trustee as Registrar for the Bonds pursuant to Sections 2.6 and 11.5 hereof.

“Paying Agent” means the Trustee, appointed as the initial paying agent for the Bonds pursuant to Section 11.5 hereof, and any additional or successor paying agent appointed pursuant hereto.

“Pledged Bonds” means any Bonds that have been (i) pledged or in which any interest has otherwise been granted to a Security Instrument Issuer as collateral security for Security Instrument Repayment Obligations or (ii) purchased and held by a Security Instrument Issuer pursuant to a Security Instrument.

“Pledged Revenues” means 100% of the Allocated Taxes received by the Agency, the Investment Income and, [as necessary], the Sales and Use Tax Revenues.]

“Principal” means (i) with respect to any Capital Appreciation Bond, the Accreted Amount thereof (the difference between the stated amount to be paid at maturity and the Accreted Amount being deemed unearned interest), except as used in connection with the authorization and issuance of Bonds and with the order of priority of payment of Bonds after an Event of Default, in which case “Principal” means the initial public offering price of a Capital Appreciation Bond (the difference between the Accreted Amount and the initial public offering price being deemed interest), and (ii) with respect to any Current Interest Bond, the principal amount of such Bond payable at maturity.

“Principal Corporate Trust Office” means, with respect to the Trustee, the office of the Trustee at 170 South Main Street, 2<sup>nd</sup> Floor, Salt Lake City, Utah 84101, or such other or additional offices as may be specified by the Trustee.

“Principal Installment” means, as of any date of calculation, (i) with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, (a) the Principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established, or (b) the unsatisfied balance of any Sinking Fund Installment due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a Principal amount equal to such unsatisfied balance of such Sinking Fund Installment and (ii) with respect to any Repayment Obligations, the principal amount of such Repayment Obligations due on a certain future date.

“Project” shall mean the Project as defined in each Supplemental Indenture, provided that such Project is a permitted purpose for use of the Allocated Taxes.

“Put Bond” means any Bond which is part of a Series of Bonds which is subject to purchase by the Agency, its agent or a third party from the Owner of the Bond pursuant to provisions of the Supplemental Indenture authorizing the issuance of the Put Bond and designating it as a “Put Bond”.

“Qualified Investments” means any of the following securities:

- (a) Government Obligations;

(b) Obligations of any of the following federal agencies which obligations represent full faith and credit obligations of the United States of America including: the Export-Import Bank of the United States; the Government National Mortgage Association; the Federal Financing Bank; the Farmer's Home Administration; the Federal Housing Administration; the Maritime Administration; General Services Administration, Small Business Administration; or the Department of Housing and Urban Development (PHA's);

(c) Money market funds rated "AAAm" or "AAAm-G" or better by S & P and/or the equivalent rating or better of Moody's (if so rated), including money market funds from which the Trustee or its affiliates derive a fee for investment advisory services to the fund;

(d) Commercial paper which is rated at the time of purchase in the single highest classification, "P-1" by Moody's or "A-1+" by S & P, and which matures not more than 270 days after the date of purchase;

(e) Bonds, notes or other evidences of indebtedness rated "AAA" by S & P and "Aaa" by Moody's issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with remaining maturities not exceeding three years;

(f) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks, including the Trustee and its affiliates, which have a rating on their short term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S & P and "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

(g) The fund held by the Treasurer for the State of Utah and commonly known as the Utah State Public Treasurer's Investment Fund; and

(h) Any other investments or securities permitted for investment of public funds under the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code, Annotated 1953, as amended, including investments contracts permitted by Section 51-7-17(2)(d) thereof.

"Rating Agency" means Fitch, Moody's or S & P and their successors and assigns, but only to the extent such rating agency is then providing a rating on a Series of Bonds issued hereunder at the request of the Agency. If any such Rating Agency ceases to act as a securities rating agency, the Agency may designate any nationally recognized securities rating agency as a replacement.

"Rating Category" or "Rating Categories" mean one or more of the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category or categories by a numerical modifier or otherwise.

“Rebatable Arbitrage” means with respect to any Series of Bonds where (i) the interest thereon is intended to be excludable from gross income for federal income tax purposes or (ii) Direct Payments are applicable, the amount (determinable as of each Rebate Calculation Date) of rebatable arbitrage payable to the United States at the times and in the amounts specified in Section 148(f)(3) of the Code and Section 1.148-3 of the Regulations.

“Rebate Calculation Date” means, with respect to any Series of Bonds where (i) the interest thereon is intended to be excludable from gross income for federal income tax purposes or (ii) Direct Payments are applicable, the Interest Payment Date next preceding the fifth anniversary of the issue date of such Series of Bonds, each fifth anniversary of the initial rebate calculation date for such Series of Bonds, and the date of retirement of the last Bond for such Series.

“Rebate Fund” means the Redevelopment Agency of Sandy City, Utah Transient Room Tax and Sales Tax Revenue Rebate Fund created in Section 3.7 hereof to be held by the Trustee and administered pursuant to Section 6.7 hereof.

“Redevelopment Act” means the Limited Purpose Local Government Entities—Community Development and Renewal Agencies Act, Title 17C, Utah Code Annotated 1953, as amended.

“Redevelopment Plan” means the redevelopment plan for the Redevelopment Project Area first approved and adopted by the legislative body of Sandy City, Utah on July 17, 2007, pursuant to Ordinance No. 07-24, and includes any amendment of said plan hereafter made pursuant to law.

“Redevelopment Project Area” means the 9400 South Community Development Project Area, as described and defined in the Redevelopment Plan.

“Registrar” means the Trustee (or other party designated as Registrar by Supplemental Indenture), appointed as the registrar for the Bonds pursuant to Sections 2.6 and 11.5 hereof, and any additional or successor registrar appointed pursuant hereto.

“Regular Record Date” means, unless otherwise provided by Supplemental Indenture for a Series of Bonds, the fifteenth day immediately preceding each Interest Payment Date.

“Regulations,” and all references thereto means the applicable final, proposed and temporary United States Treasury Regulations promulgated with respect to Sections 103 and 141 through 150 of the Code, including all amendments thereto made hereafter.

“Remarketing Agent” means the remarketing agent or commercial paper dealer appointed by the Agency pursuant to a Supplemental Indenture.

“Repayment Obligations” means, collectively, all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations.



“Reserve Instrument” means a device or instrument issued by a Reserve Instrument Provider to satisfy all or any portion of the Debt Service Reserve Requirement applicable to a Series of Bonds. The term “Reserve Instrument” includes, by way of example and not of limitation, letters of credit, bond insurance policies, surety bonds, standby bond purchase agreements, lines of credit and other devices.

“Reserve Instrument Agreement” means any agreement entered into by the Agency and a Reserve Instrument Provider pursuant to a Supplemental Indenture (including the applicable portions of a Supplemental Indenture) and providing for the issuance by such Reserve Instrument Provider of a Reserve Instrument.

“Reserve Instrument Costs” means all fees, premiums, expenses and similar costs, other than Reserve Instrument Repayment Obligations, required to be paid to a Reserve Instrument Provider pursuant to a Reserve Instrument Agreement. Each Reserve Instrument Agreement shall specify the fees, premiums, expenses and costs constituting Reserve Instrument Costs.

“Reserve Instrument Coverage” means, as of any date of calculation, the aggregate amount available to be paid to the Trustee pursuant hereto under all Reserve Instruments.

“Reserve Instrument Fund” means the Redevelopment Agency of Sandy City, Utah Transient Room Tax and Sales Tax Revenue Reserve Instrument Fund created in Section 3.6 hereof to be held by the Trustee and administered pursuant to Section 6.6 hereof.

“Reserve Instrument Limit” means, as of any date of calculation and with respect to any Reserve Instrument, the maximum aggregate amount available to be paid under such Reserve Instrument into the Debt Service Reserve Fund assuming for purposes of such calculation that the amount initially available under each Reserve Instrument has not been reduced or that the amount initially available under each Reserve Instrument has only been reduced as a result of the payment of principal of the applicable Series of Bonds.

“Reserve Instrument Provider” means any bank, savings and loan association, savings bank, thrift institution, credit union, insurance company, surety company or other institution issuing a Reserve Instrument.

“Reserve Instrument Repayment Obligations” means, as of any date of calculation and with respect to any Reserve Instrument Agreement, those outstanding amounts payable by the Agency under such Reserve Instrument Agreement to repay the Reserve Instrument Provider for payments previously made by it pursuant to a Reserve Instrument. There shall not be included in the calculation of Reserve Instrument Repayment Obligations any Reserve Instrument Costs.

“Revenue Fund” means the Redevelopment Agency of Sandy City, Utah Transient Room Tax and Sales Tax Revenue Fund created in Section 3.3 hereof to be held by the Agency and administered pursuant to Section 6.2 hereof.

“Sales and Use Tax Revenues” means, as described in the Interlocal Agreement, the City’s local sales and use tax revenues received by the City pursuant to Title 59,

Chapter 12, Part 2, Utah Code Annotated 1953, as amended, which are also pledged on a parity with the City's outstanding sales tax revenue bonds as the same may be issued by the City from time to time.

“S & P” means Standard & Poor's Rating Services.

“Secretary” means the Secretary of the Agency and any deputy to the Secretary or any successor to the duties of such office.

“Security Instrument” means an instrument or other device issued by a Security Instrument Issuer to pay, or to provide security or liquidity for, a Series of Bonds. The term “Security Instrument” includes, by way of example and not of limitation, letters of credit, bond insurance policies, standby bond purchase agreements, lines of credit and other security instruments and credit enhancement or liquidity devices (but does not include a Reserve Instrument); provided, however, that no such device or instrument shall be a “Security Instrument” for purposes of this Indenture unless specifically so designated in a Supplemental Indenture authorizing the use of such device or instrument.

“Security Instrument Agreement” means any agreement entered into by the Agency and a Security Instrument Issuer pursuant to a Supplemental Indenture (including the applicable portions of a Supplemental Indenture) providing for the issuance by such Security Instrument Issuer of a Security Instrument.

“Security Instrument Costs” means, with respect to any Security Instrument, all fees, premiums, expenses and similar costs, other than Security Instrument Repayment Obligations, required to be paid to a Security Instrument Issuer pursuant to a Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument. Such Security Instrument Agreement or Supplemental Indenture shall specify any fees, premiums, expenses and costs constituting Security Instrument Costs.

“Security Instrument Issuer” means any bank or other financial institution, insurance company, surety company or other institution issuing a Security Instrument.

“Security Instrument Repayment Obligations” means, as of any date of calculation and with respect to any Security Instrument Agreement, any outstanding amounts payable by the Agency under the Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument to repay the Security Instrument Issuer for payments previously or concurrently made by the Security Instrument Issuer pursuant to a Security Instrument. There shall not be included in the calculation of the amount of Security Instrument Repayment Obligations any Security Instrument Costs.

“Series” means all of the Bonds authenticated and delivered on original issuance and identified pursuant to the Supplemental Indenture authorizing such Bonds as a separate Series of Bonds, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor.

“Sinking Fund Account” means the Redevelopment Agency of Sandy City, Utah Transient Room Tax and Sales Tax Revenue Sinking Fund Account of the Bond Fund

created in Section 3.4 hereof to be held by the Trustee and administered pursuant to Section 6.4 hereof.

“Sinking Fund Installment” means the amount of money which is required to be deposited into the Sinking Fund Account in each Bond Fund Year for the retirement of Term Bonds as specified in the Supplemental Indenture authorizing said Term Bonds (whether at maturity or by redemption), and including the redemption premium, if any.

“Special Record Date” means such date as may be fixed for the payment of defaulted interest on the Bonds in accordance with this Indenture.

“State” means the State of Utah.

“State Interlocal Agreement” means that certain Interlocal Cooperation Agreement (State Agreement) dated as of May 8, 2007 by and between the Agency, the City and the Governor’s Office of Economic Development, acting on behalf of the State.

“Supplemental Indenture” means any supplemental indenture between the Agency and the Trustee entered into pursuant to and in compliance with the provisions of Article IX hereof.

“Swap Counterparty” means a member of the International Swap Dealers Association rated in one of the three top Rating Categories by at least one of the Rating Agencies and meeting the requirements of applicable laws of the State.

“Swap Payments” means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable to the Swap Counterparty by the Agency. Swap Payments do not include any Termination Payments.

“Swap Receipts” means as of each payment date specified in an Interest Rate Swap, the amount, if any, payable for the account of the Agency by the Swap Counterparty. Swap Receipts do not include amounts received with respect to the early termination or modification of an Interest Rate Swap.

“Term Bonds” means the Bonds which shall be subject to retirement by operation of mandatory sinking fund redemptions from the Sinking Fund Account.

“Termination Payments” means the amount payable to the Swap Counterparty by the Agency with respect to the early termination or modification of an Interest Rate Swap. Termination Payments may only be payable from and secured by Pledged Revenues after payment of all amounts then due pursuant to the Indenture.

“Trustee” means Zions Bancorporation, National Association, Corporate Trust Department, One South Main Street, 12th Floor, Salt Lake City, Utah, or any successor corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at any time serving as successor trustee hereunder.

“Utah Code” means Utah Code Annotated 1953, as amended.

“Variable Rate Bonds” means, as of any date of calculation, Bonds, the interest on which for any future period of time, is to be calculated at a rate which is not susceptible to a precise determination.

Section 1.2 Indenture to Constitute Contract. In consideration of the purchase and acceptance from time to time of any and all of the Bonds authorized to be issued hereunder by the Registered Owners thereof, the issuance from time to time of any and all Security Instruments by the Security Instrument Issuers, and the issuance from time to time of any and all Reserve Instruments by Reserve Instrument Providers pursuant hereto, this Indenture shall be deemed to be and shall constitute a contract between the Agency and the Owners from time to time of the Bonds, the Security Instrument Issuers and the Reserve Instrument Providers; and the pledge made in this Indenture and the covenants and agreements herein set forth to be performed by or on behalf of the Agency shall be, FIRST, for the equal benefit, protection and security of the Owners of any and all of the Bonds and the Security Instrument Issuers of any and all of the Security Instruments all of which, regardless of the time or times of their issuance and delivery or maturity or expiration, shall be of equal rank without preference, priority or distinction of any of the Bonds or Security Instrument Repayment Obligations over any others, except as expressly provided in or permitted by this Indenture, and SECOND, for the equal benefit, protection and security of the Reserve Instrument Providers of any and all of the Reserve Instruments which, regardless of the time or times of their issuance, delivery or termination, shall be of equal rank without preference, priority or distinction of any Reserve Instrument over any other thereof.

Section 1.3 Construction. This Indenture, except where the context by clear implication herein otherwise requires, shall be construed as follows:

(a) The terms “hereby,” “hereof,” “herein,” “hereto,” “hereunder”, and any similar terms used in this Indenture shall refer to this Indenture in its entirety unless the context clearly indicates otherwise.

(b) Words in the singular number include the plural, and words in the plural include the singular.

(c) Words in the masculine gender include the feminine and the neuter, and when the sense so indicates, words of the neuter gender refer to any gender.

(d) Articles, sections, subsections, paragraphs and subparagraphs mentioned by number, letter, or otherwise, correspond to the respective articles, sections, subsections, paragraphs and subparagraphs hereof so numbered or otherwise so designated.

(e) The titles or leadlines applied to articles, sections and subsections herein are inserted only as a matter of convenience and ease in reference and in no way define, limit or describe the scope or intent of any provisions of this Indenture.

## ARTICLE II

### THE BONDS

Section 2.1 Authorization of Bonds There is hereby authorized for issuance hereunder Bonds which may, if and when authorized by Supplemental Indenture, be issued in one or more separate Series. Each Series of Bonds shall be authorized by a Supplemental Indenture, which shall state the purpose or purposes for which each such Series of Bonds is being issued. The aggregate principal amount of Bonds which may be issued shall not be limited except as provided herein or as may be limited by law provided that the aggregate principal amount of Bonds of each such Series shall not exceed the amount specified in the Supplemental Indenture authorizing each such Series of Bonds.

Section 2.2 Description of Bonds; Payment.

(a) Each Series of Bonds issued under the provisions hereof may be issued only as registered bonds. Unless otherwise specified in the Supplemental Indenture authorizing such Series of Bonds, each Series of Bonds shall be in the denomination of Five Thousand Dollars (\$5,000) each or any integral multiple thereof, shall be numbered consecutively from R-1 upwards and shall bear interest payable on each Interest Payment Date.

(b) Each Series of Bonds issued under the provisions hereof shall be dated, shall bear interest at a rate or rates not exceeding the maximum rate permitted by law on the date of initial issuance of such Series, shall be payable on the days, shall be stated to mature on the days and in the years and shall be subject to redemption prior to their respective maturities, all as set forth in the Supplemental Indenture authorizing such Series of Bonds. Each Series of Bonds shall be designated “[Federally Taxable] Transient Room Tax and Sales Tax Revenue [Refunding] [Exchange] Bonds, Series \_\_,” in each case inserting the year in which the Bonds are issued and, if necessary, an identifying Series letter.

(c) Both the principal of and the interest on the Bonds shall be payable in lawful money of the United States of America. Payment of the interest on any Bond shall be made to the person appearing on the Bond registration books of the Registrar hereinafter provided for as the Registered Owner thereof by check or draft mailed on the Interest Payment Date to the Registered Owner at his address as it appears on such registration books or to owners of \$1,000,000 or more in aggregate principal amount of Bonds (or owners of 100% of any Series then Outstanding) by wire transfer to a bank account located in the United States of America designated by the Registered Owner in written instructions furnished to the Trustee no later than the Regular Record Date for such payment. Unless otherwise specified in the related Supplemental Indenture, the interest on Bonds so payable and punctually paid and duly provided for on any Interest Payment Date will be paid to the person who is the Registered Owner thereof at the close of business on the Regular Record Date for such interest immediately preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided

for shall forthwith cease to be payable to the registered owner of any Bond on such Regular Record Date, and may be paid to the person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such Registered Owner not less than ten (10) days prior to such Special Record Date. The principal of and premium, if any, on Bonds are payable upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee as Paying Agent, except as otherwise provided by Supplemental Indenture. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(d) The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions hereof as may be necessary or desirable to comply with custom, the rules of any securities exchange or commission or brokerage board or otherwise, as may be specified in the Supplemental Indenture authorizing such Series of Bonds.

Section 2.3 Execution; Limited Obligation. Unless otherwise specified in the related Supplemental Indenture, the Bonds of any Series shall be executed on behalf of the Agency with the manual or official facsimile signature of its Chair, countersigned with the manual or official facsimile signature of the Secretary, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Agency. In case any officer, the facsimile of whose signature shall appear on the Bonds, shall cease to be such officer before the delivery of such Bonds, such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery.

The Bonds, together with interest thereon, and all Repayment Obligations shall be limited obligations of the Agency payable solely from the Pledged Revenues (except to the extent paid out of moneys attributable to the Bond proceeds or other funds created hereunder (except the Rebate Fund) or the income from the temporary investment thereof). The Bonds shall be a valid claim of the Registered Owners thereof only against the Pledged Revenues and other moneys in funds and accounts held by the Trustee hereunder (except the Rebate Fund) and the Agency hereby pledges and assigns the same for the equal and ratable payment of the Bonds and all Repayment Obligations, and the Pledged Revenues shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds and to pay the Repayment Obligations, except as may be otherwise expressly authorized herein or by Supplemental Indenture. The issuance of the Bonds and delivery of any Security Instrument Agreement or Reserve Instrument Agreement shall not, directly, indirectly or contingently, obligate the Agency or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor. The Bonds, the interest thereon, the Accreted Value, as applicable, and any premium or Accreted Value, as applicable, payable upon the redemption, if any, thereof are not a general obligation or debt of the City, the State of Utah or any of its political subdivisions; and neither such city, such state nor any of its political subdivisions is liable on them, and in no event shall the Bonds, such interest or premium or Accreted Value, as applicable, give rise to a general obligation or liability of the City, the State or any of its political subdivisions or a charge against their general credit or taxing power or be payable out of

any funds or properties other than those of the Agency as in this General Indenture or in any Supplemental Indenture set forth. The Bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction. Neither the members of the Agency nor any persons executing the Bonds are liable personally on the Bonds by reason of their issuance. Except as otherwise provided in any Supplemental Indenture, the Bonds shall be and are equally secured by an irrevocable and first lien pledge of the Pledged Revenues and other funds as hereinafter provided, without priority for series, number, date of sale, date of execution, or date of delivery. Nothing in this General Indenture shall preclude the payment of the Bonds from the proceeds of refunding bonds issued pursuant to law. Except as hereinabove set forth, nothing in this Indenture shall prevent the Agency from making advances of its own funds, howsoever derived, to any of the uses and purposes mentioned in this Indenture.

Section 2.4 Authentication and Delivery of Bonds.

(a) The Agency shall deliver executed Bonds of each Series to the Trustee for authentication. Subject to the satisfaction of the conditions for authentication of Bonds set forth herein, the Trustee shall authenticate such Bonds and deliver them upon the order of the Agency to the purchasers thereof (or hold them on their behalf) upon the payment by the purchasers of the purchase price therefor to the Trustee for the account of the Agency. Delivery by the Trustee shall be full acquittal to the purchasers for the purchase price of such Bonds, and such purchasers shall be under no obligation to see to the application of said purchase price. The proceeds of the sale of such Bonds shall, however, be disposed of only as provided herein and in the related Supplemental Indenture.

(b) No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit hereunder, unless and until a certificate of authentication on such Bond substantially in the form set forth in the Supplemental Indenture authorizing such Bond shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered hereunder. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Trustee, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

(c) Prior to the authentication by the Trustee of each Series of Bonds there shall have been filed with the Trustee:

(i) A copy of this Indenture (to the extent not theretofore so filed) and the Supplemental Indenture authorizing such Series of Bonds;

(ii) A copy, certified by the Secretary, of the proceedings of the Agency's Governing Body approving the execution and delivery of the instruments specified in Section 2.4(c)(i) above and the execution and delivery of such Series of Bonds, together with a certificate, dated as of the

date of authentication of such Series of Bonds, of the Secretary that such proceedings are still in force and effect without amendments except as shown in such proceedings;

(iii) A request and authorization of the Agency to the Trustee to authenticate such Series of Bonds in the aggregate principal amount therein specified and deliver them to purchasers therein identified upon payment to the Trustee for account of the Agency of the sum specified therein;

(iv) An opinion of bond counsel dated the date of authentication of such Series of Bonds to the effect that (a) this Indenture has been duly authorized, executed and delivered by the Agency and is a valid and binding obligation of the Agency; (b) this Indenture creates the valid pledge which it purports to create of the Pledged Revenues; and (c) the Bonds of such Series are valid and binding special limited obligations of the Agency;

(d) The Agency may provide by Supplemental Indenture for the delivery to the Trustee of one or more Security Instruments with respect to any Series of Bonds and the execution and delivery of any Security Instrument Agreements deemed necessary in connection therewith; (or may substitute one Security Instrument for another);

(e) The Agency may provide by Supplemental Indenture for the issuance and delivery to the Trustee of one or more Reserve Instruments and the execution and delivery of any Reserve Instrument Agreements deemed necessary in connection therewith;

(f) The Agency may authorize by Supplemental Indenture the issuance of Put Bonds; provided that any obligation of the Agency to pay the purchase price of any such Put Bonds shall not be secured by a pledge of Pledged Revenues on a parity with the pledge herein to pay principal of and interest on the Bonds. The Agency may provide for the appointment of such Remarketing Agents, indexing agents, tender agents or other agents as the Agency may determine;

(g) The Agency may include such provisions in a Supplemental Indenture authorizing the issuance of a Series of Bonds secured by a Security Instrument as the Agency deems appropriate, including:

(i) So long as the Security Instrument is in full force and effect, and payment on the Security Instrument is not in default, (I) the Security Instrument Issuer shall be deemed to be the Owner of the Outstanding Bonds of such Series (a) when the approval, consent or action of the Bondowners for such Series of Bonds is required or may be exercised under the Indenture and (b) following an Event of Default and (II) the Indenture may not be amended in any manner which affects the rights of such Security Instrument Issuer without its prior written consent; and



(ii) In the event that the Principal and redemption price, if applicable, and interest due on any Series of Bonds Outstanding shall be paid under the provisions of a Security Instrument, all covenants, agreements and other obligations of the Agency to the Bondowners of such Series of Bonds shall continue to exist and such Security Instrument Issuer shall be subrogated to the rights of such Bondowners in accordance with the terms of such Security Instrument; and

(iii) In addition, such Supplemental Indenture may establish such provisions as are necessary to provide relevant information to the Security Instrument Issuer and to provide a mechanism for paying Principal Installments and interest on such Series of Bonds from the Security Instrument.

(h) The Agency may provide for the execution of an Interest Rate Swap in connection with any Series of Bonds issued hereunder. The obligation of the Agency to pay Swap Payments may be secured with (A) a lien on the Pledged Revenues on a parity with the lien thereon of Debt Service on the related Bonds and may be net of Swap Receipts or (B) a subordinate lien on the Pledged Revenues and may be net of Swap Receipts. Such obligations may also be secured by other legally available moneys of the Agency, all as established in the Supplemental Indenture for the related Series of Bonds. Termination Payments may only be payable from and secured by Revenues after payment of all amounts then due pursuant to the Indenture.

Section 2.5 Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Agency may execute and the Trustee may authenticate a new Bond of like date, Series, maturity and denomination as that mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together in all cases with indemnity satisfactory to the Trustee and the Agency. In the event any such Bond shall have matured, instead of issuing a duplicate Bond, the Trustee may pay the same without surrender thereof upon compliance with the foregoing. The Trustee may charge the Registered Owner of such Bond with its reasonable fees and expenses in connection therewith. Any Bond issued pursuant to this Section 2.5 shall be deemed part of the Series of Bonds in respect of which it was issued and an original additional contractual obligation of the Agency.

Section 2.6 Registration of Bonds; Persons Treated as Owners. The Agency shall cause the books for the registration and for the transfer of the Bonds to be kept by the Trustee which is hereby constituted and appointed the Registrar of the Agency with respect to the Bonds, provided, however, that the Agency may by Supplemental Indenture select a party other than the Trustee to act as Registrar with respect to the Series of Bonds issued under said Supplemental Indenture. Upon the occurrence of an Event of Default which would require any Security Instrument Issuer to make payment under a Security Instrument Agreement, the Registrar shall make such registration books available to the Security

Instrument Issuer. Any Bond may, in accordance with its terms, be transferred only upon the registration books kept by the Registrar, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Registrar, duly executed. No transfer shall be effective until entered on the registration books kept by the Registrar. Upon surrender for transfer of any Bond at the Principal Corporate Trust Office of the Trustee, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by, the Registered Owner or his attorney duly authorized in writing, the Agency shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees, a new Bond or Bonds of the same Series and the same maturity for a like aggregate principal amount as the Bond surrendered for transfer. Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of the same Series and the same maturity. The execution by the Agency of any Bond of any authorized denomination shall constitute full and due authorization of such denomination, and the Trustee shall thereby be authorized to authenticate and deliver such Bond. Except as otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, the Agency and the Trustee shall not be required to transfer or exchange any Bond (i) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date, (ii) during the period from and including the day fifteen days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto, (iii) during the period from and including the day fifteen days prior to the mailing of notice calling any Bonds for redemption, to and including the date of such mailing, or (iv) at any time following the mailing of notice calling such Bond for redemption.

The Agency, the Registrar and the Paying Agent may treat and consider the person in whose name each Bond is registered on the registration books kept by the Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and interest due thereon and for all other purposes whatsoever, and neither the Agency, nor the Registrar nor the Paying Agent shall be affected by any notice to the contrary. Payment of or on account of either principal of or interest on any Bond shall be made only to or upon order of the Registered Owner thereof or such person's legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

The Trustee shall require the payment by the Bondholder requesting exchange or transfer of Bonds of any tax or other governmental charge and by the Agency of any service charge of the Trustee as Registrar which are required to be paid with respect to such exchange or transfer and such charges shall be paid before such new Bond shall be delivered.

Section 2.7 Redemption Provisions. The Term Bonds of each Series of Bonds shall be subject, to the extent provided in the Supplemental Indenture authorizing each such Series of Bonds, to redemption prior to maturity by operation of Sinking Fund Installments required to be made to the Sinking Fund Account. The Bonds of each Series shall further

be subject to redemption prior to maturity at such times and upon such terms as shall be fixed by such Supplemental Indenture. Except as otherwise provided in a Supplemental Indenture, if fewer than all Bonds of a Series are to be redeemed, the particular maturities of such Bonds to be redeemed and the Principal amounts of such maturities to be redeemed shall be selected by the Agency. If fewer than all of the Bonds of any one maturity of a Series shall be called for redemption, the particular units of Bonds, as determined in accordance with Section 2.9 herein, to be redeemed shall be selected by the Trustee by lot in such manner as the Trustee, in its discretion, may deem fair and appropriate.

Section 2.8 Notice of Redemption.

(a) In the event any of the Bonds are to be redeemed, the Registrar shall cause notice to be given as provided in this Section 2.8. Unless otherwise specified in the Supplemental Indenture authorizing the issuance of the applicable Series of Bonds, notice of such redemption (i) shall be filed with the Paying Agent designated for the Bonds being redeemed; and (ii) shall be mailed by first class mail, postage prepaid, to all Registered Owners of Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption. Such notice shall state the following information:

(i) the complete official name of the Bonds, including Series, to be redeemed, the identification numbers of Bonds and the CUSIP numbers, if any, of the Bonds being redeemed, provided that any such notice shall state that no representation is made as to the correctness of CUSIP numbers either as printed on such Bonds or as contained in the notice of redemption and that reliance may be placed only on the identification numbers contained in the notice or printed on such Bonds;

(ii) any other descriptive information needed to identify accurately the Bonds being redeemed, including, but not limited to, the original issue date of, and interest rate on, such Bonds;

(iii) in the case of partial redemption of any Bonds, the respective principal amounts thereof to be redeemed;

(iv) the date of mailing of redemption notices and the redemption date;

(v) the redemption price;

(vi) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and

(vii) the place where such Bonds are to be surrendered for payment, designating the name and address of the redemption agent with the name of a contact person and telephone number.

(b) In addition to the foregoing, further notice of any redemption of Bonds hereunder shall be given by the Trustee, simultaneous with the mailed notice to Registered Owners, by registered or certified mail or overnight delivery service, to the MSRB and all registered securities depositories (as reasonably determined by the Trustee) then in the business of holding substantial amounts of obligations of types comprising the Bonds and to at least two national information services that disseminate notices of redemption of obligations such as the Bonds. Such further notice shall contain the information required in Section 2.8(a) above. Failure to give all or any portion of such further notice shall not in any manner defeat the effectiveness of a call for redemption.

(c) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

(d) If at the time of mailing of any notice of optional redemption there shall not be on deposit with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that such redemption shall be conditioned upon receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of and interest on such Bonds to be redeemed and that if such moneys shall not have been so received said notice shall be of no force and effect and the Agency shall not be required to redeem such Bonds. In the event that such moneys are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, one time, in the same manner in which the notice of redemption was given, that such moneys were not so received.

(e) A second notice of redemption shall be given, not later than ninety (90) days subsequent to the redemption date, to Registered Owners of Bonds or portions thereof redeemed but who failed to deliver Bonds for redemption prior to the 60th day following such redemption date.

(f) Any notice mailed shall be conclusively presumed to have been duly given whether or not the owner of such Bonds receives the notice. Receipt of such notice shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such Registered Owners shall not affect the validity of the proceedings for the redemption of the Bonds.

(g) In case any Bond is to be redeemed in part only, the notice of redemption which relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond in principal amount equal to the unredeemed portion of such Bond will be issued.

Section 2.9 Partially Redeemed Fully Registered Bonds. Unless otherwise specified in the related Supplemental Indenture, in case any registered Bond shall be redeemed in part only, upon the presentation of such Bond for such partial redemption, the Agency shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Agency, a Bond or Bonds of the same Series, interest rate and maturity, in aggregate principal amount equal to the unredeemed portion of such registered Bond. Unless otherwise provided by Supplemental Indenture, a portion of any Bond of a denomination of more than the minimum denomination of such Series specified herein or in the related Supplemental Indenture to be redeemed will be in the principal amount of such minimum denomination or an integral multiple thereof and in selecting portions of such Bonds for redemption, the Trustee will treat each such Bond as representing that number of Bonds of such minimum denomination which is obtained by dividing the principal amount of such Bonds by such minimum denomination.

Section 2.10 Cancellation. All Bonds which have been surrendered for payment, redemption or exchange, and Bonds purchased from any moneys held by the Trustee hereunder or surrendered to the Trustee by the Agency, shall be canceled and cremated or otherwise destroyed by the Trustee and shall not be reissued; provided, however, that one or more new Bonds shall be issued for the unredeemed portion of any Bond without charge to the Registered Owner thereof.

Section 2.11 Nonpresentation of Bonds. Unless otherwise provided by Supplemental Indenture, in the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the Agency to the Registered Owner thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability to the Registered Owner of such Bond for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part hereunder or on, or with respect to, said Bond. If any Bond shall not be presented for payment within four years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall, to the extent permitted by law, repay to the Agency the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Agency, and the Registered Owner thereof shall be entitled to look only to the Agency for payment, and then only to the extent of the amount so repaid, and the Agency shall not be liable for any interest thereon and shall not be regarded as a trustee of such money. The provisions of this Section 2.11 are subject to the provisions of Title 67, Chapter 4a, Utah Code Annotated 1953, as amended.

Section 2.12 Initial Bonds. Subject to the provisions hereof, the Initial Bonds may be authenticated and delivered by the Trustee upon satisfaction of the conditions specified in Section 2.4(c) hereof and any additional conditions specified in the Supplemental Indenture authorizing such Series of Bonds.

Section 2.13 Issuance of Additional Bonds. No additional indebtedness, bonds or notes of the Agency secured by a pledge of the Pledged Revenues senior to the pledge of Pledged Revenues for the payment of the Bonds and the Security Instrument Repayment Obligations herein authorized shall be created or incurred without the prior written consent of the Owners of 100% of the Outstanding Bonds and the Security Instrument Issuers. In addition, no Additional Bonds or other indebtedness, bonds or notes of the Agency payable on a parity with the Bonds and the Security Instrument Repayment Obligations herein authorized out of Pledged Revenues shall be created or incurred, unless the following requirements have been met:

(a) No Event of Default shall have occurred and be continuing hereunder on the date of authentication of any Additional Bonds. This Section 2.13(a) shall not preclude the issuance of Additional Bonds if (i) the issuance of such Additional Bonds otherwise complies with the provisions hereof and (ii) such Event of Default will cease to continue upon the issuance of Additional Bonds and the application of the proceeds thereof; and

(b) A certificate shall be delivered to the Trustee by an Authorized Representative to the effect that the Pledged Revenues for any consecutive 12 month period in the 24 months immediately preceding the proposed date of issuance of such Additional Bonds were at least equal to 200% of the sum of (x) the maximum Aggregate Annual Debt Service Requirement on all Bonds and Additional Bonds to be Outstanding following the issuance of the Additional Bonds, after deducting from any applicable Bond Fund Year amounts held in the Debt Service Reserve Fund that are expected to be used for Debt Service payments on the Bonds in such year, plus (y) the maximum annual installments due on all Reserve Instrument Repayment Obligations to be outstanding following the issuance of such Additional Bonds; and

provided, however, that such Pledged Revenue coverage test set forth above shall not apply to the issuance of any Additional Bonds to the extent (i) they are issued for the purpose of refunding Bonds issued hereunder, (ii) the Average Aggregate Annual Debt Service for such Additional Bonds does not exceed the then remaining Average Aggregate Annual Debt Service for the Bonds being refunded therewith, and (iii) the maximum Aggregate Annual Debt Service Requirement for such Additional Bonds is less than or equal to the maximum Aggregate Annual Debt Service Requirement for the Bonds being refunded therewith; and

(c) All payments required by this Indenture to be made into the Bond Fund must have been made in full, and there must be on deposit in each account of the Debt Service Reserve Fund (taking into account any Reserve Instrument coverage) the full amount required to be accumulated therein at the time of issuance of the Additional Bonds; and

(d) The proceeds of the Additional Bonds must be used (i) to refund Bonds issued hereunder or any other obligations (including tax sharing agreements) of the Agency or the City (including the funding of necessary reserves and the

payment of costs of issuance) and/or (ii) to finance or refinance a Project (including the funding of necessary reserves and the payment of costs of issuance); and

(e) Notwithstanding anything to the contrary herein, the City shall be entitled to issue bonds or enter into debt or other obligations secured by the Sales and Use Tax Revenues in the matter allowed under the Interlocal Agreement.

Section 2.14 Form of Bonds. The Bonds of each Series and the Trustee's Authentication Certificate shall be in substantially the forms thereof set forth in the Supplemental Indenture authorizing the issuance of such Bonds, with such omissions, insertions and variations as may be necessary, desirable, authorized and permitted hereby.

Section 2.15 Covenant Against Creating or Permitting Liens. Except for the pledge of Sales and Use Tax Revenues to pay obligations of the City and Pledged Revenues to secure payment of the Bonds and Repayment Obligations hereunder, the Pledged Revenues are and shall be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto; provided, however, that nothing contained herein shall prevent the Agency from issuing, if and to the extent permitted by law, indebtedness having a lien on Pledged Revenues subordinate to that of the Bonds and Repayment Obligations.

Section 2.16 Open Market Purchases of Bonds. Purchases of Outstanding Bonds on the open market may be made by the Agency at public or private sale as and when and at such prices as the Agency may in its discretion determine. Any accrued interest payable upon the purchase of Bonds may be paid from the amount reserved in the Bond Fund for the payment of interest on such Bonds on the next following interest payment date. Any Bonds so purchased shall be cancelled by the Trustee forthwith and surrendered to the Agency or destroyed and shall not be reissued.

## ARTICLE III

### CREATION OF FUNDS AND ACCOUNTS

Section 3.1 Creation of Construction Fund. There is hereby created and ordered established in the custody of the Trustee the Construction Fund. There is hereby created and ordered established in the custody of the Trustee a separate account within the Construction Fund for each Project to be designated by the name of the applicable Project or Series of Bonds and, if applicable, a separate account for each Series of Bonds and for all grant moneys or other moneys to be received by the Agency for deposit in the Construction Fund.

Section 3.2 Creation of Bond Fund. There is hereby created and ordered established in the custody of the Trustee the Bond Fund.

Section 3.3 Creation of Revenue Fund. There is hereby created and ordered established with the Agency the Revenue Fund. For accounting purposes, the Revenue Fund may be redesignated by different account names by the Agency from time to time.

Section 3.4 Creation of Sinking Fund Account. There is hereby created and ordered established in the custody of the Trustee as a separate account within the Bond Fund the Sinking Fund Account.

Section 3.5 Creation of Debt Service Reserve Fund. There is hereby created and ordered established in the custody of the Trustee the Debt Service Reserve Fund.

Section 3.6 Creation of Reserve Instrument Fund. There is hereby created and ordered established in the custody of the Trustee the Reserve Instrument Fund.

Section 3.7 Creation of Rebate Fund. There is hereby created and ordered established in the custody of the Trustee the Rebate Fund.

Section 3.8 Creation of Funds and Accounts. Notwithstanding anything contained herein to the contrary, the Trustee need not create any of the funds or accounts referenced in this Article III until such funds or accounts shall be utilized as provided in a Supplemental Indenture. The Agency may, by Supplemental Indenture, authorize the creation of additional funds and additional accounts within any fund.



## ARTICLE IV

### PLEDGED REVENUES; AGENCY COVENANTS

Section 4.1 Pledged Revenues. At the time of issuance of each Series of Bonds, the Agency may further define the Allocated Taxes and Investment Income which will constitute the Pledged Revenues with respect to such Series of Bonds. Subject to provisions which may be set out in a Supplemental Indenture, the Pledged Revenues, with respect to each Series of Bonds, are hereby irrevocably allocated and pledged in their entirety to the payment of the principal of, interest, if applicable, on, and premium payable upon redemption of, the Bonds and until all of said Bonds and all interest, thereon, have been paid (or until moneys for that purpose have been irrevocably set aside) the Pledged Revenues (except as otherwise provided in Indenture) shall be applied solely to the payment of said Bonds, the interest, if applicable, thereon, and premium, if any, as in the Indenture provided. Such allocation and pledge is for the exclusive benefit of the Owners of the Bonds, and shall be irrevocable. At the time of issuance of any Series of Bonds the definition of Pledged Revenues may be expanded or restricted with respect to such Series of Bonds as provided in the Supplemental Indenture under which such Series of Bonds is issued.

Section 4.2 Pledge of Sales and Use Tax Revenues. [No later than January 1 of each year, the Agency shall determine the amount of Allocated Taxes (and any other legally available funds the Agency has transferred to the Trustee to pay the Bonds) deposited in the Bond Fund and available for the payment of the principal and interest on the Bonds and any Security Instrument Repayment Obligation and Reserve Instrument Repayment Obligation for the next Bond Fund Year. In the event that the principal and interest on the Bonds for any Interest Payment Date will exceed the amount of Allocated Taxes (and such other funds) to be available for payment by the Trustee, the Agency shall cause the City to deposit into the Bond Fund, the Debt Service Reserve Fund, and Reserve Instrument Fund, if applicable, from the Sales and Use Tax Revenues, an amount equal to such deficiency as provided in the Interlocal Agreement.]

Section 4.3 First Lien Bonds; Equality of Liens. The Bonds and any Security Instrument Repayment Obligations constitute an irrevocable first lien upon the Pledged Revenues. The Agency covenants that the Bonds and Security Instrument Repayment Obligations hereafter authorized to be issued and from time to time outstanding are equitably and ratably secured by a first lien on the Pledged Revenues and shall not be entitled to any priority one over the other in the application of the Pledged Revenues regardless of the time or times of the issuance of the Bonds or delivery of Security Instruments, it being the intention of the Agency that there shall be no priority among the Bonds or the Security Instrument Repayment Obligations regardless of the fact that they may be actually issued and/or delivered at different times.

Any assignment or pledge from the Agency to a Reserve Instrument Provider of proceeds of the issuance and sale of Bonds, Pledged Revenues, or Funds established hereby, including investments, if any, thereof, is and shall be subordinate to the

assignment and pledge effected hereby to the Registered Owners of the Bonds and to the Security Instrument Issuers.

Section 4.4 Payment of Principal and Interest. The Agency covenants that it will punctually pay or cause to be paid the Principal of and interest on every Bond issued hereunder, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations, in strict conformity with the terms of the Bonds, this Indenture, any Security Instrument Agreement and any Reserve Instrument Agreement, according to the true intent and meaning hereof and thereof. The Principal of and interest on the Bonds, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations are payable solely from the Pledged Revenues (except to the extent paid out of moneys attributable to Bond proceeds or other funds created hereunder or the income from the temporary investment thereof), which Pledged Revenues are hereby specifically pledged and assigned to the payment thereof in the manner and to the extent herein specified, and nothing in the Bonds, this Indenture, any Security Instrument Agreement or any Reserve Instrument Agreement should be considered as pledging any other funds or assets of the Agency for the payment thereof.

Section 4.5 Performance of Covenants; Agency. The Agency covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained herein, and in any and every Bond, Security Instrument Agreement and Reserve Instrument Agreement. The Agency represents that it is duly authorized under the Constitution of the State to issue the Bonds authorized hereby and to execute this Indenture, that all actions on its part for the issuance of the Bonds and the execution and delivery of this Indenture have been duly and effectively taken, and that the Bonds in the hands of the Registered Owners thereof are and will be valid and enforceable obligations of the Agency according to the import thereof.

Section 4.6 Covenants of the Agency. The Agency shall preserve and protect the security of the Bonds and the rights of the Bondowners and defend their rights against all claims and demands of all persons. Until such time as an amount has been set aside sufficient to pay at maturity, or redemption prior to maturity, the principal of all outstanding Bonds plus unpaid interest, if applicable, thereon to maturity, or to the redemption date, and any redemption premium, the Agency will (through its proper members, officers, agents or employees) faithfully perform and abide by all of the covenants, undertakings and provisions contained in the Indenture or in any Bond issued hereunder, including the following covenants and agreements for the benefit of the Bondowners:

(a) The Agency covenants and agrees that the Redevelopment Plan may be amended as provided in the Redevelopment Act but no amendment shall be made which would materially impair the security of the Bonds or the rights of the Bondowners.

(b) The Agency covenants and agrees that the proceeds of the sale of said Bonds will be deposited and used as provided in this General Indenture and any Supplemental Indenture and that it will manage and operate all properties

owned by it and comprising any part of the Projects or the Redevelopment Project Area in a sound and businesslike manner. The Agency shall complete the acquisition and construction of each Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

(c) As more fully provided in Section 2.13 hereof and except as otherwise provided in this General Indenture or any Supplemental Indenture, the Agency covenants and agrees that it will not issue any other obligations payable as to the principal or interest, from the Pledged Revenues which have, or purport to have, any lien upon the Pledged Revenues superior to or on a parity with the lien of the Bonds herein authorized; provided, however, that nothing in this Indenture shall prevent the Agency from issuing and selling pursuant to law (i) refunding bonds or other refunding obligations payable from and having a lien upon the Pledged Revenues equal to that granted the Bonds if such refunding bonds or other refunding obligations are issued for the purpose of, and are sufficient for the purpose of, refunding and defeasing all of the Bonds then outstanding under this Indenture for which such Pledged Revenues have been pledged, (ii) bonds payable from and having a lien on the Pledged Revenues expressly subordinate to the lien created with respect to the Bonds issued hereunder or (iii) Additional Bonds as permitted by this Indenture. The Agency and the Trustee acknowledge and agree that nothing contained in this Indenture shall prevent the Agency from issuing additional debt payable from sources other than the Pledged Revenues.

(d) The Agency covenants and agrees that it will from time to time pay and discharge, or cause to be paid and discharged, all payments, if any, in lieu of taxes, service charges, assessments or other governmental charges which may lawfully be imposed upon the Agency or any of the properties then owned by it in the Redevelopment Project Area, or upon the revenues and income therefrom and will pay all lawful claims for labor, material and supplies which if unpaid might become a lien or charge upon any of said properties, revenues or income or which might impair the security of the Bonds or the use of Pledged Revenues or other funds to pay the principal of and interest, if applicable, thereon, all to the end that the priority and security of said Bonds shall be preserved; provided that nothing in this paragraph shall require the Agency to make any such payment so long as the Agency in good faith shall contest the validity thereof.

(e) The Agency covenants and agrees that it will at all times keep, or cause to be kept, proper and current books and accounts (separate from all other records and accounts) in which complete and accurate entries shall be made of all transactions relating to the Projects, the Redevelopment Project Area and the Pledged Revenues and other funds herein provided for, and will prepare within 180 days after the close of each of its fiscal years a complete financial statement or statements for such year in reasonable detail covering such Projects, Redevelopment Project Area, Pledged Revenues and other funds and certified by a certified public accountant or firm of certified public accountants selected by the Agency, and will furnish a copy of such statement or statements to the Trustee each year.

(f) Within the meaning of the Utah Municipal Officers and Employees' Ethics Act (Title 10, Chapter 3, Part 13, Utah Code Annotated 1953, as amended), no "elected officer" or "appointed officer" of the Agency, or any member of the governing body of the Agency, has a "substantial interest" in or is an officer, director, agent, employee, investor in, or owner, or has any direct or indirect pecuniary interest in, or will receive or has agreed to receive any compensation with respect to, any contract, lease, purchase, sale, or employment made or to be made in connection with, the proposed transaction contemplated by this General Indenture.

(g) Upon the issuance of the first Series of Bonds hereunder, there will be no existing liens or encumbrances on or pledge of the Pledged Revenues except (i) those created pursuant to this Indenture and (ii) liens which are expressly subordinate to the lien created hereby.

(h) The Agency covenants and agrees that it will comply with all requirements and conditions of the Agency in the Interlocal Agreement and that it will cooperate with the City in accomplishing the objectives and purposes of the Interlocal Agreement.

#### Section 4.7 Perfection of Security Interest.

(a) The Indenture creates a valid and binding pledge and assignment of and security interest in the Pledged Revenues and the funds and accounts held by the Trustee under the Indenture (except the Rebate Fund) (collectively, the "Trust Estate") in favor of the Trustee as security for payment of the Bonds, enforceable by the Trustee in accordance with the terms thereof.

(b) Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-501, Utah Code Annotated 1953, as amended, and is and shall be prior to any judicial lien hereafter imposed on such Trust Estate to enforce a judgment against the Agency on a simple contract.

Section 4.8 List of Bondholders. The Trustee will keep on file at its Principal Corporate Trust Office a list of the names and addresses of the Registered Owners of all Bonds which are from time to time registered on the registration books in the hands of the Trustee as Registrar for the Bonds. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the Agency or by the Registered Owners (or a designated representative thereof) of 10% or more in principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the reasonable satisfaction of the Trustee.

Section 4.9 Designation of Additional Paying Agents. The Agency hereby covenants and agrees to cause the necessary arrangements to be made through the Trustee and to be thereafter continued for the designation of alternate paying agents, if any, and for the making available of funds hereunder, but only to the extent such funds are made available to the Agency from Bond proceeds or other Funds created hereunder or the

income from the temporary investment thereof, for the payment of such of the Bonds as shall be presented when due at the Principal Corporate Trust Office of the Trustee, or its successor in trust hereunder, or at the principal corporate trust office of said alternate Paying Agents.

Section 4.10 Tax Exemption of Bonds and Direct Payments. The Agency recognizes that Section 149(a) of the Code requires bonds to be issued and to remain in fully registered form in order that interest thereon is excluded from gross income for federal income tax purposes under laws in force at the time the bonds are delivered. Bonds issued pursuant to this Indenture, the interest on which is excludable from gross income for federal income tax purposes, are referred to in this Section 4.10 as “tax-exempt Bonds.” Pursuant to the provisions thereof, the Agency agrees that it will not take any action to permit tax-exempt Bonds issued hereunder to be issued in, or converted into, bearer or coupon form, unless the Agency first receives an opinion from nationally recognized bond counsel that such action will not result in the interest on any Bonds becoming includible in gross income for purposes of federal income taxes then in effect.

The Agency’s Chair and Secretary are hereby authorized and directed to execute such certificates as shall be necessary to establish that tax-exempt Bonds or Direct Payment Bonds issued hereunder are not “arbitrage bonds” within the meaning of Section 148 of the Code and the Regulations promulgated or proposed thereunder, including Treasury Regulation Sections 1.148-1 through 1.148-11, 1.149 and 1.150-1 through 1.150-2 as the same presently exist, or may from time to time hereafter be amended, supplemented or revised. The Agency covenants and certifies to and for the benefit of the Registered Owners of such Bonds that no use will be made of the proceeds of the issue and sale of such Bonds, or any funds or accounts of the Agency which may be deemed to be available proceeds of such Bonds, pursuant to Section 148 of the Code and applicable regulations (proposed or promulgated) which use, if it had been reasonably expected on the date of issuance of such Bonds, would have caused the Bonds to be classified as “arbitrage bonds” within the meaning of Section 148 of the Code. Pursuant to this covenant, the Agency obligates itself to comply throughout the term of such Bonds with the requirements of Section 148 of the Code and the regulations proposed or promulgated thereunder.

The Agency further covenants and agrees to and for the benefit of the Registered Owners that the Agency (i) will not take any action that would cause interest on tax-exempt Bonds issued hereunder to become includible in gross income for purposes of federal income taxation, (ii) will not take any action that would jeopardize the Direct Payments on Direct Payment Bonds issued under this Indenture, (iii) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause the interest on the tax-exempt Bonds to become includible in gross income for purposes of federal income taxation, (iv) will not omit to take or cause to be taken, in timely manner, any action, which omission would jeopardize the Direct Payments on Direct Payment Bonds issued under this Indenture, and (v) to the extent possible, will comply with any other requirements of federal tax law applicable to the Bonds in order to preserve the excludability from gross income for purposes of federal income taxation of interest on tax-exempt Bonds and the Direct Payments on Direct Payment Bonds issued under this Indenture.

Section 4.11 Instruments of Further Assurance. The Agency and the Trustee mutually covenant that they will, from time to time, each upon the written request of the other, or upon the request of a Security Instrument Issuer or a Reserve Instrument Provider, execute and deliver such further instruments and take or cause to be taken such further actions as may be reasonable and as may be required by the other to carry out the purposes hereof; provided, however, that no such instruments or action shall involve any personal liability of the Trustee or members of the governing body of the Agency or any official thereof.

## ARTICLE V

### APPLICATION OF BOND PROCEEDS

Upon the issuance of each Series of Bonds, the proceeds thereof shall be deposited as provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

## ARTICLE VI

### USE OF FUNDS

#### Section 6.1 Use of Construction Fund.

(a) So long as an Event of Default shall not have occurred and be continuing, and except as otherwise provided by Supplemental Indenture, moneys deposited in the appropriate account in the Construction Fund shall be disbursed by the Trustee to pay the Costs of a Project, in each case within three (3) Business Days (or within such longer period as is reasonably required to liquidate investments in the Construction Fund if required to make such payment) after the receipt by the Trustee of a written requisition approved by an Authorized Representative of the Agency in substantially the form as Exhibit A attached hereto, stating that the Trustee shall disburse sums in the manner specified by and at the direction of the Agency to the person or entity designated in such written requisition, and that the amount set forth therein is justly due and owing and constitutes a Cost of a Project based upon itemized claims substantiated in support thereof.

(b) Upon receipt of such requisition, the Trustee shall pay the obligation set forth in such requisition out of moneys in the applicable account in the Construction Fund. In making such payments the Trustee may rely upon the information submitted in such requisition. Such payments shall be presumed to be made properly and the Trustee shall not be required to verify the application of any payments from the Construction Fund or to inquire into the purposes for which disbursements are being made from the Construction Fund.

(c) The Agency shall deliver to the Trustee, within 90 days after the completion of a Project, a certificate executed by an Authorized Representative of the Agency stating:

(i) that such Project has been fully completed in accordance with the plans and specifications therefor, as amended from time to time, and stating the date of completion for such Project; and

(ii) that the Project has been fully paid for and no claim or claims exist against the Agency or against such Project out of which a lien based on furnishing labor or material exists or might ripen; provided, however, there may be excepted from the foregoing certification any claim or claims out of which a lien exists or might ripen in the event the Agency intends to contest such claim or claims, in which event such claim or claims shall be described to the Trustee.

(d) In the event the certificate filed with the Trustee pursuant to Section 6.1(c) above shall state that there is a claim or claims in controversy which create or might ripen into a lien, an Authorized Representative of the Agency shall file a



similar certificate with the Trustee when and as such claim or claims shall have been fully paid or otherwise discharged.

(e) The Trustee and the Agency shall keep and maintain adequate records pertaining to each account within the Construction Fund and all disbursements therefrom.

(f) Unless otherwise specified in a Supplemental Indenture, upon completion of a Project and payment of all costs and expenses incident thereto and the filing with the Trustee of documents required by this Section 6.1, any balance remaining in the applicable account in the Construction Fund relating to such Project shall, as directed by an Authorized Representative of the Agency, be deposited in the Bond Fund to be applied toward the redemption of the Series of Bonds issued to finance such Project or to pay principal and/or interest next falling due with respect to the Bonds.

(g) The Trustee shall, to the extent there are no other available funds held under the Indenture, use the remaining funds in the Construction Fund to pay principal and interest on the Bonds at any time in the event of a payment default hereunder.

#### Section 6.2 Application of Pledged Revenues.

(a) Unless otherwise provided herein, all Pledged Revenues shall be deposited in the Revenue Fund and shall be accounted for by the Agency separate and apart from all other moneys of the Agency.

(b) So long as any Bonds are Outstanding, as a first charge and lien on the Pledged Revenues, the Agency shall, at least semi-annually and at least fifteen (15) days before each Interest Payment Date, transfer from the Revenue Fund to the Trustee for deposit into the Bond Fund an amount equal to:

(i) the interest falling due on the Bonds on the next succeeding Interest Payment Date established for the Bonds (provided, however, that so long as there are moneys representing capitalized interest on deposit with the Trustee to pay interest on the Bonds next coming due, the Agency need not allocate to the Revenue Fund to pay interest on the Bonds); plus

(ii) one-half of the Principal and premium, if any, falling due in the current fiscal year, and in any event, an amount sufficient to pay the Principal and premium on the next succeeding Principal payment date established for the Bonds; plus

(iii) one-half of the Sinking Fund Installments, if any, falling due in the current fiscal year, and in any event, an amount sufficient to pay the Sinking Fund Installments on the next succeeding Sinking Fund Installment payment date (for deposit to the Sinking Fund Account within the Bond Fund);

the sum of which shall be sufficient, when added to the existing balance in the Bond Fund, to pay the principal of, premium, if any, and interest on the Bonds promptly on each such date as the same become due and payable. The foregoing provisions may be revised by a Supplemental Indenture for any Series of Bonds having other than semiannual Interest Payment Dates.

(c) As a second charge and lien on the Pledged Revenues (on a parity basis), the Agency shall make the following transfers to the Trustee on or before the fifteenth day prior to each Interest Payment Date:

(i) To the extent the Debt Service Reserve Requirement, if any, is not funded with a Reserve Instrument or Instruments, (A) to the accounts in the Debt Service Reserve Fund any amounts required hereby, and by any Supplemental Indenture to accumulate therein the applicable Debt Service Reserve Requirement with respect to each Series of Bonds at the times and in the amounts provided herein, and in any Supplemental Indenture and (B) if funds shall have been withdrawn from an account in the Debt Service Reserve Fund, or any account in the Debt Service Reserve Fund is at any time funded in an amount less than the applicable Debt Service Reserve Requirement, the Agency shall deposit Revenues in such account(s) in the Debt Service Reserve Fund sufficient in amount to restore such account(s) within one year with twelve (12) substantially equal payments during such period (unless otherwise provided for by the Supplemental Indenture governing the applicable Debt Service Reserve Requirement); or a ratable portion (based on the amount to be transferred pursuant to Section 5.2(d)(ii) hereof) of remaining Revenues if less than the amount necessary; and

(ii) Equally and ratably to the accounts of the Reserve Instrument Fund, with respect to all Reserve Instruments which are in effect and are expected to continue in effect after the end of an interest payment period, such amount of the remaining Revenues, or a ratable portion (based on the amount to be transferred pursuant to Section 5.2(d)(i) hereof) of the amount so remaining if less than the amount necessary, that is required to be paid, on or before the next such interest payment period transfer or deposit of Revenues into the Reserve Instrument Fund, to the Reserve Instrument Provider pursuant to any Reserve Instrument Agreement, other than Reserve Instrument Costs, in order to cause the Reserve Instrument Coverage to equal the Reserve Instrument Limit within one year from any draw date under the Reserve Instrument.

(d) Subject to making the foregoing deposits, the Agency may use the balance of the Pledged Revenues accounted for in the Revenue Fund for any of the following:

(i) redemption of Bonds;

(ii) refinancing, refunding, or advance refunding of any Bonds;  
or

(iii) for any other lawful purpose.

**Section 6.3 Use of Bond Fund.** The Agency may direct the Trustee, pursuant to a Supplemental Indenture, to create an account within the Bond Fund for a separate Series of Bonds under the Indenture.

(a) The Trustee shall make deposits to the Bond Fund, as and when received, as follows:

(i) accrued interest, if any, received upon the issuance of any Series of Bonds;

(ii) all moneys payable by the Agency as specified in Section 6.2(a) hereof;

(iii) any amount in the Construction Fund to the extent required by or directed pursuant to Section 6.1(f) hereof upon completion of a Project;

(iv) all moneys transferred from the Debt Service Reserve Fund or from a Reserve Instrument or Instruments then in effect as provided in Section 6.5 hereof; and

(v) all other moneys received by the Trustee hereunder when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund.

(b) Except as provided in Section 7.4 hereof and as provided in this Section 6.2(a) and except as otherwise provided by Supplemental Indenture, moneys in the Bond Fund shall be expended solely for the following purposes and in the following order of priority:

(i) on or before each Interest Payment Date for each Series of Bonds, the amount required to pay the interest due on such date;

(ii) on or before each Principal Installment due date, the amount required to pay the Principal Installment due on such due date; and

(iii) on or before each redemption date for each Series of Bonds, the amount required to pay the redemption price of and accrued interest on such Bonds then to be redeemed.

Such amounts shall be applied by the Paying Agent to pay Principal Installments and redemption price of, and interest on the related Series of Bonds.

The Trustee shall pay out of the Bond Fund to the Security Instrument Issuer, if any, that has issued a Security Instrument with respect to such Series of Bonds an amount equal to any Security Instrument Repayment Obligation then due and payable to such Security Instrument Issuer. Except as otherwise specified in a related Supplemental Indenture all such Security Instrument Repayment Obligations shall be paid on a parity with the payments to be made with respect to principal and interest on the Bonds; provided that amounts paid under a Security Instrument shall be applied only to pay the related Series of Bonds. If payment is so made on Pledged Bonds held for the benefit of the Security Instrument Issuer, a corresponding payment on the Security Instrument Repayment Obligation shall be deemed to have been made (without requiring an additional payment by the Agency) and the Trustee shall keep its records accordingly.

The Agency hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay principal of and interest on the Bonds and on Security Instrument Repayment Obligations as the same become due and payable and to make said funds so withdrawn available to the Trustee and any Paying Agent for the purpose of paying said Principal and interest.

(c) After payment in full of the Principal of and interest on (i) all Bonds issued hereunder (or after provision has been made for the payment thereof as provided herein so that such Bonds are no longer Outstanding), (ii) all agreements relating to all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations in accordance with their respective terms, and (iii) all fees, charges and expenses of the Trustee, the Paying Agent and any other amounts required to be paid hereunder or under any Supplemental Indenture and under any Security Instrument Agreement and under any Reserve Instrument Agreement, all amounts remaining in the Bond Fund shall be paid to the Agency.

#### Section 6.4 Use of Sinking Fund Account.

(a) The Trustee shall apply moneys in the Sinking Fund Account to the retirement of any Term Bonds required to be retired by operation of the Sinking Fund Account under the provisions of and in accordance with the Supplemental Indenture authorizing the issuance of such Term Bonds, either by redemption in accordance with such Supplemental Indenture or, at the direction of the Agency, purchase of such Term Bonds in the open market prior to the date on which notice of the redemption of such Term Bonds is given pursuant hereto, at a price not to exceed the redemption price of such Term Bonds (plus accrued interest which will be paid from moneys in the Bond Fund other than those in the Sinking Fund Account).

(b) On the maturity date of any Term Bonds, the Trustee shall apply the moneys on hand in the Sinking Fund Account for the payment of the principal of such Term Bonds.

Section 6.5 Use of Debt Service Reserve Fund. Except as otherwise provided in this Section 6.5 and subject to the immediately following sentence, moneys in each

account in the Debt Service Reserve Fund shall at all times be maintained in an amount not less than the applicable Debt Service Reserve Requirement, if any. In calculating the amount on deposit in each account in the Debt Service Reserve Fund, the amount of any Reserve Instrument Coverage will be treated as an amount on deposit in such account in the Debt Service Reserve Fund. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify the Debt Service Reserve Requirement, if any, applicable to such Series which amount shall be (i) deposited immediately upon the issuance and delivery of such Series from (a) proceeds from the sale thereof or from any other legally available source, or (b) by a Reserve Instrument or Instruments, or (c) any combination thereof or (ii) deposited from available Pledged Revenues over the period of time specified therein, or (iii) deposited from any combination of (i) and (ii) above; provided however, the foregoing provisions shall be subject to the requirements of any Security Instrument Issuer set forth in any Supplemental Indenture. If at any time the amount on deposit in any account of the Debt Service Reserve Fund is less than the minimum amount to be maintained therein under this Section 6.5, the Agency is required to deposit Pledged Revenues, to the extent available, totaling the amount of any such deficiency directly to the Trustee for deposit into the Debt Service Reserve Fund.

In the event funds on deposit in an account of the Debt Service Reserve Fund are needed to make up any deficiencies in the Bond Fund as aforementioned, and there is insufficient cash available in such account of the Debt Service Reserve Fund to make up such deficiency and Reserve Instruments applicable to such Series are in effect, the Trustee shall immediately make a demand for payment on such Reserve Instruments, to the maximum extent authorized by such Reserve Instruments, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof into the Bond Fund. Thereafter, the Agency shall be obligated to reinstate the Reserve Instrument from and to the extent of Pledged Revenues.

No Reserve Instrument shall be allowed to expire or terminate while the related Series of Bonds are Outstanding unless and until cash has been deposited into the related account of the Debt Service Reserve Fund, or a new Reserve Instrument has been issued in place of the expiring or terminating Reserve Instrument, or any combination thereof in an amount or to provide coverage, as the case may be, at least equal to the amount required to be maintained in the related account of the Debt Service Reserve Fund.

Moneys at any time on deposit in the account of the Debt Service Reserve Fund in excess of the amount required to be maintained therein (taking into account the amount of related Reserve Instrument Coverage) shall be transferred by the Trustee to the Bond Fund at least once each year.

Moneys on deposit in any account of the Debt Service Reserve Fund shall be used to make up any deficiencies in the Bond Fund only for the Series of Bonds secured by said account and any Reserve Instrument shall only be drawn upon with respect to Bonds for which such Reserve Instrument was obtained.

Section 6.6 Use of Reserve Instrument Fund. There shall be paid into the Reserve Instrument Fund the amounts required hereby and by a Supplemental Indenture to

be so paid. The amounts in the Reserve Instrument Fund shall, from time to time, be applied by the Trustee on behalf of the Agency to pay the Reserve Instrument Repayment Obligations which are due and payable to any Reserve Instrument Provider under any applicable Reserve Instrument Agreement. The Agency may, upon obtaining an approving opinion of bond counsel to the effect that such transaction will not adversely affect the tax-exempt status of any outstanding tax-exempt Bonds, replace any amounts required to be on deposit in the Debt Service Reserve Fund with a Reserve Instrument and use such amounts for the related Project or to pay principal on the related Bonds.

Section 6.7 Use of Rebate Fund.

(a) If it becomes necessary for the Agency to comply with the rebate requirements of the Code and the Regulations, the Trustee shall establish and thereafter maintain, so long as the Bonds which are subject to said rebate requirements are Outstanding, a Rebate Fund, which shall be held separate and apart from all other funds and accounts established under this Indenture and from all other moneys of the Trustee.

(b) All amounts in the Rebate Fund, including income earned from investment of the fund, shall be held by the Trustee free and clear of the lien of the Indenture. In the event the amount on deposit in the Rebate Fund exceeds the aggregate amount of Rebatable Arbitrage for one or more Series of Bonds, as verified in writing by an independent public accountant or other qualified professional at the time the Rebatable Arbitrage is determined, the excess amount remaining after payment of the Rebatable Arbitrage to the United States shall, upon the Agency's written request accompanied by the determination report, be paid by the Trustee to the Agency.

(c) The Agency shall determine the amount of Rebatable Arbitrage and the corresponding Required Rebate Deposit with respect to each Series of Bonds on each applicable Rebate Calculation Date and take all other actions necessary to comply with the rebate requirements of the Code and the Regulations. The Agency shall deposit into the Rebate Fund the Required Rebate Deposit, if any, with respect to each Series of Bonds (or instruct the Trustee to transfer to the Rebate Fund moneys representing such Required Rebate Deposit from the Funds and Accounts held under the Indenture other than the Rebate Fund) or shall otherwise make payment of the rebate to be paid to the United States at the times required by the Code and the Regulations. If applicable, the Agency shall instruct in writing the Trustee to withdraw from the Rebate Fund and pay any rebate over to the United States. The determination of Rebatable Arbitrage made with respect to each such payment date and with respect to any withdrawal and payment to the Agency from the Rebate Fund pursuant to the Indenture must be verified in writing by an independent public accountant or other qualified professional. The Trustee may rely conclusively upon and shall be fully protected from all liability in relying upon the Agency's determinations, calculations and certifications required by this Section 6.7 and the Trustee shall have no responsibility to independently make any

calculations or determination or to review the Agency's determinations, calculations and certifications required by this Section 6.7.

(d) The Trustee shall, at least 60 days prior to each Rebate Calculation Date, notify the Agency of the requirements of this Section 6.7. By agreeing to give this notice, the Trustee assumes no responsibility whatsoever for compliance by the Agency with the requirements of Section 148 of the Code or any successor. The Agency expressly agrees that (notwithstanding any other provision of the Indenture) any failure of the Trustee to give any such notice, for any reason whatsoever, shall not cause the Trustee to be responsible for any failure of the Agency to comply with the requirements of said Section 148 or any successor thereof.

(e) The provisions of this Section 6.7 may be amended or deleted without Bondowner consent or notice, upon receipt by the Agency and the Trustee of an opinion of nationally recognized bond counsel that such amendment or deletion will not adversely affect the excludability from gross income of interest on the Bonds or the status of the Bonds as Direct Payment Bonds.

Section 6.8 Investment of Funds. Any moneys in the Bond Fund, the Construction Fund, the Rebate Fund, the Reserve Instrument Fund and the Debt Service Reserve Fund shall, at the discretion and authorization of the Agency, be invested by the Trustee in Qualified Investments; provided, however, that moneys on deposit in the Bond Fund and the Reserve Instrument Fund may only be invested in Qualified Investments having a maturity date of one year or less. If no written authorization is given to the Trustee, moneys shall be held uninvested. Such investments shall be held by the Trustee, and when the Trustee determines it necessary to use the moneys in the Funds for the purposes for which the Funds were created, it shall liquidate at prevailing market prices as much of the investments as may be necessary and apply the proceeds to such purposes. All income derived from the investment of the Construction Fund, Bond Fund, the Reserve Instrument Fund and Rebate Fund shall be maintained in said respective Funds and disbursed along with the other moneys on deposit therein as herein provided. All income derived from the investment of the Debt Service Reserve Fund shall be disbursed in accordance with Section 6.5 hereof.

The Trustee shall have no liability or responsibility for any loss resulting from any investment made in accordance with the provisions of this Section 6.8. The Trustee shall be entitled to assume that any investment, which at the time of purchase is a Qualified Investment, remains a Qualified Investment thereafter, absent receipt of written notice or information to the contrary.

The Trustee may, to the extent permitted by the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code make any and all investments permitted by the provisions of the Indenture through its own or any of its affiliate's investment departments.

The Agency acknowledges that to the extent regulations of the comptroller of the currency or any other regulatory entity grants the Agency the right to receive brokerage

confirmations of the security transactions as they occur, the Agency specifically waives receipt of such confirmations to the extent permitted by law. The Trustee shall furnish the Agency periodic cash transaction statements which include the detail for all investment transactions made by the Trustee hereunder.

In the event the Agency shall be advised by nationally recognized municipal bond counsel that it is necessary to restrict or limit the yield on the investment of any moneys paid to or held by the Trustee in order to avoid the Bonds, or any Series thereof, being considered “arbitrage bonds” within the meaning of the Code or the Treasury Regulations proposed or promulgated thereunder, or to otherwise preserve the excludability of interest payable or paid on any Bonds from gross income for federal income tax purposes, the Agency may require in writing the Trustee to take such steps as it may be advised by such counsel are necessary so to restrict or limit the yield on such investment, irrespective of whether the Trustee shares such opinion, and the Trustee agrees that it will take all such steps as the Agency may require.

Section 6.9 Trust Funds. All moneys and securities received by the Trustee under the provisions of this Indenture shall be trust funds under the terms hereof and shall not be subject to lien or attachment of any creditor of the State or any political subdivision, body, agency, or instrumentality thereof or of the Agency and shall not be subject to appropriation by any legislative body or otherwise. Such moneys and securities shall be held in trust and applied in accordance with the provisions hereof. Except as provided otherwise in Section 6.7 hereof, unless and until disbursed pursuant to the terms hereof, all such moneys and securities (and the income therefrom) shall be held by the Trustee as security for payment of the principal of, premium, if any, and interest on the Bonds and the fees and expenses of the Trustee payable hereunder.

Section 6.10 Method of Valuation and Frequency of Valuation. In computing the amount in any fund or account, Qualified Investments shall be valued at market, exclusive of accrued interest. With respect to all funds and accounts, valuation shall occur annually, except in the event of a withdrawal from the Debt Service Reserve Fund, whereupon securities shall be valued immediately after such withdrawal.



## ARTICLE VII

### EVENTS OF DEFAULT; REMEDIES

Section 7.1 Events of Default. Each of the following events is hereby declared an “Event of Default”:

(a) if payment of any installment of interest on any of the Bonds shall not be made by or on behalf of the Agency when the same shall become due and payable, or

(b) if payment of the principal of or the redemption premium, if any, on any of the Bonds shall not be made by or on behalf of the Agency when the same shall become due and payable, either at maturity or by proceedings for redemption in advance of maturity or through failure to fulfill any payment to any fund hereunder or otherwise; or

(c) if the Agency shall for any reason be rendered incapable of fulfilling its obligations hereunder; or

(d) if an order or decree shall be entered, with the consent or acquiescence of the Agency, appointing a receiver or custodian for any of the Pledged Revenues of the Agency, or approving a petition filed against the Agency seeking reorganization of the Agency under the federal bankruptcy laws or any other similar law or statute of the United States of America or any state thereof, or if any such order or decree, having been entered without the consent or acquiescence of the Agency shall not be vacated or discharged or stayed on appeal within 30 days after the entry thereof; or

(e) if any proceeding shall be instituted, with the consent or acquiescence of the Agency, for the purpose of effecting a composition between the Agency and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are or may be under any circumstances payable from Pledged Revenues; or

(f) if (i) the Agency is adjudged insolvent by a court of competent jurisdiction, or (ii) an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the Agency, a receiver, trustee or custodian of the Agency or of the whole or any part of the Agency’s property and any of the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within 60 days from the date of entry thereof; or

(g) if the Agency shall file a petition or answer seeking reorganization, relief or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(h) if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Agency or of the whole or any substantial part of the property of the Agency, and such custody or control shall not be terminated within 30 days from the date of assumption of such custody or control; or

(i) if the Agency shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or herein or any Supplemental Indenture hereof on the part of the Agency to be performed, other than as set forth above in this Section 7.1, and such Event of Default shall continue for 30 days after written notice specifying such Event of Default and requiring the same to be remedied shall have been given to the Agency by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Registered Owners of not less than 25% in aggregate principal amount of the Bonds then Outstanding hereunder; or

(j) the occurrence of any event specified in a Supplemental Indenture as constituting an Event of Default.

Section 7.2 Remedies; Rights of Registered Owners. Upon the occurrence of an Event of Default, the Trustee, upon being indemnified pursuant to Section 8.1 hereof, may pursue any available remedy by suit at law or in equity to enforce the payment of the principal of, premium, if any, and interest on the Bonds then Outstanding or to enforce any obligations of the Agency hereunder.

If an Event of Default shall have occurred, and if requested so to do by (i) Registered Owners of not less than 25% in aggregate Principal amount of the Bonds then Outstanding, (ii) Security Instrument Issuers at that time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 25% in aggregate Principal amount of Bonds at the time Outstanding, or (iii) any combination of Registered Owners and Security Instrument Issuers described in (i) and (ii) above representing not less than 25% in aggregate Principal amount of Bonds at the time Outstanding, and indemnified as provided in Section 8.1 hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section 7.2 as the Trustee, being advised by counsel, shall deem most expedient in the interest of the Registered Owners and the Security Instrument Issuers.

No remedy by the terms hereof conferred upon or reserved to the Trustee (or to the Registered Owners or to the Security Instrument Issuers) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee, the Registered Owners or the Security Instrument Issuers or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any Event of Default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default hereunder, whether by the Trustee or by the Registered Owners or the Security Instrument Issuers, shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

**Section 7.3 Right of Registered Owners to Direct Proceedings.** Anything herein to the contrary notwithstanding, unless a Supplemental Indenture provides otherwise, either (i) the Registered Owners of a majority in aggregate Principal amount of the Bonds then Outstanding, (ii) the Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding, or (iii) any combination of Registered Owners and Security Instrument Issuers described in (i) and (ii) above representing not less than 50% in aggregate Principal amount of Bonds at the time Outstanding, shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions hereof, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

**Section 7.4 Application of Moneys.** All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article VII shall, after payment of Trustee's fees and expenses including the fees and expenses of its counsel for the proceedings resulting in the collection of such moneys and of the expenses and liabilities and advances incurred or made by the Trustee, be deposited in the Bond Fund and all moneys so deposited in the Bond Fund shall be applied in the following order:

(a) To the payment of the principal of, premium, if any, and interest then due and payable on the Bonds and the Security Instrument Repayment Obligations as follows:

(i) Unless the Principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST—To the payment to the persons entitled thereto of all installments of interest then due on the Bonds and the interest component of any Security Instrument Repayment Obligations then due, in the order of the maturity of the installments of such interest and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or privilege; and

SECOND—To the payment to the persons entitled thereto of the unpaid Principal of and premium, if any, on the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions hereof), in the order of their due dates, and the Principal component

of any Security Instrument Repayment Obligations then due, and, if the amount available shall not be sufficient to pay in full all the Bonds and the Principal component of any Security Instrument Repayment Obligations due on any particular date, then to the payment ratably, according to the amount of Principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(ii) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the Principal and interest then due and unpaid upon the Bonds and Security Instrument Repayment Obligations, without preference or priority of Principal over interest or of interest over Principal, or of any installment of interest over any other installment of interest, or of any Bond or Security Instrument Repayment Obligation over any other Bond or Security Instrument Repayment Obligation, ratably, according to the amounts due respectively for Principal and interest, to the persons entitled thereto without any discrimination or privilege.

(iii) To the payment of all obligations owed to all Reserve Instrument Providers, ratably, according to the amounts due without any discrimination or preference under any applicable agreement related to any Reserve Instrument Agreement.

Whenever moneys are to be applied pursuant to the provisions of this Section 7.4, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amounts of such moneys available for such application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal paid on such dates shall cease to accrue.

Section 7.5 Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) hereunder or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings related thereto and any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Registered Owners of the Bonds, and any recovery of judgment shall be for the equal benefit of the Registered Owners of the Outstanding Bonds.

Section 7.6 Rights and Remedies of Registered Owners. Except as provided in the last sentence of this Section 7.6, no Registered Owner of any Bond or Security Instrument Issuer shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement hereof or for the execution of any trust thereof or for the appointment of a receiver or any other remedy hereunder, unless an Event of Default has occurred of which the Trustee has been notified as provided in Section 8.1(g), or of which

by said Section it is deemed to have notice, nor unless also Registered Owners of 25% in aggregate principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 25% in aggregate principal amount of Bonds at the time Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, nor unless also they have offered to the Trustee indemnity as provided in Section 8.1 hereof nor unless the Trustee shall thereafter fail or refuse to exercise the powers hereinabove granted, or to institute such action, suit or proceeding in its own name or names. Such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trust hereof, and to any action or cause of action for the enforcement hereof, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Registered Owner of the Bonds or Security Instrument Issuer shall have any right in any manner whatsoever to affect, disturb or prejudice the lien hereof by its action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Registered Owners of all Bonds then Outstanding and all Security Instrument Issuers at the time providing Security Instruments. Nothing herein contained shall, however, affect or impair the right of any Registered Owner or Security Instrument Issuer to enforce the covenants of the Agency to pay the principal of, premium, if any, and interest on each of the Bonds issued hereunder held by such Registered Owner and Security Instrument Repayment Obligations at the time, place, from the source and in the manner in said Bonds or Security Instrument Repayment Obligations expressed.

Section 7.7 Termination of Proceedings. In case the Trustee, any Registered Owner or any Security Instrument Issuer shall have proceeded to enforce any right hereunder by the appointment of a receiver, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Registered Owner, or Security Instrument Issuer, then and in every such case the Agency and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 7.8 Waivers of Events of Default. Subject to Section 8.1(g) hereof, the Trustee may in its discretion, and with the prior written consent of all Security Instrument Issuers at the time providing Security Instruments, waive any Event of Default hereunder and its consequences and shall do so upon the written request of the Registered Owners of (a) a majority in aggregate principal amount of all the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate Principal amount of Bonds at the time Outstanding in respect of which an Event of Default in the payment of principal and interest exist, or (b) a majority in aggregate principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than 50% in aggregate

Principal amount of Bonds at the time Outstanding in the case of any other Event of Default; provided, however, that there shall not be waived (i) any default in the payment of the principal of any Bonds at the date that a Principal Installment is due or (ii) any default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds in respect of which such Event of Default shall have occurred on overdue installments of interest and all arrears of payments of principal and premium, if any, when due and all expenses of the Trustee, in connection with such Event of Default shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Agency, the Trustee, the Registered Owners and the Security Instrument Issuers shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 7.9 Cooperation of Agency. In the case of any Event of Default hereunder, the Agency shall cooperate with the Trustee and use its best efforts to protect the Registered Owners, Reserve Instrument Providers and the Security Instrument Issuers.

## ARTICLE VIII

### THE TRUSTEE

Section 8.1 Acceptance of the Trusts. The Trustee accepts the trusts imposed upon it hereby, and agrees to perform said trusts as a corporate trustee ordinarily would perform said trusts under a corporate indenture, but no implied covenants or obligations shall be read into this Indenture against the Trustee.

(a) The Trustee may execute any of the trusts or powers thereof and perform any of its duties by or through attorneys, agents, receivers or employees and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of counsel. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(b) The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or collecting any insurance moneys, or for the validity of the execution by the Agency of this Indenture or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Agency; but the Trustee may require of the Agency full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the property herein conveyed. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with the provisions hereof. The Trustee shall have no responsibility with respect to any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the Bonds.

(c) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder, except as specifically set forth herein. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if not Trustee.

(d) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant hereto upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Registered Owner of any Bond, shall be

conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof.

(e) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the Agency by an Authorized Representative as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in Section 8.1(g) herein, or of which by said Paragraph it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of an Authorized Representative of the Agency under its seal to the effect that a resolution in the form therein set forth has been adopted by the Agency as conclusive evidence that such resolution has been duly adopted, and is in full force and effect.

(f) The permissive right of the Trustee to do things enumerated herein shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful misconduct.

(g) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder, except an Event of Default described in Section 7.1(a) or 7.1(b), unless the Trustee shall be specifically notified in writing of such Default by the Agency, a Security Instrument Issuer or by the Registered Owners of at least 25% in the aggregate principal amount of any Series of the Bonds then Outstanding and all notices or other instruments required hereby to be delivered to the Trustee must, in order to be effective, be delivered at the Principal Corporate Trust Office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(h) At any and all reasonable times and upon reasonable prior written notice, the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect all books, papers and records of the Agency pertaining to the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(i) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(j) Notwithstanding anything elsewhere herein contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview hereof, any showing,



certificates, opinions, appraisals, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee, deemed desirable for the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

(k) All moneys received by the Trustee or any Paying Agent shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except such as may be agreed upon.

(l) If any Event of Default hereunder shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it hereby and shall use the same degree of care as a prudent man would exercise or use in the circumstances in the conduct of his own affairs.

(m) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Registered Owners, Security Instrument Issuers or Reserve Instrument Providers pursuant to the provisions of this Indenture, unless such Registered Owners, Security Instrument Issuers or Reserve Instrument Providers shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which may be incurred therein or thereby.

(n) The Trustee shall not be required to expend, advance, or risk its own funds or incur any financial liability in the performance of its duties or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or satisfactory indemnity against such risk or liability is not assured to it.

Section 8.2 Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and/or reimbursement for reasonable fees for its services rendered as Trustee hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent and Registrar for the Bonds as hereinabove provided. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a right of payment prior to payment on account of interest or principal of, or premium, if any, on any Bond for the foregoing advances, fees, costs and expenses incurred. The Trustee's rights under this Section 8.2 will not terminate upon its resignation or removal or upon payment of the Bonds and discharge of the Indenture.

Section 8.3 Notice to Registered Owners if Event of Default Occurs. If an Event of Default occurs of which the Trustee is by Section 8.1(g) hereof required to take notice or if notice of an Event of Default be given to the Trustee as in said Section provided, then the Trustee shall give written notice thereof by registered or certified mail to all Security Instrument Issuers or to Registered Owners of all Bonds then Outstanding shown on the registration books of the Bonds kept by the Trustee as Registrar for the Bonds.

Section 8.4 Intervention by Trustee. In any judicial proceeding to which the Agency is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interest of Registered Owners of the Bonds, the Trustee may intervene on behalf of such Owners and shall do so if requested in writing by the Registered Owners of at least 25% in aggregate principal amount of the Bonds then Outstanding. The rights and obligations of the Trustee under this Section 8.4 are subject to the approval of a court of competent jurisdiction.

Section 8.5 Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Trustee hereunder and vested with all of the title to the whole property or trust estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed of conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 8.6 Resignation by the Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving written notice to the Agency, served personally or by registered or certified mail, and by registered or certified mail to each Reserve Instrument Issuer, Security Instrument Issuer and Registered Owner of Bonds then Outstanding, and such resignation shall take effect upon the appointment of and acceptance by a successor Trustee by the Registered Owners or by the Agency as provided in Section 8.8 hereof; provided, however that if no successor Trustee has been appointed within 60 days of the date of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice, if any, as it deems proper and prescribes, appoint a successor Trustee.

Section 8.7 Removal of the Trustee. The Trustee may be removed at any time, by an instrument or concurrent instruments (i) in writing delivered to the Trustee, and signed by the Agency, unless there exists any Event of Default, or (ii) in writing delivered to the Trustee and the Agency, and signed by the Registered Owners of a majority in aggregate principal amount of Bonds then Outstanding if an Event of Default exists; provided that such instrument or instruments concurrently appoint a successor Trustee meeting the qualifications set forth herein.

Section 8.8 Appointment of Successor Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Agency or if an Event of Default exists by the Registered Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such Owners, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of such vacancy, the Agency by an instrument executed by an Authorized Representative under its seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Registered Owners in the manner above provided; and any such temporary Trustee so appointed by the Agency shall immediately and without further act be superseded by the Trustee so appointed by such Registered Owners. Every successor Trustee appointed pursuant to the provisions of this Section 8.8 or otherwise shall be a trust company or bank in good standing having a reported capital and surplus of not less than \$50,000,000.

Each Reserve Instrument Provider and Security Instrument Issuer shall be notified by the Agency immediately upon the resignation or termination of the Trustee and provided with a list of candidates for the office of successor Trustee.

Section 8.9 Concerning Any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Agency an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Agency, or of the successor Trustee, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Agency be required by any successor Trustee for more fully and certainly vesting in such successor the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Agency. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article VIII shall be filed and/or recorded by the successor Trustee in each recording office, if any, where the Indenture shall have been filed and/or recorded.

Section 8.10 Trustee Protected in Relying Upon Indenture, Etc. The indentures, opinions, certificates and other instruments provided for herein may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection and authority to the Trustee for the release of property and the withdrawal of cash hereunder.

Section 8.11 Successor Trustee as Trustee of Funds; Paying Agent and Bond Registrar. In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or been removed shall cease to be Trustee hereunder and Registrar for the Bonds and Paying Agent for principal of, premium, if any, and interest on the Bonds, and the successor Trustee shall become such Trustee, Registrar and Paying Agent for the Bonds.

Section 8.12 Trust Estate May Be Vested in Separate or Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the laws of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in case of litigation hereunder, and in particular in case of the enforcement of remedies on Event of Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights, or remedies herein granted to the Trustee or hold title to the trust estate, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-trustee. The following provisions of this Section 8.12 are adapted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended hereby to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vested in such separate or co-trustee, but only to the extent necessary to enable the separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

Should any deed, conveyance or instrument in writing from the Agency be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to it such properties, rights, powers, trusts, duties and obligations, any and all such deeds, conveyances and instruments in writing shall, on request of such trustee or co-trustee, be executed, acknowledged and delivered by the Agency. In case any separate trustee or co-trustee, or a successor to either, shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

Section 8.13 Annual Accounting. The Trustee shall prepare an annual accounting for each Bond Fund Year by the end of the month following each such Bond Fund Year

showing in reasonable detail all financial transactions relating to the funds and accounts held by the Trustee hereunder during the accounting period and the balance in any funds or accounts created hereby as of the beginning and close of such accounting period, and shall mail the same to the Agency, and to each Reserve Instrument Provider requesting the same. The Trustee shall also make available for inspection by any Registered Owner a copy of said annual accounting (with the names and addresses of Registered Owners receiving payment of debt service on the Bonds deleted therefrom) and shall mail the same if requested in writing to do so by Registered Owners of at least 25% in aggregate principal amount of Bonds then Outstanding to the designee of said Owners specified in said written request at the address therein designated. On or before the end of the month following each Bond Fund Year, the Trustee shall, upon written request, provide to the Agency and the Agency's independent auditor representations as to the accuracy of the facts contained in the financial reports concerning the transactions described herein that were delivered by the Trustee during the Bond Fund Year just ended.

Section 8.14 Indemnification. To the extent permitted by law and subject to the provisions of Section 8.1(a) of this Indenture, the Agency shall indemnify and save Trustee harmless against any liabilities it may incur in the exercise and performance of its powers and duties hereunder, other than those due to its own negligence or willful misconduct.

Section 8.15 Trustee's Right to Own and Deal in Bonds. The bank or trust company acting as Trustee under this Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued hereunder and secured by this Indenture, and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under this Indenture.

Section 8.16 Direct Payment Authorization. The Agency hereby authorizes and directs the Trustee to take all necessary actions to effectively carry out the duties required to apply for and accept Direct Payments from the Internal Revenue Service on behalf of the Agency under Sections 54AA and 6431 of the Code or such other tax provisions of substantially similar nature which may be hereafter authorized, including, but not limited to, filing and signing IRS Form 8038-CP, receiving the Direct Payment on the Agency's behalf, and using such Direct Payment to pay Debt Service on the Bonds. For fixed rate bonds, the Trustee shall file the 8038-CP at least 50 days (but not more than 90 days) before the relevant Interest Payment Date (unless otherwise directed by a change in regulations). For variable rate bonds, the Trustee shall file the 8038-CP for reimbursements in arrears within 25 days after the last Interest Payment Date within the quarterly period for which reimbursement is being requested (unless otherwise directed by a change in regulations). The Agency hereby covenants that it will deposit the Direct Payments with the Trustee for use in paying Debt Service on the Bonds.

## ARTICLE IX

### SUPPLEMENTAL INDENTURES

Section 9.1 Supplemental Indentures Not Requiring Consent of Registered Owners, Security Instrument Issuers and Reserve Instrument Providers. The Agency and the Trustee may, without the consent of, or notice to, any of the Registered Owners or Reserve Instrument Providers, or Security Instrument Issuers, enter into an indenture or indentures supplemental hereto, as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

- (a) To provide for the issuance of Additional Bonds in accordance with the provisions of Section 2.13 hereof;
- (b) To cure any ambiguity or formal defect or omission herein;
- (c) To grant to or confer upon the Trustee for the benefit of the Registered Owners, any Security Instrument Issuers and any Reserve Instrument Providers any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Registered Owners or any of them which shall not adversely affect the interests of any Reserve Instrument Providers or Security Instrument Issuers without its consent;
- (d) To subject to this Indenture additional Pledged Revenues or other revenues, properties, collateral or security;
- (e) To provide for the issuance of the Bonds pursuant to a book-entry system or as uncertificated registered public obligations pursuant to the provisions of the Registered Public Obligations Act, Title 15, Chapter 7 of the Utah Code, Annotated 1953, as amended, or any successor provisions of law;
- (f) To make any change which shall not materially adversely affect the rights or interests of the Owners of any Outstanding Bonds, any Security Instrument Issuers or any Reserve Instrument Provider requested or approved by a Rating Agency in order to obtain or maintain any rating on the Bonds or requested or approved by a Security Instrument Issuer or Reserve Instrument Provider in order to insure or provide other security for any Bonds;
- (g) To make any change necessary (A) to establish or maintain the excludability from gross income for federal income tax purposes of interest on any Series of Bonds as a result of any modifications or amendments to Section 148 of the Code or interpretations by the Internal Revenue Service of Section 148 of the Code or of regulations proposed or promulgated thereunder, or (B) to comply with the provisions of Section 148(f) of the Code, including provisions for the payment of all or a portion of the investment earnings of any of the Funds established hereunder to the United States of America, or (C) to establish or maintain the Direct Payments related to any Series of Bonds;

(h) If the Bonds affected by any change are rated by a Rating Agency, to make any change which does not result in a reduction of the rating applicable to any of the Bonds so affected, provided that if any of the Bonds so affected are secured by a Security Instrument, such change must be approved in writing by the related Security Instrument Issuer;

(i) If the Bonds affected by any change are secured by a Security Instrument, to make any change approved in writing by the related Security Instrument Issuer, provided that if any of the Bonds so affected are rated by a Rating Agency, such change shall not result in a reduction of the rating applicable to any of the Bonds so affected;

(j) Unless otherwise provided by a Supplemental Indenture authorizing a Series of Bonds, the designation of the facilities to constitute a Project by such Supplemental Indenture may be modified or amended if the Agency delivers to the Trustee (1) a Supplemental Indenture designating the facilities to comprise the Project and (2) an opinion of Bond Counsel to the effect that such amendment will not adversely affect the tax-exempt status (if applicable) or validity of the Bonds; and

(k) To correct any references contained herein to provisions of the Redevelopment Act, the Code or other applicable provisions of law that have been amended so that the references herein are correct.

Section 9.2 Supplemental Indentures Requiring Consent of Registered Owners and Reserve Instrument Providers; Waivers and Consents by Registered Owners. Exclusive of Supplemental Indentures covered by Section 9.1 hereof and subject to the terms and provisions contained in this Section 9.2, and not otherwise, the Registered Owners of 66 2/3% in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained herein to the contrary notwithstanding, to (i) consent to and approve the execution by the Agency and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Agency for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained herein or in any Supplemental Indenture, or (ii) waive or consent to the taking by the Agency of any action prohibited, or the omission by the Agency of the taking of any action required, by any of the provisions hereof or of any indenture supplemental hereto; provided, however, that nothing in this Section 9.2 contained shall permit or be construed as permitting (a) an extension of the date that a Principal Installment is due at maturity or mandatory redemption or reduction in the principal amount of, or reduction in the rate of or extension of the time of paying of interest on, or reduction of any premium payable on the redemption of, any Bond, without the consent of the Registered Owner of such Bond, or (b) a reduction in the amount or extension of the time of any payment required by any Fund established hereunder applicable to any Bonds without the consent of the Registered Owners of all the Bonds which would be affected by the action to be taken, or (c) a reduction in the aforesaid aggregate principal amount of Bonds, the Registered Owners of which are required to consent to any such waiver or Supplemental Indenture, or (d) affect the rights of the

Registered Owners of less than all Bonds then outstanding, without the consent of the Registered Owners of all the Bonds at the time Outstanding which would be affected by the action to be taken. In addition, no supplement hereto shall modify the rights, duties or immunities of the Trustee, without the written consent of the Trustee. If a Security Instrument or a Reserve Instrument is in effect with respect to any Series of Bonds Outstanding and if a proposed modification or amendment would affect such Series of Bonds, then, except as provided in Section 9.1, neither this Indenture nor any Supplemental Indenture with respect to such Series of Bonds shall be modified or amended at any time without the prior written consent of the related Security Instrument Issuer or Reserve Instrument Provider, as applicable.

If at any time the Agency shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section 9.2, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such Supplemental Indenture to be given by registered or certified mail to the Bondholder of each Bond shown by the list of Bondholders required by the terms of Section 2.6 hereof to be kept at the office of the Trustee. Such notices shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the principal office of the Trustee for inspection by all Bondholders. At the time such notices are mailed by the Trustee, the Agency may, but is not required to, designate a reasonable time period for receipt of such consents and shall include such requirement in the notices sent to the Bondholders. If the Bondholders of not less than 66 2/3% in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no holder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Agency from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as in this Article IX permitted and provided, the Indenture shall be and be deemed to be modified and amended in accordance therewith.



## ARTICLE X

### DISCHARGE OF INDENTURE

If the Agency shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made, to or for the Registered Owners of the Bonds, the principal of and interest due or to become due thereon at the times and in the manner stipulated therein, and shall pay or cause to be paid to the Trustee all sums of moneys due or to become due according to the provisions hereof, and to all Security Instrument Issuers and all Reserve Instrument Providers all sums of money due or to become due according to the provisions of any Security Instrument Agreements or Reserve Instrument Agreements, as applicable, then these presents and the estate and rights hereby granted shall cease, terminate and be void, whereupon the Trustee shall cancel and discharge the lien hereof, and release, assign and deliver unto the Agency any and all the estate, right, title and interest in and to any and all rights assigned or pledged to the Trustee, held by the Trustee, or otherwise subject to the lien hereof, except moneys or securities held by the Trustee for the payment of the principal of and interest on the Bonds, the payment of amounts pursuant to any Security Instrument Agreements or the payment of amounts pursuant to any Reserve Instrument Agreements.

Any Bond shall be deemed to be paid within the meaning of this Article X when payment of the principal of such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided herein, or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided by irrevocably depositing with or for the benefit of the Trustee, in trust and irrevocably setting aside exclusively for such payment, (i) moneys sufficient to make such payment, or (ii) Direct Obligations, maturing as to principal and interest in such amount and at such times as will ensure the availability of sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee, and any paying agent pertaining to the Bond with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits hereof, except for the purposes of any such payment from such moneys or Direct Obligations.

Notwithstanding the foregoing, in the case of Bonds, which by their terms may be redeemed prior to their stated maturity, no deposit under the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until the Agency shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions:

(a) stating the date when the principal of each such Bond is to be paid, whether at maturity or on a redemption date (which shall be any redemption date permitted hereby);

(b) directing the Trustee to call for redemption pursuant hereto any Bonds to be redeemed prior to maturity pursuant to Article II above; and

(c) directing the Trustee to mail, as soon as practicable, in the manner prescribed by Article II hereof, a notice to the Registered Owners of such Bonds and to each related Security Instrument Issuer that the deposit required by this Article X has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Article X and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds as specified in Article II.

Any moneys so deposited with the Trustee as provided in this Article X may at the direction of the Agency also be invested and reinvested in Direct Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Direct Obligations in the hands of the Trustee pursuant to this Article X which is not required for the payment of the Bonds and interest thereon with respect to which such moneys shall have been so deposited, shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund; provided, however, that before any excess moneys shall be deposited in the Bond Fund, the Trustee shall first obtain a written verification from a certified public accountant that the moneys remaining on deposit with the Trustee and invested in Direct Obligations after such transfer to the Bond Fund shall be sufficient in amount to pay principal and interest on the Bonds when due and payable.

Notwithstanding any provision of any other Article hereof which may be contrary to the provisions of this Article X, all moneys or Direct Obligations set aside and held in trust pursuant to the provisions of this Article X for the payment of Bonds (including interest thereon) shall be applied to and used solely for the payment of the particular Bonds (including interest thereon) with respect to which such moneys or Direct Obligations have been so set aside in trust.

Anything in Article IX hereof to the contrary notwithstanding, if moneys or Direct Obligations have been deposited or set aside with the Trustee pursuant to this Article X for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of this Article X shall be made without the consent of the Registered Owner of each Bond affected thereby.

## ARTICLE XI

### MISCELLANEOUS

Section 11.1 Consents, Etc., of Registered Owners. Any consent, request, direction, approval, objection or other instrument required hereby to be executed by the Registered Owners, Security Instrument Issuers or Reserve Instrument Providers may be in any number of concurrent writings of similar tenor and may be executed by such Registered Owners, Security Instrument Issuers or Reserve Instrument Providers in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes hereof, and shall be conclusive in favor of the Trustee with regard to any action taken under such request or other instrument, namely, the fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

Section 11.2 Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any person other than the parties hereto, the Registered Owners of the Bonds, any Security Instrument Issuer and any Reserve Instrument Provider, any legal or equitable right, remedy or claim under or in respect hereto or any covenants, conditions and provisions herein contained, this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the Registered Owners of the Bonds, any Security Instrument Issuer and the Reserve Instrument Providers as herein provided.

Section 11.3 Severability. If any provision hereof shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or Sections herein contained, shall not affect the remaining portions hereof, or any part thereof.

Section 11.4 Notices. It shall be sufficient service of any notice, request, complaint, demand or other paper on the Agency if the same shall be duly mailed by registered or certified mail addressed to it at 10000 Centennial Parkway, Sandy, Utah 84070, Attention: Secretary, or to such address as the Agency may from time to time file with the Trustee. It shall be sufficient service of any notice or other paper on the Trustee if the same shall be duly mailed by registered or certified mail addressed to it at One South

Main Street, 12<sup>th</sup> Floor, Salt Lake City, Utah 84133, Attention: Corporate Trust Department, or to such other address as the Trustee may from time to time file with the Agency.

Section 11.5 Trustee as Paying Agent and Registrar. Trustee is hereby designated and agrees to act as principal Paying Agent and Bond Registrar for and in respect to the Bonds.

Section 11.6 Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7 Applicable Law. This Indenture shall be governed exclusively by the applicable laws of the State.

Section 11.8 Immunity of Officers and Directors. No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement herein contained against any past, present or future officer, or other public official, employee, or agent of the Agency.

Section 11.9 Holidays. If any date for the payment of principal of or interest on the Bonds is not a Business Day, then such payment shall be due on the first Business Day thereafter and no interest shall accrue for the period between such date and such first Business Day thereafter.

Section 11.10 Effective Date. This Indenture shall become effective immediately.

Section 11.11 Compliance with Act. It is hereby declared by the Agency's Governing Body that it is the intention of the Agency by the execution of this Indenture to comply in all respects with the provisions of the Redevelopment Act.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be executed as of the date first written above.

REDEVELOPMENT AGENCY OF  
SANDY CITY, UTAH, as Agency

(SEAL)

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Chair

ATTEST:

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Secretary

ZIONS BANCORPORATION,  
NATIONAL ASSOCIATION,  
as Trustee

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

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

EXHIBIT A

FORM OF REQUISITION

RE: Redevelopment Agency of Sandy City, Utah [Federally Taxable] Transient Room Tax and Sales Tax Revenue [Refunding] [Exchange] Bonds, Series \_\_\_\_\_ in the sum of \$ \_\_\_\_\_

Zions Bancorporation, National Association  
Corporate Trust Department  
One South Main Street, 12<sup>th</sup> Floor  
Salt Lake City, Utah 84133

You are hereby authorized to disburse from the 20\_\_\_\_ Account of the Construction Fund with regard to the above-referenced bond issue the following:

REQUISITION NUMBER: \_\_\_\_\_

NAME AND ADDRESS OF PAYEE: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

AMOUNT: \$ \_\_\_\_\_

PURPOSE FOR WHICH EXPENSE HAS BEEN INCURRED: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Each obligation, item of cost, or expense mentioned herein has been properly incurred, is a proper charge against the 20\_\_\_\_ Account of the Construction Fund based upon audited, itemized claims substantiated in support thereof, and has not been the basis for a previous withdrawal.

DATED: \_\_\_\_\_  
\_\_\_\_\_  
Authorized Representative

EXHIBIT C

FORM OF BOND PURCHASE AGREEMENT

# BOND PURCHASE AGREEMENT

## REDEVELOPMENT AGENCY OF SANDY CITY, UTAH

\$ \_\_\_\_\_  
Transient Room Tax and Sales Tax Revenue Refunding Bonds,  
Series 2021

\_\_\_\_\_, 2021

Redevelopment Agency of Sandy City, Utah  
10000 Centennial Parkway  
Sandy, Utah 84070

Ladies and Gentlemen:

\_\_\_\_\_, acting on behalf of itself and not as an agent or representative of you (the "Underwriter"), offers to enter into this bond purchase agreement (the "Purchase Agreement") with the Redevelopment Agency of Sandy City, Utah (the "Issuer"), which will be binding upon the Issuer and the Underwriter upon the acceptance hereof by the Issuer. This offer is made subject to its acceptance by the Issuer by execution of this Purchase Agreement and its delivery to the Underwriter, on or before \_\_\_\_\_ p.m., Utah time, on the date hereof. All terms used herein and not otherwise defined shall have the meanings given to such terms in the Official Statement (as hereafter defined).

1. Purchase and Sale. Upon the terms and conditions and in reliance upon the respective representations, warranties and agreements hereinafter set forth, the Underwriter hereby agrees to purchase, and the Issuer hereby agrees to cause to be delivered to the Underwriter, all (but not less than all) of \$ \_\_\_\_\_ aggregate principal amount of the Redevelopment Agency of Sandy City, Utah Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021 (the "Series 2021 Bonds"). The Series 2021 Bonds will mature in the amounts and on the dates, bear interest at the rates and be subject to redemption as set forth on Exhibit A hereto. The Underwriter will purchase the Series 2021 Bonds for the aggregate purchase price of \$ \_\_\_\_\_ (representing the aggregate principal amount of the Series 2021 Bonds [plus original issue premium] of \$ \_\_\_\_\_ and less an Underwriter's discount of \$ \_\_\_\_\_).

2. Description and Purpose of the Series 2021 Bonds. The Series 2021 Bonds shall be as described in the Official Statement and shall be issued and secured under and pursuant to (a) the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the "Act"); (b) a resolution of the Issuer adopted on October 19, 2021 by the Board of Directors of the Issuer (the "Board") providing for the issuance and sale of



the Series 2021 Bonds (the “Resolution”), and (c) a General Indenture of Trust, dated as of \_\_\_\_\_, 2021 (the “General Indenture”), and a First Supplemental Indenture, dated as of \_\_\_\_\_, 2021 (the “First Supplemental Indenture” and, together with the General Indenture, the “Indenture”) between the Issuer and Zions Bancorporation, National Association, as trustee (the Trustee”). The proceeds of the sale of the Series 2021 Bonds will be used for the purpose of (i) refunding certain transient room tax revenue bonds of the Issuer and (ii) paying costs of issuance of the Series 2021 Bonds.

The Series 2021 Bonds are special obligations of the Issuer payable solely from and secured solely by the Revenues and to the extent provided in the Indenture. The Series 2021 Bonds are not general obligations of the Issuer, the State of Utah, or any other political subdivision, and the full faith and credit of the Issuer is not pledged to the payment of the Series 2021 Bonds.

3. Purchase of Bonds. The Underwriter agrees to make a bona fide public offering of all of the Series 2021 Bonds at prices not higher than or at yields not less than the public offering prices or yields set forth on the inside cover of the Official Statement and may subsequently change such offering prices or yields without any requirement of prior notice. Subsequent to the initial purchase, the Underwriter reserves the right to sell or transfer the Series 2021 Bonds to certain dealers and other investors at prices higher or lower than such initial purchase prices.

4. Issue Price.

(a) The Underwriter agrees to assist the Issuer in establishing the issue price of the Series 2021 Bonds and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2021 Bonds. All actions to be taken by the Issuer under this section to establish the issue price of the Series 2021 Bonds may be taken on behalf of the Issuer by the Issuer’s financial advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer’s financial advisor.

(b) Except as otherwise set forth in Exhibit A attached hereto, the Issuer will treat the first price at which 10% of each maturity of the Series 2021 Bonds (the “10% test”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2021 Bonds, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until either (i) the Underwriter has sold all Series 2021 Bonds of that maturity or (ii) the 10% test has been satisfied as to the Series 2021 Bonds of that maturity,

provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2021 Bonds.

(c) The Underwriter confirms that it has offered the Series 2021 Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Series 2021 Bonds for which the 10% test has not been satisfied and for which the Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2021 Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2021 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Issuer promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Series 2021 Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Series 2021 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Series 2021 Bonds of that maturity, provided that, the reporting obligation after the Closing

Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2021 Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Series 2021 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2021 Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Series 2021 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The Issuer acknowledges that, in making the representations set forth in this Section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2021 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Series 2021 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to

a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2021 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2021 Bonds.

(f) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2021 Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party,

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2021 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2021 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2021 Bonds to the public),

(iii) a purchaser of any of the Series 2021 Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) “sale date” means the date of execution of this Purchase Agreement by all parties.

## 5. The Official Statement.

(a) A copy of the Preliminary Official Statement, dated \_\_\_\_\_, 2021 (the “Preliminary Official Statement”), of the Issuer relating to the Series 2021 Bonds has been provided to the Issuer. The Preliminary Official Statement, as revised to reflect the changes required in connection with the pricing and sale of the Series 2021 Bonds, is hereinafter called the “Official Statement.”

(b) The Preliminary Official Statement has been prepared by the Issuer for use by the Underwriter in connection with the public offer, sale and distribution of the Series 2021 Bonds. The Issuer hereby represents and warrants that the Preliminary Official Statement was deemed “final” by the Issuer as of its date, except for the omission of such information which is dependent upon the final pricing of the Series 2021 Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12 (defined below).

6. The Closing. At [9:00 a.m.], Utah time, on \_\_\_\_\_, 2021, or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the Issuer and the Underwriter, the Issuer will cause to be executed and delivered (i) the Series 2021 Bonds in book-entry form through the facilities of The Depository Trust Company, or its agent, on behalf of the Underwriter, and (ii) the closing documents hereinafter mentioned at the offices of Gilmore & Bell, P.C. (“Bond Counsel”) in Salt Lake City, Utah, or another place to be mutually agreed upon by the Issuer and the Underwriter. The Underwriter will accept such delivery of the Series 2021 Bonds and pay the purchase price of such Series 2021 Bonds as set forth in Section 1 hereof in immediately available funds to the order of the Issuer. This payment for and delivery of the Series 2021 Bonds, together with the execution and delivery of the aforementioned documents, is herein called the “Closing.”

7. Issuer Representations, Warranties and Covenants. The Issuer represents, warrants and covenants to the Underwriter that:

(a) Due Organization, Existence and Authority. The Issuer is a political subdivision of the State of Utah (the “State”), duly organized and validly existing under the laws of the State, with full right, power and authority to execute, deliver and perform its obligations under this Purchase Agreement, the Indenture and the Continuing Disclosure Undertaking (collectively, the “Bond Documents”), and to carry out and consummate the transactions contemplated by the Bond Documents and the Official Statement.

(b) Resolution. The Issuer has and will have on the Closing Date the power and authority to adopt the Resolution, perform its obligations thereunder and collect the Revenues.

(c) Due Authorization and Approval. By all necessary official action of the Issuer, the Issuer has duly authorized and approved the execution and delivery of, and the performance by the Issuer of the obligations contained or described in the Official Statement, the Bond Documents, and the Resolution and as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered, the Bond Documents, and the Resolution will constitute the legally valid and binding obligations of the Issuer enforceable in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws or equitable principles relating to or affecting creditors’ rights generally or by the exercise of

judicial discretion in appropriate cases or by limitations on legal remedies against public agencies in the State.

(d) Official Statement Accurate and Complete. The Official Statement is, and at all times subsequent to the date of the Official Statement up to and including the Closing will be, true and correct in all material respects, and the Official Statement contains, and up to and including the Closing, will contain no misstatement of any material fact and does not, and up to and including the Closing, will not omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading (except no representation is made with respect to information relating to DTC or DTC's book-entry system).

(e) Underwriter's Consent to Amendments and Supplements to the Official Statement. The Issuer will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not affect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The Issuer will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Series 2021 Bonds.

(f) Issuer Agreement to Amend or Supplement the Official Statement. If after the date of this Purchase Agreement and until 25 days after the end of the period described in paragraph (f)(2) of Section 240 15c2-12 in Chapter II of Title 17 of the Code of Federal Regulations ("Rule 15c2-12"), any event occurs as a result of which the Official Statement as then amended or supplemented would include an untrue statement of a material fact, or omit to state any material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading, and, in the reasonable opinion of the Underwriter, an amended or supplemented Official Statement should be delivered in connection with the offers or sales of the Series 2021 Bonds to reflect such event, the Issuer promptly will prepare at its expense an amendment or supplement which will correct such statement or omission and the Issuer shall promptly furnish to the Underwriter a reasonable number of copies of such amendment or supplement. The Underwriter hereby agrees to deposit the Official Statement with the Municipal Securities Rulemaking Board (the "MSRB"). The Underwriter acknowledges that the end of the period described above will be the date of Closing unless the Underwriter otherwise notifies the Issuer.

(g) No Material Change in Finances. The financial statements of, and other financial information regarding the Issuer, in the Official Statement fairly present the financial position and results of the Issuer as of the dates and for the periods therein set forth. Except as otherwise described in the Official Statement, there shall not have been any material adverse changes in the financial condition of the Issuer since the end of the fiscal year of its most recent audited financial report.

(h) No Breach or Default. As of the time of acceptance hereof, (A) the Issuer is not in default, nor has it been in default, as to principal or interest with respect to an obligation issued by the Issuer, and (B) the Issuer is not and will not be, in any manner which would materially adversely affect the transactions contemplated by the Bond Documents or the Resolution, in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Issuer is a party or is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute, in any manner which would materially adversely affect the transactions contemplated by the Bond Documents or the Resolution, a default or event of default under any such instrument; and, as of such time, the authorization, execution and delivery of the Bond Documents, the adoption of the Resolution, and compliance with the provisions of each of such agreements or instruments do not and will not, in any manner which would materially adversely affect the transactions contemplated by the Bond Documents or the Resolution, conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Issuer (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Bond Documents.

(i) No Litigation. As of the time of acceptance hereof and as of the date of Closing, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, is pending or, to the best knowledge of the Issuer after due investigation, threatened (A) in any way questioning the corporate existence of the Issuer or the titles of the officers of the Issuer approving or signing any documents in connection with the Series 2021 Bonds to their respective offices; (B) affecting, contesting or seeking to prohibit, restrain or enjoin the execution or delivery of any of the Series 2021 Bonds, or in any way contesting or affecting the validity of the Series 2021 Bonds or the Bond Documents or the Resolution or the consummation of the transactions contemplated thereby, or contesting the exclusion of the interest on the Series 2021 Bonds from gross income for federal income tax purposes or contesting the powers of the Issuer to enter into the Bond Documents or to adopt the Resolution; (C) which, except as described in the Official Statement, may result in any material adverse change to the financial condition of the Issuer; or (D) contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto or asserting that the Official Statement 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, and there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (A) through (D) of this sentence.

(j) No Prior Liens on Revenues. There are no bonds, notes or other obligations of the Issuer that are secured by a pledge of the Revenues that is prior to the pledge made in favor of the Series 2021 Bonds pursuant to the Indenture. Between the time of acceptance hereof and the Closing Date, the Issuer will not, without the prior written consent of the Underwriter, issue any revenue bonds or securities payable from the Revenues (as defined in the Indenture) other than the Series 2021 Bonds.

(k) Further Cooperation: Blue Sky. The Issuer will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (A) to qualify the Series 2021 Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (B) to determine the eligibility of the Series 2021 Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Series 2021 Bonds; provided, however, that the Issuer shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

(l) Consents and Approvals. All authorizations, approvals, licenses, permits, consents and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Issuer of its obligations in connection with, the Bond Documents or the collection by the Issuer of the Revenues as contemplated in the Official Statement have been duly obtained or made, except as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Series 2021 Bonds.

(m) Series 2021 Bonds. Any certificate signed by any official of the Issuer and delivered to the Underwriter shall be deemed to be a representation and warranty by the Issuer to the Underwriter as to the statements made therein.

(n) Compliance with Rule 15c2-12. The Issuer has delivered the Official Statement to the Underwriter which the Issuer has deemed final. The Issuer hereby covenants and agrees that, within two business days from the date hereof, it shall cause such additional copies of the Official Statement as may be requested by the Underwriter to be delivered to the Underwriter in sufficient quantity to comply with paragraph (b)(4) of Rule 15c2-12 and Rules of the MSRB.



(o) Continuing Disclosure. During the past five years, the Issuer has not failed to comply in any material respect with any continuing disclosure undertaking previously entered into by the Issuer pursuant to Rule 15c2-12 of the Securities and Exchange Commission. The Issuer will undertake, pursuant to a continuing disclosure undertaking (the “Continuing Disclosure Undertaking”), to provide annual reports and notices of certain events in accordance with the requirements of Rule 15c2-12. A form of the Continuing Disclosure Undertaking is set forth in Appendix D to the Official Statement.

(p) The Series 2021 Bonds and the Bond Documents conform to the descriptions thereof contained in the Official Statement, and the proceeds of the sale of the Series 2021 Bonds shall be applied as described in the Official Statement.

(q) As of the date thereof, the Preliminary Official Statement did 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 therein, in the light of the circumstances under which they were made, not misleading.

(r) Prior to the Closing, the Issuer will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by any of the revenues or assets that will secure the Series 2021 Bonds without the prior approval of the Underwriter.

8. Closing Conditions. The Underwriter has entered into this Purchase Agreement in reliance upon the representations, warranties and covenants herein and the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter’s obligations under this Purchase Agreement are and shall be subject to the following additional conditions:

(a) Bring-Down Representation. The representations, warranties and covenants of the Issuer contained herein, shall be true, complete and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing.

(i) Executed Agreements and Performance Thereunder. At the time of the Closing (i) the Bond Documents shall be in full force and effect, and shall not have been amended, modified or supplemented except with the written consent of the Underwriter, (ii) the Resolution and any other resolutions or ordinances as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated by the Official Statement and the Bond Documents shall be in full force and effect, (iii) the Issuer shall perform or have performed its obligations required or specified in the Bond Documents and the Resolution to be performed at or prior to Closing, (iv) the Official Statement shall not have been supplemented or amended, except pursuant to Paragraphs 7(e) and 7(f) hereof or as otherwise may have been agreed to in writing by the Underwriter.

(ii) No Default. At the time of the Closing, no default, or any event that with the passage of time would be reasonably likely to result in default, shall have occurred or be existing under the Resolution, the Bond Documents, or any other agreement or document pursuant to which any of the Issuer's financial obligations were issued and the Issuer shall not be in default in the payment of principal or interest on any of its financial obligations which default would materially adversely impact the ability of the Issuer to collect the Revenues.

(b) Termination Events. The Underwriter shall have the right to terminate this Purchase Agreement, without liability therefor, by written notification to the Issuer if at any time at or prior to the Closing:

(i) an event shall occur which makes untrue or incorrect in any material respect, as of the time of such event, any statement or information contained in the Official Statement or which is not reflected in the Official Statement but should be reflected therein in order to make the statements contained therein not misleading in any material respect and, in either such event, the Issuer refuses to permit the Official Statement to be supplemented to supply such statement or information or the effect of the Official Statement as so supplemented is, in the judgment of the Underwriter, to materially adversely affect the market for the Series 2021 Bonds; or

(ii) legislation shall be introduced in, enacted by, reported out of committee, or recommended for passage by the State, either House of the Congress, or recommended to the Congress or otherwise endorsed for passage (by press release, other form of notice or otherwise) by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or legislation is proposed for consideration by either such committee by any member thereof or presented as an option for consideration by either such committee by the staff or such committee or by the staff of the Joint Committee on Taxation of the Congress of the United States, or a bill to amend the Code (which, if enacted, would be effective as of a date prior to the Closing) shall be filed in either House, or a decision by a court of competent jurisdiction shall be rendered, or a regulation or filing shall be issued or proposed by or on behalf of the Department of the Treasury or the Internal Revenue Service of the United States, or other agency of the federal government, or a release or official statement shall be issued by the President, the Department of the Treasury or the Internal Revenue Service of the United States, in any such case with respect to or affecting (directly or indirectly) the taxation of interest received on obligations of the general character of the Series 2021 Bonds which, in the opinion of the Underwriter, materially adversely affects the market for the Series 2021 Bonds; or

(iii) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, sale or distribution of obligations of the general character of the Series 2021 Bonds is in violation or would be in violation of any provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended or the Trust Indenture Act of 1939, as amended; or

(iv) legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Series 2021 Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended (the “Securities Act”), or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering, or sale of obligations of the general character of the Series 2021 Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect;

(v) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of a national or international emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the reasonable judgment of the Underwriter, impractical or inadvisable to proceed with the reselling of the Series 2021 Bonds as contemplated in the Official Statement; or

(vi) there shall have occurred a general suspension of trading, minimum or maximum prices for trading shall have been fixed and be in force or maximum ranges or prices for securities shall have been required on the New York Stock Exchange or other national stock exchange whether by virtue of a determination by that Exchange or by order of the Securities and Exchange Commission or any other governmental agency having jurisdiction or any national securities exchange shall have: (i) imposed additional material restrictions not in force as of the date hereof with respect to trading in securities generally, or to the Series 2021 Bonds or similar obligations; or (ii) materially increased restrictions now in force with respect to the extension of credit by or the charge to the net capital requirements of underwriters or broker-dealers such as to make it, in the judgment of the Underwriter, impractical or inadvisable to proceed with the reselling of the Series 2021 Bonds as contemplated in the Official Statement; or

(vii) a general banking moratorium shall have been declared by federal or New York or State authorities or a major financial crisis or a material disruption in commercial banking or securities settlement or clearances services shall have occurred such as to make it, in the judgment of the Underwriter, impractical or inadvisable to proceed with the reselling of the Series 2021 Bonds as contemplated in the Official Statement; or

(viii) a downgrading or suspension of any rating (without regard to credit enhancement) by Moody's Investors Service ("Moody's"), S&P Global Ratings ("S&P"), or Fitch Ratings ("Fitch") of any debt securities issued by the Issuer, or (ii) there shall have been any official statement as to a possible downgrading (such as being placed on "credit watch" or "negative outlook" or any similar qualification) of any rating by Moody's, S&P or Fitch of any debt securities issued by the Issuer, including the Series 2021 Bonds; or

(ix) the commencement of any action, suit or proceeding described in Paragraph 7(i) hereof which, in the reasonable judgment of the Underwriter, materially adversely affects the market for the Series 2021 Bonds; or

(x) there shall have occurred since the date of this Purchase Agreement any materially adverse change in the affairs or financial condition of the Issuer; or

(xi) the purchase of and payment for the Series 2021 Bonds by the Underwriter, or the resale of the Series 2021 Bonds by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission.

(c) Closing Documents. At or prior to the Closing, the Underwriter shall receive with respect to the Series 2021 Bonds the following documents:

(i) Bond Opinion. An approving opinion of Gilmore & Bell, P.C., Bond Counsel, dated the date of the Closing and substantially in the form included as Appendix E to the Official Statement, together with a letter from such counsel, dated the date of the Closing and addressed to the Underwriter, to the effect that the foregoing opinion addressed to the Issuer may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

(ii) Supplemental Opinion. A supplemental opinion or opinions and letter of Bond Counsel addressed to the Underwriter, in form and substance acceptable to the Underwriter, and dated the date of the Closing substantially to the following effect:

(A) This Purchase Agreement has been duly authorized, executed and delivered by the Issuer and, assuming due

authorization, execution and delivery by the other parties thereto is a valid and binding agreement of the Issuer enforceable in accordance with its terms, except that the rights and obligations under the Purchase Agreement are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State;

(B) The statements contained in the Official Statement on the cover page and under the captions "THE SERIES 2021 BONDS" (except under the caption "Book-Entry Only System,"), ["SECURITY FOR THE BONDS—Flow of Funds," and "—Additional Parity Debt," and "TAX MATTERS"] and in Appendices C and E thereto, insofar as such statements purport to summarize certain provisions of the Series 2021 Bonds, the Indenture, and Bond Counsel's opinions concerning certain tax matters relating to the Series 2021 Bonds, present a fair and accurate summary of such provisions; and

(C) Because the primary purpose of such counsel's professional engagement was not to establish factual matters and because of the wholly or partially non-legal character of many determinations involved in the preparation of the Official Statement, such counsel is not passing upon and does 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 makes no representation that it has independently verified the accuracy, completeness or fairness of any such statements. However, in such counsel's capacity as bond counsel, it met in conferences with representatives of and counsel for the Issuer, the financial advisor to the Issuer, the Underwriter, and others, during which conferences the contents of the Official Statement and related matters were discussed. Based on such counsel's participation in the above-mentioned conferences, and in reliance thereon and on the documents, certificates and opinions herein mentioned, such counsel advises that no information came to the attention of the attorneys of such firm rendering legal services in such connection, which caused them to believe that the Official Statement as of its date and as of the date of the 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 (i) the financial statements, numerical, financial, economic, demographic

and statistical data, forecasts, charts, estimates, projections, assumptions or expressions of opinion; (ii) any information about book-entry and The Depository Trust Company; and (iii) information contained under the captions entitled [“Pledged Transient Room Taxes,” “Pledged Sales and Use Taxes,” contained under the caption “SECURITY FOR THE BONDS,” or under the sections entitled, “PLAN OF REFUNDING,” “DEBT SERVICE SCHEDULE,” “THE AGENCY,” “SANDY CITY, UTAH,” “FINANCIAL INFORMATION REGARDING SANDY CITY, UTAH,” and “LITIGATION,”] and Appendices A, B, and F to the Official Statement).

(iii) Opinion of Counsel to the Issuer. An opinion of the Attorney for the Issuer, dated the Closing Date, addressed to the Underwriter, the Issuer, the Trustee and to Bond Counsel, in substantially the form set forth in Exhibit C hereto;

(iv) Issuer Certificate. A certificate of the Issuer, dated the date of the Closing, signed on behalf of the Issuer by a duly authorized officer of the Issuer to the effect that:

(A) The representations, warranties and covenants of the Issuer contained in the Purchase Agreement are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing and the Issuer has complied with all of the terms and conditions of the Purchase Agreement required to be complied with by the Issuer at or prior to the date of the Closing;

(B) No event affecting the Issuer has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading (except no representation is made with respect to information relating to DTC or DTC’s book-entry system); and

(C) No event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute an event of default under the Bond Documents.

(v) Trustee’s Certificate. A certificate, dated the date of Closing, signed by a duly authorized official of the Trustee satisfactory in form and substance to the Underwriter, to the effect that:

(A) The Trustee is duly organized and existing as a national banking association under the laws of the United States of

America, having the full corporate power and authority to enter into and perform its duties under the Indenture;

(B) The Trustee is duly authorized to enter into the Indenture and has duly executed and delivered the Indenture, and assuming due authorization and execution by the other parties thereto, the Indenture is legal, valid and binding upon the Trustee, and enforceable against the Trustee in accordance with its terms;

(C) The Trustee has duly authenticated the Series 2021 Bonds under the Indenture and delivered the Series 2021 Bonds to or upon the order of the Underwriter; and

(D) No consent, approval, authorization or other action by any governmental or regulatory authority having jurisdiction over the banking or trust powers of the Trustee that has not been obtained is or will be required for the execution and delivery of the Series 2021 Bonds or the consummation by the Trustee of its obligations under the Indenture.

(vi) Transcript. A copy of the transcript of all proceedings relating to the authorization, execution and delivery of the Series 2021 Bonds.

(vii) Official Statement. The Official Statement and each supplement or amendment thereto, if any.

(viii) Documents. An original executed copy of each of the Bond Documents.

(ix) Resolution. A certified copy of the Resolution.

(x) IRS Form 8038-G. Evidence that the federal tax information form 8038-G has been prepared for filing.

(xi) Tax Certificate. A tax certificate in form satisfactory to Bond Counsel.

(xii) Ratings. Evidence from S&P that the Series 2021 Bonds have been assigned a rating of “[\_\_\_\_].”

(xiii) Continuing Disclosure Undertaking. An executed copy of the Continuing Disclosure Undertaking.

(xiv) Additional Documents. Such additional certificates, instruments and other documents as the Underwriter may reasonably deem necessary.

If the Issuer shall be unable to satisfy the conditions contained in this Purchase Agreement, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Underwriter nor the Issuer shall be under further obligation hereunder, except as further set forth in Section 9 hereof.

9. Expenses. The Issuer acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Series 2021 Bonds. The Underwriter shall be under no obligation to pay and the Issuer shall pay or cause to be paid the expenses incident to the performance of the obligations of the Issuer hereunder including but not limited to (a) the fees and disbursements of any counsel, financial advisors, accountants or other experts or consultants retained by the Issuer and of counsel retained by the Underwriter; (b) the fees and disbursements of Bond Counsel and disclosure counsel; (c) the fees of the rating agencies; (d) costs associated with the Official Statement and the Preliminary Official Statement; and (e) Trustee fees.

The Underwriter shall pay and the Issuer shall be under no obligation to pay all expenses incurred by it in connection with the initial purchase of the Series 2021 Bonds, including any costs or expenses related to CUSIP Service Bureau fees. The Issuer acknowledges that a portion of the Underwriter's underwriting discount is intended to reimburse the Underwriter for any incidental expenses (including, but not limited to, transportation, lodging and meals of Issuer and Underwriter personnel) incurred by the Underwriter (on behalf of Underwriter personnel and Issuer personnel and advisors, as applicable) in connection with the execution of the transaction contemplated by this Purchase Agreement.

10. Notice. 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 at its address set forth above, and any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to:

[Underwriter Name]  
[Address]  
[Attention: \_\_\_\_\_]

11. Entire Agreement. This Purchase Agreement, when accepted by the Issuer, shall constitute the entire agreement among the Issuer and the Underwriter with respect to the subject matter hereof and is made solely for the benefit of the Issuer and the Underwriter (including the successors of the Underwriter). No other person shall acquire or have any right hereunder by virtue hereof, except as provided herein. All of the representations, warranties and agreements of the Issuer in this Purchase Agreement shall remain operative and in full force and effect except as otherwise provided herein, regardless of any investigations made by or on behalf of the Underwriter and shall survive the delivery of and payment for the Series 2021 Bonds.



12. No Advisory or Fiduciary Role. The Issuer acknowledges and agrees that (i) the purchase and sale of the Series 2021 Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, advisor or fiduciary of the Issuer, (iii) the Underwriter has 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 Underwriter has provided other services or is currently providing other services to the Issuer on other matters) and the Underwriter has no obligation to the Issuer with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Agreement, (iv) the Issuer has consulted its own legal, financial and other advisors to the extent deemed appropriate, and (v) the Issuer received from the Underwriter its letter dated \_\_\_\_\_, 2021, addressed to the Issuer concerning the Underwriter's disclosure obligations relating to the Series 2021 Bonds under MSRB Rule G-17 and the Issuer acknowledged receipt of such letter.

13. Counterparts. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

14. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

15. STATE LAW GOVERNS. THE VALIDITY, INTERPRETATION AND PERFORMANCE OF THIS PURCHASE AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF UTAH.

16. No Assignment. The rights and obligations created by this Purchase Agreement shall not be subject to assignment by the Underwriter or the Issuer without the prior written consent of the other party hereto.

[Signature Page(s) Follow]

[UNDERWRITER NAME]

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

Its: \_\_\_\_\_

Accepted at \_\_\_\_\_ [a.m./p.m.]  
Utah time, as of the date first stated above:

REDEVELOPMENT AGENCY OF  
SANDY CITY, UTAH

By \_\_\_\_\_  
Designated Officer

By \_\_\_\_\_  
Designated Officer

ATTEST:

By \_\_\_\_\_  
Secretary

ACKNOWLEDGED by SANDY CITY,  
UTAH

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

Its: \_\_\_\_\_

EXHIBIT A

Redevelopment Agency of Sandy City, Utah

\$ \_\_\_\_\_  
Transient Room Tax and Sales Tax Revenue Refunding Bonds,  
Series 2021

<u>Maturity Date</u> (_____)	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>Yield</u>
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[The Series 2021 Bonds are not subject to optional redemption prior to maturity.]

EXHIBIT B

UNDERWRITER'S RECEIPT FOR BONDS AND CLOSING CERTIFICATE

\$ \_\_\_\_\_  
REDEVELOPMENT AGENCY OF SANDY CITY, UTAH  
TRANSIENT ROOM TAX AND SALES TAX REVENUE REFUNDING BONDS,  
SERIES 2021

The undersigned, on behalf of \_\_\_\_\_ (the "Underwriter"), as the original purchaser of the above-described bonds (the "Bonds"), being issued on the date of this Certificate by the Redevelopment Agency of Sandy City, Utah (the "Issuer"), certifies and represents as follows:

1. Receipt of the Bonds. The Underwriter hereby acknowledges receipt of the Bonds pursuant to the Bond Purchase Agreement (the "Purchase Agreement") by and between the Issuer and the Underwriter dated \_\_\_\_\_, 2021 (the "Sale Date"). The Bonds are issued as fully registered bonds, and are dated, mature on the dates, bear interest at the rates per annum, and are numbered as set forth in the Indenture (as defined in the Purchase Agreement.)

2. Issue Price.

(a) For purposes of this Certificate the following definitions apply:

"Effective Time" means the time on the Sale Date that the Purchase Agreement to purchase the Bonds became enforceable.

"Holding Period" means with respect to each Undersold Maturity the period beginning on the Sale Date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the Sale Date;

or

(2) the date and time at which the Underwriter has sold at least 10% of that Undersold Maturity of the Bonds to the Public at one or more prices that are no higher than the Initial Offering Price.

"Initial Offering Price" means the price listed on Schedule A for each Maturity.

"Maturity" means Bonds with the same credit and payment terms; Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriting Firm or a related party to an Underwriting Firm. An Underwriting Firm and a person are

related if it and the person are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other.

“Sale Date” means the date of execution of the Purchase Agreement.

“Undersold Maturity” or “Undersold Maturities” means any Maturity for which less than 10% of the principal amount of Bonds of that Maturity were sold as of the Effective Time.

“Underwriting Firm” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) of this definition to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

(b) The Underwriter represents as follows:

1. Attached as Attachment 1 is a copy of the pricing wire or similar communication used to communicate the Initial Offering Price of each Maturity to the Public.
2. As of the Effective Time all the Bonds were the subject of an initial offering to the Public.
3. As of the Effective Time none of the Bonds were sold to any person at a price higher than the Initial Offering Price for that Maturity.
4. As of the Effective Time there were no Undersold Maturities.

[\_\_\_\_\_]

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

Its: \_\_\_\_\_

SCHEDULE A – [*same as Exhibit A in Bond Purchase Agreement*]

ATTACHMENT 1 -- Initial Offering Price Documentation  
[Attach Pricing Wire or Other Offering Price Documentation]

EXHIBIT C

FORM OF OPINION OF ISSUER'S COUNSEL

\_\_\_\_\_, 2021

[Underwriter]

Zions Bancorporation, National Association  
One South Main Street, 12th Floor  
Salt Lake City, Utah 84133

Gilmore & Bell, P.C.  
15 West South Temple, Suite 1450  
Salt Lake City, Utah 84101

Re: Redevelopment Agency of Sandy City, Utah \$ \_\_\_\_\_ Transient  
Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021

This opinion is being rendered in connection with the issuance by Redevelopment Agency of Sandy City, Utah (the "Issuer") of its \$ \_\_\_\_\_ Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021 (the "Series 2021 Bonds") pursuant to a resolution of the Issuer adopted on October 19, 2021 (the "Resolution"), a General Indenture of Trust dated as of \_\_\_\_\_, 2021, and a First Supplemental Indenture dated as of \_\_\_\_\_, 2021 (together, the "Indenture"), each between the Issuer and Zions Bancorporation, National Association, as trustee (the "Trustee"). The Series 2021 Bonds are being issued to (a) refund the Issuer's outstanding Transient Room Tax Revenue Bonds, Series 2007A and Subordinated Transient Room Tax and Annual Contribution Revenue Bonds, Series 2007B and (b) pay the issuance expenses of the Series 2021 Bonds.

To provide additional security for the timely payment of the Series 2021 Bonds, the Agency has entered into a Sales Tax Interlocal Pledge and Loan Agreement dated as of \_\_\_\_\_ (the "Interlocal Agreement") with Sandy City, Utah (the "City") pursuant to the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended.

All defined terms in this opinion shall have the meanings, respectively, as given them in the Indenture, unless expressly given a different meaning in this opinion or unless the context clearly otherwise requires.

I am the duly appointed Attorney for Redevelopment Agency of Sandy City, Utah, and am of the opinion that:

1. The Issuer is a redevelopment agency (a body corporate and politic) duly organized and validly existing under the constitution and laws of the State of Utah, with full powers to execute, deliver and perform its obligations under the Indenture, the Bond Purchase Agreement dated \_\_\_\_\_, 2021, entered into by and between the Issuer and \_\_\_\_\_ (the "Purchase Agreement"), the Interlocal Agreement and the Continuing Disclosure Undertaking executed by the Issuer and dated as of \_\_\_\_\_,

2021 (the “Continuing Disclosure Undertaking”). The Series 2021 Bonds, the Indenture, the Continuing Disclosure Undertaking, the Interlocal and the Bond Purchase Agreement being sometimes collectively referred to herein as the “Bond Documents.”

2. The Resolution has been duly adopted by the Issuer at a public meeting of the Board (at which a quorum was present and acting throughout), which was convened pursuant to public notice thereof given in accordance with the requirements of Utah law, has been duly filed and recorded in the official records and minutes of the Issuer, and remains in full force and effect without change, modification, amendment or rescission as of the date hereof.

3. The Issuer has taken all action necessary to authorize the execution, delivery, receipt and due performance of such agreements and documents that may be required to be executed, delivered and received by the Issuer in order to carry out, give effect to and consummate the transactions contemplated by the Bond Documents.

4. No additional or further approvals, consents or authorizations of the Issuer are required in connection with the participation by the Issuer in the transactions contemplated by the Bond Documents.

5. The Bond Documents have been duly authorized, executed, adopted and delivered by the Issuer and constitute legal and valid obligations of the Issuer enforceable against the Issuer in accordance with their respective terms except that the rights and obligations under the Bond Documents are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors’ rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of Utah; and the Issuer has full right, power and authority to carry out and consummate all transactions contemplated by the Bond Documents as of the date hereof.

6. The Board and certain other officers of the Issuer are as set forth in the General Certificate delivered at closing for the Series 2021 Bonds and each of the listed Councilmembers and elected officers has been duly elected and is qualified to hold said position and each of the officers of the Issuer has been duly appointed and is qualified to hold said position.

7. Other than as described in the Indenture, the Issuer does not currently have outstanding any indebtedness or other obligations secured by a lien on the Pledged Revenues pledged under the Indenture. The Issuer is entitled to receive, use, and pledge the Pledged Revenues as contemplated by the Indenture.

8. The execution and delivery of the Bond Documents do not violate the Constitution or laws of the State of Utah, or any applicable law, rule, order, regulations, licenses or permits of any state or federal government authority or agency to which the Issuer or any of its property is subject or bound, or any court order by which the Issuer or any of its property is or may be bound, and such action does not constitute a material breach of or default under any agreement, indenture, mortgage, lease, note or other obligation or instrument to which the Issuer is a party or is bound; and as of the date hereof, no approval



or other action by any state governmental authority or agency is required in connection therewith, except such approvals or actions which have heretofore been obtained or taken.

9. The Issuer has duly approved the Official Statement dated as of \_\_\_\_\_, 2021 (the "Official Statement"), and authorized its use in connection with the offer and sale of the Series 2021 Bonds, and to my knowledge no event affecting the Issuer has occurred since the date of the Official Statement which is necessary to disclose therein in order to make the statements and information contained therein relating to the Issuer in any material respect not misleading.

10. There are no legal or governmental proceedings (including any action, suit, proceeding, inquiry or litigation or investigation at law or in equity before or by any court, public board or body, or any governmental or administrative authority or agency) pending, threatened or contemplated (or any basis therefor):

(a) wherein an unfavorable decision, ruling or finding might materially adversely affect the financial condition or operations of the Issuer, or transactions contemplated by the Bond Documents;

(b) challenging in any way the titles of the members of the Board or the officials of the Issuer approving or signing any documents in connection with the Series 2021 Bonds or their rights to their respective offices;

(c) seeking to restrain or enjoin the issuance, sale or delivery of the Series 2021 Bonds or the execution, delivery and performance of the Bond Documents or the source of payment for the Series 2021 Bonds or the imposition, levy or collection of the taxes included in the Pledged Revenues;

(d) directly or indirectly contesting or affecting the authority for or the validity of the Bond Documents or the receipt of the taxes included in the Pledged Revenues or moneys to pay the Series 2021 Bonds or the application of the proceeds of the Series 2021 Bonds or any of the transactions referred to in the Bond Documents or contemplated thereby or contesting the authority of the Issuer to enter into or perform its obligations under any of the Bond Documents, or under which a determination adverse to the Issuer would have a material adverse effect upon the financial condition or the revenues of the Issuer, or which, in any manner, questions or affects the right or ability of the Issuer to enter into the Bond Documents or affects in any manner the right or ability of the Issuer to receive the taxes included in the Revenues; or

(e) contesting the creation, organization, existence or powers of the Issuer or its authority to adopt the Resolution, to issue the Series 2021 Bonds and to execute and deliver the Bond Documents or which would have a material adverse effect on the boundaries of the Issuer.

11. No action, suit, or proceeding is now pending and, to my knowledge, no inquiry, investigation, or litigation of any nature is threatened, that, in either case, questions or in any manner challenges compliance by the Issuer with the Utah Open and Public Meetings Law, Title 52, Chapter 4, Utah Code Annotated 1953, as amended.

Very truly yours,

Issuer Attorney

EXHIBIT D

FORM OF PRELIMINARY OFFICIAL STATEMENT

PRELIMINARY OFFICIAL STATEMENT DATED [\_\_\_\_\_] , 2021

NEW ISSUE—Issued in Book-Entry Only Form

Rating: [\_\_\_\_\_] “\_\_\_”  
(See “RATING” herein)

*In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Agency, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2021 Bonds is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that interest on the Series 2021 Bonds is exempt from State of Utah individual income taxes under currently existing law. See “TAX MATTERS” in this Official Statement.*

**REDEVELOPMENT AGENCY OF SANDY CITY, UTAH**  
\$ \_\_\_\_\_\*  
**TRANSIENT ROOM TAX AND SALES TAX REVENUE REFUNDING BONDS**  
**SERIES 2021**

**Dated: Date of Initial Delivery**

**Due: [\_\_\_\_\_] , as shown herein**

The \$ \_\_\_\_\_\* Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021 (the “Series 2021 Bonds”) are issued as fully registered bonds by the Redevelopment Agency of Sandy City, Utah (the “Agency”) and when initially issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Series 2021 Bonds. Purchases of the Series 2021 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC participants. Owners of the Series 2021 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2021 Bonds. Interest on the Series 2021 Bonds is payable on \_\_\_\_\_ and \_\_\_\_\_ of each year, commencing \_\_\_\_\_, 20\_\_\_\_, by Zions Bancorporation, National Association, as Paying Agent, all as more fully described herein. So long as DTC or its nominee is the registered owner of the Series 2021 Bonds, payments of the principal of and interest on such Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See “THE SERIES 2021 BONDS—Book-Entry Only System” herein.

The Series 2021 Bonds are [not] subject to optional redemption prior to maturity [as described herein].

The Series 2021 Bonds are being issued to [(i) refund the Agency’s outstanding Transient Room Tax Revenue Bonds, Series 2007A and Subordinated Transient Room Tax and Annual Contribution Revenue Bonds, Series 2007B and (ii) pay the costs of issuing the Series 2021 Bonds. See “PLAN OF REFUNDING” herein.]

**The Series 2021 Bonds are special limited obligations of the Agency, payable from and secured solely by the Pledged Revenues as described herein.** [The lien of the Series 2021 Bonds on the Sales and Use Tax Revenues is on a parity with the lien on such revenues that secures the Parity Lien Sales Tax Obligations that are currently outstanding in the aggregate principal amount of \$\_\_\_\_\_.]

*The Series 2021 Bonds will not be a general obligation of Sandy City, Utah (the “City”) or the State of Utah (the “State”) or any agency, instrumentality or political subdivision thereof. Neither the faith and credit nor the ad valorem taxing power of the City or the taxing power of the State or any agency, instrumentality or political subdivision thereof will be assigned or pledged for payment of principal of, premium, if any, and interest on the Series 2021 Bonds. The issuance of the Series 2021 Bonds shall not directly, indirectly or contingently obligate the City or the State or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor or to make any appropriation for the payment of the Series 2021 Bonds. The Agency has no taxing power. See [BONDOWNERS’ RISKS”] and “SECURITY FOR THE SERIES 2021 BONDS” herein.*

The Series 2021 Bonds are offered when, as and if issued by the Agency and subject to the approval of their legality by Gilmore & Bell, P.C., Salt Lake City, Utah, Bond Counsel to the Agency. Certain matters relating to disclosure will be passed upon for the Agency by Gilmore & Bell, P.C., disclosure counsel to the Agency. Certain legal matters will be passed upon for the Agency by Kyle Fielding, Esq., Agency Attorney. Certain legal matters will be passed upon for the City by Robert W. Thompson, Esq., City Attorney. It is expected that the Series 2021 Bonds, in book-entry only form, will be available for delivery to DTC or its agent on or about \_\_\_\_\_, 2021.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. This Official Statement is dated \_\_\_\_\_, 2021, and the information contained herein speaks only as of that date.

**[UNDERWRITER]**

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold, nor may offers to buy be accepted, prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**REDEVELOPMENT AGENCY OF SANDY CITY, UTAH**

\$ \_\_\_\_\_ \*

**TRANSIENT ROOM TAX AND SALES TAX REVENUE REFUNDING BONDS, SERIES 2021**

MATURITIES, AMOUNTS, INTEREST RATES AND PRICES/YIELDS

Due ( <u>          </u> )	Principal <u>Amount</u> *	Interest <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> †
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\* Preliminary; subject to change.

† The above referenced CUSIP number(s) have been assigned by an independent company not affiliated with the parties to this bond transaction and are included solely for the convenience of the holders of the Series 2021 Bonds. None of the City, the Trustee or the Underwriter is responsible for the selection or uses of such CUSIP numbers, and no representation is made as to its correctness on the Series 2021 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2021 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities.

No dealer, broker, salesman or any other person has been authorized by the Agency or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering contained herein, and, if given or made, such information or representations must not be relied upon. This Official Statement does not constitute an offer or solicitation of an offer to buy nor shall there be any sale of the Series 2021 Bonds by any person in any jurisdiction in which it is unlawful for such offer, solicitation or sale.

The information set forth herein has been obtained from the Agency, the City, DTC, and other sources that are believed to be reliable. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made thereafter shall under any circumstances create any implication that there has been no change in the affairs of the Agency, or in any other information contained herein since the date hereof.

The Underwriter has provided the following sentence for inclusion in this Official Statement:

The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The yields at which the Series 2021 Bonds are offered to the public may vary from the initial reoffering yields on the inside front cover page of this Official Statement. In connection with this offering, the Underwriter may engage in transactions that stabilize, maintain or otherwise affect market prices of the Series 2021 Bonds. Such transactions, if commenced, may be discontinued at any time.

*This Official Statement contains “forward-looking statements” within the meaning of the federal securities laws. These forward-looking statements include, among others, statements concerning expectations, beliefs, opinions, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. The forward-looking statements in this Official Statement are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by such statements.*

The Agency and the City maintain websites; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2021 Bonds.

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THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

**REDEVELOPMENT AGENCY OF SANDY CITY, UTAH**

\$ \_\_\_\_\_\*

**TRANSIENT ROOM TAX AND SALES TAX REVENUE REFUNDING BONDS, SERIES 2021**

**10000 Centennial Parkway  
Sandy, Utah 84070-1799  
(801) 568-7100**

**AGENCY BOARD OF DIRECTORS**

Brooke Christensen.....Board Member  
Alison Stroud.....Board Member  
Kris Nicholl .....Board Member  
Monica Zoltanski.....Board Member  
Marci Houseman.....Board Member  
Zach Robinson.....Board Member  
Cyndi Sharkey .....Board Member

**ADMINISTRATION**

Kurt Bradburn.....Executive Director  
Nick Duerksen .....Redevelopment Director  
Kyle Fielding ..... Agency Attorney

**TRUSTEE, PAYING AGENT & REGISTRAR**

Zions Bancorporation, National Association  
One South Main Street, Suite 1200  
Salt Lake City, Utah 84133  
(801) 844-7516

**MUNICIPAL ADVISOR**

Lewis Young Robertson & Burningham, Inc.  
41 North Rio Grande, Suite 101  
Salt Lake City, Utah 84101  
(801) 596-0700

**BOND & DISCLOSURE COUNSEL**

Gilmore & Bell, P.C.  
15 West South Temple, Suite 1450  
Salt Lake City, Utah 84101  
(801) 364-5080

**UNDERWRITER**

*[To be determined]*

\* Preliminary; subject to change.

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**OFFICIAL STATEMENT**

**RELATING TO**

**REDEVELOPMENT AGENCY OF SANDY CITY, UTAH**

**\$ \_\_\_\_\_\***

**TRANSIENT ROOM TAX AND SALES TAX REVENUE REFUNDING BONDS, SERIES 2021**

**INTRODUCTION**

This Official Statement, including the cover page, introduction, and appendices, provides information in connection with the issuance and sale by the Redevelopment Agency of Sandy City, Utah (the “Agency”) of its \$ \_\_\_\_\_\* Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021 (the “Series 2021 Bonds”), initially issued in book-entry form only. This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Series 2021 Bonds to potential investors is made only by means of the entire Official Statement.

See also the following appendices attached hereto: “APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF SANDY CITY WITH INDEPENDENT AUDITORS’ REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020”; “APPENDIX B—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY”; “APPENDIX C— EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE”; “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING”; “APPENDIX E—FORM OF OPINION OF BOND COUNSEL”; and “APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM.”

**Authorization and Purpose of the Series 2021 Bonds**

The Series 2021 Bonds are being issued pursuant to (i) the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the “Act”), and other applicable provisions of law; (ii) a resolution adopted by the Agency’s Board of Directors (the “Board”) on October 19, 2021 (the “Resolution”) which provides for the issuance of the Series 2021 Bonds; and (iii) a General Indenture of Trust dated as of \_\_\_\_\_ 1, 2021 (the “General Indenture”), between the Agency and Zions Bancorporation, National Association, as trustee (the “Trustee”), as supplemented by a First Supplemental Indenture dated as of \_\_\_\_\_ 1, 2021 (the “First Supplemental Indenture,” and together with the General Indenture, the “Indenture”).

The Series 2021 Bonds are being issued to (i) refund the Agency’s outstanding Transient Room Tax Revenue Bonds, Series 2007A (the “Series 2007A Bonds”) and Subordinated Transient Room Tax and Annual Contribution Revenue Bonds, Series 2007B (the “Series 2007B Bonds,” and together with the Series 2007A Bonds, the “Refunded Bonds”) and (ii) pay the costs of issuing the Series 2021 Bonds. See “PLAN OF REFUNDING” and “ESTIMATED SOURCES AND USES OF FUNDS” herein.

**Security and Sources of Payment**

The Series 2021 Bonds are special, limited obligations of the Agency, payable solely from and secured solely by the Pledged Revenues. The Pledged Revenues consist of: (i) [all of the revenues received by the Agency pursuant to an interlocal cooperation agreement dated as of May 8, 2007 (the “State Agreement”), between the City and the GOED, acting on behalf of the State (the “Pledged Transient Room Taxes”); and (ii) all of the revenues received by the Agency pursuant to a Sales Tax Interlocal Pledge and Loan Agreement, dated as of \_\_\_\_\_, 2021 (the “City Interlocal Agreement”), between the Agency and the City, which revenues are derived from the local sales and use taxes levied by the City under the Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended (the “Pledged Sales and Use Taxes”); and (iii) all other revenues and funds pledged under the

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\* Preliminary; subject to change.

Indenture for the payment of the Bonds and investment income thereof.] See “SECURITY FOR THE BONDS” and “RISK FACTORS” herein.

[The Series 2021 Bonds are secured on a parity lien with any additional bonds, notes or other obligations (the “Additional Bonds”) which may be issued from time to time under the Indenture. The pledge of the Pledged Sales and Use Taxes under the City Interlocal Agreement is secured on a parity lien with the City’s outstanding sales and use tax bonds (the “Outstanding Parity Sales Tax Bonds”). See “SECURITY FOR THE BONDS” herein.]

*The Series 2021 Bonds will not be a general obligation of the City or the State or any agency, instrumentality or political subdivision thereof. Neither the faith and credit nor the ad valorem taxing power of the City [or the taxing power of the State] or any agency, instrumentality or political subdivision thereof will be assigned or pledged for payment of principal of, premium, if any, and interest on the Series 2021 Bonds. The issuance of the Series 2021 Bonds shall not directly, indirectly or contingently obligate the City or the State or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor or to make any appropriation for the payment of the Series 2021 Bonds. The Agency has no taxing power.*

### **Outstanding Parity Bonds and Additional Obligations**

The Agency has previously issued the Series 2007A Bonds and Series 2007B Bonds to finance the costs of the acquisition of land for a soccer stadium and related facilities and the acquisition and construction of infrastructure, parking, landscaping and related improvements in connection with such stadium and related improvements in the Agency’s 9400 South Community Development Project Area. As of July 15, 2021, the Series 2007A Bonds are currently outstanding in the aggregate principal amount of \$13,135,000 and the Series 2007B Bonds are currently outstanding in the aggregate principal amount of \$3,595,000. Proceeds from the Series 2021 Bonds will be used to refund the Series 2007A Bonds and the Series 2007B Bonds.

The Agency may issue Additional Bonds payable on a parity with any then-outstanding Bonds upon compliance with certain requirements of the Indenture. Such Additional Bonds, if any, and the Series 2021 Bonds are sometimes collectively referred to herein as the “Bonds.” See “SECURITY FOR THE BONDS – Additional Bonds” below.

[As of October 1, 2021, the City has \$[51,585,000] of Outstanding Parity Sales Tax Bonds. The City covenants in the City Interlocal Agreement that it will not issue any additional obligations or other indebtedness secured on parity with the Pledged Sales Tax Revenues unless the requirements for the issuance of additional obligations under the City’s General Indenture of Trust, dated as of March 1, 2002, as previously supplemented and amended, by and between the City and Zions First National Bank, as trustee, have been satisfied.]

### **State Pledge of Nonimpairment**

[In accordance with Section 11-14-307, Utah Code Annotated 1953, as amended, the State pledges and agrees with the holders of the Series 2021 Bonds that it will not alter, impair or limit the excise taxes in a manner that reduces the amounts to be rebated to the [County and City] which are devoted or pledged for the payment of the Series 2021 Bonds until the Series 2021 Bonds, together with applicable interest, are fully met and discharged; provided, however, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the holders of the Series 2021 Bonds. The City notes that this provision has not been interpreted by a court of law and, therefore, the extent that such provision would (i) be upheld under constitutional or other legal challenge, (ii) protect the current rates and collection of all Pledged Sales and Use Taxes, or (iii) import any other aspect of Revenues, cannot be predicted by the City. See “SECURITY FOR THE BONDS—State Pledge of Nonimpairment” herein.]

### **Redemption Provisions**

[The Series 2021 Bonds are not subject to optional redemption].

## **Registration, Denominations, Manner of Payment**

The Series 2021 Bonds are issuable only as fully registered bonds without coupons and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Series 2021 Bonds. Purchases of Series 2021 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC Participants. Beneficial Owners of the Series 2021 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2021 Bonds.

Principal of and interest on the Series 2021 Bonds (interest payable \_\_\_\_\_ and \_\_\_\_\_ of each year, commencing \_\_\_\_\_, 20\_\_\_\_) are payable by Zions Bancorporation, National Association, as paying agent (the “Paying Agent”), to the registered owners of the Series 2021 Bonds. So long as DTC is the registered owner, it will, in turn, remit such principal and interest to its Participants, for subsequent disbursements to the Beneficial Owners of the Series 2021 Bonds, as described under “THE SERIES 2021 BONDS—Book-Entry Only System” herein.

## **Tax Matters**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Agency, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2021 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that interest on the Series 2021 Bonds is exempt from State of Utah individual income taxes under currently existing law. See “TAX MATTERS” herein.

Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the Series 2021 Bonds.

## **Conditions of Delivery, Anticipated Date, Manner and Place of Delivery**

The Series 2021 Bonds are offered, subject to prior sale, when, as and if issued and received by the Underwriter subject to approval of legality by Gilmore & Bell, P.C., Bond Counsel to the Agency, and certain other conditions. Certain matters relating to disclosure will be passed upon for the Agency by Gilmore & Bell, P.C., disclosure counsel to the Agency. Certain legal matters will be passed upon for the Agency by Kyle Fielding, Esq., Agency Attorney. Certain legal matters will be passed upon for the City by Robert W. Thompson, Esq., City Attorney. It is expected that the Series 2021 Bonds in book-entry form will be available for delivery to DTC or its agent on or about \_\_\_\_\_, 2021.

## **Continuing Disclosure**

The Agency will execute a Continuing Disclosure Undertaking for the benefit of the beneficial owners of the Series 2021 Bonds to enable the Underwriter to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934. See “CONTINUING DISCLOSURE” and “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING.”

## **Basic Documentation**

The “basic documentation” which includes the Resolution, the Indenture, the City Interlocal Agreement, the State Agreement and other documentation, authorizing the issuance of the Series 2021 Bonds and establishing the rights and responsibilities of the Agency and other parties to the transaction, may be obtained from the “contact persons” as indicated herein.

## Contact Persons

The chief contact person for the Agency concerning the Series 2021 Bonds is:

Brian Kelley  
[Finance Director/Administrative Services Director]  
Sandy City  
10000 Centennial Parkway  
Sandy, Utah 84070-1799  
Telephone: (801) 568-7100  
E-mail: bkelley@sandy.utah.gov

The chief contact person for the Agency's Municipal Advisor concerning the Series 2021 Bonds is:

Jason W. Burningham - Principal  
Lewis Young Robertson & Burningham, Inc.  
Gateway Plaza Building  
41 North Rio Grande, Suite 101  
Salt Lake City, Utah 84101  
Telephone: (801) 596-0700  
E-mail: jason@lewisyoung.com

## THE SERIES 2021 BONDS

### General

The Series 2021 Bonds will be dated their date of delivery and except as otherwise provided in the Indenture, shall bear interest from said date. Interest on the Series 2021 Bonds will be payable semiannually on \_\_\_\_\_ and \_\_\_\_\_ of each year commencing \_\_\_\_\_, 20\_\_\_\_. The Series 2021 Bonds are issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof.

The Series 2021 Bonds shall bear interest at the rates and shall mature annually in each of the years as described on the inside cover page hereof. Interest on the Series 2021 Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The Series 2021 Bonds are special, limited obligations of the Agency, and are payable solely from the Pledged Revenues, moneys, securities and funds pledged therefor in the Indenture. *The Series 2021 Bonds will not be a general obligation of the City or the State or any agency, instrumentality or political subdivision thereof. Neither the faith and credit nor the ad valorem taxing power of the City or the taxing power of the State or any agency, instrumentality or political subdivision thereof will be assigned or pledged for payment of principal of, premium, if any, and interest on the Series 2021 Bonds. The issuance of the Series 2021 Bonds shall not directly, indirectly or contingently obligate the City or the State or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor or to make any appropriation for the payment of the Series 2021 Bonds. The Agency has no taxing power.*

Interest on the Series 2021 Bonds will be payable by check or draft mailed by the Trustee to the registered owner thereof (initially DTC) as of the Record Date. Principal of and premium, if any, on the Series 2021 Bonds will be payable at the principal corporate trust office of the Trustee as Paying Agent.

### [No Optional Redemption]

[The Series 2021 Bonds are not subject to optional redemption prior to maturity.]

## **Book-Entry Only System**

The Bonds originally will be issued solely in book-entry form to The Depository Trust Company (“DTC”), New York, New York, or its nominee, Cede & Co., to be held in DTC’s book-entry system. So long as such Bonds are held in the book-entry only system, DTC or its nominee will be the registered owner or Holder of such Bonds for all purposes of the Bonds and this Official Statement. Purchases of beneficial ownership interests in the Bonds may be made in denominations described above. For a description of the book-entry only system for the Bonds, see “APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM” herein.

## **SECURITY FOR THE BONDS**

### **Pledged Transient Room Taxes**

[The Pledged Transient Room Taxes consist of all of the revenues received by the Agency pursuant to an interlocal cooperation agreement dated as of May 8, 2007, between the City and the GOED, acting on behalf of the State (the “State Agreement”). The State Agreement will remain in effect beginning July 1, 2007 and ending on June 30, 2027 (the “Allocated Taxes Period”).

Transient room taxes are collected pursuant to the Transient Room Tax Act (the “TRT Act”), Title 59, Chapter 12, Part 3, Utah Code Annotated 1953, as amended, which provides that any county legislative body may impose the transient room tax at a rate of not to exceed 4.25% on amounts paid or charged for tourist home, hotel, motel, or trailer court accommodations and services that are regularly rented for less than 30 consecutive days. A county legislative body has the power to regulate transient room taxes by ordinance and may increase or decrease the amount of taxes imposed within the county. The County has pledged to impose the transient room tax at a rate of at least 4.25% for the Allocated Taxes Period pursuant to an interlocal cooperation agreement dated as of June 26, 2007 by and between the County and the GOED, acting on behalf of the State (the “County Agreement”). The State Tax Commission distributes all revenues generated by the TRT Act and may retain an amount of the tax to cover administration expenses.

As a first-class county, the County is required to deposit the first 15% of all transient room taxes collected within the County into the Transient Room Tax Fund (the “TRT Fund”) created under Title 63N, Chapter 3, Part 403, Utah Code Annotated 1953, as amended (the “TRT Fund Act”). Pursuant to the State Agreement, the GOED has pledged to distribute to the Agency all transient room taxes collected within the County that are deposited into the TRT Fund (15% of all transient room taxes collected within the County), with distributions made by the State Tax Commission on a monthly basis during the Allocated Taxes Period. Such distribution of funds is authorized pursuant to The TRT Fund Act, which authorizes the GOED to expend or pledge monies in the TRT Fund for various purposes including: (i) mitigating the impacts of traffic and parking relating to a convention facility within a county of the first class; (ii) (a) establishing and promoting recreation, tourism, film production, and conventions; (b) acquiring, leasing, constructing, furnishing, maintaining, or operating convention meeting rooms, exhibit halls, visitor information centers, museums, sports and recreation facilities including practice fields, stadiums, and arenas, and related facilities; and (c) acquiring land, leasing land, or making payments for construction or infrastructure improvements required for or related to the purposes listed in (b) above.

The remaining 85% of transient room taxes collected within the County that are not deposited into the TRT Fund are distributed by the State Tax Commission on a monthly basis to the County, and are not pledged as a component of the Pledged Transient Room Taxes.]

### **Pledged Sales and Use Taxes**

The Agency and the City have entered into a Sales Tax Interlocal Pledge and Loan Agreement dated as of \_\_\_\_\_, 2021 (the “City Interlocal Agreement”) pursuant to which the City has pledged certain of the revenues received from the levy of the Local Sales and Use Tax (defined below) to provide additional security for the Series 2021 Bonds. The City Interlocal Agreement provides that the City will transfer to the Agency from Pledged Sales and Use Taxes an amount sufficient to pay debt service on the Series 2021 Bonds to the extent pledged transient room tax

revenues are insufficient therefor. The City Interlocal Agreement will remain in effect as long as there are Bonds outstanding under the Indenture.

The Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended (the “Local Sales and Use Tax Act”), provides that each county, city and town in the State may levy a local sales and use tax of up to 1.00% on the purchase price of taxable goods and services for general purposes. Although local governments may elect to levy sales and use taxes at rates less than 1.00%, various provisions of the Local Sales and Use Tax Act encourage the levy of these taxes at the rate of 1.00%. The City currently levies sales and use taxes at the full rate of 1.00%. The legislative intent contained in the Local Sales and Use Tax Act is to provide an additional source of revenues to counties and municipalities that is to be used to finance their capital outlay requirements and to service their bonded indebtedness.

The local sales and use tax is levied in addition to a statewide sales and use tax (the “Statewide Tax”) which is currently imposed at a rate of 4.85% of the purchase price of taxable goods and services (except that only 1.75% is levied on unprepared food and food ingredients). Sales of natural gas, electricity and fuel oil for residential use are taxed at a statewide rate of 2.00%. The taxable transactions and the exemptions under the Local Sales and Use Tax Act conform to those of the statewide sales and use tax.

Sales tax is imposed on the amount paid or charged for sales of tangible personal property in the State and for services rendered in the State for the repair, renovation or installation of tangible personal property. Use tax is imposed on the amount paid or charged for the use, storage or other consumption of tangible personal property in the State, including services for the repair, renovation or installation of such tangible personal property. Sales and use taxes also apply to leases and rentals of tangible personal property if the tangible personal property is in the State, the lessee takes possession in the State or the tangible personal property is stored, used or otherwise consumed in the State.

In addition to the sales and use taxes described above, counties and cities in the State are authorized to impose sales and use taxes to fund a public transportation system, for zoo, art and parks purposes and at the option of the county for general fund purposes of the county, which sales and use taxes do not constitute Pledged Sales and Use Taxes. The County currently imposes sales and use taxes to fund public transportation, zoo, art and parks purposes, and for general fund purposes of the County. None of these taxes are pledged as a component of Pledged Sales and Use Taxes. The total sales and use tax imposed in the City (other than certain specialty taxes, including a motor vehicle rental tax, a transient room tax, and a tourism restaurant tax imposed by the County) is 7.25%.

Local sales and use taxes, including the Pledged Sales and Use Taxes, are collected by the Utah State Tax Commission and distributed on a monthly basis to each county, city and town. The distributions are based on a formula, which provides that (1) 50% of sales tax collections will be distributed on the basis of the population of the local government and (2) 50% of sales tax collections will be distributed on the basis of the point of sale (the “50/50 Distribution”). The 50/50 Distribution formula is subject to legislative changes and the State Legislature has from time to time discussed altering this 50/50 Distribution formula. Changes to such formula have been and continue to be under discussion and the Agency cannot predict whether the State Legislature will make any such adjustments. See “RISK FACTORS—Legislative Changes to Sales Tax Statutes,” herein.

A sales and use tax due and unpaid constitutes a debt due from the vendor and may be collected, together with interest, penalty, and costs, by appropriate judicial proceeding within three years after the vendor is delinquent. Furthermore, if a sales and use tax is not paid when due and if the vendor has not followed the procedures to object to a notice of deficiency, the Utah State Tax Commission may issue a warrant directed to the sheriff of any county commanding him to levy upon and sell the real and personal property of a delinquent taxpayer found within such county for the payment of the tax due. The amount of the warrant shall have the force and effect of an execution against all personal property of the delinquent taxpayer and shall become a lien upon the real property of the delinquent taxpayer in the same manner as a judgment duly rendered by any district court.

Sources of Revenues. The City has a relatively diverse sales tax base. In fiscal year 20\_\_\_, the top ten sales tax payers in the City during this period accounted for \_\_\_% of all sales tax revenues remitted to the City for that year and included four major retailers, three automobile dealers, one home improvement store, one software company, and one utility.

Historical Sales and Use Tax Revenues of the City. The following table shows the amounts of Pledged Sales and Use Taxes received by the City in the last ten fiscal years.

<u>Fiscal Year Ending June 30.</u>	<u>Pledged Sales and Use Taxes</u>	<u>% Change from Prior Year</u>
2020	\$23,060,272	3.5%
2019	22,289,422	1.7
2018	21,909,964	6.1
2017	20,642,039	3.8
2016	19,891,096	3.5
2015	19,221,835	2.5
2014	18,750,745	2.5
2013	18,292,178	7.9
2012	16,949,514	7.9
2011	15,703,214	-2.3

(Source: Information extracted from the City’s Supplemental Continuing Disclosure Memorandum, dated December 28, 2020)

**Flow of Funds**

In order to secure timely payment of the principal of and interest on the Bonds, the Agency has pledged and assigned to the Trustee the Pledged Revenues and all moneys in certain funds and accounts established by the Indenture. The Indenture establishes a Construction Fund, a Bond Fund, a Revenue Fund, and certain other funds and accounts.

The Indenture provides that all Pledged Revenues shall be accounted for by the Agency separate and apart from all other moneys of the Agency.

The Trustee shall make deposits to the Bond Fund, as and when received, as follows:

- (i) accrued interest, if any, received upon the issuance of any Series of Bonds;
- (ii) all Pledged Revenues payable by the Agency;
- (iii) any amount in the Construction Fund to the extent required by or directed pursuant to the Indenture upon completion of a Project;
- (iv) all moneys transferred from the Debt Service Reserve Fund or from a Reserve Instrument or Instruments then in effect as provided in the Indenture; and
- (v) all other moneys received by the Trustee when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund.

Except as otherwise provided in the Indenture, moneys in the Bond Fund shall be expended solely for the following purposes and in the following order of priority:

- (i) on or before each Interest Payment Date for each Series of Bonds, the amount required to pay the interest due on such date;
- (ii) on or before each Principal Installment due date, the amount required to pay the Principal Installment due on such due date; and

(iii) on or before each redemption date for each Series of Bonds, the amount required to pay the redemption price of and accrued interest on such Bonds then to be redeemed.

Such amounts shall be applied by the Paying Agent to pay Principal Installments and redemption price of, and interest on the related Series of Bonds.

The Trustee shall pay out of the Bond Fund to the Security Instrument Issuer, if any, that has issued a Security Instrument with respect to such Series of Bonds an amount equal to any Security Instrument Repayment Obligation then due and payable to such Security Instrument Issuer. Except as otherwise specified in a related Supplemental Indenture all such Security Instrument Repayment Obligations shall be paid on a parity with the payments to be made with respect to principal and interest on the Bonds; provided that amounts paid under a Security Instrument shall be applied only to pay the related Series of Bonds. If payment is so made on Pledged Bonds held for the benefit of the Security Instrument Issuer, a corresponding payment on the Security Instrument Repayment Obligation shall be deemed to have been made (without requiring an additional payment by the Agency) and the Trustee shall keep its records accordingly.

The Agency authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay principal of and interest on the Bonds and on Security Instrument Repayment Obligations as the same become due and payable and to make said funds so withdrawn available to the Trustee and any Paying Agent for the purpose of paying said Principal and interest.

After payment in full of the Principal of and interest on (i) all Bonds issued under the Indenture (or after provision has been made for the payment thereof as provided in the Indenture so that such Bonds are no longer Outstanding), (ii) all agreements relating to all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations in accordance with their respective terms, and (iii) all fees, charges and expenses of the Trustee, the Paying Agent and any other amounts required to be paid under the Indenture or under any Supplemental Indenture and under any Security Instrument Agreement and under any Reserve Instrument Agreement, all amounts remaining in the Bond Fund shall be paid to the Agency.

#### **[No] Debt Service Reserve Requirement**

[No Debt Service Reserve Requirement is anticipated with respect to the Series 2021 Bonds.]

#### **Additional Parity Debt**

No additional indebtedness, bonds or notes of the Agency secured by a pledge of the Pledged Revenues senior to the pledge of Pledged Revenues for the payment of the Bonds and the Security Instrument Repayment Obligations authorized under the Indenture shall be created or incurred without the prior written consent of the Owners of 100% of the Outstanding Bonds and the Security Instrument Issuers. In addition, no Additional Bonds or other indebtedness, bonds or notes of the Agency payable on a parity with the Bonds and the Security Instrument Repayment Obligations authorized under the Indenture out of Pledged Revenues shall be created or incurred, unless the following requirements have been met:

(a) No Event of Default shall have occurred and be continuing under the Indenture on the date of authentication of any Additional Bonds. This provision shall not preclude the issuance of Additional Bonds if (i) the issuance of such Additional Bonds otherwise complies with the provisions of the Indenture and (ii) such Event of Default will cease to continue upon the issuance of Additional Bonds and the application of the proceeds thereof; and

(b) A certificate shall be delivered to the Trustee by an Authorized Representative to the effect that the Pledged Revenues for any consecutive 12 month period in the 24 months immediately preceding the proposed date of issuance of such Additional Bonds were at least equal to 200% of the sum of (x) the maximum Aggregate Annual Debt Service Requirement on all Bonds and Additional Bonds to be Outstanding following the issuance of the Additional Bonds, after deducting from any applicable Bond Fund Year amounts held in the Debt Service Reserve Fund that are expected to be used for Debt Service payments on the Bonds in such year, plus (y) the maximum annual



installments due on all Reserve Instrument Repayment Obligations to be outstanding following the issuance of such Additional Bonds; and

provided, however, that such Pledged Revenue coverage test set forth above shall not apply to the issuance of any Additional Bonds to the extent (i) they are issued for the purpose of refunding Bonds issued under the Indenture, (ii) the Average Aggregate Annual Debt Service for such Additional Bonds does not exceed the then remaining Average Aggregate Annual Debt Service for the Bonds being refunded therewith, and (iii) the maximum Aggregate Annual Debt Service Requirement for such Additional Bonds is less than or equal to the maximum Aggregate Annual Debt Service Requirement for the Bonds being refunded therewith; and

(c) All payments required by the Indenture to be made into the Bond Fund must have been made in full, and there must be on deposit in each account of the Debt Service Reserve Fund (taking into account any Reserve Instrument coverage) the full amount required to be accumulated therein at the time of issuance of the Additional Bonds; and

(d) The proceeds of the Additional Bonds must be used (i) to refund Bonds issued under the Indenture or any other obligations (including tax sharing agreements) of the Agency or City (including the funding of necessary reserves and the payment of costs of issuance) and/or (ii) to finance or refinance a Project (including the funding of necessary reserves and the payment of costs of issuance).

The Indenture does not limit or restrict the issuance of subordinate lien obligations by the Agency.

**State Pledge of Nonimpairment**

[In accordance with Section 11-14-307, Utah Code Annotated 1953, as amended, the State pledges and agrees with the holders of the Series 2021 Bonds that it will not alter, impair or limit the pledged excise taxes in a manner that reduces the amounts to be rebated to the [County and the City] which are devoted or pledged for the payment of the Series 2021 Bonds until the Series 2021 Bonds, together with applicable interest, are fully met and discharged; provided, however, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the holders of the Series 2021 Bonds.

The Agency notes that this provision has not been interpreted by a court of law and, therefore, the extent that such provision would (i) be upheld under constitutional or other legal attack, (ii) protect the current rates and collection of all Pledged Revenues, or (iii) impact any other aspect of Pledged Revenues, cannot be predicted by the Agency.]

**PLAN OF REFUNDING**

A portion of the proceeds from the Series 2021 Bonds will be used to refund the outstanding Series 2007A Bonds and the outstanding Series 2007B Bonds on the date of issuance of the Series 2021 Bonds as shown below.

Original Maturity (July 15)	Series 2007A Bonds	
	Principal Amount	Interest Rate
2022	\$2,055,000	3.45%
2023	2,230,000	3.45
2024	2,405,000	3.45
2025	2,605,000	3.45
2026	2,815,000	3.45
2027 <sup>†</sup>	<u>1,025,000</u>	3.45
Total	<u>\$13,135,000</u>	

<sup>†</sup> Final maturity of term bond.

<u>Series 2007B Bonds</u>		
Original Maturity (July 15)	<u>Principal Amount</u>	<u>Interest Rate</u>
2022	\$425,000	3.45%
2023	440,000	3.45
2024	465,000	3.45
2025	475,000	3.45
2026	485,000	3.45
2027†	<u>1,305,000</u>	3.45
Total	<u>\$3,595,000</u>	

† Final maturity of term bond.

### SOURCES AND USES OF FUNDS

The estimated sources and uses of funds relating to the Series 2021 Bonds are as follows:

#### Sources of Funds

Principal Amount of Series 2021 Bonds .....	\$ _____
Reoffering Premium .....	
<b>TOTAL .....</b>	<b>\$ _____</b>

#### Uses of Funds

Refunding of Refunded Bonds .....	\$ _____
Costs of Issuance <sup>(1)</sup> .....	
<b>TOTAL .....</b>	<b>\$ _____</b>

<sup>(1)</sup> Costs of Issuance include legal, municipal advisor, rating agency, and Trustee fees, Underwriter's discount, and other costs and expenses related to the issuance of the Series 2021 Bonds.

### DEBT SERVICE SCHEDULE

The following table sets forth the estimated debt service schedule for the Series 2021 Bonds [and the Outstanding Parity Sales Tax Bonds]. As noted elsewhere in this Official Statement, the pledge of the Pledged Sales

and Use Taxes for payment of the Series 2021 Bonds will be secured by the Indenture on a parity with the Outstanding Sales Tax Parity Bonds.

<u>Fiscal Year Ending June 30,</u>	<u>Series 2021 Bonds</u>		<u>[Outstanding Parity Sales Tax Bonds]<sup>(1)</sup></u>	<u>Fiscal Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal/Interest</u>	
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
Total				

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<sup>(1)</sup> Includes principal and interest; amounts have been rounded.  
(Source: The Municipal Advisor.)

## THE AGENCY

### Establishment

On [\_\_\_\_\_], the City Council (the “City Council”) of the City, established the Agency pursuant to and under the authority of what is now known as the Community Reinvestment Agency Act, Title 17C, Chapter 5, Utah Code Annotated 1953, as amended. The principal place of business and office of the Agency is indicated on page i of this Official Statement.

### Statutory Powers

Under the Community Reinvestment Agency Act, the Agency has the power, subject to the approval of the City Council of the City to the extent provided in the Community Reinvestment Agency Act, to: (1) undertake redevelopment projects, including the planning, development, replanning, redesign, clearance, reconstruction or rehabilitation of all or part of a designated project area and the provision of such residential, commercial, industrial, public or other structures or spaces as may be appropriate or necessary in the interest of the general welfare; (2) select redevelopment project areas that are determined to be blighted and formulate and adopt redevelopment plans, after public notice and hearing, to provide for community development agency activities to be undertaken in those redevelopment project areas; (3) enter into contracts and agreements with owners and tenants of property within a redevelopment project area to arrange for their participation in community development agency activities; (4) issue and sell bonds from time to time payable from specified limited sources to finance the undertaking of any redevelopment project under the Community Reinvestment Agency Act; and (5) exercise other powers as enumerated in the Community Reinvestment Agency Act, all in accordance with and subject to the specific requirements of the Community Reinvestment Agency Act.

### Board of Directors

Pursuant to the Community Reinvestment Agency Act, the City Council has been designated as the Board of Directors of the Agency (the “Board”). The Board has appointed the Mayor as the Executive Director of the Agency.

The Board consists of seven members (the members of the City Council), who serve by virtue of their election to the City Council of the City. This part-time Board performs legislative and policy-making duties for the Agency. For a roster of the current members of the Board, see “SANDY CITY – Form of Government” herein.

### Agency Administration

The Mayor is the Executive Director of the Agency. Nick Duerksen serves as the Economic Development Director and assists with the day to day operations of the Agency.

### Budget Process

The Community Reinvestment Agency Act requires the Agency to prepare and adopt an annual budget prior to June 30 for each of its fiscal years, which begin on July 1 of each year and end on June 30 of the succeeding year. The Agency is required to hold a public hearing, after specified published notice, before it adopts its budget. The adopted budget may be amended, but any increase in total expenditures may be made only after compliance with the public notice and hearing requirements imposed by the Community Reinvestment Agency Act. The Agency is prohibited by the Community Reinvestment Agency Act to make expenditures in excess of the total expenditures established in the adopted or amended budget.

The Community Reinvestment Agency Act requires the Agency to cause its accounts to be audited annually by a competent certified public accountant and an audit report to be prepared, all at the same time and in the same manner as required by applicable Utah law for other public bodies and agencies.

**Outstanding Debt of the Agency**

Upon the issuance of the Series 2021 Bonds, the Agency will have the following bonds outstanding:

<u>Series</u>	<u>Purpose</u>	<u>Original Amount</u>	<u>Final Maturity Date</u>	<u>Principal Balance Outstanding</u>
2021 <sup>(1)</sup>	Refunding	\$ _____ *	[ _____ ]*	\$ _____ *

<sup>(1)</sup> Assumes that the Series 2021 Bonds are issued and outstanding and the outstanding Refunded Bonds have been refunded.

The Agency does not have any plans at this time to issue any Additional Bonds. However, the Agency reserves the right to issue additional bonds as capital needs require.

**Financial Information Regarding the Agency**

[The Agency does not prepare an independent audit. The City treats the Agency as a “component unit” within the City for accounting purposes and accounts for its financial resources as a special fund of the City. Therefore, all financial information with respect to the Agency is included within the audited financial statements of the City. Complete copies of the audited financial statements containing audited information with respect to the Agency may be obtained upon request to the contact persons listed above. See APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF SANDY CITY WITH INDEPENDENT AUDITORS’ REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020.]

*[Summaries of Agency financial statements to be added if needed]*

**SANDY CITY, UTAH**

**General Information**

The City, incorporated in 1893, covers an area of approximately 22 square miles and is located in the southeast portion of the County. According to the U.S. Census Bureau, the City had an estimated 2020 population of 96,904, ranking it as the [6<sup>th</sup>] largest city in the State.

The City is a suburb of metropolitan Salt Lake City within the County and is the fifth city in a line of eight cities located directly south of Salt Lake City along Interstate Highway I-15. These cities constitute a portion of a continuous area of development from the north end of the County through the City. The City is approximately 15 miles from metropolitan Salt Lake City.

**Form of Government**

The City is organized under general law and governed by a Council-Mayor form of government, with seven Council members serving four-year terms (three of whom are elected at large and four of whom are elected from districts). The Mayor, who is elected at large by voters for a four-year term, is charged with the executive and administrative duties of the government. The City Council is charged with the responsibility of performing the legislative functions of the City.

The principal powers and duties of Utah municipalities are to maintain law and order, abate nuisances, guard public health and sanitation, promote recreation, provide fire protection, and to construct and maintain streets sidewalks, waterworks and sewers. Municipalities also regulate commercial and residential development within their boundaries by means of zoning ordinances, building codes and licensing procedures.

<u>Office</u>	<u>Person</u>	<u>Years of Service</u>	<u>Expiration of Term</u>
Mayor	Kurt Bradburn	[4]	January 2022
Council Member	Brooke Christensen	[4]	January 2022
Council Member	Alison Stroud	[2]	January 2024
Council Member	Kris Nicholl	[10]	January 2022
Council Member	Monica Zoltanski	[2]	January 2024
Council Member	Marci Houseman	[2]	January 2024
Council Member	Zach Robinson	[4]	January 2022
Council Member	Cyndi Sharkey	[2]	January 2024
Chief Administrative Officer	Matthew Huish	[2]	Appointed
Assistant Chief Administrative Officer	Kimberly Bell	[(a)]	Appointed
Administrative Services Director	Brian Kelley	[7] <sup>(b)</sup>	Appointed
Deputy Finance Director	Glade Jardine	[5] <sup>(c)</sup>	Appointed
City Attorney	Robert W. Thompson	[1]	Appointed
City Recorder	Wendy Downs	[(d)]	Appointed
City Treasurer	Helen R. Kurtz	[5] <sup>(e)</sup>	Appointed

- [(a)] This is Ms. Bell’s first year in this position; however, she has served a total of 19 years in the City in this and other positions.
- (b) Mr. Kelley has served a total of 19 years in the City in this and other positions.
- (c) Mr. Jardine has served a total of 26 years in the City in this and other positions.
- (d) This is Ms. Downs’s first year in this position.
- (e) Ms. Kurtz has served a total of 23 years in the City in this and other positions.]

### **Employee Workforce and Retirement System**

The City currently employs approximately [483] full-time employees and [348] part-time employees (including seasonal employees) for a total employment of approximately [831] employees. The City is a member of the Utah State Retirement Systems (the “Systems”). The City reports that it has no post-employment benefit obligations. See “APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF SANDY CITY WITH INDEPENDENT AUDITORS’ REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020—Notes to the Financial Statements, Note 12—Pension Plans” and “—Note 14—Post-employment benefits,” herein.

The City records a liability and expense equal to its proportionate share of the collective net pension liability and expense of the Systems due to the implementation of the Government Accounting Standards Board’s Statement 68, Accounting and Financial Reporting for Pensions (“GASB 68”). More information regarding this standard can be found in Note 12—Pension Plans,” of the City’s audited financial statements. See “APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR’S REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020.”

## **FINANCIAL INFORMATION REGARDING SANDY CITY, UTAH**

### **Fund Structure; Accounting Basis**

The accounting policies of the City conform to all generally accepted accounting principles for governmental units in general and the cities of the State in particular.

The accounts of the City are organized on the basis of funds or groups of accounts, each of which is considered to be a separate accounting entity. The operations of each fund or account group are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenues and expenditures or expenses. The various funds are grouped by type in the combined financial statements. See “APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF SANDY CITY WITH INDEPENDENT AUDITORS’ REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020—Notes to the Financial Statements, Note 1—Summary of Significant Accounting Policies” herein.

Revenues and expenditures are recognized using the modified accrual basis of accounting in all governmental funds. Revenues are recognized in the accounting period in which they become both measurable and available. “Measurable” means that amounts can be reasonably determined within the current period. “Available” means that amounts are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues on cost-reimbursement grants are accrued when the related expenditures are incurred.

In proprietary funds, revenues and expenses are recognized using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred.

### **Budget and Appropriation Process**

The budget and appropriation process of the City is governed by the Uniform Fiscal Procedures Act for Utah Cities (the “Fiscal Procedures Act”). Pursuant to the Fiscal Procedures Act, the budget officer of the City is required to prepare budgets for the general fund, special revenue funds, debt service funds and capital improvement funds. These budgets are to provide a complete financial plan for the budget (ensuing fiscal) year. Each budget is required to specify, in tabular form, estimates of anticipated revenues and appropriations for expenditures. Under the Fiscal Procedures Act, the total of anticipated revenues must equal the total of appropriated expenditures.

On or before the first regular meeting of the City Council of the City in May of each year, the budget officer is required to submit to the City Council tentative budgets for all funds for the fiscal year commencing July 1. Various actual and estimated budget data are required to be set forth in the tentative budgets. The budget officer may revise the budget requests submitted by the heads of City departments, but must file these submissions with the City Council together with the tentative budget. The budget officer is required to estimate in the tentative budget the revenue from non-property tax sources available for each fund and the revenue from general property taxes required by each fund. The tentative budget is then tentatively adopted by the City Council, with any amendments or revisions that the City Council deems advisable prior to the public hearing on the tentative budget. After public notice and hearing, the tentative budget is adopted by the City Council, subject to further amendment or revisions by the City Council prior to adoption of the final budget.

Prior to June 30 of each year, the final budgets for all funds are adopted by the City Council. The Fiscal Procedures Act prohibits the City Council from making any appropriation in the final budget of any fund in excess of the estimated expendable revenue of such fund. The adopted final budget is subject to amendment by the City Council during the fiscal year. However, in order to increase the budget total of any fund, public notice and hearing must be provided. Intra- and inter-department transfers of appropriation balances are permitted upon compliance with the Fiscal Procedures Act.

The amount set forth in the final budget as the total amount of estimated revenue from property taxes constitutes the basis for determining the property tax levy to be set by the City Council for the succeeding tax year.

### **Adoption of Ad Valorem Tax Levy**

The governing body of each taxing entity shall, before June 22 of each year, adopt a proposed or, if the tax rate is not more than the certified tax rate, a final tax rate for the taxing entity. The governing body shall report the rate and levy, and any other information prescribed by rules of the county commission for the preparation, review, and certification of the rate, to the county auditor of the county in which the taxing entity is located.

### **Financial Controls**

The City utilizes a financial accounting system which includes a system of budgetary controls. State law requires budgets to be controlled by individual departments, but the City has also empowered the Administrative Services Director to maintain control by major categories within departments. These controls are such that a requisition will not be entered into the purchasing system unless the appropriated funds are available. The Administrative Services Director checks for sufficient funds again prior to the purchase order being issued and again

before the payment check is issued. Voucher payments are also controlled by the Administrative Services Director for sufficient appropriations.

## **Risk Management**

The City manages its risks through the purchase of individual private insurance policies. Its general liability policy has a \$1,000,000 self-insured retention with a \$10,000,000 limit per occurrence. The City commercially insures real property and fleet equipment with value in excess of \$50,000 and self-insures all other fleet equipment. For the three years prior to June 30, 2020, claim settlements have not exceeded insurance coverage. As of the date of this Official Statement, all policies are current and in force. The City believes its risk management policies and coverages are normal and within acceptable coverage limits for the type of services the City provides. See “APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF SANDY CITY WITH INDEPENDENT AUDITORS’ REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020—Notes to the Financial Statements, Note 19–Risk Management” herein.

## **Investment of Funds**

Investment of Operating Funds; The Utah Money Management Act. The Utah Money Management Act, Title 51, Chapter 7, Utah Code Annotated 1953, as amended (the “Money Management Act”), governs the investment of all public funds held by public treasurers in the State of Utah (the “State”). It establishes criteria for investment of public funds with an emphasis on safety, liquidity, yield, matching strategy to fund objectives, and matching the term of investments to the availability of funds. The Money Management Act provides a limited list of approved investments including qualified in-state and permitted out-of-state financial institutions, approved government agency securities and investments in corporate securities carrying “top credit ratings.” The Money Management Act also provides for pre-qualification of broker dealers by requiring that broker dealers agree in writing to comply with the Money Management Act and certify that they have read and understand the Money Management Act. The Money Management Act establishes the Money Management Council (the “Money Management Council”) to exercise oversight of public deposits and investments. The law requires all securities to be delivered versus payment to the public treasurer’s safekeeping bank. It requires diversification of investments, especially in securities of corporate issuers. Not more than 5% of the portfolio may be invested with any one issuer. Investments in mortgage pools and mortgage derivatives or any security making unscheduled periodic principal payments are prohibited. The Money Management Act also defines the State’s prudent investor rules. The Money Management Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The City is currently complying with all of the provisions of the Money Management Act for all City operating funds. The City has no investments in derivative or leveraged securities. A significant portion of City funds are invested in the Utah Public Treasurers’ Investment Fund (the “Utah Treasurers’ Fund”), as discussed herein.

The Utah Public Treasurers’ Investment Fund. The Utah Treasurers’ Fund is a public treasurers’ investment fund, established in 1981, and is managed by the Treasurer of the State of Utah. The Utah Treasurers’ Fund invests to ensure safety of principal, liquidity and a competitive rate of return on short-term investments. All moneys transferred to the Utah Treasurers’ Fund are promptly invested in securities authorized by the Money Management Act. Safe-keeping and audit controls for all investments owned by the Utah Treasurers’ Fund must comply with the Money Management Act.

All investments in the Utah Treasurers’ Fund must comply with the Money Management Act and rules of the Money Management Council. The Utah Treasurers’ Fund invests primarily in money market securities including time certificates of deposit, top rated commercial paper, treasuries and certain agencies of the U.S. Government. The maximum weighted average adjusted life of the portfolio, by policy, is not to exceed 90 days. The maximum final maturity of any security purchased by the Utah Treasurers’ Fund is limited to three years, except for a maximum maturity of five years is allowed for treasury or agency securities whose rate adjusts at least annually.

By law, investment transactions are conducted only through certified dealers, qualified depositories or directly with issuers of the securities. All securities purchased are delivered via payment to the custody of the State Treasurer or the State Treasurer’s safekeeping bank, assuring a perfected interest in the securities. Securities owned



by the Utah Treasurers' Fund are completely segregated from securities owned by the State. The State has no claim on assets owned by the Utah Treasurers' Fund except for any investment of State moneys in the Utah Treasurers' Fund. Deposits are not insured or otherwise guaranteed by the State.

Securities in the Utah Treasurers' Fund include certificates of deposit, commercial paper, short-term corporate notes, obligations of the U.S. Treasury and securities of certain agencies of the U.S. Government. These short-term securities must be rated "first tier" ("A-1," "P1," for short-term investments and "A" or better for long-term investments) by two nationally recognized statistical rating organizations, one of which must be Moody's Investors Service, Inc. or Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc. These securities represent limited risks to governmental institutions investing with the Utah Treasurers' Fund. Variable rate securities in the Utah Treasurers' Fund must have an index or rate formula that has a correlation of at least 94% of the effective Federal Funds rate.

Investment activity of the State Treasurer in the management of the Utah Treasurers' Fund is reviewed monthly by the Money Management Council and is audited by the State Auditor.

See "APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS WITH INDEPENDENT AUDITOR'S REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020—Notes to the Financial Statements, Note 4—Cash, Cash Equivalents, and Investments" and "—Note 5—Investment Rating and Risk."

Moneys from the sale of obligations issued by the City or pledged to the payment therefor are also on deposit in funds and accounts of the City. Investment policies regarding such moneys are governed by the specific instruments pursuant to which such obligations were issued.

### **Sources of General Fund Revenues**

Set forth herein are brief descriptions of the various sources of revenues available to the City's general fund. The percentage of total general fund revenues represented by each source is based on the City's audited financial statements for the fiscal year ended June 30, 2020.

Taxes—Approximately 71% of general fund revenues are from taxes (of this amount, approximately [ ]% are from property taxes, [ ]% from sales and use taxes, [ ]% from franchise taxes, and [ ]% from other taxes).

Charges for Services—Approximately 5% of general fund revenues are from charges for services.

Intergovernmental Revenue—Approximately 10% of general fund revenues are from State shared revenues.

Licenses and Permits—Approximately 4% of general fund revenues are from licenses and permits.

Fines and Forfeitures—Approximately 2% of general fund revenues are collected from fines and forfeitures.

Miscellaneous Revenue—Approximately 8% of general fund revenues are from miscellaneous revenues, including interest income.

### **Five-Year Financial Summaries**

The following tables set forth a summary of certain financial information regarding the City and have been extracted from the City's audited basic financial statements for the fiscal years ended June 30, 2016 through June 30, 2020. The following summaries are unaudited.

SANDY CITY  
Statement of Net Position – Governmental and Business-Type Activities  
(This summary has not been audited.)

	<i>Fiscal Year Ended June 30,</i>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$62,229,628	\$67,282,180	\$48,398,379	\$58,746,614	\$50,664,822
Receivables - Net	25,870,608	22,731,411	23,354,819	20,456,840	20,997,387
Intergovernmental Receivable	2,794,645	819,920	1,339,534	978,957	1,098,525
Inventories	1,264,326	1,224,872	1,370,904	1,298,156	1,349,829
Prepaid Assets	98,112	96,572	59,017	59,017	59,017
Net Pension Asset	2,886,101	70,740	1,087,843	89,320	100,860
<i>Restricted Cash, Equivalents &amp; Investments</i>					
Road Funds	2,214,002	1,413,751	1,200,308	1,381,073	947,160
Capital Projects	10,866,970	8,628,447	28,875,521	33,138,485	58,977,834
Debt Service	800,000	800,000	800,000	800,000	800,000
Investment in Joint Venture	7,887,738	7,887,738	7,154,124	6,620,853	6,810,610
<i>Capital Assets Net of Depreciation</i>					
Land	253,038,348	254,898,546	249,148,801	245,781,843	248,255,977
Infrastructure	165,821,116	164,428,014	160,655,185	155,652,345	141,204,384
Construction in Progress	16,545,095	13,043,803	8,844,864	60,336,609	25,409,837
Water Rights & Capacity	41,459,709	41,140,174	41,137,174	40,830,874	40,823,324
Buildings & Systems	202,305,387	204,654,274	206,422,604	138,770,266	140,166,227
Improvements Other than Buildings	30,326,683	27,670,975	25,444,283	27,080,074	27,024,726
Vehicles	9,342,427	8,921,464	8,840,536	6,448,721	7,070,987
Machinery & Equipment	<u>3,445,927</u>	<u>3,625,146</u>	<u>3,190,366</u>	<u>3,076,104</u>	<u>3,028,517</u>
Total Assets	839,196,822	829,338,027	817,324,262	801,546,151	774,790,023
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>					
Deferred Charges	775,480	796,599	1,023,026	1,252,526	1,482,005
Deferred Outflow Relating to Pension	<u>1,969,468</u>	<u>14,334,024</u>	<u>14,069,705</u>	<u>12,548,508</u>	<u>10,139,736</u>
Total Deferred Outflows of Resources	2,744,948	15,130,623	15,092,731	13,801,034	11,621,741
<b>LIABILITIES:</b>					
Accounts Payable	5,308,563	9,359,557	1,779,197	5,968,402	7,114,989
Salaries & Benefits Payable	2,399,873	2,787,194	2,279,132	2,463,091	2,174,026
Accrued Interest Payable	1,162,769	1,282,034	1,308,184	1,245,252	1,318,401
Unamortized Interest Payable	-	-	-	-	-
Claims & Judgments Payable	1,009,198	497,287	697,086	599,501	553,770
Intergovernmental Payable	(4,567)	6,453	143,684	2,336,501	679,350
Unearned Revenue	117,400	160,564	135,089	236,058	225,607
Customer Deposits	8,506,037	8,960,428	8,336,576	9,120,062	8,959,172
<b>Noncurrent Liabilities</b>					
Due within one year	7,686,179	6,453,283	9,082,673	7,909,909	8,709,529
Due in more than one year	96,074,649	103,889,781	109,648,573	118,112,994	115,698,574
Net Pension Liability	<u>9,690,420</u>	<u>20,069,959</u>	<u>10,603,106</u>	<u>16,114,445</u>	<u>15,026,141</u>
Total Liabilities	131,950,521	153,466,540	144,013,300	164,106,215	160,459,559
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Deferred Assessments	13,606,850	13,837,655	20,440,987	13,239,573	11,745,244
<b>NET POSITION:</b>					
Net Investment in Capital Assets	629,164,589	616,266,369	593,397,225	560,428,306	540,585,006
Restricted for Debt Service	800,000	800,000	800,000	800,000	800,000
Restricted for Capital Projects	10,866,969	8,620,162	13,165,248	22,806,635	35,766,710
Restricted for Road Funds	2,214,002	1,413,751	1,200,308	1,381,073	947,160
Unrestricted	<u>53,338,796</u>	<u>50,064,172</u>	<u>59,399,925</u>	<u>52,585,384</u>	<u>36,108,086</u>
Total Net Position	<u>\$696,384,356</u>	<u>\$677,164,454</u>	<u>\$667,962,706</u>	<u>\$638,001,398</u>	<u>\$614,206,962</u>

(Source: Information extracted from the City's Supplemental Continuing Disclosure Memorandum, dated December 28, 2020. This summary is unaudited.)

SANDY CITY  
Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund  
(This summary has not been audited.)

	<i>Fiscal Year Ended June 30,</i>				
	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>REVENUES:</b>					
Taxes	\$42,916,920	\$38,954,086	\$39,759,331	\$39,189,053	\$38,163,957
Licenses and permits	2,321,492	3,002,184	3,032,875	3,283,590	3,308,440
Intergovernmental	6,201,593	4,005,340	3,629,940	3,611,758	3,512,339
Fines and forfeitures	1,145,274	1,436,029	1,777,237	1,696,812	1,625,174
Charges for Sales and Services	3,020,203	3,065,305	3,914,573	2,916,543	3,076,760
Interest Income	225,520	287,470	212,427	134,511	95,343
[Miscellaneous]	<u>4,443,391</u>	<u>4,396,826</u>	<u>3,610,130</u>	<u>3,523,526</u>	<u>3,484,377</u>
Total Revenues	60,274,393	55,147,240	55,936,513	54,355,792	53,266,390
<b>EXPENDITURES:</b>					
General government	11,235,495	10,559,256	10,850,109	10,329,910	10,057,805
[Public Safety]	27,566,156	25,913,641	25,224,093	24,182,139	24,056,101
Public Works	5,925,348		5,205,894	5,548,201	4,832,153
[Parks and Recreation]	5,532,876	5,660,493	5,044,923	5,066,031	4,695,031
Community Development	<u>2,973,967</u>	<u>2,896,513</u>	<u>2,714,449</u>	<u>2,726,104</u>	<u>2,548,395</u>
Total Expenditures	53,233,842	50,200,421	49,039,468	47,852,385	46,189,485
Excess revenue over expenditures	7,040,551	4,946,819	6,897,045	6,503,407	7,076,905
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	179,271	116,397	1,533,670	581,789	–
Transfers out	<u>(6,632,083)</u>	<u>(5,342,721)</u>	<u>(7,967,505)</u>	<u>(6,960,059)</u>	<u>(6,853,251)</u>
Total Other Financing Sources	(6,452,812)	(5,209,924)	(6,433,835)	(6,378,270)	(6,853,251)
Net Change in Fund Balances	587,739	(263,105)	463,210	125,137	223,654
Fund balances - beginning of year	<u>6,368,793</u>	<u>6,631,898</u>	<u>6,275,746</u>	<u>6,150,609</u>	<u>5,926,955</u>
Fund balances - end of year	<u>\$6,956,532</u>	<u>\$6,368,793</u>	<u>\$6,738,956</u>	<u>\$6,275,746</u>	<u>\$6,150,609</u>

(Source: Information extracted from the City's Supplemental Continuing Disclosure Memorandum, dated December 28, 2020. This summary is unaudited.)

**Outstanding Obligations of the City**

The following is a list of the City’s outstanding obligations as of October 1, 2021:

Outstanding Sales Tax Revenue Bonds

<u>Series</u>	<u>Purpose</u>	<u>Original Principal Amount</u>	<u>Final Maturity Date</u>	<u>Principal Amount Outstanding</u>
2019	Refunding	4,725,000	September 15, 2029	3,450,000
2015	Hale Centre Theatre	41,545,000	March 1, 2042	37,700,000
2013C	Mount Jordan Theater/Refunding	10,816,000	June 15, 2029	5,257,000
2012	Refunding	3,920,000	September 15, 2024	<u>845,000</u>
Total .....				<u>\$</u>

Outstanding Water Revenue Bonds

<u>Series</u>	<u>Purpose</u>	<u>Original Principal Amount</u>	<u>Final Maturity Date</u>	<u>Principal Amount Outstanding</u>
2017	System Improvements	\$10,000,000	July 15, 2032	
2012	Refunding	4,330,000	November 15, 2024	
Total .....				<u>\$</u>

**Future Bond Issues**

[The City has no current plans to issue any bonds within the next three years; however the City reserves the right to issue such bonds as capital needs may require.]

**Other Financial Considerations**

See “APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF SANDY CITY WITH INDEPENDENT AUDITORS’ REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020—Notes to the Financial Statements, Note 11—Long-term Liabilities—Contracts Payable” herein.

**TAX MATTERS**

The following is a summary of the material federal and State of Utah income tax consequences of holding and disposing of the Series 2021 Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2021 Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Utah, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2021 Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2021 Bonds.

## Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Agency, under the law existing as of the issue date of the Series 2021 Bonds:

**Federal Tax Exemption.** The interest on the Series 2021 Bonds [(including any original issue discount properly allocable to an owner thereof)] is excludable from gross income for federal income tax purposes.

**Alternative Minimum Tax.** Interest on the Series 2021 Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bond counsel's opinions are provided as of the date of the original issue of the Series 2021 Bonds, subject to the condition that the Agency comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2021 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Agency has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2021 Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2021 Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2021 Bonds, but has reviewed the discussion under the heading "TAX MATTERS."

**State of Utah Tax Exemption.** The interest on the Series 2021 Bonds is exempt from State of Utah individual income taxes.

## Other Tax Consequences

**[Original Issue Premium.** For federal income tax purposes, premium is the excess of the issue price of a Series 2021 Bond over its stated redemption price at maturity. The issue price of a Series 2021 Bond is generally the first price at which a substantial amount of the Series 2021 Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt Series 2021 Bonds amortizes over the term of the Series 2021 Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Series 2021 Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Series 2021 Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of Series 2021 Bond premium.]

**[Original Issue Discount.** For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Series 2021 Bond over its issue price. The stated redemption price at maturity of a Series 2021 Bond is the sum of all payments on the Series 2021 Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2021 Bond is generally the first price at which a substantial amount of the Series 2021 Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Series 2021 Bond during any accrual period generally equals (1) the issue price of that Series 2021 Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Series 2021 Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Series 2021 Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Series 2021 Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.]

***Sale, Exchange or Retirement of Series 2021 Bonds.*** Upon the sale, exchange or retirement (including redemption) of a Series 2021 Bond, an owner of the Series 2021 Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale, exchange or retirement of the Series 2021 Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Series 2021 Bond. To the extent a Series 2021 Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2021 Bond has been held for more than 12 months at the time of sale, exchange or retirement.

***Reporting Requirements.*** In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Series 2021 Bonds, and to the proceeds paid on the sale of the Series 2021 Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

***Collateral Federal Income Tax Consequences.*** Prospective purchasers of the Series 2021 Bonds should be aware that ownership of the Series 2021 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2021 Bonds. Series 2021 Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2021 Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2021 Bonds, including the possible application of state, local, foreign and other tax laws.

#### **NO DEFAULTED BONDS**

Neither the Agency nor the City has ever failed to pay principal and interest when due on its outstanding bonded indebtedness or any other obligations.

#### **INDEPENDENT AUDITORS**

The basic financial statements of the City as of June 30, 2020, and for the year then ended, contained in APPENDIX A to this Official Statement, have been audited by Piercy Bowler Taylor and Kern ("Piercy Bowler") independent auditors, as set forth in their report included in "APPENDIX A" hereto. Piercy Bowler has not been asked to consent to the use of its name, audited financial statements and report in this Official Statement.

Copies of the City's comprehensive annual financial report may be obtained upon request from the City's Accounting Division, 10000 Centennial Parkway, Sandy, Utah 84070.

#### **RISK FACTORS**

The purchase of the Series 2021 Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Series 2021 Bonds should make an independent evaluation of all of the information presented in this Official Statement in order to make an informed investment decision. Certain of these risks are described below; however, it is not intended to be a complete representation of all the possible risks involved:

##### **Uncertainty of Economic Activity and Sales Tax Revenues**

The amount of Pledged Sales and Use Taxes to be collected by the City is dependent on several factors beyond the control of the City, including, but not limited to, the state of the United States economy and the economy of the State and the City. Any one or more of these factors could result in the City receiving less Pledged Sales and Use Taxes than anticipated. During periods in which economic activity declines, Pledged Sales and Use Taxes are likely to fall as compared to an earlier year. In addition, Pledged Sales and Use Taxes are dependent on the volume of

the transactions subject to the tax. From time to time, proposals have been made by the Utah State Legislature (the “State Legislature”) to add or remove certain types of purchases from the sales tax and the State (like many other states) has recognized the potential reduction in sales tax revenues because of purchases made through the internet and other non-traditional means. The City cannot predict what impact these issues may have on the Pledged Sales and Use Taxes it receives.

### **Legislative Changes to Sales Tax Statutes**

The State Legislature has authority to alter the statutes under which the City derives its various sales and use tax revenues, including specifically the Pledged Sales and Use Taxes. From time to time proposals are discussed and introduced to change these statutes, including changes that could significantly reduce the amount of Pledged Sales and Use Taxes the City receives. This can be done by, among other things, expanding or diminishing the sales tax base, reducing rates or altering the formula by which the tax revenues are allocated among the counties, cities and towns within the State.

In particular, the City notes that a bill presented to the State Legislature in its regular [2019] session proposed to reduce the Statewide Tax while broadening the sales tax base to include certain services not previously taxed but also generally limiting certain increases in the amount of revenues received by cities, towns, and counties and attempting to hold them harmless for certain changes effected by the bill. This bill did not pass, but it should be noted that it was a part of a larger effort by some State legislators and supported by the Governor to expand the base subject to sales and use taxes and cut the Statewide tax rate. In furtherance of this effort, a “Tax Restructuring and Equalization Task Force” was formed by the State Legislature to explore ways to restructure the State’s sales and income tax systems and draft related legislation to be considered in a special session of the State Legislature later in 2019 or in the 2020 regular session.

The City cannot predict whether the State Legislature will change the sales and use tax base, rates, and/or distribution methods, including changes that could affect Pledged Sales and Use Taxes at some point in the future. Consequently, no assurance can be given that the Revenues from Pledged Sales and Use Taxes will remain sufficient for the payment of the principal or interest on the Bonds, and the City is limited by State law in its ability to increase the rate of such taxes.

### **Series 2021 Bonds are Limited Obligations**

The Series 2021 Bonds are special limited obligations of the Agency, payable solely from the Pledged Revenues, moneys, securities and funds pledged therefor in the Indenture. The Pledged Revenues consist primarily of the Pledged Transient Room Taxes and Pledged Sales and Use Taxes. The Series 2021 Bonds do not constitute a general obligation indebtedness and are not obligations of the State or any other agency or other political subdivision or entity of the State. The Agency has no taxing powers.

### **Limitation on Increasing Rates for Pledged Sales and Use Taxes**

The City currently levies the maximum rate allowed under Utah law for the Pledged Sales and Use Taxes. No assurance can be given that the Pledged Sales and Use Taxes will remain sufficient for the payment of the principal or interest on the Series 2021 Bonds and the City is limited by Utah law in its ability to increase the rate of such taxes.

### **No Reserve Fund Requirement for the Series 2021 Bonds**

[Pursuant to the Indenture, each Series of Bonds may be secured by a separate subaccount in the Debt Service Reserve Fund. Upon the issuance of the Series 2021 Bonds there will be no funding of a subaccount of the Debt Service Reserve Fund with respect to the Series 2021 Bonds.]

## CONTINUING DISCLOSURE

The Agency has undertaken for the benefit of the Bondholders and the beneficial owners of the Series 2021 Bonds to provide certain annual financial information and operating data and notice of certain material events to the Municipal Securities Rulemaking Board all in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission. See “APPENDIX D” attached hereto and incorporated herein by reference for a form of the Continuing Disclosure Undertaking that will be executed and delivered by the Agency. [The Agency has not entered into any continuing disclosure undertakings.]

A failure by the Agency to comply with the Continuing Disclosure Undertaking will not constitute a default under the Indenture and beneficial owners of the Series 2021 Bonds are limited to the remedies described in the Continuing Disclosure Undertaking. See “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING—Default.” A failure by the Agency to comply with the Continuing Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2021 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2021 Bonds and their market price.

## UNDERWRITING

\_\_\_\_\_, as the underwriter of the Series 2021 Bonds (the “Underwriter”), has agreed, subject to certain conditions, to purchase all of the Series 2021 Bonds from the Agency at a purchase price of \$ \_\_\_\_\_\* (being the par amount thereof plus original issue premium of \$ \_\_\_\_\_ and less an underwriter’s discount of \$ \_\_\_\_\_) and to make a public offering of the Series 2021 Bonds. The Series 2021 Bonds may be offered and sold to certain dealers (including dealers depositing the Series 2021 Bonds into investment trusts) at prices lower than the initial public offering prices set forth on the inside front cover page of this Official Statement and such public offering prices may be changed from time to time.

[The Underwriter has provided the following information for inclusion in this Official Statement:  
\_\_\_\_\_.]

Although the Underwriter expects to maintain a secondary market in the Series 2021 Bonds after the initial offering, no guarantee can be given concerning the future existence of such a secondary market or its maintenance by the Underwriter or others.

## RATING

S&P Global Ratings (“S&P”) has assigned a municipal bond rating of “\_\_\_” to the Series 2021 Bonds.

Any explanation of the significance of the rating should be obtained from the rating agency furnishing the same. There is no assurance that the rating given to the Series 2021 Bonds will be maintained for any period of time or that the rating may not be lowered or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward change or withdrawal of such rating may have an adverse effect on the market price of the Series 2021 Bonds.

## LITIGATION

It is a condition of closing that the Agency execute a certificate to the effect that to the best of its knowledge, after due inquiry, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, which is pending or threatened, challenging the creation, organization or existence of the Agency, the titles of its officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Series 2021 Bonds, or for the purpose of restraining or enjoin the receipt of the Pledged Revenues or any other revenues to the Agency, or directly or indirectly contesting or affecting the proceedings or the authority by which the Series 2021 Bonds are issued, the legality of the purpose for which the Series 2021 Bonds are issued or the validity of the Series 2021 Bonds or the issuance thereof or the security therefor.



A non-litigation certificate issued by [McDonald Fielding, PLLC], as counsel to the Agency, dated the date of closing, will be provided stating, among other things, that to the best of such firm's knowledge, after due inquiry, no action, suit, proceeding, inquiry, or any other litigation or investigation at law or in equity, before or by any court, public board or body, has been served on the Agency or is threatened, challenging the creation, organization, or existence of the Agency or the titles of its officers to their respective offices or seeking to restrain or enjoin the issuance, sale, or delivery of the Series 2021 Bonds or for the purpose of restraining or enjoining the receipt of the Pledged Revenues by the Agency, or directly or indirectly contesting or affecting the proceedings or the authority by which the Series 2021 Bonds are issued or the validity of the Series 2021 Bonds or the issuance thereof.

#### **MUNICIPAL ADVISOR**

The Agency has engaged Lewis Young Robertson & Burningham, Inc. Salt Lake City, Utah (the "Municipal Advisor"), to provide financial recommendations and guidance to the Agency with respect to preparation for sale of the Series 2021 Bonds, timing of sale, bond market conditions, costs of issuance and other factors relating to the sale of the Series 2021 Bonds. The Municipal Advisor has read and participated in the drafting of certain provisions of this Official Statement. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the Agency, with respect to accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the Municipal Advisor respecting accuracy and completeness of the Official Statement or any other matters related to the Official Statement. Municipal Advisor fees are contingent upon the sale and delivery of the Series 2021 Bonds.

#### **LEGAL MATTERS**

The authorization and issuance of the Series 2021 Bonds is subject to the approval of legality by Gilmore & Bell, P.C., Bond Counsel to the Agency. Certain matters relating to disclosure will be passed upon for the Agency by Gilmore & Bell, P.C., disclosure counsel to the Agency. Certain legal matters will be passed upon for the Agency by Kyle Fielding, Esq., Agency Attorney. Certain legal matters will be passed upon for the City by Robert W. Thompson, Esq., City Attorney. The approving opinion of Bond Counsel will be delivered with the Series 2021 Bonds. A copy of the form of the opinion of Bond Counsel is set forth in "APPENDIX E" of this Official Statement.

#### **MISCELLANEOUS**

All quotations from and summaries and explanations of the Utah Constitution, statutes, programs, laws of the State of Utah, court decisions, and the Indenture, which are contained herein, do not purport to be complete, and reference is made to said Constitution, statutes, programs, laws, court decisions, and the Indenture for full and complete statements of their respective provisions.

Any statement in this Official Statement involving matters of opinion, whether or not expressly so stated, is intended as such and not as representations of fact.

The appendices attached hereto are an integral part of this Official Statement and should be read in conjunction with the foregoing material.

The delivery of the Official Statement has been duly authorized by the Agency.

**REDEVELOPMENT AGENCY OF SANDY  
CITY, UTAH**

**APPENDIX A**

**AUDITED BASIC FINANCIAL STATEMENTS OF SANDY CITY  
WITH INDEPENDENT AUDITORS' REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020**

**APPENDIX B**

**DEMOGRAPHIC AND ECONOMIC  
INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY**

The tables in this appendix contain information with respect to Sandy City and Salt Lake County. For additional information regarding the City, see “APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF SANDY CITY WITH INDEPENDENT AUDITORS’ REPORT FOR FISCAL YEAR ENDED JUNE 30, 2020.”

**THE CITY**

**City, County and State Population**

<u>Year</u>	<u>The City</u>	<u>% Change From Prior Period</u>	<u>Salt Lake County</u>	<u>% Change From Prior Period</u>	<u>The State</u>	<u>% Change From Prior Period</u>
2020 Census						
2019 Estimate						
2018 Estimate	96,901	0.61%	1,152,633	1.30%	3,161,105	1.87%
2017 Estimate	96,314	0.02	1,137,820	1.53	3,103,118	1.99
2016 Estimate	96,293	1.98	1,120,684	1.64	3,042,613	2.02
2015 Estimate	94,421	1.29	1,102,629	1.13	2,982,497	1.54
2014 Estimate	93,215	0.82	1,090,257	0.99	2,937,399	1.36
2013 Estimate	92,459	0.74	1,079,543	1.46	2,897,927	1.52
2012 Estimate	91,782	1.00	1,064,021	1.57	2,854,467	1.43
2011 Estimate	90,877	3.91	1,047,557	1.74	2,814,216	1.82
2010 Census	87,461	–	1,029,655	–	2,763,885	–

(Source: U.S. Census Bureau; estimates are as of July 1 of the year given.)

**SALT LAKE COUNTY**

The following demographic information is provided solely as background information regarding Salt Lake County (the “County”). The County is the economic and population center of the State. Based on 2010 Census data, the County has approximately 37% of the total population of the State. The State capital, Salt Lake City, is located in the County.

**Rate of Unemployment – Annual Average**

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2020	5.1%	4.7%	8.1%
2019	2.5	2.6	3.7
2018	2.9	3.0	3.9
2017	3.1	3.3	4.4
2016	3.2	3.4	4.9
2015	3.4	3.6	5.3
2014	3.7	3.8	6.2

(Source: Utah Department of Workforce Services and the U.S. Department of Labor.)

## Economic Indicators in the County

LABOR FORCE <sup>(1)</sup>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Labor Force (annual average)	642,357	634,741	619,396	614,498	601,570
Employed (annual average)	609,766	618,767	601,161	595,348	582,448
Unemployed (annual average)	32,591	15,974	18,235	19,150	19,122
Average Employment (Non-Farm Jobs)	719,784	736,746	717,857	700,449	684,445
% Change Prior Year	-2.30	2.63	2.49	2.34	3.50
<i>Average Employment by Sector:</i>					
Agriculture, Forestry, Fishing & Hunting	350	292	250	220	214
Mining	2,704	2,647	2,853	2,407	2,428
Utilities	2,613	2,738	2,732	2,640	2,578
Construction	46,113	43,016	40,262	38,286	35,996
Manufacturing	56,542	57,834	56,668	56,026	54,544
Wholesale Trade	33,576	32,920	32,076	32,285	32,050
Retail Trade	71,867	74,293	74,279	72,449	72,078
Transportation and Warehousing	45,480	44,364	42,578	39,913	38,710
Information	20,504	20,915	20,393	20,548	19,234
Finance and Insurance	50,364	48,968	48,267	46,974	45,848
Real Estate and Rental and Leasing	11,559	11,606	11,121	10,660	10,250
Professional, Scientific & Technical Services	62,242	60,548	56,728	52,959	51,753
Management of Companies and Enterprises	16,543	16,177	15,878	16,493	16,263
Administrative, Support, Waste Management, & Remediation	50,456	53,399	53,377	52,894	52,921
Education Services	63,782	67,741	66,021	64,794	62,976
Health Care and Social Assistance	81,155	81,706	79,742	79,130	76,892
Arts, Entertainment, and Recreation	8,179	10,932	10,667	10,648	9,995
Accommodation and Food Services	44,593	53,040	51,317	49,477	48,772
Other Services and Unclassified Establishments	20,718	22,642	22,076	21,517	21,303
Public Administration	30,796	31,265	30,824	30,350	29,856
Total Establishments	50,584	48,075	45,856	43,798	42,765
Total Wages (\$Millions)	44,451.7	41,767.0	38,875.7	36,454.8	34,588.9
INCOME AND WAGES	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total Personal Income (\$000) <sup>(2)</sup>					
Per Capita Income <sup>(2)</sup>					
Median Household Income <sup>(2)</sup>					
Average Monthly Nonfarm Wage <sup>(1)</sup>					
SALES & CONSTRUCTION					
Gross Taxable Sales (\$000,000) <sup>(3)</sup>					
New Dwelling Units <sup>(4)</sup>					
Total Construction Value (\$000) <sup>(4)</sup>					
New Residential Value (\$000) <sup>(4)</sup>					
New Nonresidential Value (\$000) <sup>(4)</sup>					

(Sources: (1) Utah Department of Workforce Services; (2) U.S. Department of Commerce, Bureau of Economic Analysis, last updated November 2019; (3) Utah State Tax Commission; (4) University of Utah Bureau of Economic and Business Research.)

## Major Employers in the County

The following is a list of some of the largest employers in the County based on annual averages.

<i>Company</i>	<i>Industry</i>	<i>Employment Range</i>
University of Utah	Colleges, Universities, & Professional Schools	20,000+
State of Utah	Government	20,000+
Intermountain Health Care	General Medical & Surgical Hospitals	15,000-19,999
U.S. Government	Government	10,000-14,999
LDS Church Religious Agencies	Religious Organizations	7,000-9,999
Zions Bank	Financial Services	7,000-9,999
Wal-Mart	Warehouse Clubs/Supercenters	7,000-9,999
Granite School District	Public Education	7,000-9,999
Jordan School District	Public Education	5,000-6,999
Salt Lake County	Local Government	5,000-6,999
Canyons School District	Public Education	4,000-4,999
Delta Airlines	Transportation	4,000-4,999
Amazon Fulfillment Services	Delivery Service	3,000-3,999
ARUP Laboratories	Medical Research	3,000-3,999
United Parcel Service	Delivery Service	3,000-3,999
Smiths	Grocery Stores	3,000-3,999
Discover	Financial Services	3,000-3,999
Department of Veterans Affairs	Health Care	3,000-3,999
Salt Lake City School District	Public Education	3,000-3,999
Wells Fargo	Financial Services	3,000-3,999
Salt Lake Community College	Higher Education	3,000-3,999
L3 Technologies	Manufacturing	3,000-3,999
U.S. Postal Service	Postal Service	2,000-2,999
Goldman Sachs	Financial Services	2,000-2,999
McDonalds	Restaurants	2,000-2,999
Utah Transit Authority	Public Transportation	2,000-2,999
Kennecott Utah Copper	Mining	2,000-2,999
Salt Lake City	Local Government	2,000-2,999
Merit Medical Systems	Manufacturing	2,000-2,999
Skywest Airlines	Transportation	2,000-2,999
C.R. England	Delivery Service	2,000-2,999
Jetblue Airways	Transportation	2,000-2,999
Biofire Diagnostics	Medical Research	1,000-1,999
Western Governors University	Higher Education	1,000-1,999
Costco	Warehouse Clubs/Supercenters	1,000-1,999
Mountain America Credit Union	Financial Services	1,000-1,999
Harmons	Grocery Stores	1,000-1,999
Select Health	Insurance Carriers	1,000-1,999
The Home Depot	Construction Materials	1,000-1,999
St Marks Hospital	Health Care	1,000-1,999
Fidelity Brokerage Services	Financial Services	1,000-1,999
Ebay	Online Retail	1,000-1,999
Target	Retail	1,000-1,999
Becton, Dickinson And Company	Manufacturing	1,000-1,999
Overstock Com	Online Retail	1,000-1,999
Healthequity	Insurance	1,000-1,999
Edwards Lifesciences	Manufacturing	1,000-1,999
Sutter Connect	Business Support Services	1,000-1,999
Ultradent Products	Manufacturing	1,000-1,999
Clear Link Technologies	Telecommunications	1,000-1,999
RC Willey Home Furnishings	Retail	1,000-1,999
Snowbird Operations	Outdoor Recreation	1,000-1,999

(Source: Utah Department of Workforce Services; last updated July 2021.)

**APPENDIX C**

**EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE**

*[To be added]*

## APPENDIX D

### FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Disclosure Undertaking”) is executed and delivered by the Redevelopment Agency of Sandy City, Utah (the “Agency”) and Zions Bancorporation, National Association, as trustee (the “Trustee”), in connection with the issuance by the Agency of its \$ \_\_\_\_\_ Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021 (the “Series 2021 Bonds”). The Series 2021 Bonds are being issued pursuant to a resolution adopted on October 19, 2021, by the Agency, which provides for the issuance of the Series 2021 Bonds pursuant to a General Indenture of Trust dated as of \_\_\_\_\_, 2021 (the “General Indenture”), between the Agency and the Trustee, as supplemented by a First Supplemental Indenture of Trust dated as of \_\_\_\_\_ 1, 2021 (the “First Supplemental Indenture,” and together with the General Indenture, the “Indenture”).

The Agency hereby acknowledges that it is an “obligated person” within the meaning of the hereinafter defined Rule and the only “obligated person” with respect to the Series 2021 Bonds. In connection with the aforementioned transactions, the Agency covenants as follows:

Section 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the Agency and the Trustee for the benefit of the Bondholders and Beneficial Owners of the Series 2021 Bonds and in order to assist the Participating Underwriters in complying with the Rule (each as defined herein).

Section 2. Definitions. In addition to the definitions set forth in the Indenture or parenthetically defined herein, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report of the Agency” means the Annual Report of the Agency provided by the Agency pursuant to, and as described in Sections 3 and 4 of this Disclosure Undertaking.

“Beneficial Owner” shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries).

“Dissemination Agent” shall mean, initially, the Agency, acting in its capacity as Dissemination Agent hereunder, or any of its successors or assigns.

“Financial Obligation” means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of (a) or (b) in this definition; provided however, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, the address of which is currently 1300 I Street, NW, Suite 1000, Washington D.C. 20005; Telephone (202) 838-1500; the current website address of which is [www.msrb.org](http://www.msrb.org) and [www.emma.org](http://www.emma.org) (for municipal disclosures and market data).

“Official Statement” shall mean the Official Statement of the Agency dated \_\_\_\_\_, 2021, relating to the Series 2021 Bonds.

“Participating Underwriter” shall mean \_\_\_\_\_, as original underwriter of the Series 2021 Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State” shall mean the State of Utah.

Section 3. Provision of Annual Reports.

(a) The Agency shall prepare an Annual Report of the Agency and shall, or shall cause the Dissemination Agent to, not later than two hundred (200) days after the end of each fiscal year of the Agency (presently June 30), commencing with the fiscal year ended June 30, 2021, provide to the MSRB and any bond insurer of the Series 2021 Bonds, the Annual Report of the Agency which is consistent with the requirements of Section 4 of this Disclosure Undertaking. Not later than fifteen (15) Business Days prior to said date, the Agency shall provide the Annual Report of the Agency to the Dissemination Agent. In each case, the Annual Report of the Agency may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the Agency may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if they are not available by that date. If the Agency's fiscal year changes, it shall give notice of such change in the same manner as for Listed Event under Section 5(e).

(b) If by fifteen (15) Business Days prior to the date specified in Section 3(a) for providing the Annual Report of the Agency to the MSRB, the Dissemination Agent has not received a copy of the Annual Report of the Agency, the Dissemination Agent shall contact the Agency to determine if the Agency is in compliance with Section 3(a).

(c) If the Dissemination Agent is unable to verify that the Annual Report of the Agency has been provided to the MSRB by the dates required in Section 3(a), the Dissemination Agent shall, in a timely manner, send a notice of a failure to file the Annual Report to the MSRB in an electronic format.

(d) The Dissemination Agent shall:

(i) determine each year prior to the dates for providing the Annual Report of the Agency, the website address to which the MSRB directs the Annual Report to be submitted; and

(ii) file reports with the Agency, as appropriate, certifying that their Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing the website address to which it was provided.

Section 4. Content of Annual Reports. The Annual Report of the Agency shall contain or incorporate by reference the following:

(a) A copy of its annual financial statements of Sandy City, Utah (the "City") prepared in accordance with generally accepted accounting principles and audited by a certified public accountant or a firm of certified public accountants. If the City's audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report of the Agency and audited financial statements will be provided when and if available.

(b) An update of the financial and operating information in the Official Statement of the type contained in the tables entitled: [\_\_\_\_\_].

Any or all of the items listed above may be included by specific reference to other documents, including Official Statements of debt issues of the Agency, as appropriate or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final Official Statement, it must be available from the MSRB. The Agency, as appropriate, shall clearly identify each such other document so incorporated by the reference.



Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the Agency shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2021 Bonds in a timely manner but not more than ten (10) Business Days after the event:

- (i) Principal and interest payment delinquencies;
- (ii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv) Substitution of credit or liquidity providers, or their failure to perform;
- (v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2021 Bonds;
- (vi) Defeasances;
- (vii) Tender offers;
- (viii) Bankruptcy, insolvency, receivership or similar proceedings;
- (ix) Rating changes; or
- (x) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Agency, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5(b), the Agency shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2021 Bonds in a timely manner not more than ten (10) Business Days after the Listed Event, if material:

- (i) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated persons or their termination;
- (ii) Appointment of a successor or additional trustee or the change of the name of a trustee;
- (iii) Non-payment related defaults;
- (iv) Modifications to the rights of the owners of the Series 2021 Bonds;
- (v) Series 2021 Bond calls;
- (vi) Release, substitution or sale of property securing repayment of the Series 2021 Bonds; or
- (vii) Incurrence of a Financial Obligation of the Agency or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Agency, any of which affect security holders.

(c) Whenever the Agency obtains knowledge of the occurrence of a Listed Event under Section 5(b), whether because of a notice from the Trustee or otherwise, the Agency shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the Agency has determined that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the Agency shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If the Agency determines that the Listed Event under Section 5(b) would not be material under applicable federal securities laws, the Agency shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the Agency to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB in an electronic format in a timely manner not more than ten (10) Business Days after the Listed Event.

Section 6. Termination of Reporting Obligation. The Agency's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2021 Bonds. If such termination occurs prior to the final maturity of the Series 2021 Bonds, the Agency shall give notice of such termination in the same manner as for a Listed Event under Section 5(f).

Section 7. Dissemination Agent. The Agency may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The Agency will serve as the initial Dissemination Agent under this Disclosure Undertaking.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Agency and the Trustee may amend this Disclosure Undertaking and any provision of this Disclosure Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an "obligated person" (as defined in the Rule) with respect to the Series 2021 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2021 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Series 2021 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Series 2021 Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the Agency shall describe such amendment in the next Annual Report of the Agency, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Agency, as applicable. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(f), and (ii) the Annual Disclosure Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the Agency chooses to include any information in any Annual Disclosure Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the Agency shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Agency or the Dissemination Agent to comply with any provision of this Disclosure Undertaking, any Bondholder or Beneficial Owner of the Series 2021 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Agency or Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an "event of default" under the Indenture or the Lease, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Agency or the Dissemination Agent to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 11. Duties Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking, and the Agency agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2021 Bonds.

Section 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Agency, the Dissemination Agent, the Participating Underwriter and the Holders and Beneficial Owners from time to time of the Series 2021 Bonds, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Undertaking 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.

Date: \_\_\_\_\_, 2021.

REDEVELOPMENT AGENCY OF SANDY CITY,  
UTAH

(SEAL)

By: \_\_\_\_\_  
Executive Director

Attest:

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

## APPENDIX E

### FORM OF OPINION OF BOND COUNSEL

*Upon the delivery of the Series 2021 Bonds, Gilmore & Bell, P.C., Bond Counsel to the Agency, proposes to issue its final approving opinion in substantially the following form.*

We have acted as bond counsel to the Redevelopment Agency of Sandy City, Utah (the “Agency”) in connection with the issuance by the Agency of its \$ \_\_\_\_\_ Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021 (the “Series 2021 Bonds”). The Series 2021 Bonds are being issued pursuant to (i) a resolution of the Agency adopted on October 19, 2021; (ii) a General Indenture of Trust dated as of \_\_\_\_\_ 1, 2021, and a First Supplemental Indenture dated as of \_\_\_\_\_ 1, 2021 (together, the “Indenture”), each between the Agency and Zions Bancorporation, National Association, as trustee; and (iii) the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, and other applicable provisions of law. Proceeds of the Series 2021 Bonds will be used by the Agency to (a) refund certain outstanding bonds of the Agency and (b) pay the costs of issuing the Series 2021 Bonds.

We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. Our opinion is limited to the matters expressly set forth herein, and we express no opinion concerning any other matters.

Based on our examination and the foregoing, we are of the opinion as of the date hereof and under existing law, as follows:

1. The Indenture has been authorized, executed and delivered by the Agency, constitutes a valid and binding obligation of the Agency enforceable against the Agency and creates a valid lien on the Pledged Revenues (as defined in the Indenture) and the other amounts pledged thereunder for the security of the Series 2021 Bonds.
2. The Series 2021 Bonds are valid and binding special obligations of the Agency payable solely from the Pledged Revenues and other amounts pledged therefor in the Indenture, and the Series 2021 Bonds do not constitute a general obligation indebtedness of the Agency within the meaning of any state constitutional provision or statutory limitation, nor a charge against the general credit of the Agency. The Agency has no taxing power.
3. The interest on the Series 2021 Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended (the “Code”), that must be satisfied subsequent to the issuance of the Series 2021 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Agency has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Series 2021 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2021 Bonds.
4. Interest on the Series 2021 Bonds is exempt from State of Utah individual income taxes.

We express no opinion herein regarding the accuracy, completeness or sufficiency of the Official Statement or any other offering material relating to the Series 2021 Bonds.

The rights of the holders of the Series 2021 Bonds and the enforceability thereof and of the documents identified in this opinion may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium, and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent

applicable, and their enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

Respectfully submitted,

## APPENDIX F

### PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Series 2021 Bonds. The Series 2021 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2021 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Series 2021 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2021 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2021 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2021 Bonds, except in the event that use of the book-entry system for the Series 2021 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2021 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2021 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2021 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2021 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2021 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2021 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2021 Bonds may wish to ascertain that the nominee holding the Series 2021 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial

Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2021 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2021 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Agency as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2021 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2021 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Agency or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Agency, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Agency or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2021 Bonds at any time by giving reasonable notice to the Agency or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Agency may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

*The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Agency believes to be reliable, but the Agency takes no responsibility for the accuracy thereof.*

EXHIBIT E

FORM OF INTERLOCAL AGREEMENT



## SALES TAX INTERLOCAL PLEDGE AND LOAN AGREEMENT

This SALES TAX INTERLOCAL PLEDGE AND LOAN AGREEMENT (the “Agreement”) is entered into as of \_\_\_\_\_, 2021, by and between SANDY CITY, UTAH, a municipal corporation and political subdivision of the State of Utah (the “City”), and the REDEVELOPMENT AGENCY OF SANDY CITY, UTAH (the “Agency”), a redevelopment agency established under Limited Purpose Local Government Entities—Community Reinvestment Agency Act, Title 17C, Chapter 1, Utah Code Annotated 1953, as amended (the “Redevelopment Act”).

### WITNESSETH:

WHEREAS, the Agency has been established by the City for the purpose of developing and redeveloping certain areas within the City in order to accomplish the purposes of the Redevelopment Act; and

WHEREAS, the City and the Agency have previously authorized the establishment of the 9400 South Community Development Project Area (the “Project Area”) pursuant to a redevelopment plan adopted by the City and the Agency; and

WHEREAS, pursuant to the terms of a General Indenture of Trust dated as of \_\_\_\_\_, 2021, as supplemented by a First Supplemental Indenture dated as of \_\_\_\_\_, 2021 (together, the “Indenture”), both by and between the Agency and Zions Bancorporation, National Association (the “Trustee”), the Agency intends to issue its Transient Room Tax and Sales Tax Revenue Refunding Bonds, Series 2021 (the “Series 2021 Bonds”) which are payable from transient room taxes revenues allocated to the Agency pursuant to an interlocal agreement (the “TRT Revenues”) and the sales and use taxes pledged pursuant to this Agreement to (a) pay certain obligations of the Agency related to the Project Area, (b) fund any necessary reserves and (c) pay costs associated with the issuance of the Series 2021 Bonds; and

WHEREAS, the Agency has previously issued its Transient Room Tax Revenue Bonds, Series 2007A and its Subordinated Transient Room Tax and Annual Contribution Revenue Bonds, Series 2007B (together, the “Refunded Bonds”) pursuant to, respectively, a General Indenture of Trust dated as of August 1, 2007, as previously supplemented and amended, and a Subordinate General Indenture of Trust dated as of August 1, 2007, as previously supplemented and amended; and

WHEREAS, the Agency anticipates that the TRT Revenues over the term of the Series 2021 Bonds will be sufficient to pay the principal and interest on the Series 2021 Bonds, but in the event that there shall be a shortfall in such TRT Revenues, the City has agreed to enter into this Agreement with the Agency pursuant to Section 17C-1-207 and 17C-1-409 of the Redevelopment Act to pledge and lend to the Agency local sales and use tax revenues received by the City pursuant to Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended (the “Sales Tax Revenues”), to the extent necessary to make up any shortfall, if any, and to pay any obligation of the Agency under the Indenture, including without limitation, the obligation to replenish any debt service reserve fund or

reserve instrument fund, if necessary, thereunder, which pledge is on a parity with payment by the City of any obligations payable from or secured by any portion of Sales Tax Revenues (“Sales Tax Obligations”) the City has issued or may issue in the future on a parity thereto, including, but not limited to, bonds issued under the City’s General Indenture of Trust, dated as of March 1, 2002 (the “Sales Tax Indenture”); and

WHEREAS, the City recognizes that many benefits are flowing to the City because of the redevelopment performed by the Agency including, but not limited to, improved quality of life, increased employment opportunities within the City, increased ad valorem tax base, and increased Sales Tax Revenues to the City; and

WHEREAS, the City and the Agency have found and determined that the loan of City funds is a corporate purpose that will promote economic and community development and the health, safety, and welfare of the City and its inhabitants, result in interest savings with respect to the Series 2021 Bonds, and is in the best interest of the City and its inhabitants;

NOW, THEREFORE, in consideration of the mutual promises, the covenants contained herein, and other good and valuable consideration, the receipt of which is acknowledged, the parties hereto agree as follows:

Section 1. The Agency agrees that upon issuance of the Series 2021 Bonds it will use the net proceeds of such Series 2021 Bonds to refund the Refunded Bonds, fund any necessary reserve funds, and pay costs of issuance. As required by the Redevelopment Act, the Series 2021 Bonds shall be made payable as to both principal and interest solely from the TRT Revenues received by the Agency and shall not be payable from funds directly paid by the City, except to the extent moneys are transferred by the City to the Agency pursuant to this Agreement.

Section 2. Pursuant to the Indenture, the Agency shall, on or prior to each [January 15 and July 15] of each year, commencing \_\_\_\_\_, 2022, determine (a) the amounts due with respect to the Series 2021 Bonds on the next succeeding [January 15 and July 15], as applicable, and (b) the amounts of TRT Revenues, and other moneys the Agency reasonably believes will be available for payment of the Series 2021 Bonds on said [January 15 and July 15]. In addition, the Agency shall, on or prior to each January 1 of each year, submit a request to the City Administrative Officer for Sales Tax Revenues equal to the amount, if any, by which the payments due on the Series 2021 Bonds on the next succeeding [January 15 and July 15] exceed such available TRT Revenues and other amounts available to the Agency (the “Shortfall”), plus any additional payment obligations of the Agency, under the Indenture, including the obligation to replenish any reserve funds or to deposit amounts to any reserve instrument fund thereunder, if necessary. The City agrees to pay said Shortfall directly to the Trustee not less than ten days prior to the next succeeding [January 15 and July 15], as applicable. The Agency covenants to take such other action as it lawfully may take to assure that Sales Tax Revenues equal to said Shortfall are remitted by the City to the Agency pursuant to this Agreement.

Section 3. Pursuant to Section 17C-1-207 and Section 17C-1-409 of the Redevelopment Act, the City hereby pledges for the benefit of the holders of the Series 2021 Bonds and agrees to lend to the Agency, to the extent necessary during each Bond Year (as defined in the Indenture), Sales Tax Revenues sufficient to make up any Shortfall, plus any additional payment obligations of the Agency under the Indenture, including the obligation to replenish any reserve funds or to deposit amounts to any reserve instrument fund thereunder, if necessary (the “City Loan”) on or before the date on which said moneys are due and owing during each Bond Year until the Series 2021 Bonds are paid in full, which pledge shall be on a parity with any Sales Tax Obligations the City has issued or may issue in the future. The Agency hereby agrees to repay the City Loan from TRT Revenues, to the extent available, at such rate or rates of interest on the unpaid principal balance of said City Loan, within a time period, and upon such additional terms as the City Council of the City deems appropriate; provided, however, that no payment shall be made on the City Loan to the City by the Agency during any Bond Year (as defined in the Indenture) until all principal and interest falling due on the Series 2021 Bonds during said Bond Year have been paid in full.

The City hereby agrees and covenants that it will not issue any additional Sales Tax Obligations on a priority to the pledge of the Sales Tax Revenues hereunder. In addition, the City hereby agrees and covenants that it will not issue any Additional Sales Tax Obligations on a parity with its obligation under this Agreement, unless the requirements for the issuance of additional obligations under the Sales Tax Indenture have been met.

Section 4. Nothing contained in this Agreement shall be construed to create a general obligation liability of the City. The Series 2021 Bonds shall not be a debt of the City pursuant to any constitutional or statutory debt limitations, and the issuance of the Series 2021 Bonds and the execution of this Agreement shall not require the City to levy any form of taxation or to appropriate any moneys for the payment of the Series 2021 Bonds or amounts otherwise due under this Agreement.

Section 5. This Agreement shall be effective upon the date it is executed by both parties and filed with the keeper of the records of each party and will remain in effect as long as the Series 2021 Bonds remain outstanding, but in no event more than fifty (50) years from the effective date of this Agreement herein. The City’s obligation to make such payments and to perform and observe the other agreements and covenants on its part contained in this Agreement shall be absolute and unconditional, irrespective of any rights of set off, recoupment or counterclaim it might otherwise have against the Agency, the Trustee or any holder of the Bonds

Section 6. This Agreement shall be governed by the laws of the State of Utah.

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement as of the day and year first written above.

SANDY CITY, UTAH

(SEAL)

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

ATTEST:

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

APPROVED AS TO FORM AND COMPLIANCE WITH APPLICABLE LAW:

By: \_\_\_\_\_  
City Attorney

REDEVELOPMENT AGENCY OF SANDY CITY, UTAH

(SEAL)

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

ATTEST:

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

APPROVED AS TO FORM AND COMPLIANCE WITH APPLICABLE LAW:

\_\_\_\_\_  
Redevelopment Agency Attorney