

NOTICE OF SPECIAL MEETING

TO THE MEMBERS OF THE BOARD OF DIRECTORS OF THE COTTONWOOD HEIGHTS COMMUNITY DEVELOPMENT AND RENEWAL AGENCY, UTAH:

NOTICE IS HEREBY GIVEN that a special meeting of the Board of Directors (the "Board") of the Cottonwood Heights Community Development and Renewal Agency, Utah (the "Agency") will be held at the Board's regular meeting place at 5:00 p.m. or as soon thereafter as possible following the City Council work meeting on January 17, 2023, for the purpose of authorizing the issuance and sale of the Agency's Sales Tax and Tax Increment Revenue Bonds, Series 2023, and for the transaction of such other business incidental to the foregoing as may come before said meeting.

  
\_\_\_\_\_  
**Paula Melgar, Secretary**

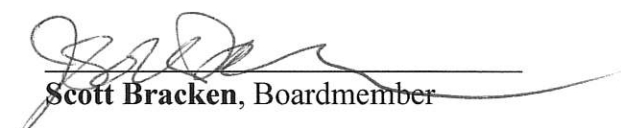


ACKNOWLEDGMENT OF NOTICE  
AND CONSENT TO SPECIAL MEETING

We, the Chair and Boardmembers of the Board of Directors of the Cottonwood Heights Community Development and Renewal Agency, 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.

  
\_\_\_\_\_  
**Michael T. Weichers, Chair**

  
\_\_\_\_\_  
**Douglas Petersen, Boardmember**

  
\_\_\_\_\_  
**Scott Bracken, Boardmember**

  
\_\_\_\_\_  
**Shawn Newell, Boardmember**

  
\_\_\_\_\_  
**Ellen Birrell, Boardmember**

Cottonwood Heights, Utah

January 17, 2023

The Board of Directors (the “*Board*”) of the Cottonwood Height Community Development and Renewal Agency, Utah (the “*Agency*”), met in regular public session at the regular meeting place of the Board in Cottonwood Heights, Utah on January 17, 2023, at the hour of 5:00 p.m., or as soon thereafter as possible following the City Council work meeting, with the following members of the Board being present:

Michael T. Weichers	Chair
Scott Bracken	Vice Chair
Ellen Birrell	Boardmember
Shawn Newell	Boardmember
Doug Petersen	Boardmember

Also present:

Tim Tingey	Chief Executive Officer
Paula Melgar	Secretary

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the Secretary presented to the Board a Certificate of Compliance with Open Meeting Law with respect to this January 17, 2023 meeting, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in written form, was fully discussed, and pursuant to motion duly made by Boardmember Newell and seconded by Boardmember Petersen, was adopted by the following vote:

AYE: 5

NAY: 0

The resolution is as follows:

COTTONWOOD HEIGHTS COMMUNITY  
DEVELOPMENT AND RENEWAL AGENCY

RESOLUTION No. 2023-02

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE COTTONWOOD HEIGHTS COMMUNITY DEVELOPMENT AND RENEWAL AGENCY, UTAH (THE “AGENCY”), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$14,900,000 AGGREGATE PRINCIPAL AMOUNT OF SALES TAX AND TAX INCREMENT REVENUE BONDS, SERIES 2023 (THE “SERIES 2023 BONDS”); FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE SERIES 2023 BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE SERIES 2023 BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE SERIES 2023 BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE SERIES 2023 BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE ISSUER THE AUTHORITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE SERIES 2023 BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; PROVIDING FOR THE PUBLICATION OF A NOTICE OF BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AUTHORIZING THE EXECUTION BY THE AGENCY OF A GENERAL INDENTURE AND A SUPPLEMENTAL INDENTURE OF TRUST, BOND PURCHASE AGREEMENT, INTERLOCAL SALES TAX PLEDGE AGREEMENT AND OTHER DOCUMENTS NECESSARY FOR THE ISSUANCE OF THE SERIES 2023 BONDS; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

**WHEREAS**, the Cottonwood Heights Community Development and Renewal Agency, Utah (the “Agency”) is a Community Development and Renewal Agency (a public body, corporate and politic) duly created and established by the city of Cottonwood Heights, Utah (the “City”), and authorized to transact business and exercise its powers, all under and pursuant to the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C, Utah Code Annotated 1953, as amended (the “Community Reinvestment Act”); and

**WHEREAS**, the Project Area Plan for the Agency’s Town Center at 2300 East Ft. Union Community Reinvestment 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**, the Agency desires to acquire certain real property located within the Project Area (the “Property”), which the Board concludes will enhance commercial activity in the Project Area thereby benefiting the Project Area; and

**WHEREAS**, subject to the limitations set forth herein, the Agency desires to issue its Sales Tax and Tax Increment Revenue Bonds, Series 2023 (the “*Series 2023 Bonds*”) (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Agency, including whether the Series 2023 Bonds will be taxable or tax-exempt) to (a) finance the purchase of land (the “*Project*”), (b) fund any required deposit to a reserve fund, and (c) pay costs of issuance of the Series 2023 Bonds pursuant to this Resolution, a General Indenture of Trust (the “*General Indenture*”), and a Supplemental Indenture of Trust (the “*Supplemental Indenture*” and together with the General Indenture, the “*Indenture*”), which is attached hereto as Exhibit B and an Interlocal Sales Tax Pledge Agreement (the “*Sales Tax Agreement*”), which is attached hereto as Exhibit D to be entered into between the Agency and the City in substantially the forms presented to the meeting at which this resolution was adopted; and

**WHEREAS**, pursuant to the Sales Tax Agreement, the City agrees to pledge to the Agency certain sales tax revenues (the “*Sales Tax Revenues*”) and the Agency desires to pledge the Sales Tax Revenues to the payment of the Series 2023 Bonds authorized hereunder; and

**WHEREAS**, pursuant to the Project Area Plan and the Act, the Agency anticipates receiving certain tax increment revenues with respect to the Project Area (the “*Tax Increment Revenues*”) and/or the Sales Tax Revenues and the Agency desires to pledge the Tax Increment Revenues and the Sales Tax Revenues to the payment of the Series 2023 Bonds issued hereunder; and

**WHEREAS**, the Series 2023 Bonds shall be payable solely from the Tax Increment Revenues, the Sales Tax Revenues and other revenues identified in the Indenture (collectively, the “*Sales and Use Tax Revenues*”); and

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

**WHEREAS**, in order to allow the Agency (with the consultation and approval of the Agency’s Municipal Advisor, Stifel, Nicolaus & Company, Incorporated [the “*Municipal Advisor*”]), flexibility in setting the pricing date of the Series 2023 Bonds to optimize debt service savings to the Agency, the Board desires to grant to the Chair (including his designee or any Chair Pro Tempore) (the “*Chair*”) or the Chief Executive Officer of the Agency (the “*Designated Officer*”), in accordance with state law, the authority to select the Underwriter/Purchaser, determine whether the Series 2023 Bonds will be taxable or tax-exempt, approve the method of sale, interest rates, principal amounts, terms, maturities, redemption features, and purchase price at which the Series 2023 Bonds shall be sold 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*”); and

**WHEREAS**, the Local Government Bonding Act, Title 11, Chapter 14 of the Utah Code Annotates 1953, as amended (the “*Local Government Bonding Act*” and, together with the Community Reinvestment Act, the “*Act*”) provides for the publication of a Notice of Bonds to be Issued thereby initiating the running of a contest period, and the Chief Executive Officer of the



Agency shall publish such a notice in compliance with the Act with respect to the Series 2023 Bonds.

**NOW, THEREFORE, IT IS HEREBY RESOLVED** by the Board of Directors of the Cottonwood Heights Community Development and Renewal Agency, Utah, as follows:

**Section 1** The Agency hereby authorizes and approves the issuance and sale of the Series 2023 Bonds for the purpose of financing the Project, funding any required debt service reserve fund, and paying costs of issuance of the Series 2023 Bonds, in the aggregate principal amount of not to exceed \$14,900,000, to bear interest at the rate or rates of not to exceed six and one-half percent (6.50%) per annum, to mature in not more than twenty-one (21) years from their date or dates, to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, and to be subject to redemption, all as shall be approved by the Designated Officer within the parameters set forth herein so long as the principal amount, interest rate or rates, maturity and discount shall not exceed the maximums set forth in this Section 1.

**Section 2.** The Board hereby finds and determines that the purchase of the Property will enhance commercial activity in the Project Area thereby benefiting the Project Area.

**Section 2** The Indenture, Bond Purchase Agreement and Sales Tax Agreement in substantially the forms attached hereto as Exhibit B, Exhibit C, and Exhibit D are in all respects hereby authorized and approved. The Chair and the Agency's Secretary, including any Deputy Secretary, (the "*Secretary*") are hereby authorized and directed to execute and deliver the same on behalf of the Agency, with final terms as may be established by the Designated Officer, in consultation with the Municipal 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 4 hereof. The Designated Officer is hereby authorized to select the method of sale, the preparation of an offering document (if any), the Underwriter/Purchaser, 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 2023 Bonds for and on behalf of the Agency by execution of the Indenture, Bond Purchase Agreement and Sales Tax Agreement provided that such terms are within the Parameters set by this Resolution.

**Section 3** The form, terms, and provisions of the Series 2023 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Chair and Secretary are hereby authorized and directed to execute and seal the Series 2023 Bonds and to deliver said Series 2023 Bonds to the trustee for the Series 2023 Bonds (the "*Trustee*") for authentication. The signatures of the Chair and the Secretary may be by facsimile or manual execution.

**Section 4** The Designated Officer and other appropriate officials of the Agency are authorized to make any alterations, changes or additions to the Indenture, the Bond Purchase Agreement, the Sales Tax Agreement, the Series 2023 Bonds, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2023 Bonds (within the Parameters set by this Resolution), 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 of Directors or the provisions of the laws of the State of Utah or the United States.

**Section 5** Upon their issuance, the Series 2023 Bonds will constitute special limited obligations of the Agency payable solely from and to the extent of the sources set forth in the Series 2023 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2023 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 6** The appropriate officials of the Agency are authorized to make any alterations, changes or additions to the Sales Tax Agreement which may be necessary to conform the same to the final terms of the Series 2023 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 Designated Officer 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 and to perform all other acts they may deem necessary or appropriate (including the preparation and distribution of any offering document or materials relating to the Series 2023 Bonds) in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

**Section 8** After the Series 2023 Bonds are delivered to the Trustee and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the principal of the Series 2023 Bonds is deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

**Section 9** In accordance with the provisions of the Act, the Secretary shall cause the following "Notice of Bonds to be Issued" to be (i) published once in the Deseret News, 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 Cottonwood Heights, 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 Bonds to be Issued" shall be in substantially the following form:

## **NOTICE OF 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, that on January 17, 2023, the Board of Directors (the "*Board*") of the Cottonwood Heights Community Development and Renewal Agency, Utah (the "*Agency*"), adopted a resolution (the "*Resolution*") in which it authorized the issuance of the Agency's Sales Tax and Tax Increment Revenue Bonds, Series 2023 (the "*Series 2023 Bonds*") (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Agency, including whether the Series 2023 Bonds will be taxable or tax-exempt.

### **PURPOSE FOR ISSUING THE SERIES 2023 BONDS**

The Series 2023 Bonds will be issued for the purpose of (a) financing the purchase of land (the "*Project*") within the Town Center at 2300 East Ft. Union Community Reinvestment Area (the "*Project Area*"), (b) funding any debt service reserve fund, as required, and (c) paying costs of issuance of the Series 2023 Bonds.

### **REVENUES PROPOSED TO BE PLEDGED**

The Series 2023 Bonds shall constitute special limited obligations of the Issuer and, except as otherwise provided in the herein referenced Indenture (defined below), are secured by an irrevocable pledge of, and shall be payable as to principal, premium, if any, and interest solely from the tax increment revenues generated from the Project Area and all or a portion of sales tax revenues received and pledged from Cottonwood Heights City, Utah.

### **PARAMETERS OF THE SERIES 2023 BONDS**

The Agency intends to issue the Series 2023 Bonds in the aggregate principal amount of not more than Fourteen Million Nine Hundred Thousand Dollars (\$14,900,000), to mature in not more than twenty-one (21) years from their date or dates, to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof and bearing interest at a rate or rates not to exceed six and one-half percent (6.5%) per annum. The Series 2023 Bonds are to be issued and sold by the Agency pursuant to the Resolution, a General Indenture of Trust and a Supplemental Indenture of Trust (together, the "*Indenture*") to be entered into in connection with the Series 2023 Bonds, which Indenture was before the Board in substantially final form at the time of the adoption of the Resolution and said Indenture is to be executed by the Agency in such form and with such changes thereto as shall be approved by the Agency; provided that the principal amount, interest rate or rates, maturity, and discount of the Series 2023 Bonds will not exceed the maximums set forth above. The Agency reserves the right to not issue the Series 2023 Bonds for any reason and at any time up to the issuance of the Series 2023 Bonds.

A copy of the Resolution, Sales Tax Agreement and the Indenture are on file in the office of the Secretary of the Agency at 2277 Bengal Blvd., Cottonwood Heights, Utah, where they may be examined during regular business hours of the Secretary from 8:00 a.m. to 5:00 p.m. Monday through Friday, for a period of at least thirty (30) days from and after the date of publication of this notice.

**NOTICE IS FURTHER GIVEN** that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which any person in interest shall have

the right to contest the legality of the Resolution, the Indenture, the Sales Tax Agreement or the Series 2023 Bonds, or any provision made for the security and payment of the Series 2023 Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever.

DATED this January 17, 2023.

/s/ Paula Melgar

Secretary

**Section 10** The Agency hereby authorizes the issuance of the Series 2023 Bonds payable solely from the Tax Increment Revenues allocated to the Agency under the Act and other pledged revenues, all as pledged and assigned on a first-priority basis as provided in the Indenture. No provision of this Resolution, the Indenture, nor any other instrument, shall be construed as creating a general obligation of the Agency or the City, or of creating a general obligation of the State of Utah or any political subdivision thereof, nor as incurring or creating a charge upon the general credit of the Agency or the City.

**Section 11** The appropriate officers of the Agency are authorized to take all action necessary or reasonably required by the parties to carry out, give effect to and consummate the transactions as contemplated hereby and are authorized to take all action necessary in conformity with the Act to accomplish the financing of the Project, as herein described.

**Section 12** The Agency hereby reserves the right to opt not to issue the Series 2023 Bonds for any reason.


**Section 13** The Agency hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds to reimburse itself for initial expenditures for costs of the Project. The Series 2023 Bonds are to be issued, and the reimbursements made, by the later of 18-months after the payment of the costs or after the Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid. The maximum principal amount of the Series 2023 Bonds which will be issued to finance the reimbursed costs of the Project is not expected to exceed \$14,900,000.

**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 January 17, 2023.

COTTONWOOD HEIGHTS COMMUNITY  
DEVELOPMENT AND RENEWAL AGENCY,  
UTAH

(SEAL)

By:   
Michael T. Weichers, Chair

ATTEST:

By:   
Paula Melgar, Secretary



VOTING:

Michael T. Weichers	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
J. Scott Bracken	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
Ellen Birrell	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
Shawn Newell	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>
Doug Petersen	Yea <input checked="" type="checkbox"/>	Nay <input type="checkbox"/>

DEPOSITED in the office of the Secretary this 17<sup>th</sup> day of January, 2023.

RECORDED this 18 day of January, 2023.

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


I, Paula Melgar, the duly appointed and qualified Secretary of the Cottonwood Heights Community Development and Renewal Agency, Utah (the “Agency”), do hereby certify according to the records of the Board of Directors of the Agency (the “Board of Directors”) 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 January 17, 2023, 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 January 17, 2023, and pursuant to the Resolution, there will be published a Notice Bonds to be Issued (a) once in the Deseret News, a newspaper having general circulation within the Agency, the affidavit of which publication will be attached when available; (b) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended and (d) on the Utah Legal Notices website (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 January 17, 2023.

(SEAL)



By:   
\_\_\_\_\_  
Paula Melgar, Secretary

(Proof of Publication of Notice of Bonds to be Issued to be attached when available)



EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH  
OPEN MEETING LAW

I, Paula Melgar, the undersigned Secretary of the Cottonwood Heights Community Development and Renewal Agency, 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, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the January 17, 2023, public meeting held by the Board of Directors of the Agency (the “Board of Directors”) as follows:

(a) By causing a Notice, in the form attached hereto as Schedule 1, to be posted at the principal offices of the Agency 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; and

(b) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be delivered to the Deseret News, either directly or through the newspaper’s subscription to the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting; and

(c) 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.

The Board meets on “as needed” basis.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this January 17, 2023.

(SEAL)



By: Paula Melgar  
Paula Melgar, Secretary

Attachments:  
SCHEDULE 1 – NOTICE OF MEETING

EXHIBIT B

FORM OF INDENTURE

TAX INCREMENT REVENUE BONDS

GENERAL INDENTURE OF TRUST

Dated as of \_\_\_\_\_, 2023

between

COTTONWOOD HEIGHTS COMMUNITY DEVELOPMENT AND RENEWAL  
AGENCY, UTAH

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION  
as Trustee

## Table of Contents

Page

### ARTICLE I DEFINITIONS

Section 1.1	Definitions.....	3
Section 1.2	Indenture to Constitute Contract.....	15
Section 1.3	Construction.....	16

### ARTICLE II THE BONDS

Section 2.1	Authorization of Bonds.....	17
Section 2.2	Description of Bonds; Payment.....	17
Section 2.3	Execution; Limited Obligation.....	18
Section 2.4	Authentication and Delivery of Bonds.....	19
Section 2.5	Mutilated, Lost, Stolen or Destroyed Bonds.....	21
Section 2.6	Registration of Bonds; Persons Treated as Owners.....	21
Section 2.7	Redemption Provisions.....	22
Section 2.8	Notice of Redemption.....	23
Section 2.9	Partially Redeemed Fully Registered Bonds.....	25
Section 2.10	Cancellation.....	25
Section 2.11	Nonpresentation of Bonds.....	25
Section 2.12	Initial Bonds.....	25
Section 2.13	Issuance of Additional Bonds.....	26
Section 2.14	Form of Bonds.....	27
Section 2.15	Covenant Against Creating or Permitting Liens.....	27
Section 2.16	Open Market Purchases of Bonds.....	27

### ARTICLE III

#### CREATION OF FUNDS AND ACCOUNTS

Section 3.1	Creation of Construction Fund.....	27
Section 3.2	Creation of Bond Fund.....	27
Section 3.3	Creation of Sinking Fund Account.....	27
Section 3.4	Creation of Debt Service Reserve Fund.....	27
Section 3.5	Creation of Reserve Instrument Fund.....	28
Section 3.6	Creation of Rebate Fund.....	28
Section 3.7	Creation of Funds and Accounts.....	28

### ARTICLE IV

#### PLEGGED REVENUES; AGENCY COVENANTS

Section 4.1	Pledged Revenues.....	28
Section 4.2	First Lien Bonds; Equality of Liens.....	28
Section 4.3	Payment of Principal and Interest.....	29
Section 4.4	Performance of Covenants; Agency.....	29
Section 4.5	Covenants of the Agency.....	29

Section 4.6	Perfection of Security Interest .....	31
Section 4.7	List of Bondholders.....	31
Section 4.8	Designation of Additional Paying Agents .....	31
Section 4.9	Tax Exemption of Bonds and Direct Payments .....	32
Section 4.10	Instruments of Further Assurance.....	32

ARTICLE V  
APPLICATION OF BOND PROCEEDS

ARTICLE VI  
USE OF FUNDS

Section 6.1	Use of Construction Fund .....	33
Section 6.2	Tax Increment Revenues.....	34
Section 6.3	Use of Bond Fund.....	35
Section 6.4	Use of Sinking Fund Account.....	36
Section 6.5	Use of Debt Service Reserve Fund .....	36
Section 6.6	Use of Reserve Instrument Fund.....	37
Section 6.7	Use of Rebate Fund.....	38
Section 6.8	Investment of Funds.....	39
Section 6.9	Trust Funds .....	40
Section 6.10	Method of Valuation and Frequency of Valuation .....	40

ARTICLE VII  
EVENTS OF DEFAULT; REMEDIES

Section 7.1	Events of Default .....	40
Section 7.2	Remedies; Rights of Registered Owners .....	42
Section 7.3	Right of Registered Owners to Direct Proceedings .....	43
Section 7.4	Application of Moneys .....	43
Section 7.5	Remedies Vested in Trustee.....	44
Section 7.6	Rights and Remedies of Registered Owners.....	44
Section 7.7	Termination of Proceedings.....	45
Section 7.8	Waivers of Events of Default.....	45
Section 7.9	Cooperation of Agency .....	46

ARTICLE VIII  
THE TRUSTEE

Section 8.1	Acceptance of the Trusts.....	46
Section 8.2	Fees, Charges and Expenses of Trustee.....	49
Section 8.3	Notice to Registered Owners if Event of Default Occurs.....	49
Section 8.4	Intervention by Trustee.....	49
Section 8.5	Successor Trustee.....	49
Section 8.6	Resignation by the Trustee.....	49
Section 8.7	Removal of the Trustee.....	50
Section 8.8	Appointment of Successor Trustee .....	50

Section 8.9	Concerning Any Successor Trustee .....	50
Section 8.10	Trustee Protected in Relying Upon Indenture, Etc .....	51
Section 8.11	Successor Trustee as Trustee of Funds; Paying Agent and Bond Registrar .....	51
Section 8.12	Trust Estate May Be Vested in Separate or Co-Trustee .....	51
Section 8.13	Annual Accounting .....	52
Section 8.14	Indemnification .....	52
Section 8.15	Trustee's Right to Own and Deal in Bonds .....	52
Section 8.16	Direct Payment Authorization .....	52

#### ARTICLE IX SUPPLEMENTAL INDENTURES

Section 9.1	Supplemental Indentures Not Requiring Consent of Registered Owners, Security Instrument Issuers and Reserve Instrument Providers .....	53
Section 9.2	Supplemental Indentures Requiring Consent of Registered Owners and Reserve Instrument Providers; Waivers and Consents by Registered Owners .....	54

#### ARTICLE X DISCHARGE OF INDENTURE

#### ARTICLE XI MISCELLANEOUS

Section 11.1	Consents, Etc., of Registered Owners.....	57
Section 11.2	Limitation of Rights .....	57
Section 11.3	Severability .....	58
Section 11.4	Notices .....	58
Section 11.5	Trustee as Paying Agent and Registrar .....	58
Section 11.6	Counterparts.....	58
Section 11.7	Applicable Law .....	58
Section 11.8	Immunity of Officers and Directors.....	58
Section 11.9	Holidays .....	58
Section 11.10	Effective Date .....	58
Section 11.11	Compliance with Act .....	58

#### EXHIBIT A

FORM OF REQUISITION.....	1
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THIS GENERAL INDENTURE OF TRUST, dated as of \_\_\_\_\_, 2023, by and between the Cottonwood Heights Community Development and Renewal Agency, Utah, a public body corporate and politic, established under the laws of the State of Utah (the "Agency"), and U.S. Bank Trust Company, 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 Community and Development Renewal Agency (a public body, corporate and politic) duly created, established by Cottonwood Heights 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 Reinvestment Agency Act, Title 17C, Utah Code Annotated 1953, as amended (the "Act"), and the powers of the Agency include the power to issue bonds for any of its corporate purposes; and

WHEREAS, a Community Reinvestment Project Area Plan (the "Plan") for the Agency's Town Center at 2300 East Ft. Union Community Reinvestment Area (the "Project Area") has heretofore been adopted and approved and all requirements of law for, and precedent to, the adoption and approval of the Plan have been duly complied with; and

WHEREAS, the Pledged Revenues (as defined herein), together with additional revenues have previously been pledged by the City pursuant to a General Indenture of Trust, dated as of July 1, 2014, as heretofore amended and supplemented, with U.S. Bank Trust Company, National Association, as trustee, and as may be amended or supplemented in accordance with its terms (collectively, the "2014 Indenture") and the City previously issued its (i) Sales Tax Revenue Bonds, Series 2014; (ii) Sales Tax Revenue Bonds, Series 2016; (iii) Federally Taxable/Convertible to Tax-Exempt Sales Tax Revenue Refunding Bonds, Series 2021; and (iv) Sales Tax Revenue Bonds, Series 2022 (collectively, the "Outstanding Bonds"); 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.

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.

“Act” means the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C, Utah Code Annotated 1953, as amended.

“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 Cottonwood Heights Community Development and Renewal Agency, 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.

“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 Plan.

“Bond Fund” means the Cottonwood Heights Community Development and Renewal Agency, Utah Tax Increment Revenue Bond Fund created in Section 3.2 hereof to be held by the Trustee and administered pursuant to Section 6.3 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.

“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 Cottonwood Heights Community Development and Renewal Agency, Utah Tax Increment 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, (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, and (e) any Principal and interest on Bonds to the extent that sales tax revenues collected under Title 59, Chapter 12, Part 2, Utah Code has been pledged to this Indenture for the payment of any Bonds (including any Series of Bonds) on a parity with the most senior pledge (if any) of such sales taxes by the Issuer provided there has been no failure of the Issuer to transfer such sales tax revenues to the Trustee for payment of such Bonds.

"Debt Service Reserve Fund" means the Cottonwood Heights Community Development and Renewal Agency, Utah Tax Increment Revenue Debt Service Reserve Fund created in Section 3.4 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.

“Investment Income” means certain investment income derived from the investment of moneys held under 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.

“Plan” means the Community Reinvestment Project Area Plan for the Community Reinvestment Area first approved and adopted by the legislative body of Cottonwood Heights City, Utah on December 13, 2022, pursuant to Resolution No. 2022-02.

“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 the sum of the Tax Increment Revenues and the Investment Income.

“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, 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, for the purpose of implementing the Plan, to finance or refinance any project for which Tax Increment Revenues may be used as permitted by the Act and the Plan, all as set forth in a Supplemental Indenture.

“Project Area” means the Town Center at 2300 East Ft. Union Community Reinvestment Area, as described and defined in the Plan.

“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 Cottonwood Heights Community Development and Renewal Agency, Utah Tax Increment Revenue Rebate Fund created in Section 3.6 hereof to be held by the Trustee and administered pursuant to Section 6.7 hereof.

“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 Cottonwood Heights Community Development and Renewal Agency, Utah Tax Increment Revenue Reserve Instrument Fund created in Section 3.5 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.

"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 Cottonwood Heights Community Development and Renewal Agency, Utah Tax Increment Revenue Sinking Fund Account of the Bond Fund created in Section 3.3 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.

“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.

“Tax Increment Area” means the entire Project Area.

“Tax Increment Revenues” means that portion of taxes levied upon taxable property in the Tax Increment Area of the Project Area, which may be allocated to and paid to the Agency for payment of Agency obligations pursuant to the Act.

“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 U.S. Bank Trust Company, National Association, Corporate Trust Department, 170 South Main Street, Suite 200, Salt Lake City, Utah 84101, 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 "Tax Increment Revenue [Refunding] [Exchange] Bonds, Series \_\_\_\_\_ [Federally Taxable]," 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 Cottonwood Heights 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 Cottonwood Heights 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 anticipated Tax Increment Revenues, for the upcoming tax year (which may occur following the proposed date of issuance of such Additional Bonds), are expected, based on current property valuations, to be 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 Tax Increment 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 (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).

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 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 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 3.4 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 3.5 Creation of Reserve Instrument Fund. There is hereby created and ordered and established in the custody of the Trustee the Reserve Instrument Fund.

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

Section 3.7 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 Tax Increment Revenues 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 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 (i) proceeds of the issuance and sale of Bonds, (ii) Pledged Revenues, or (iii) 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 4.3 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 4.4 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 4.5 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 Plan may be amended as provided in the 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 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 Tax Increment 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 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 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, 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.

Section 4.6 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 4.7 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 4.8 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 4.9 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 4.9 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 4.10 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 Tax Increment Revenues. The Agency hereby grants an irrevocable first lien pledge of the Tax Increment Revenues to the payment of the Bonds issued hereunder (except as may be provided by Supplemental Indenture with respect to Bonds which are secured by a lien subordinate to the lien of the initial Series of Bonds issued hereunder). As provided in the Plan, the Tax Increment Revenues available in each tax year shall be used by the Agency as follows:

(a) The Tax Increment Revenues shall be allocated to the Bond Fund and disbursed as provided in the Indenture for each Bond Year while any Bonds remain Outstanding; and

(b) The Agency covenants to promptly pay the amount described in the prior subparagraph to the Trustee, upon receipt of such amount.

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) Tax Increment Revenues as specified in Section 6.2 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 6.3 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 Tax Increment 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 Tax Increment 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 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;

(e) 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;

(f) 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;

(g) 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;

(h) 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;

(i) 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

(j) To correct any references contained herein to provisions of the 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.

EXHIBIT A

FORM OF REQUISITION

RE: Cottonwood Heights Community Development and Renewal Agency, Utah  
[Taxable] Tax Increment Revenue [Refunding] [Exchange] Bonds, Series \_\_\_\_\_  
in the sum of \$ \_\_\_\_\_

U.S. Bank Trust Company, National Association  
Corporate Trust Department  
170 South Main Street, Suite 200  
Salt Lake City, Utah 84101

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 CONTRACT

\$ \_\_\_\_\_

Cottonwood Heights Community Development and Renewal Agency  
Sales Tax and Tax Increment Revenue Bonds, Series 2023

\_\_\_\_\_, 2023

Cottonwood Heights Community Development and Renewal Agency  
2277 E. Bengal Boulevard  
Cottonwood Heights, Utah 84121

The undersigned, \_\_\_\_\_, as the underwriter of the hereinafter defined Series 2023 Bonds (the "Underwriter"), acting on behalf of the Underwriter and not as fiduciary or agent for you, offers to enter into this Bond Purchase Contract (the "Purchase Contract") with Cottonwood Heights Community Development and Renewal Agency (the "Issuer") which, upon the acceptance by the Issuer of this offer, shall be in full force and effect in accordance with its terms and shall be binding upon you and the Underwriter.

This offer is made subject to your acceptance and approval on or before 11:59 p.m. Utah Time, on the date hereof. Terms not otherwise defined herein shall have the same meanings as are set forth in the hereinafter referred to Official Statement.

ARTICLE I

SALE, PURCHASE AND DELIVERY

Section 1.1. (a) On the basis of the representations, warranties and agreements contained herein and upon the terms and conditions herein set forth, the Underwriter hereby agrees to purchase, and the Issuer hereby agrees to sell to the Underwriter, all, but not less than all, of the Issuer's \$ \_\_\_\_\_ aggregate principal amount of Sales Tax and Tax Increment Revenue Bonds, Series 2023 (the "Series 2023 Bonds"), at a purchase price of \$ \_\_\_\_\_ (representing the principal amount of the Series 2023 Bonds, plus a [net] reoffering premium of \$ \_\_\_\_\_ and less an Underwriter's discount of \$ \_\_\_\_\_) plus accrued interest, if any, from their dated date to the Closing Date (as hereinafter defined). The Series 2023 Bonds will mature on the dates and in the amounts and bear interest at the rates per annum as set forth in Exhibit A hereto.

(b) The Series 2023 Bonds shall be as described in the Official Statement dated \_\_\_\_\_, 2023, of the Issuer relating to the Series 2023 Bonds (together with all appendices thereto, the "Official Statement"), shall be issued and secured under and pursuant to (i) the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C, Chapters, Utah Code Annotated 1953, as amended (the "Act") and other applicable provisions of law; (ii) a General Indenture of Trust (the "General Indenture") and a First Supplemental

Indenture of Trust (the “First Supplemental Indenture” and collectively with the General Indenture, the “Indenture”), each dated as of \_\_\_\_\_ 1, 2023, and each by and between the Issuer and \_\_\_\_\_, as trustee (the “Trustee”); and all as authorized pursuant to a resolution adopted by the Issuer on \_\_\_\_\_, 2023 (the “Resolution”).

(c) The Series 2023 Bonds are being issued to (i) finance the acquisition of land within the Issuer’s Town Center at 2300 East Ft. Union Community Reinvestment Area; [(ii) fund a deposit to a debt service reserve;] and (iii) pay costs of issuance of the Series 2023 Bonds.

(d) The Series 2023 Bonds are payable from and secured solely by the Pledged Revenues described in the Indenture. The Series 2023 Bonds are being issued pursuant to the Resolution, the Indenture, and the Act.

(e) The Indenture, the Series 2023 Bonds, the Resolution, and the Continuing Disclosure Undertaking (defined below), and this Purchase Contract are sometimes referred to collectively herein as the “Transaction Documents.”

(f) The Underwriter agrees to make an initial public offering of the Series 2023 Bonds at the offering prices or yields set forth on the inside front cover page of the Official Statement. The Underwriter may, however, change such initial offering prices or yields as it may deem necessary in connection with the marketing of the Series 2023 Bonds and offer and sell the Series 2023 Bonds to certain dealers (including dealers depositing the Series 2023 Bonds into investment trusts) and others at prices lower than the initial offering prices or yields set forth in the Official Statement. The Underwriter also reserves the right (i) to engage in transactions that stabilize, maintain or otherwise affect the market prices of the Series 2023 Bonds and (ii) to discontinue such transactions, if commenced, at any time without prior notice.

Section 1.2. (a) The Underwriter agrees to assist the Issuer in establishing the issue price of the Series 2023 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 2023 Bonds. All actions to be taken by the Issuer under this section to establish the issue price of the Series 2023 Bonds may be taken on behalf of the Issuer by the Issuer’s municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer’s municipal 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 2023 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 Contract, the Underwriter shall report to the Issuer the price or

prices at which it has sold to the public each maturity of Series 2023 Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2023 Bonds, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Series 2023 Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date (as defined herein) has occurred, until either (i) the Underwriter has sold all Series 2023 Bonds of that maturity or (ii) the 10% test has been satisfied as to the Series 2023 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 Series 2023 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 2023 Bonds.

(c) The Underwriter confirms that it has offered the Series 2023 Bonds to the public on or before the date of this Purchase Contract 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 Contract, the maturities, if any, of the Series 2023 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 2023 Bonds, the Underwriter will neither offer nor sell unsold Series 2023 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 2023 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 2023 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 2023 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 Series 2023 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2023 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 2023 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 Series 2023 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 2023 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 2023 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 2023 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 Series 2023 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2023 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 2023 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 2023 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 2023 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2023 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 2023 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 2023 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2023 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 2023 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2023 Bonds.

(f) The Underwriter acknowledges that sales of any Series 2023 Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2023 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 2023 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 2023 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 2023 Bonds to the public),

(iii) a purchaser of any of the Series 2023 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 Contract by all parties.

Section 1.3. (a) By acceptance and approval of this Purchase Contract, the Issuer hereby authorizes the use of copies of the Official Statement. The Issuer hereby agrees to provide to the Underwriter within seven (7) business days of the date hereof sufficient copies of the Official Statement to enable the Underwriter to comply with the requirements of paragraph (b)(4) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board. The Issuer has heretofore “deemed final” the Preliminary Official Statement dated \_\_\_\_\_, 2023, and relating to the Series 2023 Bonds (the “Preliminary Official Statement”) for purposes of paragraph (b)(1) of Rule 15c2-12 and the Issuer acknowledges and ratifies the use by the Underwriter prior to the date hereof of

the Preliminary Official Statement in connection with the public offering of the Series 2023 Bonds.

(b) In order to assist the Underwriter in complying with paragraph (b)(5) of Rule 15c2-12, the Issuer will undertake, pursuant to a Continuing Disclosure Undertaking (the “Continuing Disclosure Undertaking”), to be dated as of the Closing Date to provide annual reports and notices of certain events. A form of the Continuing Disclosure Undertaking is set forth as Appendix [E] to the Preliminary Official Statement and will also be set forth as Appendix [E] to the Official Statement.

Section 1.4. At approximately 9:00 a.m., Utah time, on \_\_\_\_\_, 2023, or on such later date as shall be agreed upon in writing by the Issuer and the Underwriter (the “Closing Date”), the Issuer will cause the Series 2023 Bonds to be delivered to or for the account of the Underwriter in definitive form, duly executed and authenticated, at such place designated by the Underwriter and will deliver to the Underwriter the other documents herein mentioned at the offices of Bond Counsel, or such other location as may be mutually agreed upon by the Issuer and the Underwriter. The Underwriter will accept such delivery and pay the purchase price of the Series 2023 Bonds as set forth in paragraph 1.1(a) hereof by wire transfer, payable in federal funds or other immediately available funds to the order of the Trustee (such delivery and payment are herein called the “Closing”). The Series 2023 Bonds shall be initially issued in the form of one fully registered Bond for each maturity of the Series 2023 Bonds, shall be registered in the name of Cede & Co., as nominee for The Depository Trust Company (“DTC”), and shall be made available to DTC or its agent for the account of the Underwriter in New York, New York (or such other place designated by the Underwriter).

## ARTICLE II

### REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF ISSUER

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

Section 2.1. The Issuer is a quasi-municipal corporation organized and existing pursuant to the Act, created and validly existing under the laws of the State of Utah with full power and authority to consummate the transactions contemplated by the Transaction Documents, including the execution, delivery and/or approval of all documents and agreements referred to herein or therein.

Section 2.2. The governing body of the Issuer has duly adopted the Resolution, has duly authorized and approved the distribution of the Preliminary Official Statement and the Official Statement, and has duly authorized and approved the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in the Transaction Documents and, as of the Closing Date, each will be in full force and effect and, as of the Closing Date, neither the Resolution nor any of the Transaction Documents

will have been amended, supplemented, rescinded, repealed or otherwise modified except with the approval of the Underwriter.

Section 2.3. The adoption of the Resolution, the execution and delivery of the Transaction Documents, the compliance by the Issuer with the provisions of any or all of the foregoing documents, and the application of the proceeds of the Series 2023 Bonds for the purposes described in the Official Statement do not and will not conflict with or result in the material breach of any of the terms, conditions or provisions of, or constitute a default under, any existing law, court or administrative regulation, decree or order, agreement, indenture, mortgage, lease or instrument to which the Issuer is a party or by which the Issuer or any of its property is or may be bound.

Section 2.4. The Issuer has duly authorized all necessary action to be taken by it for the adoption of the Resolution; the issuance and sale of the Series 2023 Bonds by the Issuer upon the terms and conditions set forth herein, in the Official Statement, and the Transaction Documents; and the execution, delivery and receipt of the Transaction Documents, and any and all such agreements, certificates and documents as may be required to be executed, delivered and received by the Issuer in order to carry out, effectuate and consummate the transactions contemplated hereby and by the Official Statement, including but not limited to such certifications as may be necessary to establish and preserve the excludability from gross income for federal income tax purposes of interest on the Series 2023 Bonds.

Section 2.5. Except as described in the Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against the Issuer or others (a) affecting the existence of the Issuer or the titles of its officers to their respective offices; (b) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2023 Bonds or the revenues or assets of the Issuer mortgaged, appropriated, encumbered or pledged pursuant to the Indenture; (c) in any way contesting or affecting the validity or enforceability of the Series 2023 Bonds or any of the Transaction Documents or the transactions contemplated thereby; (d) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (e) contesting the powers of the Issuer or any authority for the issuance of the Series 2023 Bonds or the execution and delivery of any of the Transaction Documents.

Section 2.6. When delivered to and paid by the Underwriter at the Closing in accordance with the provisions of this Purchase Contract, the Series 2023 Bonds will have been duly authorized, executed, issued and delivered and will constitute valid and binding special limited obligations of the Issuer in conformity with, and entitled to the benefit and security of the Indenture.

Section 2.7. The Issuer is not in breach of or in default under any material existing law, court or administrative regulation, decree or order, ordinance, resolution, agreement, indenture, mortgage, lease, sublease or other instrument to which the Issuer is a party or by which the Issuer or its property is bound; and the execution and delivery of the Series 2023 Bonds, the Transaction Documents, and this Purchase Contract, and

compliance with the provisions thereof, will not conflict with or constitute a material breach or a default under any law, administrative regulation, judgment, decree, loan agreement, mortgage, indenture, deed of trust, note, resolution, agreement or other instrument to which the Issuer or its property is or may be bound.

Section 2.8. No event has occurred or is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under the Transaction Documents, or which could have a material adverse effect on the financial condition of the Issuer, receipt by the Issuer of the Revenues, or the transactions contemplated by the Transaction Documents, or have a material adverse effect on the validity or enforceability in accordance with their respective terms of the Transaction Documents or this Purchase Contract or in any way adversely affect the existence or any powers of the Issuer or the titles of its officers to their respective positions or the excludability from gross income for federal income tax purposes of interest on the Series 2023 Bonds.

Section 2.9. The information contained in the Preliminary Official Statement was, as of its date, and will be, as of the Closing Date, true and correct in all material respects. The Preliminary Official Statement does not contain, and the Official Statement, as of its date and as of the Closing Date, will not contain any untrue statement of a material fact, and the Preliminary Official Statement does not omit and the Official Statement, as of its date and as of the Closing Date, will not omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not be deemed to cover or apply to (x) information provided to the Issuer in writing by the Underwriter and included on the inside front cover page of the Preliminary Official Statement or the Official Statement regarding the principal amount, interest rates, maturities and initial public offering prices of the Series 2023 Bonds or (y) statements in the Preliminary Official Statement or the Official Statement under the captions [“THE SERIES 2023 BONDS—Book-Entry Only System,” “UNDERWRITER,” and Appendix \_\_\_\_\_.]

Section 2.10. The Issuer will not take or omit to take any action which will in any way cause the proceeds from the sale of the Series 2023 Bonds to be applied or result in such proceeds being applied in a manner inconsistent with the Transaction Documents.

Section 2.11. The Issuer hereby authorizes the use of the Official Statement, including all amendments and supplements thereto, by the Underwriter in connection with the public offering and sale of the Series 2023 Bonds and consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering and sale of the Series 2023 Bonds.

Section 2.12. The Issuer agrees to reasonably cooperate with the Underwriter in any endeavor to qualify the Series 2023 Bonds for offering and sale under the securities or “Blue Sky” laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the Issuer shall not be required with respect to the offer or sale of the Series 2023 Bonds to file written consent to suit or to file written consent to service of

process in any jurisdiction. The Issuer hereby consents to the use of the Official Statement by the Underwriter in obtaining such qualification.

Section 2.13. If between the date of this Purchase Contract and 25 days following the “end of the underwriting period” (which the Issuer can assume is the Closing Date unless otherwise notified in writing by the Underwriter) any event shall occur which might or would cause the Official Statement to contain any untrue statement of a material fact or to omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstance under which they were made, not misleading, the Issuer shall notify the Underwriter and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer will supplement or amend the Official Statement in a form and in a manner approved by the Underwriter. If the Official Statement is amended or supplemented subsequent to the date hereof and prior to the Closing, the Underwriter may terminate this Purchase Contract by notification to the Issuer at any time prior to the Closing if, in the reasonable judgment of the Underwriter, such amendment or supplement has or will have a material adverse effect on the marketability of the Series 2023 Bonds.

Section 2.14. When executed by the respective parties thereto, this Purchase Contract and the Transaction Documents will constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms except that the rights and obligations under the Transaction Documents, and this Purchase Contract 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.

Section 2.15. The Issuer has complied, and, will at the Closing be in compliance in all respects, with the obligations on its part contained in the Transaction Documents and this Purchase Contract and any and all other agreements relating thereto.

Section 2.16. Each representation, warranty or agreement stated in any certificate signed by any officer of the Issuer and delivered to the Underwriter at or before the Closing shall constitute a representation, warranty, or agreement by the Issuer upon which the Underwriter shall be entitled to rely.

Section 2.17. Except as described in the Official Statement, the Issuer has not otherwise pledged or assigned the Pledged Revenues other than to secure and pay the Series 2023 Bonds and the Series 2023 Bonds enjoy a first lien and pledge on the Revenues.

Section 2.18. To the best of its knowledge, the Issuer has never failed to pay principal and interest when due on any of its bonded indebtedness or other obligations nor has the Issuer ever failed to appropriate sufficient amounts to timely pay any of its lease obligations.

Section 2.19. The audited financial statements of Cottonwood Heights, Utah (the “City”) as of, and for the year ended June 30, 2022, a copy of which has heretofore been

delivered to the Underwriter, present fairly the financial position of the City and the Issuer at June 30, 2022, and the results of its operations and changes in financial position for the year then ended; any other statements and data submitted in writing by the Issuer to the Underwriter in connection with this Purchase Contract are true and correct in all material respects as of their respective dates; except as described in the Official Statement and except as otherwise disclosed by the Issuer to the Underwriter, since June 30, 2022, there has been no material adverse change in the condition, financial or otherwise, of the City or the Issuer from that set forth in the audited financial statements as of and for the year ended that date, and the Issuer has not since June 30, 2022, incurred any material liabilities, directly or indirectly, whether or not arising in the ordinary course of its operations.

Section 2.20. [For the past five years the Issuer has been in material compliance with each and every continuing disclosure undertaking it has entered into pursuant to Rule 15c2-12, except as disclosed in the Official Statement.]

Section 2.21. The Issuer will not take or omit to take any action that will in any way cause the proceeds from the sale of the Series 2023 Bonds to be applied or result in such proceeds being applied in a manner inconsistent the Indenture.

### ARTICLE III

#### UNDERWRITER'S CONDITIONS

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

(a) At the time of Closing for the Series 2023 Bonds, (1) the Transaction Documents shall be in full force and effect and shall not have been revoked, rescinded, repealed, amended, modified or supplemented, except as therein permitted or as may have been agreed to in writing by the Underwriter, and (2) the Issuer shall have duly adopted and there shall be in full force and effect such resolution and ordinances as, in the opinion of Gilmore & Bell, P.C., bond counsel to the Issuer ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby.

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

(i) (A) Legislation shall have been enacted by the Congress, introduced in the Congress, or recommended to the Congress for passage by the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has

been referred for consideration, or (B) a decision shall have been rendered by a court established under Article III of the Constitution of the United States, or the United States Tax Court, or (C) an order, ruling, regulation, or communication (including a press release) shall have been issued by the Treasury Department of the United States or the Internal Revenue Service or (D) any action shall be taken or statement made by or on behalf of the President of the United States or the Department of Treasury or the Internal Revenue Service or any member of the United States Congress which indicates or implies that legislation will be introduced in the current or next scheduled session of the United States Congress, with the purpose or effect, directly or indirectly, of requiring the inclusion in gross income for federal income tax purposes of interest to be received by any owners of the Series 2023 Bonds; or

(ii) Legislation shall be enacted or any action shall be taken by the Securities and Exchange Commission which, in the opinion of the Underwriter, has the effect of requiring the offer or sale of the Series 2023 Bonds to be registered under the Securities Act or any other "security," as defined in the Securities Act, issued in connection with or as part of the issuance of the Series 2023 Bonds to be so registered or the Indenture to be qualified as an indenture under the Trust Indenture Act of 1939, as amended; or any event shall have occurred or shall exist which, in the reasonable judgment of the Underwriter, makes or has made untrue or incorrect in any respect any statement or information contained in the Official Statement or is not or was not reflected in the Official Statement but should be or should have been reflected therein in order to make the statements or information contained therein not misleading in any material respect; or

(iii) In the reasonable judgment of the Underwriter, it is impractical or inadvisable for the Underwriter to market or sell or enforce agreements to sell Series 2023 Bonds because (A) trading in securities generally shall have been suspended on the New York Stock Exchange, Inc., or a general banking moratorium shall have been established by federal or the State of Utah authorities or a material disruption in commercial banking or securities settlement or clearance services shall have occurred, or (B) the State of Utah shall have taken any action, whether administrative, legislative, judicial or otherwise, which would have a material adverse effect on the marketing or sale of the Series 2023 Bonds, including any action relating to the tax status of the Series 2023 Bonds under federal or Utah law as set forth in the opinion of Bond Counsel attached as Appendix [F] to the Official Statement, or (C) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency or there shall have occurred any other outbreak or escalation of hostilities or a national or international calamity or crisis, financial or otherwise; or (D) a war involving the United States of America shall have been declared or any other conflict involving the armed forces of

the United States of America has escalated, in either case to such a magnitude as to materially adversely affect the Underwriter's ability to market the Series 2023 Bonds; (E) there shall have occurred the declaration of a general banking moratorium by any authority of the United States or the States of New York or Utah or if any material disruption in commercial banking or securities settlement or clearance services shall have occurred; or

(iv) Any financial rating assigned to the Series 2023 Bonds or any other obligations of the Issuer by S&P Global Ratings ("S&P"), Fitch Ratings, Inc. ("Fitch"), or Moody's Investors Service, Inc. ("Moody's"), as the case may be, shall have been downgraded, withdrawn, or any other action taken, and such action, in the opinion of the Underwriter, has a material adverse effect on the marketability of the Series 2023 Bonds; or

(v) Any litigation shall be instituted, pending or threatened (A) to restrain or enjoin the issuance, sale or delivery of the Series 2023 Bonds, (B) in any way contesting or affecting any authority for or the validity of the Series 2023 Bonds, any of the proceedings of the Issuer or the Trustee taken with respect to the issuance or sale thereof, the pledge, appropriation or application of any moneys or securities provided for the payment of the Series 2023 Bonds, or (C) in any way contesting or affecting the existence or powers of the Issuer or the Trustee or the titles of their officers to their respective offices; or

(vi) Any other event or circumstances shall have occurred which shall be beyond the reasonable control of the Underwriter and, in the opinion of the Underwriter, might in any way have a material adverse effect on the marketability of the Series 2023 Bonds.

(c) At or prior to the Closing, the Underwriter shall receive the following:

(i) The approving opinion of Gilmore & Bell, P.C., Bond Counsel, dated the Closing Date, in substantially the form attached as Appendix \_\_\_ to the Official Statement;

(ii) The letter of Gilmore & Bell, P.C., as disclosure counsel to the Issuer, dated the Closing Date and addressed to the Underwriter, in standard form for similar transactions;

(iii) The opinion of \_\_\_\_\_, as legal counsel to the Issuer, in standard form for similar transactions and satisfactory to Bond Counsel and the Underwriter;

(iv) The Issuer's certificate, dated the Closing Date, signed by the Chair and Secretary of the Issuer and in form and substance satisfactory to the Underwriter and Bond Counsel, to the effect that (A) the



representations of the Issuer herein are true and correct in all material respects as of the Closing Date as if made on the Closing Date; (B) except as disclosed in the Official Statement, no litigation is pending or, to the best of their knowledge, threatened against the Issuer (i) to restrain or enjoin the issuance or delivery of any of the Series 2023 Bonds or the collection of Revenues pledged under the Indenture, (ii) in any way contesting or affecting the authority for the issuance of the Series 2023 Bonds or the adoption of the Resolution or the execution and delivery of the Transaction Documents, the validity or enforceability of the Series 2023 Bonds and the Transaction Documents, or the excludability from gross income for federal income tax purposes of interest on the Series 2023 Bonds, (iii) questioning or challenging any power of the Issuer, or (iv) in any way contesting the organization, existence or powers of the Issuer or the titles of its officers to their respective offices, or (v) contesting or attempting to restrain or enjoining the application of the proceeds thereof or the payment, collection or application of the Pledged Revenues or the pledge of the Pledged Revenues, or of other moneys, rights and interests pledged pursuant to the Indenture or the adoption of the Resolution; (C) the descriptions and information contained in the Official Statement relating to the Issuer, its organization and financial and other affairs, and the application of the proceeds of sale of the Series 2023 Bonds are correct in all material respects, as of the date of the Official Statement and as of the Closing Date; (D) such descriptions and information, as of the date of the Official Statement did not, and as of said Closing Date do not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; (E) no event affecting the Issuer has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purpose for which it is to be used or that is necessary to be disclosed therein in order to make the statements and information therein not misleading in any material respect; (F) the Transaction Documents have been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the other parties thereto, the Transaction Documents constitute legal, valid and binding agreements of the Issuer enforceable in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights and by the availability of equitable remedies; (G) the Resolution authorizing the execution and delivery of the Transaction Documents have been duly adopted and have not been modified, amended or repealed; and (H) the execution and delivery of the Transaction Documents and this Purchase Contract and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under any indenture, mortgage, deed of trust, agreement or other instrument to which the Issuer is a party or any law, public

administrative rule or regulation, court order or consent decree to which the Issuer is subject;

(v) Copies of each of the Resolution and the Transaction Documents, duly executed by each of the parties thereto;

(vi) Copies of the Tax Certificate of the Issuer, relating to matters affecting the excludability from gross income for federal income tax purposes of interest on the Series 2023 Bonds, including the use of proceeds of sale of the Series 2023 Bonds and matters relating to arbitrage rebate pursuant to Section 148 of the Code and the applicable regulations thereunder, in form and substance satisfactory to Bond Counsel;

(vii) A copy of the Preliminary Official Statement and the Official Statement;

(viii) Evidence satisfactory to the Underwriter that the Series 2023 Bonds have received a rating of “\_\_\_\_\_” from \_\_\_\_\_;

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

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

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

#### ARTICLE IV

#### EXPENSES

All expenses and costs in connection with the authorization, issuance and sale of the Series 2023 Bonds to the Underwriter, including rating agency fees, the costs of printing the Official Statement and the Preliminary Official Statement, advertising costs, the initial fees of the Trustee in connection with the issuance of the Series 2023 Bonds, the fees and expenses of Bond Counsel, the fees and expenses of counsel to the Issuer, the Issuer’s municipal advisor, and travel and other expenses shall be costs and expenses of the Issuer and shall be paid by the Issuer.

## ARTICLE V

### GENERAL

Any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to the Underwriter at \_\_\_\_\_, Attention: \_\_\_\_\_. Any notice or other communication to be given to the Issuer under this Purchase Contract may be given by delivering the same in writing to Cottonwood Heights Community Development and Renewal Agency, 2277 E. Bengal Boulevard, Cottonwood Heights, Utah 84121, Attention: \_\_\_\_\_, with a copy thereof to the City Attorney at the same address.

This Purchase Contract is made solely for the benefit of the Issuer and the Underwriter (including its successors or assigns) and no other person shall acquire or have any right hereunder or by virtue hereof. All the representations, warranties, covenants and agreements contained herein shall remain operative and in full force and effect and shall survive delivery of and payment of the Series 2023 Bonds hereunder and regardless of any investigation made by the Underwriter or on their behalf.

This Purchase Contract shall be governed by the laws of the State of Utah.

The Issuer acknowledges and agrees that (i) the purchase and sale of the Series 2023 Bonds pursuant to this Purchase Contract 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 Contract, (iv) the Underwriter is not acting as municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended), and (v) the Issuer consulted its own legal, financial and other advisors to the extent it deemed appropriate in connection with the offering of the Series 2023 Bonds. The Issuer has retained Stifel, Nicolaus & Company, Incorporated as its Independent Registered Municipal Advisor in this transaction.

This Purchase Contract contains the entire agreement between the parties relating to the subject matter hereof, and all previous representations, endorsements, promises, agreements or understandings, oral, written or inferred, between the parties relating to the subject matter hereof are superseded hereby.

This Purchase Contract 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.

This Purchase Contract shall become effective upon the execution by [Underwriter] and the acceptance hereof by the Issuer.

Very truly yours,

[UNDERWRITER]

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

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

COTTONWOOD HEIGHTS  
COMMUNITY DEVELOPMENT AND  
RENEWAL AGENCY, UTAH

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

ATTEST:

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

EXHIBIT A

\$ \_\_\_\_\_

Cottonwood Heights Community Development and Renewal Agency  
Sales Tax and Tax Increment Revenue Bonds, Series 2023

Maturity Date ( <u>  </u> 1)	Principal <u>Amount</u>	Interest <u>Rate</u>	<u>Yield</u>	Pricing <u>Rule</u>
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\* [General Rule Maturities.]

\*\* [Hold-the-offering-price Maturities]

EXHIBIT B

FORM OF

UNDERWRITER'S RECEIPT FOR BONDS  
AND ISSUE PRICE CERTIFICATE

\$ \_\_\_\_\_

Cottonwood Heights Community Development and Renewal Agency  
Sales Tax and Tax Increment Revenue Bonds, Series 2023

The undersigned, on behalf of [Underwriter] (the "Original Purchaser"), as the Original Purchaser of the above-described bonds (the "Bonds"), being issued on the date of this Certificate by the Cottonwood Heights Community Development and Renewal Agency, Utah (the "Issuer"), certifies and represents as follows:

1. Receipt of the Bonds. The Original Purchaser hereby acknowledges receipt of the Bonds pursuant to the Bond Purchase Contract (the "Purchase Contract") by and between the Original Purchaser, and the Issuer, dated \_\_\_\_\_, 2023 (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 Contract.)

2. Issue Price. For purposes of this certificate the following definitions apply:

"Effective Time" means the time on the Sale Date that the 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 Purchaser 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 Exhibit 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.

“Purchaser” means the Original Purchaser, on its own behalf and as representative of each Underwriting Firm.

“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 third-party distribution agreement participating in the initial sale of the Bonds to the Public).

The Original Purchaser 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.]] [[For any Undersold Maturity, during the Holding Period each Underwriting Firm did not offer nor sell Bonds of the Undersold Maturity to the Public at a price that is higher than the respective Initial Offering Price for that Undersold Maturity.

5. Any separate agreement among any Underwriting Firm related to the sale of an Undersold Maturity during the Holding Period contained the agreement referenced in 4 above.]]

[UNDERWRITER]

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

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

EXHIBIT A – [*same as in Bond Purchase Contract*]

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



FIRST SUPPLEMENTAL INDENTURE

By and Between

COTTONWOOD HEIGHTS COMMUNITY DEVELOPMENT AND RENEWAL  
AGENCY, UTAH

and

U.S BANK TRUST COMPANY, NATIONAL ASSOCIATION  
as Trustee

Relating to:

COTTONWOOD HEIGHTS COMMUNITY DEVELOPMENT AND RENEWAL  
AGENCY, UTAH

\$ \_\_\_\_\_  
SALES TAX AND TAX INCREMENT REVENUE BONDS,  
SERIES 2023

Dated as of \_\_\_\_\_, 2023

## TABLE OF CONTENTS

Page

### ARTICLE I SHORT TITLE, DEFINITIONS AND AUTHORITY

Section 1.1	Short Title .....	2
Section 1.2	Definitions.....	2

### ARTICLE II AUTHORIZATION, TERMS AND ISSUANCE OF SERIES 2023 BONDS

Section 2.1	Principal Amount, Designation and Series .....	3
Section 2.2	Purposes .....	3
Section 2.3	Date, Maturities, and Interest Rates .....	3
Section 2.4	Form, Denomination, Numbers and Letters .....	3
Section 2.5	Certain Tax Covenants.....	4
Section 2.6	Redemption of Series 2023 Bonds.....	4
Section 2.7	Pledge of Pledged Sales Tax Revenues .....	6
Section 2.8	Accounts .....	7
Section 2.9	Disposition of Series 2023 Bond Proceeds.....	7
Section 2.10	Creation and Operation of Series 2023 Cost of Issuance Accounts .....	7
Section 2.11	Series 2023 Bonds as Initial Bonds .....	8
Section 2.12	Book-Entry System.....	8

### ARTICLE III MISCELLANEOUS

Section 3.1	First Supplemental Indenture Construed with General Indenture .....	10
Section 3.2	General Indenture as Supplemented to Remain in Effect.....	10
Section 3.3	Execution in Counterparts.....	10
Section 3.4	Severability .....	10
Section 3.5	Governing Law .....	10
Section 3.6	Further Assurances.....	10

<u>EXHIBIT A</u>	– FORM OF BOND.....	A-1
<u>EXHIBIT B</u>	– COST OF ISSUANCE DISBURSEMENT REQUEST .....	B-1
<u>EXHIBIT C</u>	– SALES TAX REVENUE PLEDGE AGREEMENT.....	C-1

FIRST SUPPLEMENTAL INDENTURE

This First Supplemental Indenture, dated as of \_\_\_\_\_, 2023, by and between the Cottonwood Heights Community Development and Renewal Agency, Utah (the "Agency") and, 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 \_\_\_\_\_, 2023 (the "General Indenture") with the Trustee; and

WHEREAS, a project area plan for the project area known and designated as the Town Center at 2300 East Ft. Union Community Reinvestment 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 desires to finance all or a portion of the acquisition of land as permitted by the Project Area Plan for the Town Center at 2300 East Ft. Union Community Reinvestment Area (the "Series 2023 Project"); and

WHEREAS to (a) finance the costs of the Series 2023 Project, [(b) fund a debt service reserve fund,] and (c) pay the costs of issuance of the Series 2023 Bonds herein authorized, the Agency has determined to issue its Sales Tax and Tax Increment Revenue Bonds, Series 2023 in the aggregate principal amount of \$ \_\_\_\_\_ (the "Series 2023 Bonds"); and

WHEREAS, the Series 2023 Bonds will be authorized, issued, and secured under the General Indenture, as amended and supplemented by this First Supplemental Indenture (collectively with the General Indenture, and any amendments thereto or hereto, the "Indenture"); and

WHEREAS, the Series 2023 Bonds will be secured by certain tax increment revenues allocated to the Agency under the Act from the Project Area as more fully described in the General Indenture (the "Tax Increment Revenues"); and

WHEREAS, the execution and delivery of the Series 2023 Bonds and of the Indenture have been duly authorized and all things necessary to make the Series 2023 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 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:

"Act" means the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C, Utah Code Annotated 1953, as amended.

"Authorized Denominations" means, with respect to the Series 2023 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" 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 2023 Bonds each \_\_\_\_\_ and \_\_\_\_\_, commencing \_\_\_\_\_.

"Investment Income" means, with respect to the Series 2023 Bonds, the net gain derived from the investment of moneys held in the Bond Fund and the Debt Service Reserve Fund, if any, and the Cost of Issuance Fund.

"Pledged Sales Tax Revenues" means all sales tax revenues received by the Agency pursuant to the Sales Tax Pledge Agreement.

"Purchaser" means \_\_\_\_\_.

"Record Date", with respect to the Series 2023 Bonds, shall mean the 15th day of the month next preceding any Interest Payment date for the Series 2023 Bonds.

["Reserve Requirement" shall mean, with respect to the Series 2023 Bonds, \$\_\_\_\_\_].

"Sales Tax Pledge Agreement" means the Interlocal Sales Tax Pledge Agreement dated as of \_\_\_\_\_, 2023, between the City and the Agency whereby the City pledges certain sales tax revenue collected under Title 59, Chapter 12, Part 2 of the Utah Code for

payment of the Series 2023 Bonds and any supplement or amendment thereto, in the form attached hereto as Exhibit C.

“Series 2023 Bonds” means the series of Bonds authorized by Section 2.1 of this First Supplemental Indenture and titled “Cottonwood Heights Community Development and Renewal Agency, Utah Sales Tax and Tax Increment Revenue Bonds, Series 2023.”

“Series 2023 Construction Account” means the account established within the Construction Fund under the General Indenture held in trust by the Trustee, into which a portion of the proceeds of the Series 2023 Bonds shall be deposited as provided herein.

“Series 2023 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 2023 Bonds.

“Series 2023 Project” means the acquisition of land and all related improvements.

## ARTICLE II

### AUTHORIZATION, TERMS AND ISSUANCE OF SERIES 2023 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, “Cottonwood Heights Community Development and Renewal Agency, Utah Sales Tax and Tax Increment Revenue Bonds, Series 2023.”

Section 2.2 Purposes. The Series 2023 Bonds are issued for the purpose of (i) financing the Series 2023 Project, [(ii) funding a debt service reserve fund,] and (iii) paying issuance expenses to be incurred in connection with the issuance and sale of the Series 2023 Bonds.

Section 2.3 Date, Maturities, and Interest Rates. The Series 2023 Bonds shall consist of Bonds which shall be dated the Dated Date, shall bear interest at the per annum rates, shall mature on the dates and in the amounts, and shall be payable as follows:

Maturity Date	Principal Amount	Interest Rate
( )		

Interest on the Series 2023 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 2023 Bonds shall be issued in the form of fully registered bonds without coupons, in substantially the

form set forth as Exhibit A. The Series 2023 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 Certain Tax Covenants. Unless otherwise approved by Supplemental Indenture, the Series 2023 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 2023 Bonds shall be paid from any proceeds from the sale, lease or other disposition of property in the 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.

Section 2.6 Redemption of Series 2023 Bonds.

(a) Optional Redemption of Series 2023 Bonds. The Series 2023 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 2023 Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

(b) Mandatory Sinking Fund Redemption of Series 2023 Bonds. (i) The Series 2023 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 (____1)	Principal Amount
----------------------------	---------------------

\*

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\*Final Maturity

[Upon redemption of the Series 2023 Bonds maturing on [\_\_\_\_\_, 20\_\_], other than by application of such mandatory sinking fund redemption, an amount equal to the principal amount so redeemed will be credited toward a part or all of any one or more of such mandatory sinking fund redemption amounts for the Series 2023 Bonds maturing on [\_\_\_\_\_, 20\_\_], in such order of mandatory sinking fund date as shall be directed by the Agency.]

To the extent that a mandatory sinking fund redemption results in the reduction in aggregate Principal amount of the Series 2023 Bonds Outstanding, a Registered Owner shall not be required to submit its Series 2023 Bond certificate to the Trustee for payment and shall instead make an appropriate notation on such Series 2023 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 2023 Bonds, absent manifest error.

(c) Should the Agency desire to redeem all or any portion of the Series 2023 Bonds hereunder, it must notify the Trustee, in writing, of its intent to redeem at least thirty (30) days prior to the date of redemption.

Written notice of any redemption, either in whole or in part, shall be given by the Trustee by mailing a notice of redemption by registered or certified mail, at least thirty (30) but not more than sixty (60) days before the date fixed for redemption, to the Owners of Series 2023 Bonds or portions thereof so called, at their respective addresses as the same may appear on the registry books; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings for the redemption of any Series 2023 Bond with respect to which no such failure has occurred. Each notice of redemption shall specify (i) the redemption date, (ii) the place of redemption, (iii) by number, the Bonds to be redeemed and the principal amounts thereof to be redeemed, if less than the entire amounts are to be redeemed and (iv) that interest on the Bonds or portions thereof to be redeemed shall cease to accrue from and after such redemption date and that on said date there will become due and payable on each of such Bonds or portions thereof to be redeemed the redemption price thereof together with interest accrued thereon to the redemption date. If any Series 2023 Bond or any portion thereof shall have been duly called for redemption and payment of the redemption price, including premium, if any, and unpaid interest accrued to the date fixed for redemption, shall have been made or provided for, all as more fully set forth herein, interest on such Series 2023 Bond or such portion thereof shall cease to accrue from the date fixed for redemption, and from and after such date such Series 2023 Bond or the portion thereof duly called for redemption shall no longer be entitled to any benefit or security under this Indenture, except as to the right of the Owner thereof to receive payment of such redemption price. If a portion of any Series 2023 Bond shall be called for redemption, a new Bond or Bonds of the same series in principal amount equal to the unredeemed portion thereof will be issued to the Owner upon the surrender thereof. If less than all the Series 2023 Bonds of any maturity shall be called for redemption, the particular Series 2023 Bonds or portions of Series 2023 Bonds to be redeemed shall be selected by lot by the Trustee in such manner as the Trustee in its discretion may deem fair and proper; provided, however, that the portion of any Series 2023 Bond of a denomination larger than the minimum denomination may be redeemed in the principal amount of such minimum denomination or an integral multiple thereof and that for purposes of selection and redemption, any such Series 2023 Bond shall be considered to be that number of separate Bonds of such minimum denomination

which is obtained by dividing the principal amount of such Bond by such minimum denomination.

In addition, the Trustee shall send a second notice of redemption not more than ninety (90) days subsequent to the redemption date to Bondowners of Series 2023 Bonds or portions thereof redeemed but who failed to deliver such Bonds for redemption prior to the 60th day following such redemption date. Failure to give all or any portion of such further notice shall not in any manner defeat the effectiveness of the call for redemption.

(d) If at the time of mailing of any notice of redemption described in (a) above there shall not be on deposit with the Trustee or the Paying Agent moneys sufficient to redeem all the Series 2023 Bonds called for redemption, such notice shall state that such redemption is subject to the deposit of the redemption moneys with the Trustee or the Paying Agent not later than the opening of business on the redemption date and that such notice shall be of no effect unless such moneys are so deposited.

(e) In addition to the foregoing, further notice of any redemption of Series 2023 Bonds hereunder shall be given by the Trustee, at least two (2) business days in advance of the mailed notice to Owners, by registered or certified mail or overnight delivery service, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Series 2023 Bonds and to at least two national information services that disseminate notices of redemption of obligations such as the Series 2023 Bonds. Such further notice shall contain the information required in clauses (e) and (f) 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.

#### Section 2.7 Pledge of Pledged Sales Tax Revenues.

(a) Pursuant to this First Supplemental Indenture and the Sales Tax Pledge Agreement, the Pledged Sales Tax Revenues are hereby pledged to the payment of the Series 2023 Bonds and as of the date hereof to no other Bonds under the Indenture.

(b) The Pledged Sales Tax Revenues shall be applied to the Series 2023 Bonds as provided in Section 6.3 of the General Indenture, as if the Pledged Sales Tax Revenues were Tax Increment Revenues, but solely with respect to the Series 2023 Bonds. In this respect, promptly upon receipt thereof the Agency shall deposit such amounts into the Bond Fund for the Series 2023 Bonds until the amounts necessary to pay the Series 2023 Bonds on the next Bond payment date are on deposit therein.

(c) Not in limitation of the obligation to make the deposits to the Bond Fund for the Series 2023 Bonds specified in clause (b) above, deposits to the Bond Fund for the Series 2023 Bonds shall be deemed funded from the Tax Increment Revenues prior to funding from the Pledged Sales Tax Revenues.



(d) So long as the Series 2023 Bonds are Outstanding, the Agency covenants that it will not take any of the following actions without the consent of the Registered Owners of 66 2/3% in aggregate Principal amount of the Series 2023 Bonds then Outstanding and the Bond Insurer: (i) terminate the Sales Tax Pledge Agreement; (ii) reduce the amounts due to the Agency under the Sales Tax Pledge Agreement; or (iii) amend or supplement the Sales Tax Pledge Agreement in any way which would materially adversely affect the amount of the Pledged Sales Tax Revenues.

Section 2.8 Accounts. Within the Funds established pursuant to Article III of the General Indenture there are hereby created the following Subaccounts:

(a) Within the Construction Fund, a Series 2023 Construction Account to be held by the Trustee; and

(b) Within the Rebate Fund, a Series 2023 Rebate Account to be held by the Trustee.

(i) In addition the Trustee shall hold the Bond Fund for the benefit of the Owners of the Series 2023 Bonds and any Additional Bonds and shall apply the same as provided in this First Supplemental Indenture.

(ii) So long as any of the Series 2023 Bonds herein authorized, or any interest thereon, or amounts owing the United States under Section 148(f) of the Code, remain unpaid, the moneys in the foregoing Subaccounts shall be used for no purpose other than those required or permitted by the General Indenture and this First Supplemental Indenture and the Act.

Section 2.9 Disposition of Series 2023 Bond Proceeds. The proceeds from the sale of the Series 2023 Bonds (representing the par amount thereof, less a Purchaser's fee of \$ \_\_\_\_\_ for a total of \$ \_\_\_\_\_) shall be set aside and used as follows:

(a) An amount equal to \$ \_\_\_\_\_ shall be deposited into the Series 2023 Cost of Issuance Account; and

(b) An amount equal to \$ \_\_\_\_\_ shall be deposited into the Series 2023 Construction Account.

Section 2.10 Creation and Operation of Series 2023 Cost of Issuance Accounts. A Series 2023 Cost of Issuance Account is hereby created to be held by the Trustee. Moneys in such Accounts shall be used to pay costs of issuance of the Series 2023 Bonds. Costs of issuance shall be paid by the Trustee from the Series 2023 Cost of Issuance Account upon receipt from the Issuer 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 2023 Cost of Issuance Account 60 days after delivery of the Series 2023 Bonds shall be paid to the Issuer.

Section 2.11 Series 2023 Bonds as Initial Bonds. The Series 2023 Bonds are issued as the Initial Bonds under the General Indenture.

Section 2.12 Book-Entry System. (a) Except as provided in paragraphs (b) and (c) of this Section 2.6 the Registered Owner of all Series 2023 Bonds shall be, and the Series 2023 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 2023 Bond shall be made in accordance with the provisions of this First Supplemental Indenture to the account of Cede on the Interest Payment Dates for the Series 2023 Bonds at the address indicated for Cede in the registration books of the Bond Registrar.

(b) The Series 2023 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 2023 Bonds. Upon initial issuance, the ownership of each such Series 2023 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 2023 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 2023 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 2023 Bonds, (ii) the delivery to any DTC participant, beneficial owner or other person, other than DTC, of any notice with respect to the Series 2023 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 2023 Bonds. The Agency, the Bond Registrar and any Paying Agent may treat DTC as, and deem DTC to be, absolute owner of each Series 2023 Bond for all purposes whatsoever, including (but not limited to) (1) payment of the principal or redemption price of, and interest on, each Series 2023 Bond, (2) giving notices of redemption and other matters with respect to such Series 2023 Bonds and (3) registering transfers with respect to such Bonds. So long as the Series 2023 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 2023 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 2023 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 2023 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 2023 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 2023 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 2023 Bonds or the Agency; and the Agency shall, by notice to the Registrar, terminate the services of DTC with respect to the Series 2023 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 2023 Bonds to the effect that: (1) DTC is unable to discharge its responsibilities with respect to the Series 2023 Bonds; or (2) a continuation of the requirement that all of the outstanding Series 2023 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 2023 Bonds.

(iii) Upon the termination of the services of DTC with respect to the Series 2023 Bonds pursuant to subsection (d)(ii)(2) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Series 2023 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 2023 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 2023 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 2023 Bonds.

(iv) Notwithstanding any other provision of this First Supplemental Indenture to the contrary, so long as any Series 2023 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 2023 Bond and all notices with respect to such Series 2023 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 2023 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.

### ARTICLE III

#### MISCELLANEOUS

Section 3.1 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 3.2 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 3.3 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 3.4 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 3.5 Governing Law. This First Supplemental Indenture shall be construed in accordance with the laws of the State of Utah.

Section 3.6 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.

IN WITNESS WHEREOF, the undersigned Chair and Secretary of the Cottonwood Heights Community Development and Renewal Agency, Utah and the undersigned officers of the Trustee have hereunto executed this First Supplemental Indenture as of the date first written above.

COTTONWOOD HEIGHTS  
COMMUNITY DEVELOPMENT AND  
RENEWAL AGENCY, UTAH

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

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

(SEAL)

U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION

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

EXHIBIT A

SERIES 2023 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.

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

UNITED STATES OF AMERICA  
STATE OF UTAH  
COTTONWOOD HEIGHTS COMMUNITY DEVELOPMENT AND RENEWAL  
AGENCY, UTAH  
TAX INCREMENT REVENUE BONDS, SERIES 2023

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

REGISTERED OWNER: CEDE & CO.

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

The Cottonwood Heights Community Development and Renewal Agency, 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 U.S. Bank Trust Company, 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 defined 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. Principal payments due to mandatory sinking fund redemption may be noted on the Record of Principal Payments attached hereto and upon signature of an authorized officer of the Registered Owner, the principal amount of this Bond shall be reduced by the payment of principal thereof on the dates and amounts indicated on such Record of Principal Payments without the surrender of the Bond to the Paying Agent. 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 2023 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 2023 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 "Cottonwood Heights Community Development and Renewal Agency, Utah Sales Tax and Tax Increment Revenue Bonds, Series 2023" (the "Series 2023 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 (the "Act"), and the Agency's project area plan for the project area known and designated as the Town Center at 2300 East Ft. Union Community Reinvestment Area (the "Plan") and in connection with the project contemplated therein for the purpose of financing all or a portion of the acquisition of land as permitted by the Plan and the Indenture.

This bond and the interest thereon are not general obligations or debts of Cottonwood Heights 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 2023 Bonds are equally secured in accordance with the terms of a General Indenture of Trust (the "General Indenture") and a First Supplemental Indenture (the "First Supplemental Indenture" and, collectively with the General Indenture, the "Indenture"), each entered into by and between the Agency and the Trustee and each dated as of \_\_\_\_\_, 2023 reference to which is hereby made for a specific description of the security therein provided for the Series 2023 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 2023 Bonds which may be secured on a parity with the Series 2023 Bonds (the "Additional Bonds"). The Series 2023 Bonds and any Additional Bonds are herein referred to as the "Bonds". In addition, the Agency may issue bonds or other obligations secured by a pledge of the Tax Increment Revenues (defined in the Indenture) which is subordinate to the pledge made with respect to the Series 2023 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 the Bond Obligation (as defined in the General Indenture) of the outstanding Bonds affected by such amendment, exclusive of the Bonds owned by the Agency or Cottonwood Heights City, Utah. 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 2023 Bonds are issuable as registered bonds in the denominations of \$1,000 or any integral multiple thereof.

The Series 2023 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 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 Cottonwood Heights Community Development and Renewal Agency, 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 the Secretary and the seal of said Agency to be impressed, imprinted or reproduced hereon.

COTTONWOOD HEIGHTS COMMUNITY  
DEVELOPMENT AND RENEWAL  
AGENCY, UTAH

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

(SEAL)

COUNTERSIGNED AND ATTESTED:

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

CERTIFICATE OF AUTHENTICATION

This bond is one of the Series 2023 Bonds described in the within mentioned Indenture and is one of the Agency's Sales Tax and Tax Increment Revenue Bonds, Series 2023.

U.S. BANK TRUST COMPANY,  
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

U.S. Bank Trust Company, National Association  
Corporate Trust Department  
170 South Main Street, Suite 200  
Salt Lake City, Utah 84101

Pursuant to Section 2.10 of the First Supplemental Indenture of Trust dated as of \_\_\_\_\_, 2023, you are hereby authorized to pay to the following costs of issuance from the Series 2023 Cost of Issuance Account:

[See Attached Schedule]

\_\_\_\_\_  
AUTHORIZED REPRESENTATIVE,  
COTTONWOOD HEIGHTS COMMUNITY  
DEVELOPMENT AND RENEWAL  
AGENCY, UTAH

COSTS OF ISSUANCE

<u>Payee</u>	<u>Purpose</u>	<u>Amount</u>
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EXHIBIT C

SALES TAX PLEDGE AGREEMENT

EXHIBIT A

FORM OF SALES TAX AGREEMENT

EXHIBIT D

FORM OF BOND SALES TAX AGREEMENT



## INTERLOCAL SALES TAX PLEDGE AGREEMENT

This INTERLOCAL SALES TAX PLEDGE AGREEMENT (the “Agreement”) is entered into as of \_\_\_\_\_, 2023, by and between COTTONWOOD HEIGHTS, UTAH, (the “City”) a municipal corporation and political subdivision of the State of Utah and the COTTONWOOD HEIGHTS COMMUNITY DEVELOPMENT AND RENEWAL AGENCY (the “Agency”), an agency existing under the Limited Purpose Local Government Entities - Community Reinvestment Agency Act, Title 17C, Utah Code Annotated 1953, as amended (the “Act”).

### WITNESSETH:

WHEREAS, the Agency has been established by the City for the purpose of redeveloping and developing certain areas within the City in order to accomplish the purposes of the Act; and

WHEREAS, pursuant to the Act and other provisions of law of the State of Utah, the City and the Agency may enter into an agreement whereby the City may grant or contribute funds to the Agency for economic development; and

WHEREAS, the City and the Agency have previously authorized the establishment of the Community Reinvestment Area (the “Project Area”); and

WHEREAS, pursuant to the terms of a General Indenture of Trust and a First Supplemental Indenture, each dated as of \_\_\_\_\_, 2023 (collectively, the “CDRA Indenture”), and each by and between the Agency and U.S. Bank Trust Company, National Association (the “Trustee”), the Agency intends to issue its Sales Tax and Tax Increment Revenue Bonds, Series 2023 (the “Series 2023 Bonds”) for the purpose of (i) financing the purchase of land within the Project Area (the “Project”), (ii) funding a debt service reserve fund (if necessary) and (iii) paying the costs associated with the issuance of the Series 2023 Bonds; and

WHEREAS, a portion of the Series 2023 Bonds are payable from sales tax revenues (the “Sales Tax Revenues”) the City collects under Title 59, Chapter 12, Part 2 of the Utah Code Annotated 1953, as amended; and

WHEREAS, the City is authorized to, and may from time to time, issue sales tax bonds (collectively, the “Sales Tax Bonds”) pursuant to a General Indenture of Trust dated as of July 1, 2014, as supplemented, and a Fifth Supplemental Indenture, dated as of \_\_\_\_\_, 2023 (together, the “Sales Tax Indenture”) and each by and between the City and the Trustee; and

WHEREAS, the Utah Interlocal Cooperation Act (the “Interlocal Cooperation Act”), Title 11, Chapter 13, Utah Code Annotated 1953, as amended, provides that two or more public agencies may, by agreement, jointly exercise any power common to the contracting parties, and may share taxes and other revenues to accomplish their stated objectives; and

WHEREAS, the City has agreed to enter into this Agreement with the Agency to pledge to the Series 2023 Bonds, Sales Tax Revenues received by the City, to pay any amounts owed on the Series 2023 Bonds or to the insurer of such Bonds, which pledge is on a parity with payment by the City of the Sales Tax Bonds; and

WHEREAS, the debt service on the Series 2023 Bonds is set forth in Exhibit A hereto; and

WHEREAS, this Agreement and the obligation and pledge of the Sales Tax Revenues hereunder shall constitute an Additional Bond under and as defined in the Sales Tax Indenture and such obligation and pledge shall terminate only upon payment of the Series 2023 Bonds in full and payment of all amounts owed the insurer of such Bonds; and

WHEREAS, the City and the Agency have found and determined that the pledge of the Sales Tax Revenues is essential to the issuance of the Series 2023 Bonds, is in the best proprietary and business interests of the City and will promote the health, safety and welfare of the City and its inhabitants by reducing the debt service and related costs of the Series 2023 Bonds; and

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 2023 Bonds it will use the net proceeds of such Series 2023 Bonds to finance the Series 2023 Project, fund any necessary reserve funds, pay capitalized interest, and pay costs of issuance.

Section 2. The City and the Agency, as applicable, agree as follows:

(a) Pursuant to Section 17C-1-207 and Section 17C-1-409 of the Act, the City agrees to assist the Agency in repaying the Series 2023 Bonds, and in furtherance of such agreement, hereby irrevocably grants a pledge on the Sales Tax Revenues received from and after the date of execution hereof to the Agency for the purpose of payment of the Series 2023 Bonds pursuant to the Sales Tax Indenture.

(b) The City covenants that it will continue to impose the taxes constituting the Sales Tax Revenues until all of the Series 2023 Bonds have been paid. While any of the Series 2023 Bonds remain outstanding and unpaid, any ordinance, resolution or other enactment of the City, implementing the taxes constituting the Sales Tax Revenues or transferring the revenues therefrom to the Agency for the payment of the Series 2023 Bonds shall not be amended or modified in any manner which would materially impair the rights of the holders of the Series 2023 Bonds or which would in any way materially jeopardize the timely payment of principal of or interest on the Series 2023 Bonds when due. The City currently does not anticipate that it will reduce the rate of or repeal the imposition of the taxes from which the Sales Tax Revenues are derived. However, the parties hereto recognize that the State legislature may reduce the maximum rate of such taxes.

The City covenants that it will account for the Sales Tax Revenues separate and apart from the other funds of the City, and take such other actions as may be necessary to maintain the perfected security interest in the Sales Tax Revenues created for the benefit of the Agency and the holders of the Series 2023 Bonds herein. To the extent necessary to provide for the timely payment of the principal and interest on the Series 2023 Bonds, the City shall pay to the Agency for payment to the Trustee such amounts from the Sales Tax Revenues as shall be needed to make such payments.

(c) The Agency will account for the Sales Tax Revenues separate and apart from other funds of the Agency and will transfer the Sales Tax Revenues to the Trustee for payment of the Series 2023 Bonds consistent with the terms of the CDRA Indenture.

(d) All books, instruments and documents in the Agency's and the City's possession relating to the Project, the tax increment revenues from the Project Area (the "Agency Revenues"), and the Sales Tax Revenues shall be open to inspection at all times during the City's regular business hours by any accountants or other agents of the Trustee which the Trustee may designate from time to time.

(e) The Sales Tax Revenues are hereby allocated and pledged as described above, to the payment of the Series 2023 Bonds and until all of the Series 2023 Bonds and all interest thereon have been paid, (or until moneys for that purpose have been irrevocably set aside) the Sales Tax Revenues (except as otherwise specifically provided in the CDRA Indenture and this Agreement), shall first be applied to the payment of the Series 2023 Bonds, the interest thereon, and premium, if any, then due as provided in the CDRA Indenture, and following such payment, shall then be applied to any other purpose permitted by law.

(f) At least \_\_\_\_\_ ( ) days prior to each Interest Payment Date (as defined in the CDRA Indenture), the Agency shall notify the City in writing (i) the extent, if any, by which Debt Service (as defined in the CDRA Indenture) exceeds amounts on deposit in the Bond Fund for the Series 2023 Bonds and (ii) the amount, if any, necessary to restore the Series 2023 Debt Service Reserve Account to the Reserve Requirement (collectively, the "Revenue Shortfall").

(g) Subject to the conditions of (f) above, at least \_\_\_\_\_ ( ) days prior to each Interest Payment Date (as defined in the CDRA Indenture), the City agrees to remit Sales Tax Revenues to the Agency in an amount equal to the Revenue Shortfall.

(h) Once the City and Agency have remitted to the Trustee sufficient moneys for principal and/or interest payments on the Series 2023 Bonds then due as required by the CDRA Indenture, and assuming that all payments then due with respect to the Series 2023 Bonds have been paid and are current, any Sales Tax

Revenues then held by the Agency or the City may, subject to the lien of any other obligations, be released to the City for its use for any lawful purpose.

Section 3. The City and the Agency recognize that the intent of the parties hereto is to use the Agency Revenues, to the extent available, to pay or repay to the City amounts sufficient to pay amounts due with respect to the Series 2023 Bonds. In furtherance thereof, the Agency agrees to deposit with the City as such Agency Revenues become available to the Agency, all such Agency Revenues in excess of amounts required to pay the Series 2023 Bonds such that the City will have, to the extent available, sufficient Agency Revenues to pay or immediately reimburse the City for having paid, amounts to the Agency for the payment of the Series 2023 Bonds.

Section 4. The Agency agrees to apply such Sales Tax Revenues received pursuant to this Agreement to the payment of the Series 2023 Bonds or amounts owed to the insurer of such Bonds (including by pledging such amounts to the Trustee).

Section 5. Nothing contained in this Agreement shall be construed to create a general obligation liability of the City. The obligations hereunder and under the Series 2023 Bonds shall not be a debt of the City pursuant to any constitutional or statutory debt limitations, and the issuance of the Series 2023 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 2023 Bonds or amounts otherwise due under this Agreement (it being understood that this Section shall not limit the obligation of the City to levy and pay the Sales Tax Revenues to the Trustee as provided under the Sales Tax Indenture and hereunder).

Section 6. 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. The obligation and pledge of this Agreement shall terminate at such time as the Series 2023 Bonds are no longer outstanding and all amounts have been paid to the insurer of the Series 2023 Bonds. The City agrees it shall not replace the Trustee under the Sales Tax Indenture unless such replacement agrees to assume the obligations of the Trustee thereunder, and the Agency agrees it shall not replace the Trustee under the CDRA Indenture unless such replacement agrees to assume the obligations of the Trustee thereunder.

Section 7. 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, and shall not be limited or reduced by any rights of set off, recoupment or counterclaim it might otherwise have against the Trustee or any holder of the Series 2023 Bonds.

Section 8. So long as the Series 2023 Bonds are outstanding under the CDRA Indenture, the Trustee shall be an express third-party beneficiary of this Agreement. This Agreement shall not be amended without the prior written consent of the Trustee. Such consent, pursuant to the Sales Tax Indenture, shall not be unreasonably withheld or delayed.

Section 9. This Agreement creates a valid and binding pledge and assignment of, and security interest in, all of the Sales Tax Revenues pledged hereunder in favor of the Agency, as security for payment of the Series 2023 Bonds, enforceable by the Agency, as its interests may appear, in accordance with the terms hereof.

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 Sales Tax Revenues.

This Agreement also creates a valid and binding pledge and assignment of, and security interest in, all of the Agency Revenues pledged hereunder in favor of the City, as security for payment or repayment of amounts required to be advanced by the City hereunder for payment to the Agency of amounts due with respect to the Series 2023 Bonds, enforceable by the City in accordance with the terms hereof.

Section 10. In satisfaction of the requirements of the Interlocal Cooperation Act in connection with this Agreement, the City and the Agency agree as follows:

(a) This Agreement shall be authorized and adopted by resolution of the City and the Agency pursuant to and in accordance with the provisions of Utah Code Ann. Section 11-13-202.5;

(b) This Agreement shall be reviewed as to proper form and compliance with applicable law by a duly authorized attorney on behalf of the City and the Agency pursuant to and in accordance with the Utah Code Ann. Section 11-13-202.5(3);

(c) A duly executed original counterpart of this Agreement shall be filed immediately with the keeper of records of the City and the Agency pursuant to Utah Code Ann. Section 11-13-209;

(d) The City and the Agency agree that they do not, by this Agreement, create an interlocal entity;

(e) As required by Utah Code Ann. Section 11-13-207, the City and the Agency agree that the undertaking under this Agreement shall be administered by one member of the City Council and one member of the Board of the Agency, each to be appointed by their respective governing body. Any real or personal property used and the City and the Agency's cooperative undertaking herein shall be acquired, held, and disposed of as determined by such administrators; and

(f) No budget shall be established or maintained except as described herein.

Section 11. 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.

COTTONWOOD HEIGHTS CITY, UTAH

(SEAL)

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

ATTEST:

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

APPROVED AS TO PROPER FORM AND  
COMPLIANCE WITH APPLICABLE LAW:

\_\_\_\_\_  
Counsel to the City

EXHIBIT A

DEBT SERVICE SCHEDULE

<u>Fiscal Year</u> <u>Ending</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Fiscal Total</u>
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