



**NOTICE OF A SPECIAL SESSION OF THE
CITY COUNCIL
April 3, 2025, at 6:00 PM**

PUBLIC NOTICE is hereby given that the Vineyard City Council will hold a Special Session on Thursday, April 3, 2025, at 6:00 PM, in the City Council Chambers at City Hall, 125 South Main Street, Vineyard, UT. This meeting can also be viewed on our [live stream page](#).

AGENDA

Presiding Mayor Julie Fullmer

1. CALL TO ORDER/INVOCATION/INSPIRATIONAL THOUGHT/PLEDGE OF ALLEGIANCE

2. PUBLIC COMMENTS

“Public Comments” is defined as time set aside for citizens to express their views for items not on the agenda. During a period designated for public comment, the mayor or chair may allot each speaker a maximum amount of time to present their comments, subject to extension by the mayor or by a majority vote of the council. Speakers offering duplicate comments may be limited. Because of the need for proper public notice, immediate action cannot be taken in the Council Meeting. The Chair of the meeting reserves the right to organize public comments by topic and may group speakers accordingly. If action is necessary, the item will be listed on a future agenda; however, the Council may elect to discuss the item if it is an immediate matter of concern. *Public comments can be submitted ahead of time to pams@vineyardutah.org.*

3. BUSINESS ITEMS

3.1. Municipal Alternate Voting Methods Pilot Project (also known as Ranked Choice Voting)

City Recorder Pamela Spencer will present a request to continue the use of the Municipal Alternate Voting Methods Pilot Project (also known as Ranked Choice Voting).

The mayor and City Council will act to adopt (or deny) this request by resolution.

3.2. Bond Parameters Resolution (Resolution 2025-15)

David Robertson with Lewis Robertson and Burningham will present a resolution authorizing the issuance and sale of not more than \$35,000,000 aggregate principal amount of Vineyard City, Utah Sales and Franchise Tax Revenue Bonds, series 2025; and related matters. The mayor and City Council will act to adopt (or deny) this request by resolution and set a public hearing for May 14, 2025.

4. CLOSED SESSION

The Mayor and City Council pursuant to Utah Code 52-4-205 may vote to go into a closed session for the purpose of (these are just a few of the items listed, see Utah Code 52-4-205 for the entire list):

- a discussion of the character, professional competence, or physical or mental health of an individual
- b strategy sessions to discuss collective bargaining
- c strategy sessions to discuss pending or reasonably imminent litigation
- d strategy sessions to discuss the purchase, exchange, or lease of real property, including any form of a water right or water shares
- e strategy sessions to discuss the sale of real property, including any form of a water right or water shares
- f discussion regarding deployment of security personnel, devices, or systems
- g the purpose of considering information that is designated as a trade secret, as defined in Section [13-24-2](#), if the public body's consideration of the information is necessary in order to properly conduct a procurement under [Title 63G, Chapter 6a, Utah Procurement Code](#)

5. ADJOURNMENT

The next regularly scheduled meeting is on April 23 2025.

This meeting may be held in a way that will allow a councilmember to participate electronically.

The public is invited to participate in all City Council meetings. In compliance with the Americans with Disabilities Act, individuals needing special accommodations during this meeting should notify the City Recorder at least 24 hours prior to the meeting by calling (385) 338-5183.

I, the undersigned Deputy City Recorder for Vineyard, Utah, hereby certify that the foregoing notice and agenda was posted at Vineyard City Hall, on the Vineyard City and Utah Public Notice websites, and delivered electronically to staff and to each member of the Governing Body.

AGENDA NOTICING COMPLETED ON:

April 1, 2025

CERTIFIED (NOTICED) BY:

/s/ Tony Lara

TONY LARA, DEPUTY CITY RECORDER



VINEYARD CITY COUNCIL STAFF REPORT

Meeting Date: April 3, 2025

Agenda Item: Municipal Alternate Voting Methods Pilot Project (also known as Ranked Choice Voting)

Department: Recorder/Elections Officer

Presenter: Pamela Spencer

Background/Discussion:

In 2018, the Utah State Legislature passed HB 35 Municipal Alternate Voting Methods Pilot Project that established a pilot project in which cities could use instant runoff voting, also known as ranked choice voting (RCV).

The City Council voted in 2019, 2021, and 2023 to run the Municipal Elections using the ranked choice voting method.

On March 26, 2025, the City Council heard presentations on the Municipal Alternate Voting Methods Pilot Project where it was explained that RCV was a better option than plurality (traditional) voting.

As of today, this is the final election cycle for the Municipal Alternate Voting Methods Pilot Project and staff would like to continue the use of RCV.

Fiscal Impact:

Using the Ranked choice voting method allows the city to bypass the Primary Election and only hold the General Election. This saves the city half the cost to run the election. The cost of running would be approximately \$20,000.

Recommendation:

Staff are recommending that the City Council approve the use of Municipal Alternate Voting Methods Pilot Project (ranked choice) for the 2025 Municipal Elections.

Sample Motion:

"I move to adopt Resolution 2025-14, approving the city of Vineyard, Utah to participate in the Municipal Alternate Voting Methods Pilot Project for the 2023 Municipal Elections."

Attachments:

1. RES 2025-14

RESOLUTION NO. 2025-14

**A RESOLUTION REQUESTING INCLUSION OF
VINEYARD, UTAH IN THE MUNICIPAL ALTERNATE
VOTING METHODS PILOT PROJECT**

WHEREAS, the State of Utah by its General Assembly has made available a pilot project for participation in the alternate voting methods for municipal elections beginning January 1, 2019, and ending on January 1, 2026; and

WHEREAS, House Bill 35 was passed during the 2018 General Session allowing municipalities to conduct nonpartisan races using instant runoff voting in accordance with the requirements of 20A-4 of the Utah Code and all other applicable provisions of law, during any odd-numbered year that the pilot project is in effect (as amended); and

WHEREAS, in accordance with 20A-4-602(3)(a) of the Utah Code, a resolution must be passed each election year because a resolution for the last election cycle is not valid for the purpose of submitting notification to the Lieutenant Governor;

WHEREAS, on April 3, 2025, the Vineyard City Council held a duly noticed public meeting to discuss and ascertain the facts regarding this matter, which facts and comments are found in the meeting record; and,

WHEREAS, the Vineyard City Council voted to provide written notice to the Lieutenant Governor stating that the municipality intended to participate in the pilot project for the 2025 election year, which document included a statement signed by the election officer of the municipality, stating that the municipality had the resources and capability necessary to participate in the pilot project; and

WHEREAS, the Vineyard City Council finds that it would be in the best interest of the city of Vineyard and its citizens to hold its 2025 Municipal General Election by instant runoff voting.

NOW, THEREFORE BE IT RESOLVED that the Vineyard City Council adopts instant runoff voting for the 2025 Municipal General Election and that by this resolution, gives notice to the Lieutenant Governor to enter the Municipal Alternate Voting Methods Pilot Project for its 2025 Municipal Elections.

Approved and adopted by the Vineyard City Council on this 3rd day of April 2025.

Attest:

Julie Fullmer, Mayor

Tony Lara, Deputy Recorder



VINEYARD CITY COUNCIL STAFF REPORT

Meeting Date: April 3, 2025

Agenda Item: Bond Parameters Resolution (Resolution 2025-15)

Department: Administration

Presenter: David Robertson

Background/Discussion:

Vineyard City intends to finance the acquisition, construction, equipping, and improvement of the Vineyard Center -- a multi-use building that will house Vineyard City Offices, the Mountainland Association of Governments ("MAG"). The building will be located on Block 10A of the Utah City Development, with direct access to the promenade that will enable a dynamic ground-floor community space.

To that end, the City proposes to issue Sales and Franchise Tax Revenue Bonds in an aggregate principal amount not to exceed \$35,000,000 (the "Series 2025 Bonds"), pursuant to the Utah Local Government Bonding Act and the Revenue Bond Act. The Parameters Resolution authorizes designated officers of the City to finalize the terms of the Bonds within specific limitations.

Public Notice and Hearing: As required by law, a public hearing on the Bonds and the proposed Project will be held on May 14, 2025, at Vineyard City Hall. A Notice of Public Hearing and Bonds to Be Issued will be published in compliance with the Local Government Bonding Act and the Utah Public Notice requirements.

Legal Review: The Resolution and related documents have been reviewed by Bond Counsel (Gilmore Bell) and are approved as to form by the City Attorney. Execution of the final documents will remain subject to legal review and final City Council authorization.

Fiscal Impact:

Fiscal Impact: The Parameters Resolution sets the following maximums for the Series 2025 Bonds:

- Principal Amount: Not to exceed \$35,000,000
- Term: Not to exceed 35 years
- Interest Rate: Not to exceed 6.00% per annum
- Discount: Not to exceed 3% from par

The resolution delegates authority to certain City officials to determine the final terms of the Bonds within these parameters, subject to final Council approval.

The Series 2025 Bonds are **special limited obligations** of the City and **will not obligate any property taxes**. The Bonds will be payable solely from legally available sales tax and municipal

energy/franchise tax revenues pledged for repayment, as defined in the Indenture. The Bonds **do not** constitute a general obligation of the City and do not constitute a debt or pledge of the City's full faith and credit or taxing power.

Repayment of the Series 2025 Bonds will be made solely from pledged sales and franchise tax revenues and will not involve the City's property tax revenues. Based on current market conditions and financing assumptions, the total debt service cost (principal and interest) over the life of the Bonds is projected to be set up with a ramped payment schedule to best reflect projected population and commercial growth over the life of the bond. A more precise estimate will be provided at the time the Bonds are priced and a final Certificate of Award is executed.

The City is not currently obligated on any other bonds secured by these pledged revenues, which provides sufficient capacity for repayment. The financing structure is designed to maintain long-term financial sustainability and avoid undue burden on current or future operating budgets.

Recommendation:

Recommendation: Adopt the Parameters Resolution as presented to proceed with the issuance of the Series 2025 Bonds, subject to the stated terms, limitations, and further Council approval.

Sample Motion:

"I move to adopt Resolution 2025-15, as presented."

Attachments:

1. Parameters Resolution - Vineyard Sales and Franchise Tax Bonds 2025

NOTICE OF SPECIAL MEETING

TO THE MEMBERS OF THE CITY COUNCIL OF VINEYARD CITY, UTAH:

NOTICE IS HEREBY GIVEN that a special meeting of the City Council of Vineyard City, Utah (the “City”) will be held at the City Council’s regular meeting place at 6:00 p.m. on April 3, 2025, for the purpose of considering a resolution authorizing the issuance of the City’s Sales Tax and Franchise Tax Revenue Bonds, Series 2025, in a total principal amount of not more than \$35,000,000, and related matters, and for the transaction of such other business incidental to the foregoing as may come before said meeting.

City Recorder

ACKNOWLEDGMENT OF NOTICE AND CONSENT TO SPECIAL MEETING

We, the Mayor and Councilmembers of the City, 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 in said notice, and to the transaction of any and all business which may come before said meeting.

Mayor

Councilmember

Councilmember

Councilmember

Councilmember

Vineyard, Utah

April 3, 2025

The City Council (the “Council”) of Vineyard City, Utah (the “Issuer”), met in special public session at the regular meeting place of the Council in Vineyard City, Utah, on Thursday, April 3, 2025, at the hour of 6:00 p.m., with the following members of the Council being present:

Julie Fullmer	Mayor
Sara Cameron	Councilmember
Brett Clawson	Councilmember
Jacob Holdaway	Councilmember
Mardi Sifuentes	Councilmember

Also present:

Eric Ellis	City Manager
Pamela Spencer	City Recorder

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the City Recorder presented to the Council a Certificate of Compliance with Open Meeting Law with respect to this April 3, 2025, 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 Councilmember _____ and seconded by Councilmember _____, was adopted by the following vote:

AYE:

NAY:

The resolution is as follows:

RESOLUTION NO. 2025-15

A RESOLUTION OF THE CITY COUNCIL OF VINEYARD CITY, UTAH (THE “ISSUER”), AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN \$35,000,000 AGGREGATE PRINCIPAL AMOUNT OF SALES AND FRANCHISE TAX REVENUE BONDS, SERIES 2025; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE BONDS MAY BE SOLD; DELEGATING TO CERTAIN OFFICERS OF THE ISSUER THE AUTHORITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE BONDS WITHIN THE PARAMETERS SET FORTH HEREIN, SUBJECT TO FINAL APPROVAL BY THE COUNCIL; PROVIDING FOR THE PUBLICATION OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD AND SETTING OF A PUBLIC HEARING DATE; AUTHORIZING AND APPROVING THE EXECUTION OF A GENERAL INDENTURE AND SUPPLEMENTAL INDENTURE, A BOND PURCHASE AGREEMENT, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; APPROVING AN OFFICIAL STATEMENT; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the City Council (the “Council”) of the Issuer desires to (a) finance all or a portion of acquisition, construction, equipping and improvement of a building for use by the Issuer and any lessees (the “Series 2025 Project”), (b) fund any necessary debt service reserve fund, (c) pay any capitalized interest, and (d) pay costs of issuance with respect to the Series 2025 Bonds herein described; and

WHEREAS, to accomplish the purposes set forth in the preceding recital, and subject to the limitations set forth herein, the Issuer desires to issue its Sales and Franchise Tax Revenue Bonds, Series 2025 (the “Series 2025 Bonds”) (to be issued from time to time as one or more series and with such other series or title designation(s) as may be determined by the Issuer), pursuant to (a) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Act”), (b) this Resolution, and (c) a General Indenture of Trust (the “General Indenture”), and a Supplemental Indenture (the “Supplemental Indenture” and together with the General Indenture, the “Indenture”), with such Indenture in substantially the form presented to the meeting at which this Resolution was adopted and which is attached hereto as Exhibit C; and

WHEREAS, the Act provides that prior to issuing bonds, an issuing entity must (a) give notice of its intent to issue such bonds and (b) hold a public hearing to receive input from the public with respect to (i) the issuance of the bonds and (ii) the potential economic impact that the improvement, facility or property for which the bonds pay all or part of the cost will have on the private sector; and

WHEREAS, the Issuer desires to call a public hearing for this purpose and to publish a notice of such hearing with respect to the Series 2025 Bonds, including a notice of bonds to be issued, in compliance with the Act; and

WHEREAS, there has been presented to the Council at this meeting a form of a bond purchase agreement (the “Bond Purchase Agreement”), in substantially the form attached hereto as Exhibit D to be entered into between the Issuer and the underwriter or the purchaser (the “Underwriter/Purchaser”) selected by the Issuer for any portion of the Series 2025 Bonds in the event that the Series 2025 Bonds are not sold pursuant to a public bid with an official notice of bond sale or similar document; and

WHEREAS, in the event that the Designated Officers determine that it is in the best interests of the Issuer to publicly offer all or any portion of the Series 2025 Bonds, the Issuer desires to (a) authorize the use and distribution of a Preliminary Official Statement (the “Preliminary Official Statement”), and to approve a final Official Statement (the “Official Statement”) in substantially the form attached hereto as Exhibit F, and (b) approve and authorize a Continuing Disclosure Undertaking (the “Continuing Disclosure Undertaking”), in substantially the form attached hereto as Exhibit G, which provides for the disclosure by the Issuer of certain annual financial information with respect to the Issuer and the Series 2025 Bonds, for the purpose of enabling the Underwriter to comply with Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934; and

WHEREAS, in order to allow the Issuer (with the consultation and approval of LRB Public Finance Advisors, Inc., acting as the Issuer’s municipal advisor (the “Municipal Advisor”) flexibility in setting the pricing date of the Series 2025 Bonds to optimize debt service costs to the Issuer, the Council desires to grant to any one of the Mayor (including his/her designee or any Mayor pro tem), any Councilmember, or the City Manager of the Issuer (the “Designated Officer”) the authority to (a) determine whether all or a portion of the Series 2025 Bonds should be sold pursuant to a private placement or a public offering (including via a negotiated underwriting or public bid); (b) approve the principal amounts, interest rates, terms, pledged revenues, maturities, redemption features, and purchase price at which the Series 2025 Bonds shall be sold; and (c) make any changes with respect thereto from those terms which were before the Council at the time of adoption of this Resolution, provided such terms do not exceed the parameters set forth for such terms in this Resolution (the “Parameters”);

NOW, THEREFORE, it is hereby resolved by the City Council of Vineyard City, Utah, as follows:

Section 1. For the purpose of (a) financing the Series 2025 Project; (b) funding a deposit to a debt service reserve fund, if necessary; (c) paying capitalized interest; and (d) paying costs of issuance of the Series 2025 Bonds, the Issuer hereby authorizes the issuance of the Series 2025 Bonds which shall be designated “Vineyard City, Utah Sales and Franchise Tax Revenue Bonds, Series 2025” (to be issued from time to time as one or more series and with such other series or title designation as may be determined by the Issuer) in the initial aggregate principal amount of not to exceed Thirty-Five Million Dollars (\$35,000,000). The Series 2025 Bonds shall mature in not more than thirty-five (35) years from their date or dates, shall be sold at a price not less than ninety-seven (97%) of the total principal amount thereof, shall bear interest at a rate or

rates not to exceed six percent (6.00%) per annum, as shall be approved by of the Designated Officer, all within the Parameters set forth herein, and subject to final approval by the Council. The issuance of the Series 2025 Bonds shall be subject to the final approval of Bond Counsel and to the approval of the City Attorney for the Issuer, and subject to the final approval of the Council.

Section 2. The Designated Officers are hereby authorized to specify and agree as to the method of sale, the final principal amounts, including the principal amounts to issued as tax-exempt or taxable, if applicable, terms, pledged revenues, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2025 Bonds for and on behalf of the Issuer, provided that such terms are within the Parameters set by this Resolution. The Designated Officers are hereby authorized to select the Underwriter/Purchaser. The selection of the method of sale via a private placement, negotiated underwriting, or competitive sale, the selection of the Underwriter/Purchaser and the determination of the final terms and redemption provisions for the Series 2025 Bonds by the Designated Officers shall be evidenced by the execution of a Certificate of Award (the “Certificate of Award”) in substantially the form attached hereto as Exhibit E in the case where the Series 2025 Bonds are sold at a competitive sale or the Bond Purchase Agreement if the Series 2025 Bonds are sold at a private or negotiated underwriting sale in substantially the form attached hereto as Exhibit D. The form of the Certificate of Award and of the Bond Purchase Agreement are hereby authorized, approved and confirmed.

Section 3. The Indenture and the Bond Purchase Agreement, in substantially the forms presented to this meeting and attached hereto as Exhibit C and Exhibit D respectively, are hereby authorized, approved, and confirmed. The Mayor and City Recorder are hereby authorized to execute and deliver the Indenture and the Designated Officer is hereby authorized to execute and deliver the Bond Purchase Agreement. Each such document in substantially the forms and with substantially the content as the forms presented at this meeting for and on behalf of the Issuer, 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 6 hereof. The Designated Officer is hereby authorized to select the Underwriter/Purchaser and to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2025 Bonds for and on behalf of the Issuer, provided that such terms are within the Parameters set by this Resolution.

Section 4. The City hereby approves and authorizes the utilization of the Preliminary Official Statement in substantially the form attached hereto as Exhibit F in the marketing of the Series 2025 Bonds (as appropriate) and hereby approves the Official Statement in substantially the same form as the Preliminary Official Statement, with any necessary revisions and insertions to complete the same with the terms established for the Series 2025 Bonds.

Section 5. The Continuing Disclosure Undertaking, in substantially the form presented at this meeting and attached hereto as Exhibit G, is hereby authorized, approved, and confirmed. The Mayor and the City Recorder are hereby authorized to execute and deliver the Continuing Disclosure Undertaking, in substantially the form and with substantially the content as the form presented at this meeting for and on behalf of the City, with final terms as may be established by a Designated Officer, in consultation with the municipal advisor, and with such alterations, changes or additions as may be necessary or as may be authorized by Section 6 hereof.

Section 6. The Designated Officer and other appropriate officials of the Issuer are authorized to make any alterations, changes or additions to the Indenture, the Series 2025 Bonds, the Bond Purchase Agreement, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2025 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 Council or the provisions of the laws of the State of Utah or the United States.

Section 7. The form, terms, and provisions of the Series 2025 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Mayor (the “Mayor”) or the City Recorder (the “City Recorder”) are hereby authorized and directed to execute and seal the Series 2025 Bonds and to deliver said Series 2025 Bonds to the Trustee for authentication. The signatures of the Mayor and the City Recorder may be by facsimile or manual execution. The Series 2025 Bonds shall recite that the Series 2025 Bonds are issued under the authority of the Constitution of the State of Utah, the Act, and other applicable law.

Section 8. The Designated Officer and other appropriate officials of the Issuer are hereby authorized and directed to execute and deliver to the Trustee the written order of the Issuer for authentication and delivery of the Series 2025 Bonds in accordance with the provisions of the Indenture.

Section 9. Upon their issuance, the Series 2025 Bonds will constitute special limited obligations of the Issuer payable solely from and to the extent of the sources set forth in the Series 2025 Bonds and the Indenture. No provision of this Resolution, the Indenture, the Series 2025 Bonds, or any other instrument, shall be construed as creating a general obligation of the Issuer, 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 Issuer or its taxing powers.

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

Section 11. After the Series 2025 Bonds are delivered by the Trustee to the Underwriter/Purchaser, and upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the principal of, premium, if any, and interest on the Series 2025 Bonds are deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 12. In accordance with the provisions of the Act, the Issuer directs its officers and staff to cause a “Notice of Public Hearing and Bonds to be Issued” (the “Notice”), to be published in substantially the form attached hereto as Exhibit B. The Issuer shall hold a public hearing on May 14, 2025, to receive input from the public with respect to the issuance of the Series

2025 Bonds and the potential economic impact that the improvements to be financed with the proceeds of the Series 2025 Bonds will have on the private sector, which hearing date shall not be less than fourteen (14) days after the Notice is published (a) as a Class A notice under Section 63G-30-102 Utah Code Annotated 1953, as amended (“Utah Code”) (i) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code, (ii) on the Issuer’s official website, and (iii) in a public location within the Issuer that is reasonably likely to be seen by residents of the Issuer and (b) as required in Section 45-1-101, Utah Code. The City Recorder shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the office of the City Recorder, for public examination during the regular business hours of the Issuer until at least thirty (30) days from and after the initial date of publication thereof.

Section 13. The Issuer hereby reserves the right to opt not to issue the Series 2025 Bonds for any reason.

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

Section 15. The Issuer hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds to reimburse itself for initial expenditures for costs of the Series 2025 Project. The Series 2025 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 2025 Bonds which will be issued to finance the reimbursed costs of the Project is not expected to exceed \$35,000,000.

APPROVED AND ADOPTED this April 3, 2025.

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Recorder

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

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

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Recorder

STATE OF UTAH)
 : ss.
COUNTY OF UTAH)

I, Pamela Spencer, the duly appointed and qualified City Recorder of Vineyard City, Utah (the “City”), do hereby certify according to the records of the City Council of the City (the “Council”) in my official possession that the foregoing constitutes a true and correct excerpt of the minutes of the meeting of the City Council held on April 3, 2025, 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 April 3, 2025, and pursuant to the Resolution, a Notice of Public Hearing and Bonds to be Issued was published no less than fourteen (14) days before the public hearing date (a) as a Class A notice under Section 63G-30-102 Utah Code Annotated 1953, as amended (“Utah Code”) (i) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code, (ii) on the Issuer’s official website, and (iii) in a public location within the Issuer that is reasonably likely to be seen by residents of the Issuer and (b) as required by Section 45-1-101, Utah Code.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of said City, this April 3, 2025.

(SEAL)

By: _____
City Recorder

To Be Attached (when available) -- Proof of Publication of Notice of Public Hearing and Bonds to be Issued

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH
OPEN MEETING LAW

I, Pamela Spencer, the undersigned City Recorder of Vineyard City, Utah (the “Issuer”), do hereby certify, according to the records of the Issuer 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 (“Utah Code”), I gave not less than twenty-four (24) hours public notice (the “Notice”) of the agenda, date, time and place of the April 3, 2025, public meeting held by the City Council of the Issuer (the “Council”), by causing the Notice, in the form attached hereto as Schedule 1,

(i) to be posted at the Issuer’s principal offices at least twenty-four (24) hours prior to the convening of the meeting, said Notice having continuously remained so posted and available for public inspection until the completion of the meeting;

(ii) to be posted to the Utah Public Notice Website (<http://pmn.utah.gov>) at least twenty-four (24) hours prior to the convening of the meeting; and

(iii) to be posted on the Issuer’s official website at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2025 Annual Meeting Schedule for the Council (attached hereto as Schedule 2) was given specifying the date, time and place of the regular meetings of the Council to be held during the year, by causing said Notice to be posted at least annually (a) on the Utah Public Notice Website, (b) on the Issuer’s official website, and (c) in a public location within the Issuer that is reasonably likely to be seen by residents of the Issuer.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this April 3, 2025.

(SEAL)

By: _____
City Recorder

SCHEDULE 1 -- NOTICE OF MEETING
SCHEDULE 2 -- ANNUAL MEETING SCHEDULE

EXHIBIT B

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Act”), that on April 3, 2025, the City Council (the “Council”) of Vineyard City, Utah (the “Issuer”), adopted a resolution (the “Resolution”) in which it authorized the issuance of the Issuer’s Sales and Franchise Tax Revenue Bonds, Series 2025 (the “Series 2025 Bonds”) (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Issuer), and called a public hearing to receive input from the public with respect to (a) the issuance of that portion of the Series 2025 Bonds issued under the Act and (b) any potential economic impact that the Project described herein to be financed with the proceeds of the Series 2025 Bonds issued under the Act may have on the private sector.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Issuer shall hold a public hearing on May 14, 2025, at the hour of 6:00 p.m. at the Vineyard City Hall, 125 South Main Street, Vineyard City, Utah. The purpose of the hearing is to receive input from the public with respect to (a) the issuance of that portion of the Series 2025 Bonds issued under the Act and (b) any potential economic impact that the Project to be financed with the proceeds of that portion of the Series 2025 Bonds issued under the Act may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING THE SERIES 2025 BONDS

The Series 2025 Bonds will be issued for the purpose of (a) acquisition, construction, equipping and improvement of a building for use by the Issuer and any lessees (the “Project”); (b) funding any debt service reserve funds, as necessary; (c) paying any capitalized interest; and (d) paying costs of issuance of the Series 2025 Bonds.

PARAMETERS OF THE SERIES 2025 BONDS

The Issuer intends to issue the Series 2025 Bonds in the aggregate principal amount of not more than Thirty-Five Million Dollars (\$35,000,000), to mature in not more than thirty-five (35) years from their date or dates, to be sold at a price not less than ninety-seven percent (97%) of the total principal amount thereof, and bearing interest at a rate or rates not to exceed six percent (6.00%) per annum. The Series 2025 Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a General and a Supplemental Indenture (together, the “Indenture”) which were before the Council in substantially final form at the time of the adoption of the Resolution and said Indenture is to be executed by the Issuer in such form and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Series 2025 Bonds will not exceed the maximums set forth above. The Issuer reserves the right to not issue the Series 2025 Bonds for any reason and at any time up to the issuance of the Series 2025 Bonds.

REVENUES PROPOSED TO BE PLEDGED

The Issuer proposes to pledge all or any portion of the revenues produced by sales taxes and municipal energy tax revenues collected by the Issuer and legally permitted to be used for the Project (the “Revenues”).

OUTSTANDING BONDS SECURED BY PLEDGED REVENUES

The Issuer currently has no bonds outstanding secured by the Revenues.

OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer's outstanding bonds may be found in the Issuer's financial report (the "Financial Report") at: <https://reporting.auditor.utah.gov/searchreports/s/>. For additional information, including any information more recent than as of the date of the Financial Report, please contact [Eric Ellis, City Manager, at (801) 226-1929].

TOTAL ESTIMATED COST OF BONDS

Based on the Issuer's current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Series 2025 Bonds to be issued under the Act to finance the Project, if held until maturity, is \$46,810,000.

A copy of the Resolution and the Indenture are on file in the office of the Vineyard City Recorder, 125 South Main Street, Vineyard City, Utah where they may be examined during regular business hours of the City Recorder from [8:00 a.m. 5:00 p.m. Monday through Thursday and 8:00 a.m. to 12:00 p.m. 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 or the Series 2025 Bonds, or any provision made for the security and payment of the Series 2025 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 April 3, 2025.

/s/ Pamela Spencer

City Recorder

EXHIBIT C

FORMS OF GENERAL AND SUPPLEMENTAL INDENTURE

GENERAL INDENTURE OF TRUST

Dated as of [_____] 1, 2025

between

VINEYARD CITY, UTAH

and

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

Relating to

VINEYARD CITY, UTAH

SALES AND FRANCHISE TAX REVENUE BONDS

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THIS GENERAL INDENTURE OF TRUST, dated as of [] 1, 2025, by and between VINEYARD CITY, UTAH (the “Issuer”), a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah, 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 its corporate trust office in Salt Lake City, Utah, as trustee (the “Trustee”),

W I T N E S S E T H:

WHEREAS, the Issuer desires to finance and/or refinance all or a portion of the costs of facilities, equipment and improvements for the benefit of the Issuer pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and/or the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (collectively, the “Act”); and

WHEREAS, the Issuer anticipates that the Revenues, will be sufficient to pay debt service on the Bonds issued hereunder; and

WHEREAS, the Revenues will not be pledged or hypothecated in any manner or for any purpose at the time of the issuance of the Initial Bonds (as herein defined) and the Issuer desires to pledge said Revenues toward the payment of the principal and interest on said Bonds; and;

WHEREAS, pursuant to Act, the Issuer is authorized to issue its bonds payable from a special fund into which the Revenues of the Issuer may be pledged;

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

For and in consideration of the premises, the mutual covenants of the Issuer and the Trustee, the purchase from time to time of the Bonds by the Registered Owners thereof, the issuance by the 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 Security Instrument Repayment Obligations according to their tenor and effect and of all Reserve Instrument Repayment Obligations according to their tenor and effect and the performance and observance by the Issuer of all the covenants expressed or implied herein, in the Bonds, in all Security Instrument Agreements and in all Reserve Instrument Agreements, the Issuer does hereby convey, assign and pledge unto the Trustee and unto its successors in trust forever all right, title and interest of the Issuer in and to (i) the 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 and any Supplemental 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 Repayment Obligation over any other by reason of time of issuance, sale, delivery, 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 Issuer, 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 Issuer, 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 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.

“Acquisition/Construction Fund” means the Vineyard City, Utah, Sales and Franchise Tax Revenue Acquisition/Construction Fund created in Section 3.1 hereof to be held by the Trustee and administered pursuant to Section 5.1 hereof.

“Act” means the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, each to the extent applicable.

“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.

“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 Issuer to be outstanding at any one time pursuant to such Commercial Paper Program.

“Authorized Representatives” means the Mayor, City Manager, City Recorder, or any other officer of the Issuer so designated in writing by an Authorized Representative of the Issuer to the Trustee.

“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.

“Balloon Bonds” means, unless otherwise provided in the related Supplemental Indenture, Bonds (and/or Security Instrument Repayment Obligations relating thereto), other than Bonds which mature within one year of the date of issuance thereof, 25% or more of the Principal Installments on which (a) are due or, (b) at the option of the Owner thereof may be redeemed, during any period of twelve consecutive months; provided, however, that to constitute Balloon Bonds, the Issuer must so designate such Bonds.

“Bond Fund” means the Vineyard City, Utah, Sales and Franchise Tax Revenue Bond Fund created in Section 3.3 hereof to be held by the Trustee and administered pursuant to Section 5.3 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 Issuer 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 any day (i) (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 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.

“City Recorder” means the City Recorder of the Issuer and any deputy to the City Recorder or any 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 Issuer from time to time pursuant to Article II hereof and are outstanding up to an Authorized Amount.

“Corporate Trust Office” means the designated corporate trust office of the Trustee at which, at any particular time, its corporate trust business shall be administered, which at the date of execution of this Indenture is that specified in Section 11.4.

“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 Issuer and its employees or others, materials and supplies purchased by the Issuer or others and permits and licenses obtained by the Issuer 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, fees of financial rating services and 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 Issuer 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 performed by the Issuer in anticipation of 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 Issuer 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 Issuer, including costs of contingencies for a Project; and

(o) payment to the Issuer of such amounts, if any, as shall be necessary to reimburse the Issuer in full for advances and payments theretofore made or costs theretofore incurred by the Issuer 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 Issuer’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 Issuer 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 Issuer 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 Issuer 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 Issuer's financial advisor, underwriter or similar agent with the approval of each Rating Agency, for such floating payments) to be made by the Issuer 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;

(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 30 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 Issuer'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);

(5) when calculating interest payable on Bonds that are Paired Obligations, the interest rate on such Bonds shall be the resulting linked rate or effective fixed interest rate to be paid by the Issuer with respect to such Paired Obligations; and

(6) amortization of Balloon Bonds may be assumed on a level debt service basis over a twenty-year period at the interest rate based on the Revenue Bond Index as last published in *The Bond Buyer*, provided that the full amount of Balloon Bonds shall be included in the calculation if the calculation is made within twelve (12) months of the actual maturity of such Balloon Bonds and no credit facility exists;

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

"Debt Service Reserve Fund" means the Vineyard City, Utah, Sales and Franchise Tax Revenue Debt Service Reserve Fund created in Section 3.5 hereof to be held by the Trustee and administered pursuant to Section 5.5 hereof.

“Debt Service Reserve Requirement” means with respect to each Series of Bonds issued pursuant to this Indenture, unless otherwise provided in the related Supplemental Indenture, an amount equal to the least of (i) 10% of the proceeds of such Series of Bonds determined on the basis of original principal amount (unless original issue premium or original issue discount exceeds 2% of original principal, then determined on the basis of initial purchase price to the public), (ii) the maximum annual Debt Service during any Bond Fund Year for such Series of Bonds, and (iii) 125% of the average annual Debt Service for such Series of Bonds; provided, however, that in the event any Series of Additional Bonds is issued to refund only a portion and not all of the then Outstanding Bonds of any other Series of Bonds issued pursuant to the Indenture, then the portion of such Series of Bonds that remain Outstanding immediately after the issuance of such Additional Bonds and the portion of such Additional Bonds that is allocable to the refunding of such Series of Bonds may be combined and treated as a single Series for purpose of determining the Debt Service Reserve Requirement relating to such combined Series and the resulting requirement shall be allocated among the two Series pro rata based upon the total principal amount remaining Outstanding for each Series. The Debt Service Reserve Requirement may be funded by proceeds from the sale of such Series of Bonds, by a Reserve Instrument as herein provided or, if provided in the related Supplemental Indenture, may be accumulated over time. 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 Issuer from the Internal Revenue Service pursuant to Section 6431 of the Code or other substantially similar programs with respect to Bonds issued hereunder.

“Direct Payment Bonds” means the interest subsidy bonds issuable by the Issuer 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.

“Franchise Tax Revenues” means all legally available municipal energy sales tax revenues received by the Issuer pursuant to Title 10, Chapter 1, Part 3, Utah Code Annotated 1953, as amended.

“Governing Body” means the City Council of the Issuer.

“Government Obligations” means solely 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 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 Issuer 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 Issuer 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.

“Issuer” means Vineyard City, Utah, and its successors.

“Mayor” means the Mayor of the Issuer and any deputy to the Mayor, Mayor *pro tem*, or any successor to the duties of such office.

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

“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.

“Paying Agent” means the Trustee, appointed as the initial paying agent for the Bonds pursuant to Sections 6.6 and 11.5 hereof, and any additional or successor paying agent appointed pursuant hereto.

“Paired Obligations” means any Series (or portion thereof) of Bonds designated as Paired Obligations in the Supplemental Indenture authorizing the issuance or incurrence thereof, which are simultaneously issued or incurred (i) the Principal of which is of equal amount maturing and to be redeemed (or cancelled after acquisition thereof) on the same dates and in the same amounts, and (ii) the interest rates of which, when taken together, result in an irrevocably fixed interest rate obligation of the Issuer for the terms of such Bonds.

“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.

“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 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” means the acquisition, construction, and/or improvement of capital facilities, equipment and/or improvements financed or refinanced with a Series of Bonds that qualifies as an appropriate use for the Revenues.

“Put Bond” means any Bond which is part of a Series of Bonds which is subject to purchase by the Issuer, its agent or a third party from the Owner of the Bond pursuant to provisions of the Supplemental Indenture authorizing the issuance of the 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 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, 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 Issuer. If any such Rating Agency ceases to act as a securities rating agency, the Issuer 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 Vineyard City, Utah, Sales and Franchise Tax Revenue Rebate Fund created in Section 3.7 hereof to be held by the Trustee and administered pursuant to Section 5.7 hereof.

“Register” means the record of ownership of the Bonds maintained by the Registrar.

“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, 6.5 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 of the month immediately preceding each Interest Payment Date.

“Regulations” and all references thereto shall mean and include 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 a remarketing agent or commercial paper dealer appointed by the Issuer 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 Issuer 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 Vineyard City, Utah, Sales and Franchise Tax Revenue Reserve Instrument Fund created in Section 3.6 hereof to be held by the Trustee and administered pursuant to Section 5.6 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 Issuer under such Reserve Instrument Agreement (including the Supplemental Indenture authorizing the use of such Reserve Instrument) to repay the Reserve Instrument Provider for payments previously made by it pursuant to a Reserve Instrument. There shall not be included in the calculation of Reserve Instrument Repayment Obligations any Reserve Instrument Costs.

“Revenue Fund” means the Vineyard City, Utah, Sales and Franchise Tax Revenue Fund created in Section 3.2 hereof to be held by the Issuer and administered pursuant to Section 5.2 hereof.

“Revenues” means the Sales Tax Revenues, the Franchise Tax Revenues, and any Direct Payments.

“S&P” means S&P Global Ratings.

“Sales Tax Revenues” means all sales tax revenues received by the Issuer pursuant to Title 59, Chapter 12, Part 2 of the Utah Code.

“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 Issuer 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 Issuer 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 Vineyard City, Utah, Sales and Franchise Tax Revenue Sinking Fund Account of the Bond Fund created in Section 3.4 hereof to be held by the Trustee and administered pursuant to Section 5.4 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 indenture between the Issuer 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 Issuer. 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 Issuer by the Swap Counterparty. Swap Receipts do not include amounts received with respect to the early termination or modification of an Interest Rate Swap.

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

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

“Trustee” means U.S. Bank Trust Company, National Association, 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.

“Year” means any twelve-consecutive-month period.

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 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 Issuer 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 Issuer 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, delivery, 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 “[Taxable] Sales and Franchise Tax Revenue [Refunding] Bonds, Series _____,” in each case inserting the year in which the Bonds are issued and, if necessary, an identifying Series letter.

(c) Both the principal of and the interest on the Bonds shall be payable in lawful money of the United States of America. Payment of the interest on any Bond shall be made to the person appearing on the Bond registration books of the Registrar hereinafter provided for as the Registered Owner thereof by check or draft mailed on the Interest Payment Date to the Registered Owner at his address as it appears on such registration books or to owners of \$1,000,000 or more in aggregate principal amount of Bonds (or owners of 100% of any

Series then Outstanding) by wire transfer to a bank account located in the United States 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 will 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 or as provided in Section 2.6 hereof at the 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 Issuer with the manual or official facsimile signature of its Mayor, countersigned with the manual or official facsimile signature of the City Recorder, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Issuer. 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 Issuer payable solely from the Revenues (except to the extent paid out of moneys attributable to the Bond proceeds or other funds created hereunder and held by the Trustee (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 Revenues and other moneys in funds and accounts held by the Trustee hereunder (except the Rebate Fund) and the Issuer hereby pledges and assigns the same for the equal and ratable payment of the Bonds and all Repayment Obligations, and the 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 Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment.

The provisions of this Section 2.3 relating to the execution of Bonds may be changed as they apply to the Bonds of any Series by the Supplemental Indenture authorizing such Series of Bonds.

Section 2.4 Authentication and Delivery of Bonds.

(a) The Issuer 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 Issuer to the purchasers thereof (or hold them on their behalf) upon the payment by the purchasers to the Trustee for the account of the Issuer of the purchase price therefor. 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 thereof. 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, duly certified by the City Recorder, 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 City Recorder, of the proceedings of the Issuer's Governing Body approving the execution and delivery of the instruments specified in Section 2.4(c)(i) herein 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 City Recorder that such proceedings are still in force and effect without amendments except as shown in such proceedings.

(iii) A request and authorization to the Trustee of the Issuer 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 Issuer, of the sum specified therein.

(iv) An opinion of bond counsel dated the date of authentication of such Series of Bonds substantially to the effect that (a) the Issuer has authorized the execution and delivery of this Indenture and this Indenture has been duly executed

and delivered by the Issuer and is a valid and binding obligation of the Issuer; (b) this Indenture creates a valid pledge on the Revenues; and (c) the Bonds of such Series are valid and binding special obligations of the Issuer, entitled to the benefits and security hereof, provided that such opinion may contain limitations acceptable to the purchaser of such Series of Bonds.

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

(e) The Issuer 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 Issuer may authorize by Supplemental Indenture the issuance of Put Bonds; provided that any obligation of the Issuer to pay the purchase price of any such Put Bonds shall not be secured by a pledge of Revenues on a parity with the pledge contained in Section 6.2 hereof. The Issuer may provide for the appointment of such Remarketing Agents, indexing agents, tender agents or other agents as the Issuer may determine.

(g) The Issuer may include such provisions in a Supplemental Indenture authorizing the issuance of a Series of Bonds secured by a Security Instrument as the Issuer 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.

(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 Issuer 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.

(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 Issuer may provide for the execution of an Interest Rate Swap in connection with any Series of Bonds issued hereunder if so provided in the Supplemental Indenture. The obligation of the Issuer to pay Swap Payments may be secured with (a) a

lien on the Revenues on a parity with the lien thereon of Debt Service on the related Bonds (as more fully described in Section 5.2 herein) and may be net of Swap Receipts or (b) a subordinate lien on the Revenues and may be net of Swap Receipts. Such obligations may also be secured by other legally available moneys of the Issuer, 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 Issuer 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, or an affidavit of an officer of the Bondholder attesting to such loss, theft or destruction, together in all cases with indemnity satisfactory to the Trustee and the Issuer. 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 Issuer.

Section 2.6 Registration of Bonds; Persons Treated as Owners. The Issuer 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 Issuer with respect to the Bonds, provided, however, that the Issuer 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 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 Issuer 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 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 Issuer 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 Issuer 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 Issuer, 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 Issuer, 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 Issuer 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 Issuer. 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 hereof, to be redeemed shall be selected by the Trustee randomly 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, to the Municipal Securities Rulemaking Board 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. Such further notice shall contain the information required in clause (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 Issuer 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 Issuer 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 Issuer, 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 Issuer, 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 Issuer 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 five 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 Issuer 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 Issuer, and the Registered Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid, and the Issuer 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 Issuer secured by a pledge of the Revenues or any portion thereof senior to the pledge of the 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 Issuer payable on a parity with the Bonds and the Security Instrument Repayment Obligations herein authorized out of 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 (i) the Revenues for any Year for any consecutive 12-month period in the 24 months immediately preceding the proposed date of issuance of such Additional Bonds were at least equal to [150%] of the sum of the maximum Aggregate Annual Debt Service Requirement on all Bonds outstanding for said Year and (ii) verifying that the Revenues are at least equal to [150%] of the sum of the maximum Aggregate Annual Debt Service Requirement for each of such Bond Fund Years with respect to all of the Bonds and Additional Bonds which would then be Outstanding (after taking into account any Principal reductions resulting from regularly scheduled Principal or sinking fund redemption payments) and the Additional Bonds so proposed to be issued.

The revenue coverage test set forth in this Subsection (b) 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 of the Issuer (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 Revenues to secure payment of the Bonds and other Repayment Obligations hereunder, the 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 Issuer from issuing, if and to the extent permitted by law, indebtedness having a lien on Revenues subordinate to that of the Bonds and Repayment Obligations.

Section 2.16 Perfection of Security Interest. (a) The Indenture creates a valid and binding pledge and assignment of security interest in all of the Revenues pledged under the Indenture 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 have priority as against all parties having claims of any kind in tort, contract, or otherwise hereafter imposed on the Revenues.

ARTICLE III

CREATION OF FUNDS AND ACCOUNTS

Section 3.1 Creation of Acquisition/Construction Fund. There is hereby created and ordered established in the custody of the Trustee the Acquisition/Construction Fund. There is hereby created and ordered established in the custody of the Trustee a separate account within the Acquisition/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 Issuer for deposit in the Acquisition/Construction Fund.

Section 3.2 Creation of Revenue Fund. The Issuer shall create and establish with the Issuer the Revenue Fund. For accounting purposes, the Revenue Fund may be redesignated by different account names by the Issuer from time to time.

Section 3.3 Creation of Bond Fund. There is hereby created and ordered established in the custody of the Trustee the Bond Fund.

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

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

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

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

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

ARTICLE IV

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 V

USE OF FUNDS

Section 5.1 Use of Acquisition/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 Acquisition/Construction Fund shall be disbursed by the Trustee to pay the Costs of a Project, in each case within three Business Days (or within such longer period as is reasonably required to liquidate investments in the Acquisition/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 Issuer 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 Issuer 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 audited, 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 Acquisition/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 Acquisition/Construction Fund or to inquire into the purposes for which disbursements are being made from the Acquisition/Construction Fund.

(c) The Issuer shall deliver to the Trustee, within 90 days after the completion of a Project, a certificate executed by an Authorized Representative of the Issuer 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 Issuer 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 Issuer 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 5.1(c) herein shall state that there is a claim or claims in controversy which create or might ripen into a lien, an Authorized Representative of the Issuer 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 Issuer shall keep and maintain adequate records pertaining to each account within the Acquisition/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 5.1, any balance remaining in the applicable account in the Acquisition/Construction Fund relating to such Project shall, as directed by an Authorized Representative of the Issuer, be deposited in the Bond Fund, to be applied, (i) toward the redemption of the Series of Bonds issued to finance such Project or (ii) to pay principal and/or interest next falling due with respect to such Series of Bonds.

Section 5.2 Application of Revenues.

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

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

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

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

(iii) one-half of the Sinking Fund Installments, if any, falling due in the current fiscal year, and in any event, an amount sufficient to pay the Sinking Fund Installments on the next succeeding Sinking Fund Installment payment date (for deposit to the Sinking Fund Account within the Bond Fund); the sum of which shall be sufficient, when added to the existing balance in the Bond Fund, to pay the principal of, premium, if any, and interest on the Bonds promptly on each such date as the same become due and payable. The foregoing provisions may be revised by a Supplemental Indenture for any Series of Bonds having other than semiannual Interest Payment Dates.

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

(i) To the extent the Debt Service Reserve Requirement, if any, is not funded with a Reserve Instrument or Instruments, (A) to the accounts in the Debt Service Reserve Fund any amounts required hereby, and by any Supplemental Indenture to accumulate therein the applicable Debt Service Reserve Requirement with respect to each Series of Bonds at the times and in the amounts provided herein, and in any Supplemental Indenture and (B) if funds shall have been withdrawn from an account in the Debt Service Reserve Fund, or any account in the Debt Service Reserve Fund is at any time funded in an amount less than the applicable Debt Service Reserve Requirement, the Issuer shall deposit Revenues in such account(s) in the Debt Service Reserve Fund sufficient in amount to restore such account(s) within one year with twelve (12) substantially equal payments

during such period (unless otherwise provided for by the Supplemental Indenture governing the applicable Debt Service Reserve Requirement); or a ratable portion (based on the amount to be transferred pursuant to Section 5.2(d)(ii) hereof) of remaining Revenues if less than the amount necessary; and

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

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

- (i) redemption of Bonds;
- (ii) refinancing, refunding, or advance refunding of any Bonds; or
- (iii) for any other lawful purpose.

Section 5.3 Use of Bond Fund. The Issuer 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 received upon the issuance of any Series of Bonds;
- (ii) all moneys payable by the Issuer as specified in Section 5.2(b) hereof;
- (iii) any amount in the Acquisition/Construction Fund to the extent required by or directed pursuant to Section 5.1(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 5.5 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 5.3 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 Issuer) and the Trustee shall keep its records accordingly.

The Issuer 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 (1) 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); (2) all agreements relating to all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations in accordance with their respective terms; and (3) the 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 Issuer.

Section 5.4 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 Issuer, 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 5.5 Use of Debt Service Reserve Fund. Except as otherwise provided in this Section 5.5 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 either 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, (ii) deposited from available 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 5.5, the Issuer is required, pursuant to Section 5.2(b) hereof and the provisions of any Supplemental Indenture, to make payments 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 Issuer shall be obligated to reinstate the Reserve Instrument as provided in Section 5.2(c)(ii) herein.

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 the Series of Bonds for which such Reserve Instrument was obtained.

The Issuer may, upon obtaining approving opinion of bond counsel to the effect that such transaction will not adversely affect the tax-exempt status of any outstanding Bonds, replace any amounts required to be on deposit in the Debt Service Reserve Fund with a Reserve Instrument.

Section 5.6 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 Issuer to pay the Reserve Instrument Repayment Obligations which are due and payable to any Reserve Instrument Provider under any applicable Reserve Instrument Agreement.

Section 5.7 Use of Rebate Fund.

(a) If it becomes necessary for the Issuer 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 Issuer's written request accompanied by the determination report, be paid by the Trustee to the Issuer.

(c) The Issuer 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 Issuer 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 Issuer shall instruct

in writing the Trustee to withdraw from the Rebate Fund and pay any rebate over to the United States. The determination of Rebateable Arbitrage made with respect to each such payment date and with respect to any withdrawal and payment to the Issuer 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 Issuer's determinations, calculations and certifications required by this Section 5.7 and the Trustee shall have no responsibility to independently make any calculations or determination or to review the Issuer's determinations, calculations and certifications required by this Section 5.7.

(d) The Trustee shall, at least 60 days prior to each Rebate Calculation Date, notify the Issuer of the requirements of this Section 5.7. By agreeing to give this notice, the Trustee assumes no responsibility whatsoever for compliance by the Issuer with the requirements of Section 148 of the Code or any successor. The Issuer 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 Issuer to comply with the requirements of said Section 148 or any successor thereof.

(e) The provisions of this Section 5.7 may be amended or deleted without Bondowner consent or notice, upon receipt by the Issuer 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 "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code or entitled to Direct Payments, if applicable.

Section 5.8 Investment of Funds. Any moneys in the Bond Fund, the Acquisition/Construction Fund, the Reserve Instrument Fund, the Rebate Fund or the Debt Service Reserve Fund shall, at the discretion and written authorization of the Issuer's Authorized Representative, 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 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 Acquisition/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 5.5 hereof. All moneys in the Revenue Fund may, at the discretion of the Issuer, be invested by the Issuer in Qualified Investments.

The Trustee shall have no liability or responsibility for any loss resulting from any investment made in accordance with the provisions of this Section 5.8. 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 Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or any other regulatory entity grant the Issuer the right to receive brokerage confirmations of the security transactions as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Issuer periodic cash transaction statements which include the detail for all investment transactions made by the Trustee hereunder.

In the event the Issuer 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 Issuer 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 and the Trustee agrees that it will take all such steps as the Issuer may require.

Section 5.9 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 Issuer 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 5.7 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 5.10 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 VI

GENERAL COVENANTS

Section 6.1 General Covenants. The Issuer hereby covenants and agrees with each and every Registered Owner of the Bonds issued hereunder, Security Instrument Issuer and Reserve Instrument Provider as follows:

(a) Pursuant to Section 11-14-307(2)(d) of the Act, while any of the Bonds remain outstanding and unpaid, or any Repayment Obligations are outstanding, the ordinance, resolution or other enactment of the Issuer imposing the taxes described in the definition of Revenues and pursuant to which said taxes are being collected, the obligation of the Issuer to continue to levy, collect, and allocate such taxes, and to apply such Revenues in accordance with the provisions of the authorizing ordinance, resolution or other enactment, shall be irrevocable until the Bonds and/or any Repayment Obligations have been paid in full as to both principal and interest, and is not subject to amendment in any manner which would impair the rights of the holders of those Bonds or Repayment Obligations which would in any way jeopardize the timely payment of principal or interest when due. The Issuer covenants to take all actions necessary to continue the Sales and Use and Franchise Taxes included in the Revenues.

(b) Each Registered Owner, Security Instrument Issuer and Reserve Instrument Provider, or any duly authorized agent or agents thereof shall have the right at all reasonable times to inspect all records, accounts and data relating to the receipt and disbursements of the Revenues. Except as otherwise provided herein, the Issuer further agrees that it will within one hundred eighty (180) days following the close of each Bond Fund Year cause an audit of such books and accounts to be made by an independent firm of certified public accountants, showing the receipts and disbursements of the Revenues, and that such audit will be available for inspection by each Registered Owner, Security Instrument Issuer and Reserve Instrument Provider

(c) While any of the principal of and interest on the Bonds are outstanding and unpaid, or any Repayment Obligations are outstanding, any resolution or other enactment of the Governing Body of the Issuer, applying the Revenues for the payment of the Bonds and the Repayment Obligations shall be irrevocable until the Bonds and/or any Repayment Obligations have been paid in full as to both principal and interest, and is not subject to amendment in any manner which would impair the rights of the holders of those Bonds or the Repayment Obligations which would in any way jeopardize the timely payment of principal or interest when due.

Section 6.2 Lien of Bonds; Equality of Liens. The Bonds and any Security Instrument Repayment Obligations constitute an irrevocable first lien upon the Revenues. The Issuer 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 lien on the Revenues and shall not be entitled to any priority one over the other in the application of the Revenues regardless of the time or times of the issuance of the Bonds or delivery of Security Instruments, it being the intention of the Issuer 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 Issuer to a Reserve Instrument Provider of (i) proceeds of the issuance and sale of Bonds, (ii) 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 6.3 Payment of Principal and Interest. The Issuer 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 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 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 Issuer for the payment thereof.

Section 6.4 Performance of Covenants; Issuer. The Issuer 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 Issuer 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 Issuer according to the import thereof.

Section 6.5 List of Bondholders. The Trustee will keep on file at its 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 Issuer 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 satisfaction of the Trustee.

Section 6.6 Designation of Additional Paying Agents. The Issuer 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 Issuer 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 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 6.7 Tax Exemption of Bonds and Direct Payments. The Issuer 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 6.7 as “tax-exempt Bonds.” Pursuant to the provisions thereof, the Issuer 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 Issuer 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 Issuer's Mayor and City Recorder are hereby authorized and directed to execute such certificates as shall be necessary to establish that tax-exempt Bonds or entitled to Direct Payments 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 Issuer 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 Issuer 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 Issuer 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 Issuer further covenants and agrees to and for the benefit of the Registered Owners that the Issuer (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 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 Bonds issued under this Indenture, , (v) will not take any action that will cause any Bonds issued as "qualified tax exempt obligations" pursuant to Section 265(b)(3) of the Code to no longer qualify as "qualified tax exempt obligations," and (vi) will, to the extent possible, 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 any Direct Payment Bonds issued under this Indenture.

Section 6.8 Expeditious Construction. The Issuer 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.

Section 6.9 Instruments of Further Assurance. The Issuer 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 Issuer or any official thereof.

Section 6.10 Covenant of the State of Utah. In accordance with Section 11-14-307(3), Utah Code Annotated 1953, as amended, the State of Utah hereby pledges and agrees with the Owners of the Bonds and all Reserve Instrument Providers that it will not alter, impair or limit the taxes included in the Revenues in a manner that reduces the amounts to be rebated to the Issuer which are devoted or pledged herein until the Bonds, together with applicable interest, and all Reserve Instrument Repayment Obligations, are fully met and discharged; provided, however, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the Owners of the Bonds.

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 Issuer 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 Issuer 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 Issuer shall, in the reasonable opinion of any Registered Owner of not less than 50% in aggregate principal amount of the Bonds then Outstanding hereunder, 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 Issuer, appointing a receiver or custodian for any of the Revenues of the Issuer, or approving a petition filed against the Issuer seeking reorganization of the Issuer 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 Issuer 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 Issuer, for the purpose of effecting a composition between the Issuer 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 Revenues; or

(f) if (i) the Issuer 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 Issuer, a receiver, trustee or custodian of the Issuer or of the whole or any part of the Issuer’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 Issuer 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 Issuer or of the whole or any substantial part of the property of the Issuer, 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 Issuer 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 Issuer to be performed, other than as set forth above in this Section 7.1, and such 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 Issuer 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) 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 Issuer 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 if 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 and any other outstanding fees and expenses of the Trustee relating to its duties under this Indenture, 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.

(b) 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 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 Issuer 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 Issuer 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, 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 Issuer, 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 Issuer. In the case of any Event of Default hereunder, the Issuer 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 such duties and only such duties as are specifically set forth in this Indenture and 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 Issuer 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 Issuer; but the Trustee may require of the Issuer 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 Issuer 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 Issuer under its seal to the effect that a resolution in the form therein set forth has been adopted by the Issuer 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 gross 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 (b), unless the Trustee shall be specifically notified in writing of such Default by the Issuer, 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 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 Issuer 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 acceptable to the Trustee 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.

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 or sent by facsimile 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, as applicable.

Section 8.4 Intervention by Trustee. In any judicial proceeding to which the Issuer 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 Issuer, 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 Issuer 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 Issuer, unless there exists any Event of Default, or (ii) in writing delivered to the Trustee and the Issuer, 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; Temporary 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 Issuer (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 Issuer 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 Issuer 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 Issuer 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 Issuer 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 Issuer, 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 Issuer 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 Issuer. 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 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, 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 Issuer 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 Issuer. 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 Issuer, and to each Reserve Instrument Provider requesting the same. On or before the end of the month following each Bond Fund Year, the Trustee shall, upon written request, provide to the Issuer and the Issuer'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 Issuer 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 gross negligence or willful misconduct. The indemnification provided to the Trustee under this Section 8.14 will not terminate upon its resignation or removal or upon payment of the Bonds and discharge of the Indenture.

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 Issuer hereby authorizes and directs the Trustee to take all necessary actions, if applicable, to effectively carry out the duties required to

apply for and accept Direct Payments from the Internal Revenue Service on behalf of the Issuer 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 Issuer'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 60 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 Issuer 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 Issuer and the Trustee may, without the consent of, or notice to, any of the Registered Owners, Reserve Instrument Providers or Security Instrument Issuers, enter into an indenture or indentures supplemental hereto, as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

- (a) To provide for the issuance of Additional Bonds in accordance with the provisions of Section 2.13 hereof;
- (b) To cure any ambiguity or formal defect or omission herein;
- (c) To grant to or confer upon the Trustee for the benefit of the Registered Owners, any Security Instrument Issuers and any Reserve Instrument Providers any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Registered Owners or any of them which shall not adversely affect the interests of any Reserve Instrument Providers or Security Instrument Issuers without its consent;
- (d) To subject to this Indenture additional Revenues or other revenues, properties, collateral or security;
- (e) To provide for the issuance of the Bonds pursuant to a book-entry system or as uncertificated registered public obligations pursuant to the provisions of the Registered Public Obligations Act, Title 15, Chapter 7 of the Utah Code, or any successor provisions of law;
- (f) To make any change which shall not materially adversely affect (determined as if there were no Security Instrument in place) the rights or interests of the Owners of any Outstanding Bonds, any Security Instrument Issuers or any Reserve Instrument Provider, requested or approved by a Rating Agency in order to obtain or

maintain any rating on the Bonds or requested or approved by a Security Instrument Issuer or Reserve Instrument Provider in order to insure or provide other security for any Bonds;

(g) To make any change necessary (A) to establish or maintain the excludability from gross income for federal income tax purposes of interest on any Series of Bonds as a result of any modifications or amendments to Section 148 of the Code or interpretations by the Internal Revenue Service of Section 148 of the Code or of regulations proposed or promulgated thereunder, or (B) to comply with the provisions of Section 148(f) of the Code, including provisions for the payment of all or a portion of the investment earnings of any of the Funds established hereunder to the United States of America or (C) to establish or maintain the Direct Payments related to any Series of Bonds;

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

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

(j) Unless otherwise provided by a Supplemental Indenture authorizing a Series of Bonds, the designation of the facilities to constitute a Project by such Supplemental Indenture may be modified or amended if the Issuer delivers to the Trustee (1) a Supplemental Indenture designating the facilities to comprise the Project, (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 (3) a certificate of the Issuer to the effect that such amendment will not adversely affect the Issuer's ability to comply with the provisions of the Indenture; and

(k) 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 Issuer and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Issuer 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 Issuer of any action prohibited, or the omission by the Issuer 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 hereof, 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 Issuer 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 Corporate Trust Office of the Trustee for inspection by all Bondholders. At the time such notices are mailed by the Trustee, the Issuer 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 Issuer from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as is in this Article IX permitted and provided, the Indenture shall be and be deemed to be modified and amended in accordance therewith.

Section 9.3 Opinion of Counsel as to Supplemental Indenture. In executing any Supplemental Indenture, the Trustee shall receive and will be fully protected in conclusively relying upon an opinion of counsel stating that the execution of such Supplemental Indenture is authorized or permitted by this Indenture and is the legal, valid and binding obligation of the Issuer, enforceable against it in accordance with its terms.

ARTICLE X

DISCHARGE OF INDENTURE

If the Issuer 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, 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 Issuer 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 insure 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.

Any discharge of the lien of the Indenture shall also be subject to any applicable terms of a related Supplemental Indenture.

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 Issuer 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 the provisions of this Indenture; and

(c) if the Bonds to be redeemed will not be redeemed within 90 days of such deposit, 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 Subparagraph (a) above.

Any moneys so deposited with the Trustee as provided in this Article X may at the direction of the Issuer 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, 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. The amount of Bonds held by any person executing such instrument as a Registered Owner of Bonds and the fact, amount and numbers of the Bonds held by such person and the date of his holding the same shall be proved by the registration books of the Trustee.

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

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

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

Section 11.4 Notices. It shall be sufficient service of any notice, request, complaint, demand or other paper on the Issuer if the same shall be duly mailed by registered or certified mail or sent by facsimile addressed as to it at 164 North Gateway Drive, Vineyard City, Utah 84332, Attention: Mayor, or to such address as the Issuer may from time to time file with the Trustee. It shall be sufficient service of any notice or other paper on the Trustee if the same shall be duly mailed by registered or certified mail or sent by facsimile addressed to it at U.S. Bank Trust Company, National Association, 170 South Main Street, Suite 200, Attention: Corporate Trust Department, or to such other address as the Trustee may from time to time file with the Issuer.

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

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

Section 11.7 Applicable Law. THIS INDENTURE SHALL BE GOVERNED EXCLUSIVELY BY THE APPLICABLE LAWS OF THE STATE.

Section 11.8 Immunity of Officers and Directors. No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based

thereon or upon any obligation, covenant or agreement herein contained against any past, present or future officer, or other public official, employee, or agent of the Issuer.

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

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

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

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

VINEYARD CITY, UTAH, as Issuer

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Recorder

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

By: _____

Its: _____

EXHIBIT A

FORM OF REQUISITION

Re: Vineyard City, Utah, Sales and Franchise Tax Revenue Bonds, _____ in the sum of \$ _____

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

You are hereby authorized to disburse from the Series _____ Account of the Acquisition/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 Series _____ Account of the Acquisition/Construction Fund based upon audited, itemized claims substantiated in support thereof (evidence of such support not herein required by the Trustee), is justly due and owing and constitutes a Cost of a Project and has not been the basis for a previous withdrawal.

The amount remaining in the Series _____ Account of the Acquisition/Construction Fund after such disbursement is made, together with the amount of unencumbered Revenues, if any, which the Issuer reasonably estimates will be deposited in the Series _____ Account of the Acquisition/Construction Fund during the period of construction of the Project from the investment of moneys on deposit in the Series _____ Account of the Acquisition/Construction Fund, will, together with any other moneys lawfully available or

expected to be lawfully available for payment of the Cost of the Project and after payment of the amount requested in said requisition, be sufficient to pay the Cost of Completion for the Project in accordance with the plans and specifications therefor then in effect; it being understood that no moneys from the Series _____ Account of the Acquisition/Construction Fund may be expended unless, after giving effect thereto, the funds remaining in the Series _____ Account of the Acquisition/Construction Fund, together with such other funds and income and lawfully available moneys, are sufficient to pay the Cost of Completion for the Project.

DATED: _____

By: _____

Its: _____

FIRST SUPPLEMENTAL INDENTURE OF TRUST

Dated as of [_____] 1, 2025

by and between

VINEYARD CITY, UTAH

and

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

SUPPLEMENTING THE
GENERAL INDENTURE OF TRUST

Dated as of [_____] 1, 2025

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FIRST SUPPLEMENTAL INDENTURE OF TRUST

This First Supplemental Indenture of Trust, dated as of [_____] 1, 2025, by and between Vineyard City, Utah, a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah (the “Issuer”) 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 an office in Salt Lake City, Utah (the “Trustee”);

W I T N E S S E T H:

WHEREAS, the Issuer has entered into a General Indenture of Trust, dated as of [_____] 1, 2025 (the “General Indenture”) with the Trustee; and

WHEREAS, the Issuer now desires to issue its \$[_____] Sales and Franchise Tax Revenue Bonds, Series 2025 (the “Series 2025 Bonds”) to (a) finance all or a portion of acquisition, construction, equipping and improvement of a building for use by the Issuer and any lessees (the “Series 2025 Project”) and (b) pay costs of issuance; and

WHEREAS, the Series 2025 Bonds will be authorized, issued and secured under the General Indenture, as amended and supplemented by this First Supplemental Indenture (the “First Supplemental Indenture,” and collectively with the General Indenture, and any amendments thereto or hereto, the “Indenture”); and

WHEREAS, pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Act”), and the General Indenture which authorizes the issuance of the Bonds, the Issuer has the authority to issue bonds for the purposes set forth above; and

WHEREAS, the execution and delivery of the Series 2025 Bonds and of this First Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2025 Bonds, when executed by the Issuer and authenticated by the Trustee, the valid and binding legal obligations of the Issuer and to make this First Supplemental Indenture a valid and binding agreement have been done;

NOW, THEREFORE, THIS FIRST SUPPLEMENTAL INDENTURE OF TRUST WITNESSETH, that to secure the Series 2025 Bonds and all other Bonds Outstanding and Additional Bonds issued and Outstanding under the Indenture, the payment of the principal or redemption price thereof and interest thereon, the rights of the Registered Owners of the Bonds, to secure the Security Instrument Issuers of Security Instruments for any Bonds, and of all Reserve Instrument Providers of Reserve Instruments for any Bonds, and the performance of all of the covenants contained in such Bonds and herein, and for and in consideration of the mutual covenants herein contained and of the purchase of such Bonds by the Registered Owners thereof from time to time and the issuance of the Reserve Instrument by the Reserve Instrument Provider, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer has executed and delivered this First Supplemental Indenture of Trust, and by these presents does, in confirmation of the General Indenture, as amended and supplemented, hereby sell, assign, transfer, set over and pledge unto U.S. Bank Trust Company, National

Association, as Trustee, its successors in trusts and its assigns forever, to the extent provided in the General Indenture, as amended and supplemented, all right, title and interest of the Issuer in and to (i) the Revenues (as defined in the General Indenture), (ii) all moneys in funds and accounts held by the Trustee under the General Indenture and hereunder (except the Rebate Fund), and (iii) all other rights granted under the General Indenture and hereinafter granted for the further securing of such Bonds.

TO HAVE AND TO HOLD THE SAME unto the Trustee and its successors in trust hereby created and its and their assigns forever;

IN TRUST, NEVERTHELESS, FIRST, for the equal and ratable benefit and security of all present and future Registered Owners of Bonds and Security Instrument Issuers of Security Instrument for any Bonds without preference, priority, or distinction as to lien or otherwise (except as otherwise specifically provided), of any one Bond over any other Bond, or any Security Instrument Repayment Obligations over any of the others, 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.

ARTICLE I SUPPLEMENTAL INDENTURE; DEFINITIONS

Section 1.1. Supplemental Indenture. This First Supplemental Indenture is supplemental to, and is executed in accordance with and pursuant to Articles II and IX of the General Indenture.

Section 1.2. Definitions. All terms which are defined in the General Indenture, shall have the meanings, respectively, when used herein (including the use thereof in the recitals and the granting clauses thereof) unless expressly given a different meaning or unless the context clearly otherwise requires. All terms used herein which are defined in the recitals hereto shall have the meanings therein given to the same unless the context requires otherwise and, in addition, the following terms shall have the meanings specified below:

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

“Dated Date” means the date of delivery of the Series 2025 Bonds.

“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.

“Interest Payment Date” means, with respect to the Series 2025 Bonds, each [_____] and [_____] commencing [_____] 20____.

“Series 2025 Acquisition/Construction Account” means the account established within the Acquisition/Construction Fund under the General Indenture held in trust by the Trustee, into which a portion of the proceeds of the Series 2025 Bonds shall be deposited as provided herein.

“Series 2025 Bonds” means the Vineyard City, Utah Sales and Franchise Tax Revenue Bonds, Series 2025 authorized herein.

“Series 2025 Debt Service Reserve Requirement” means, with respect to the Series 2025 Bonds, an amount equal to \$0.

“Series 2025 Project” means the acquisition, construction, equipping and improvement of a building for use by the Issuer and any lessees.

“Underwriter” means Stifel, Nicolaus & Company, Incorporated.

ARTICLE II ISSUANCE OF THE SERIES 2025 BONDS

Section 2.1. Principal Amount, Designation and Series. The Series 2025 Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to (i) finance the Series 2025 Project and (ii) pay costs incurred in connection with the issuance of the Series 2025 Bonds. The Series 2025 Bonds shall be limited to \$[PAR] in aggregate principal amount, shall be issued in fully registered form, shall be in substantially the form and contain substantially the terms contained in Exhibit A attached hereto and made a part hereof, and shall bear interest at the rates and be payable as to principal or redemption price as specified herein. The Series 2025 Bonds shall be designated as, and shall be distinguished from the Bonds of all other series by the title, “Sales and Franchise Tax Revenue Bonds, Series 2025.”

Section 2.2. Date, Maturities and Interest. The Series 2025 Bonds shall be dated as of the Dated Date, and shall mature in the years and in the amounts and shall bear interest from the Interest Payment Date next preceding their date of authentication thereof unless authenticated as of an Interest Payment Date, in which event such Bonds shall bear interest from such date, or unless such Bonds are authenticated prior to the first Interest Payment Date, in which event such Bonds shall bear interest from their Dated Date or unless, as shown by the records of the Trustee, interest on the Series 2025 Bonds shall be in default, in which event such Bonds shall bear interest from the date to which interest has been paid in full, or unless no interest shall have been paid on such Bonds, in which event such Bonds shall bear interest from their Dated Date, payable on each Interest Payment Date at the rates per annum as set forth below:

Maturity
(_____)

Principal Amount

Interest Rate

Interest shall be calculated on the basis of a year of 360 days comprised of twelve 30-day months.

Section 2.3. Optional Redemption. The Series 2025 Bonds maturing on or before [_____] 1, 20[___] are not subject to redemption prior to maturity. The Series 2025 Bonds maturing on or after [_____] 1, 20[___], are subject to redemption at the option of the Issuer on [_____] 1, 20[___], and on any date thereafter prior to maturity, in whole or in part, from such maturities or parts thereof as may be selected by the Issuer, at a redemption price of 100% of the principal amount of the Series 2025 Bonds to be redeemed, plus accrued interest to the date of redemption.

Section 2.4. Mandatory Sinking Fund Redemption. [The Series 2025 Bonds maturing on [_____] 1, 20[___] are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the redemption date on the dates and in the principal amounts as follows:

Mandatory Sinking Fund
Redemption Date
([_____])

Mandatory Sinking Fund
Redemption Amount

* Final maturity.

Upon redemption of any Series 2025 Bond maturing on ([_____]), [_____] or _____, respectively, 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

respective Series 2025 Bonds maturing on ([_____]), [_____ or _____], as applicable, in such order of mandatory sinking fund date as shall be directed by the Issuer.]

Section 2.5. Execution of Bonds. The Mayor is hereby authorized to execute by facsimile or manual signature the Series 2025 Bonds and the City Recorder to countersign and attest by facsimile or manual signature the Series 2025 Bonds and to have imprinted, engraved, lithographed, stamped or otherwise placed on the Series 2025 Bonds a facsimile of the official seal of the Issuer, and the Trustee shall manually authenticate the Series 2025 Bonds.

Section 2.6. Delivery of Bonds. It is hereby determined that the Series 2025 Bonds shall be authenticated and delivered to the Purchaser upon compliance with the General Indenture and payment of the purchase price thereof.

Section 2.7. Designation of Registrar. The Trustee is hereby designated as Registrar for the Series 2025 Bonds, acceptance of which appointment shall be evidenced by execution of this First Supplemental Indenture by the Registrar.

Section 2.8. Designation of Paying Agent. The Trustee is hereby designated as Paying Agent for the Series 2025 Bonds, acceptance of which appointment shall be evidenced by execution of this First Supplemental Indenture by the Paying Agent.

Section 2.9. Book-Entry System.

(a) Except as provided in paragraphs (b) and (c) of this Section 2.9 the Registered Owner of all Series 2025 Bonds shall be, and the Series 2025 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 (d)(ii) of this Section 2.9, "DTC"). Payment of the interest on any Series 2025 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 Bonds at the address indicated for Cede in the registration books of the Bond Registrar.

(b) The Series 2025 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 2025 Bonds. Upon initial issuance, the ownership of each such Series 2025 Bond shall be registered in the registration books of the Issuer kept by the Registrar, in the name of Cede, as nominee of DTC. With respect to Series 2025 Bonds so registered in the name of Cede, the Issuer, 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 2025 Bonds. Without limiting the immediately preceding sentence, the Issuer, 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 2025 Bonds, (ii) the delivery to any DTC participant, beneficial owner or other person, other than DTC, of any notice with respect to the Series 2025 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 2025 Bonds. The Issuer, the Bond Registrar and any

Paying Agent may treat DTC as, and deem DTC to be, absolute owner of each Series 2025 Bond for all purposes whatsoever, including (but not limited to) (1) payment of the principal or redemption price of, and interest on, each Series 2025 Bond, (2) giving notices of redemption and other matters with respect to such Series 2025 Bonds, and (3) registering transfers with respect to such Bonds. So long as the Series 2025 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 2025 Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to satisfy fully and discharge the Issuer'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 2.9, no person other than DTC shall receive a Bond evidencing the obligation of the Issuer 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 2.9, and notwithstanding any other provisions of this First Supplemental Indenture, the Series 2025 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 2025 Bonds at any time by giving written notice to the Issuer, the Registrar, and the Paying Agent, which notice shall certify that DTC has discharged its responsibilities with respect to the Series 2025 Bonds under applicable law.

(ii) The Issuer, 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 2025 Bonds if the Issuer 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 2025 Bonds or the Issuer; and the Issuer shall, by notice to the Registrar, terminate the services of DTC with respect to the Series 2025 Bonds upon receipt by the Issuer, 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 2025 Bonds to the effect that: (1) DTC is unable to discharge its responsibilities with respect to the Series 2025 Bonds; or (2) a continuation of the requirement that all of the outstanding Series 2025 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 2025 Bonds.

(iii) Upon the termination of the services of DTC with respect to the Series 2025 Bonds pursuant to subsection (d)(ii)(2) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Series 2025 Bonds pursuant to subsection (d)(i) or subsection (d)(ii)(1) hereof the Issuer may within 90 days thereafter appoint a substitute

securities depository which, in the opinion of the Issuer, 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 2025 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 Issuer shall execute and the Registrar shall authenticate Series 2025 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 2025 Bonds.

(iv) Notwithstanding any other provision of this First Supplemental Indenture to the contrary, so long as any Series 2025 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 2025 Bond and all notices with respect to such Series 2025 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 2025 Bonds registered in the name of Cede pursuant to this Second Supplemental Indenture by the Issuer or the Registrar with respect to any consent or other action to be taken by such Holders, the Issuer shall establish a record date for such consent or other action by such Holders and give DTC notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

Section 2.10. Limited Obligation. The Series 2025 Bonds, together with interest thereon, shall be limited obligations of the Issuer payable solely from the Revenues (except to the extent paid out of moneys attributable to the Series 2025 Bond proceeds or other funds created hereunder or under the Indenture (excluding the Rebate Fund) or the income from the temporary investment thereof).

Section 2.11. Perfection of Security Interest.

(a) The Indenture creates a valid and binding pledge and assignment of security interest in all of the Revenues pledged under the Indenture in favor of the Trustee as security for payment of the Series 2025 Bonds, enforceable by the Trustee in accordance with the terms thereof.

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

Section 2.12. Series 2025 Bonds as Initial Bonds. The Series 2025 Bonds are issued as the Initial Bonds under the General Indenture.

ARTICLE III APPLICATION OF PROCEEDS AND FUNDS AND ACCOUNTS

Section 3.1. Creation of Series 2025 Accounts. There is hereby established with the Trustee a Series 2025 Account within the Acquisition/Construction Fund.

Section 3.2. Application of Proceeds of the Series 2025 Bonds. The Issuer shall deposit with the Trustee the proceeds from the sale of the Series 2025 Bonds in the amount of \$[] being an amount equal to the principal amount thereof, plus a [net] reoffering [premium/discount of \$[]], less an Underwriter's discount of \$[] and the Trustee shall deposit said proceeds into the Series 2025 Acquisition/Construction Account and apply said proceeds as follows:

(a) \$[] shall be used to pay costs of issuance pursuant to Section 3.3 below; and

(b) and the remaining amount, \$[], shall be disbursed pursuant to Section 3.3 below.

Section 3.3. Series 2025 Acquisition/Construction Account. Disbursements of moneys in the Series 2025 Acquisition/Construction Account shall be made in accordance with the terms of Section 5.1 of the General Indenture; provided, however, that costs of issuance shall be paid by the Trustee from the Series 2025 Acquisition/Construction Account upon receipt from the Issuer of an executed Cost of Issuance Disbursement Request signed by an Authorized Representative of the Issuer in substantially the form of Exhibit B attached hereto.

Section 3.4. Debt Service Reserve Requirement. [For purposes of the Series 2025 Bonds, there is no Debt Service Reserve Requirement.]

ARTICLE IV CONFIRMATION OF GENERAL INDENTURE

As supplemented by this First Supplemental Indenture, and except as provided herein, the General Indenture is in all respects ratified and confirmed, and the General Indenture and this First Supplemental Indenture shall be read, taken and construed as one and the same instrument so that all of the rights, remedies, terms, conditions, covenants and agreements of the General Indenture shall apply and remain in full force and effect with respect to this First Supplemental Indenture, and to any revenues, receipts and moneys to be derived therefrom.

ARTICLE V MISCELLANEOUS

Section 5.1. Confirmation of Sale of Series 2025 Bonds. The sale of the Series 2025 Bonds to the Underwriter at the price described in the Bond Purchase Agreement between the Issuer and the Underwriter is hereby ratified, confirmed and approved.

Section 5.2. Severability. If any provision of this First Supplemental Indenture shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections in this First Supplemental

Indenture contained, shall not affect the remaining portions of this First Supplemental Indenture, or any part thereof.

Section 5.3. Counterparts. This First Supplemental Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.4. Applicable Law. THIS FIRST SUPPLEMENTAL INDENTURE SHALL BE GOVERNED EXCLUSIVELY BY THE APPLICABLE LAWS OF THE STATE OF UTAH.

Section 5.5. Effective Date. This First Supplemental Indenture shall become effective immediately upon execution.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this First Supplemental Indenture of Trust to be executed as of the date first written above.

VINEYARD CITY, UTAH

(SEAL)

By: _____
Mayor

COUNTERSIGN:

City Recorder

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

By: _____

Title: _____

EXHIBIT A

(FORM OF SERIES 2025 BOND)

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.

Registered

Registered

UNITED STATES OF AMERICA
VINEYARD CITY, UTAH
SALES AND FRANCHISE TAX REVENUE BONDS
SERIES 2025

Number R - ____

\$_____

Interest Rate

Maturity Date

Dated Date

CUSIP

_____%

Registered Owner: [CEDE & CO.]

Principal Amount: _____

Vineyard City, Utah (the "Issuer"), a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah, for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner named above or registered assigns, out of the special fund hereinbelow designated and not otherwise, the Principal Amount specified above on the Maturity Date specified above with interest thereon until paid at the Interest Rate specified above per annum, payable semiannually on [_____] and [_____] of each year, commencing [_____] 20__ (each an "Interest Payment Date"), until said Principal Amount is paid. Principal and premium, if any, shall be payable upon surrender of this Bond at the designated offices of U.S. Bank Trust Company, National Association, Corporate Trust Department, Salt Lake City, Utah ("Trustee" and "Paying Agent") or its successors. Interest on this Bond shall be payable by check or draft mailed to the Registered Owner hereof at his address as it appears on the registration books of the Paying Agent, who shall also act as the Registrar for the Issuer, or at such other address as is furnished to the Paying Agent in writing by such Registered Owner. Interest hereon shall be deemed to be paid by the Paying Agent when mailed. Both principal and interest shall be payable in lawful money of the United States of America.

This Bond is one of an issue of Bonds of the Issuer designated as the “Sales and Franchise Tax Revenue Bonds, Series 2025” (the “Series 2025 Bonds”) in the aggregate principal amount of \$[] of like tenor and effect, except as to date of maturity and interest rate, numbered R-1 and upwards, issued by the Issuer pursuant to a General Indenture of Trust dated as of [] 1, 2025, as amended and supplemented by a First Supplemental Indenture of Trust dated as of [] 1, 2025 (collectively the “Indenture”) approved by resolution of the Issuer adopted on April 3, 2025 (the “Bond Resolution”), for the purpose of [(a) financing [all or a portion of] acquisition, construction, equipping and improvement of a building for use by the Issuer and any lessees (collectively, the “Series 2025 Project”), and (b) paying costs of issuance with respect to the Series 2025 Bonds, all in full conformity with the Constitution and laws of the State of Utah. Both principal of and interest on this Bond and the issue of which it is a part are payable solely from a special fund designated “Vineyard City, Utah Sales and Franchise Tax Revenue Bond Fund” (the “Bond Fund”), into which fund, to the extent necessary to assure prompt payment of the principal of and interest on the issue of which this is one and on all series of bonds issued on a lien parity with this Bond shall be paid the Revenues (as defined in the Indenture) all as more fully described and provided in the Indenture.

As more fully provided in the Indenture, the Series 2025 Bonds shall be payable only from the Revenues and shall not constitute a general indebtedness or pledge of the full faith and credit of the Issuer, within the meaning of any constitutional or statutory provision or limitation of indebtedness.

As provided in the Indenture, additional bonds, notes and other obligations of the Issuer may be issued and secured on an equal lien parity with the Series 2025 Bonds, from time to time in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture, and the aggregate principal amount of such bonds, notes and other obligations issued and to be issued under the Indenture is not limited.

Reference is hereby made to the Indenture, copies of which are on file with the Trustee, for the provisions, among others, with respect to the nature and extent of the rights, duties and obligations of the Issuer, the Trustee and the Registered Owners of the Series 2025 Bonds, the terms upon which the Series 2025 Bonds are issued and secured, and upon which the Indenture may be modified and amended, to all of which the Registered Owner of this Bond assents by the acceptance of this Bond.

Except as otherwise provided herein and unless the context indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Indenture.

Interest on the Series 2025 Bonds authenticated prior to the first Interest Payment Date shall accrue from the Dated Date specified above. Interest on the Series 2025 Bonds authenticated on or subsequent to the first Interest Payment Date shall accrue from the Interest Payment Date next preceding their date of authentication, or if authenticated on an Interest Payment Date, as of that date; provided, however, that if interest on the Series 2025 Bonds shall be in default, interest on the Series 2025 Bonds issued in exchange for Series 2025 Bonds surrendered for transfer or exchange shall be payable from the date to which interest has been paid in full on the Series 2025 Bonds surrendered.

The Series 2025 Bonds are subject to optional and mandatory sinking fund redemption as provided in the Indenture.

The Bonds are issued as fully registered Bonds. Subject to the limitations and upon payment of the charges provided in the Indenture, registered Bonds may be exchanged for a like aggregate principal amount of registered Bonds of other authorized denominations of the same series and the same maturity.

This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the designated corporate offices of U.S. Bank Trust Company, National Association (the "Registrar"), in Salt Lake City, Utah, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Issuer and the Paying Agent may deem and treat the Registered Holder hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and neither the Issuer nor the Paying Agent shall be affected by any notice to the contrary.

This Bond is issued under and pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and this Bond does not constitute a general obligation indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment.

The Issuer covenants and agrees that it will cause to be collected and accounted for sufficient Revenues as will at all times be sufficient to pay promptly the principal of and interest on this Bond and the issue of which it forms a part and to make all payments required to be made into the Bond Fund, and to carry out all the requirements of the Indenture.

It is hereby declared and represented that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in regular and due time, form and manner as required by law, that the amount of this Bond, together with the issue of which it forms a part, does not exceed any limitation prescribed by the Constitution or statutes of the State of Utah, that the Revenues of the Issuer have been pledged and that an amount therefrom will be set aside into a special fund by the Issuer sufficient for the prompt payment of the principal of and interest on this Bond and the issue of which it forms a part, as authorized for issue under the Indenture, and that the Revenues of the Issuer are not pledged, hypothecated or anticipated in any way other than by the issue of the Bonds of which this Bond is one and all bonds issued on a parity with this Bond.

This Bond shall not be valid or become obligatory for any purpose nor be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Bond shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by the manual or facsimile signature of its Mayor and countersigned by the manual or facsimile signature of its City Recorder under its corporate seal or a facsimile thereof.

VINEYARD CITY, UTAH

(SEAL)

(facsimile or manual signature)
Mayor

COUNTERSIGN:

(facsimile or manual signature)
City Recorder

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Sales and Franchise Tax Revenue Bonds, Series 2025 of Vineyard City, Utah.

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

By _____ (Manual Signature)
Authorized Officer

Date of Authentication: _____

ASSIGNMENT

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

(Social Security or Other Identifying Number of Assignee)

(Please Print or Typewrite Name and Address of Assignee)

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: _____

Signature: _____

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

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
170 South Main Street
Salt Lake City, Utah 84101

Pursuant to Section 3.3 of the First Supplemental Indenture of Trust dated as of [_____] 1, 2025, you are hereby authorized to pay to the following costs of issuance from the Series 2025 Acquisition/Construction Account:

(See Attached Schedule)

AUTHORIZED REPRESENTATIVE,
VINEYARD CITY, UTAH

Costs of Issuance

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

EXHIBIT D

FORM OF BOND PURCHASE AGREEMENT

BOND PURCHASE AGREEMENT

\$(PAR)

Vineyard City, Utah

Sales and Franchise Tax Revenue Bonds, Series 2025

[____], 2025

Vineyard City
125 South Main Street
Vineyard, Utah

The undersigned, Stifel, Nicolaus & Company, Incorporated, as the underwriter of the hereinafter defined Series 2025 Bonds (the “Underwriter”), acting on behalf of the Underwriter and not as fiduciary or agent for you, offers to enter into this Bond Purchase Agreement (the “Purchase Agreement”) with Vineyard City, Utah (the “Issuer”) which, upon the acceptance by the Issuer of this offer, shall be in full force and effect in accordance with its terms and shall be binding upon you and the 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**

(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 \$(PAR) aggregate principal amount of Sales and Franchise Tax Revenue Bonds, Series 2025 (the “Series 2025 Bonds”), at a purchase price of \$[_____] (representing the principal amount of the Series 2025 Bonds, plus a [net] reoffering [premium/discount] 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 2025 Bonds will mature on the dates and in the amounts and bear interest at the rates per annum as set forth in Schedule A hereto.

(b) The Series 2025 Bonds shall be as described in the Official Statement dated [____], 2025, of the Issuer relating to the Series 2025 Bonds (together with all appendices thereto, the “Official Statement”), shall be issued and secured under and pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and other applicable provisions of law; (ii) a General Indenture of Trust dated as of [____] 1, 2025 (the “General Indenture”), as supplemented by a First Supplemental Indenture of Trust dated as of [____] 1, 2025 (the “First Supplemental Indenture” and together with the General Indenture, the “Indenture”) each by and between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”); and all as authorized pursuant to a resolution

adopted by the City Council of the Issuer on April 3, 2025 (the “Resolution”). The Series 2025 Bonds are being issued pursuant to the Resolution, the Indenture, and the Act. The Series 2025 Bonds are payable from and secured solely by the Revenues (as further defined in the Indenture).

(c) The proceeds from the sale of the Series 2025 Bonds will be used for the purpose of (a) financing all or a portion of acquisition, construction, equipping and improvement of a building for use by the Issuer and any lessees (the “Series 2025 Project”), [(b) fund any necessary debt service reserve fund, (c) pay any capitalized interest,] and (d) pay costs of issuance with respect to the Series 2025 Bonds.

(d) The Indenture, the Series 2025 Bonds, the Resolution, and the Continuing Disclosure Undertaking (defined below), and this Purchase Agreement are sometimes referred to collectively herein as the “Transaction Documents.”

(e) The Underwriter agrees to make a bona fide public offering of the Series 2025 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 or desirable, in its discretion, in connection with the marketing of the Series 2025 Bonds and offer and sell the Series 2025 Bonds to certain dealers (including dealers depositing the Series 2025 Bonds into investment trusts), unit investment trusts, money market funds, and others, certain of which may be sponsored or managed by the Underwriter, at prices lower than the initial offering prices or yields greater than the 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 2025 Bonds and (ii) to discontinue such transactions, if commenced, at any time without prior notice.

(a) The Underwriter agrees to assist the Issuer in establishing the issue price of the Series 2025 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 2025 Bonds. All actions to be taken by the Issuer under this section to establish the issue price of the Series 2025 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 Schedule A attached hereto, the Issuer will treat the first price at which 10% of each maturity of the Series 2025 Bonds (the “10% test”) is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of Series 2025 Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2025 Bonds, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Series 2025 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 2025 Bonds of that maturity or (ii) the 10% test has been satisfied as to the Series 2025 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 2025 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 2025 Bonds.

(c) The Underwriter confirms that it has offered the Series 2025 Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule A attached hereto, except as otherwise set forth therein. Schedule A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Series 2025 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 2025 Bonds, the Underwriter will neither offer nor sell unsold Series 2025 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 2025 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 2025 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 2025 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 2025 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2025 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 2025 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 2025 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 2025 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 2025 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 2025 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 2025 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2025 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 2025 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 2025 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 2025 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2025 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 2025 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 2025 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2025 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 2025 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2025 Bonds.

(f) The Underwriter acknowledges that sales of any Series 2025 Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2025 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:

(g) “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 2025 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 2025 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 2025 Bonds to the public),

(iii) a purchaser of any of the Series 2025 Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

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

(a) (a) By acceptance and approval of this Purchase Agreement, the Issuer hereby authorizes the use of copies of the Official Statement. The Issuer hereby agrees to provide sufficient copies of the Official Statement to the Underwriter no later than the earlier of (i) seven (7) business days from the date hereof or (ii) two (2) business days prior to the Closing Date (as defined herein) in order to permit the Underwriter to comply with Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), and the applicable requirements of the Municipal Securities Rulemaking Board (the “MSRB”), with respect to distribution of the Official Statement. The Issuer shall prepare the Official Statement, including any amendments thereto, in electronic, word-searchable PDF format as described in the MSRB’s Rule G-32 and shall provide such Official Statement to the Underwriter no later than two (2) days prior to the Closing Date. The Official Statement shall be substantially the same (except for insertions, deletions and changes contemplated in the Preliminary Official Statement and this Purchase Agreement) as the Preliminary Official Statement and shall contain only those substantive changes as are approved by the Underwriter.

(b) The Issuer has heretofore “deemed final” the Preliminary Official Statement dated [_____], 2025 and relating to the Series 2025 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 2025 Bonds.

(c) In order to assist the Underwriter in complying with paragraph (b)(5) of Rule 15c2-12, the Issuer will undertake, pursuant to a Limited 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 D to the Preliminary Official Statement and will also be set forth as Appendix D to the Official Statement.

Section 1.4 At approximately [9:30 a.m]., Utah time, on [_____], 2025, 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 2025 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 2025 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 2025 Bonds shall be initially issued in the form of one fully registered Bond for each maturity of the Series 2025 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 political subdivision and body politic duly organized and existing under the laws of the State of Utah with full power and authority to consummate the transactions contemplated by the Transaction Documents, including the execution, delivery and/or approval of all documents and agreements referred to herein or therein.

Section 2.2 The City Council of the Issuer has duly adopted the Resolution, has duly authorized and approved the execution and 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 2025 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 2025 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 2025 Bonds.

Section 2.5 Except as described in the Preliminary Official Statement and 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 to the knowledge of the Issuer, any meritorious basis therefor, (a) wherein an unfavorable decision, ruling or finding would have a material adverse effect on the Revenues, the Project, or the financial condition of the Issuer; (b) affecting the existence of the Issuer or the titles of its officers to their respective offices; (c) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2025 Bonds or the revenues or assets of the Issuer mortgaged, appropriated, encumbered or pledged pursuant to the Indenture; (d) in any way contesting or affecting the validity or enforceability of the Series 2025 Bonds or any of the Transaction Documents or the transactions contemplated thereby; (e) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (f) contesting the powers of the Issuer or any authority for the issuance of the Series 2025 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 Agreement, the Series 2025 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 2025 Bonds, the Transaction Documents, and this Purchase Agreement, 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 Agreement 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 2025 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 2025 Bonds or (y) statements in the Preliminary Official Statement or the Official Statement under the captions “[THE SERIES 2025 BONDS—Book-Entry Only System,” “MISCELLANEOUS,” “APPENDIX B,” and “APPENDIX F.”]

Section 2.10 The Issuer has not otherwise pledged or assigned the Revenues other than to secure and pay the Series 2025 Bonds and the Series 2025 Bonds enjoy a first lien and pledge on the Revenues.

Section 2.11 The Issuer will not take or omit to take any action which will in any way cause the proceeds from the sale of the Series 2025 Bonds to be applied or result in such proceeds being applied in a manner inconsistent with the Transaction Documents.

Section 2.12 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 2025 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 2025 Bonds.

Section 2.13 The Issuer agrees to reasonably cooperate with the Underwriter in any endeavor to qualify the Series 2025 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 2025 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 2.14 If between the date of this Purchase Agreement 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, at the Issuer’s expense, will supplement or amend the Official Statement in a form and in a manner approved by the Underwriter and will furnish, at the Issuer’s expense, the Underwriter a reasonable number of copies of such supplement or amendment. If the Official Statement is amended or supplemented subsequent to the date hereof and prior to the Closing, the Underwriter may terminate this Purchase Agreement 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 2025 Bonds.

Section 2.15 When executed by the respective parties thereto, this Purchase Agreement 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 Agreement are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors’ rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of Utah.

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

Section 2.17 Each representation, warranty or agreement stated in any certificate signed by any officer of the Issuer and delivered to the 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 2.18 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 Issuer’s audited financial statements as of, and for the year ended June 30, 2020, a copy of which has heretofore been delivered to the Underwriter, present fairly the financial position of the Issuer at June 30, 2020, 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 Agreement 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, 2020, there has been no material adverse change in the condition, financial or otherwise, of 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, 2020, incurred any material liabilities, directly or indirectly, whether or not arising in the ordinary course of its operations.

Section 2.20 Except as described in the Preliminary Official Statement and Official Statement, for the last five years the Issuer has been in compliance with each and every continuing disclosure undertaking it has entered into.

Section 2.21 Between the date hereof and the Closing Date, the Issuer will not take any action that would cause the representations and warranties contained in this Section 2 of this Purchase Agreement to be untrue as of the Closing Date. On the Closing Date, the Issuer shall deliver or cause to be delivered all opinions, certificates and other documents to be delivered by it or on its behalf as provided for in this Purchase Contract, and to deliver such additional certificates and other documents as the Underwriter may reasonably request to evidence performance of or compliance with the provisions of this Purchase Contract and the transactions contemplated by the Official Statement and the Transaction Documents, all such certificates and other documents to be reasonably satisfactory in form and substance to the Underwriter.

Section 2.22 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 2025 Bonds to be applied or result in such proceeds being applied in a manner inconsistent the Indenture.

Section 2.23 Any certificate, signed by any official of the Issuer authorized to do so in connection with the transactions described in this Purchase Agreement, shall be deemed a representation and warranty by the Issuer to the Underwriter as to the statements made therein.

Section 2.24 The Issuer shall not take or omit to take any action which action or omission will adversely affect the exclusion from gross income for federal income tax purposes of the interest on the Series 2025 Bonds.

ARTICLE III

UNDERWRITER'S CONDITIONS

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

(a) At the time of Closing for the Series 2025 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 resolutions and ordinances as, in the opinion of Gilmore & Bell, P.C., bond counsel to the Issuer ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby.

(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 2025 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 2025 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 2025 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 2025 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 2025 Bonds, including any action relating to the tax status of the Series 2025 Bonds under federal or Utah law as set forth in the opinion of Bond Counsel attached as Appendix E 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 (or escalation thereof), 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 2025 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 2025 Bonds or any other obligations of the Issuer or to the Insurer 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 2025 Bonds; or

(v) Any litigation shall be instituted, pending or threatened (A) to restrain or enjoin the issuance, sale or delivery of the Series 2025 Bonds, (B) in any way contesting or affecting any authority for or the validity of the Series 2025 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 2025 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 2025 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 C 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 counsel for 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 Mayor 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 2025 Bonds, the collection of Revenues pledged under the Indenture, (ii) in any way contesting or affecting the authority for the issuance of the Series 2025 Bonds or the adoption of the Resolution or the execution and delivery of the Transaction Documents, the validity or enforceability of the Series 2025 Bonds and the Transaction Documents, or the excludability from gross income for federal income tax purposes of interest on the Series 2025 Bonds, (iii) in any way contesting the organization, existence or powers of the Issuer or the titles of its officers to their respective offices, or (iv) contesting or attempting to restrain or enjoining the application of the proceeds thereof or the payment, collection or application of the Revenues or the pledge of the 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 2025 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 has been duly adopted and has not been modified, amended or repealed; and (H) the execution and delivery of the Transaction Documents and this Purchase Agreement and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under any indenture, mortgage, deed of trust, agreement or other instrument to which the Issuer is a party or any law, public administrative rule or regulation, court order or consent decree to which the Issuer is subject;

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

(vi) A copy 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 2025 Bonds, including the use of proceeds of sale of the Series 2025 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 each of the Preliminary Official Statement and the Official Statement;

(viii) Evidence satisfactory to the Underwriter that the Series 2025 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 Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance satisfactory to the Underwriter, and the Underwriter shall have the right to waive any condition set forth in this Section.

ARTICLE IV

EXPENSES

Section 4.1 The Issuer acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Series 2025 Bonds. The Underwriter shall be under no obligation to pay and the Issuer shall pay or cause to be paid the expenses incident to the performance of the obligations of the Issuer hereunder including but not limited to (a) the fees and disbursements of any counsel, financial advisors, accountants or other experts or consultants retained by the Issuer; (b) the fees and disbursements of Bond Counsel and disclosure counsel; (c) the fees of the rating agencies; (d) costs associated with the Official Statement and the Preliminary Official Statement; and (e) Trustee fees. The provisions of this Section 4.1 shall survive termination of this Purchase Agreement.

Section 4.2 The Underwriter shall pay and the Issuer shall be under no obligation to pay all expenses incurred by it in connection with the initial purchase of the Series 2025 Bonds, including any costs or expenses related to CUSIP Service Bureau fees and any counsel retained by the Underwriter. The Issuer acknowledges that a portion of the Underwriter’s underwriting discount is intended to reimburse the Underwriter for any incidental expenses (including, but not limited to, transportation, lodging and meals of Issuer and Underwriter personnel) incurred by the Underwriter (on behalf of Underwriter personnel and Issuer personnel and advisors, as applicable) in connection with the execution of the transaction contemplated by this Purchase Agreement.

ARTICLE V

GENERAL

Section 5.1 Any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to the Underwriter Stifel, Nicolaus & Company, Incorporated, 15 West South Temple, Suite 1090, Salt Lake City, Utah 84101. Any notice or other communication to be given to the Issuer under this Purchase Agreement may be given by delivering the same in writing to Vineyard City, 125 South Main Street., Vineyard, Utah 84059, Attention: Eric Ellis, City Manager.

Section 5.2 This Purchase Agreement 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 2025 Bonds hereunder and regardless of any investigation made by the Underwriter or on their behalf.

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

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

Section 5.5 The Issuer acknowledges and agrees that (i) the purchase and sale of the Series 2025 Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, advisor or fiduciary of the Issuer, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Issuer with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters) and the Underwriter has no obligation to the Issuer with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Agreement, (iv) the 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 2025 Bonds. The Issuer has retained Zions Public Finance Inc. as its Independent Registered Municipal Advisor in this transaction.

Section 5.6 This Purchase Agreement 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 Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

This Purchase Agreement shall become effective upon the execution by Stifel, Nicolaus & Company, Incorporated and the acceptance hereof by the Issuer.

Very truly yours,

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By: _____

Its: _____

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

VINEYARD CITY, UTAH

By: _____

Title: _____

SCHEDULE A

\$[PAR]
Vineyard City, Utah
Sales and Franchise Tax Revenue Bonds,
Series 2025

Maturity Date [_____])	Principal <u>Amount</u>	Interest <u>Rate</u>	<u>Yield</u>	<u>Price</u>	Pricing <u>Rule</u>
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[* General rule maturities.]

[** Hold-the-Offering Price/Undersold Maturities.]

[c Yield to optional par call on [_____], 20[_____].

EXHIBIT B

FORM OF UNDERWRITER'S RECEIPT FOR BONDS
AND ISSUE PRICE CERTIFICATE

\$[_____]

Vineyard City
Sales and Franchise Tax Revenue Bonds,
Series 2025

The undersigned, on behalf Stifel, Nicolaus & Company, Incorporated (the "Original Purchaser"), as the Original Purchaser of the above-described bonds (the "Bonds"), being issued on the date of this Certificate by Vineyard City, 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 Agreement (the "Purchase Agreement") by and between the Original Purchaser and the Issuer, dated [_____], 2025 (the "Sale Date"). The Bonds are issued as fully registered bonds, and are dated, mature on the dates, bear interest at the rates per annum, and are numbered as set forth in the Indenture (as defined in the Purchase Agreement.)

2. Issue Price. For purposes of this section 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 Schedule A for each Maturity.

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

"Public" means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriting Firm or a related party to an Underwriting Firm. An Underwriting Firm and a person are related if it and the person are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50%

common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other.

“Purchaser” means Stifel, Nicolaus & Company, Incorporated, 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 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. 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.

STIFEL, NICOLAUS & COMPANY,
INCORPORATED

By: _____

Its: _____

SCHEDULE A – [same as in Bond Purchase Agreement]
ATTACHMENT 1 -- Initial Offering Price Documentation
[Attach Pricing Wire or Other Offering Price Documentation]

EXHIBIT E

FORM OF CERTIFICATE OF AWARD

CERTIFICATE OF AWARD
OF VINEYARD CITY, UTAH
relating to its

SALES AND FRANCHISE TAX REVENUE BONDS, SERIES 2025

Pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the “Act”), and the authority delegated in the resolution adopted by the City Council (the “Council”) of Vineyard City, Utah (the “Issuer”) on April 3, 2025 (the “Resolutions”), authorizing the issuance and sale of the Issuer’s Sales and Franchise Tax Revenue Bonds, Series 2025 (the “Series 2025 Bonds”), the undersigned Designated Officers of the Issuer are authorized to accept bids for the sale of the Series 2025 Bonds. The Series 2025 Bonds were the subject of a sale held today, [____], 2025, at which it was determined that the bid of [PURCHASER] (the “Purchaser”) was the best bid received for the purchase of the Series 2025 Bonds. Based upon the foregoing determination, the undersigned Designated Officers of the Issuer hereby award sale of the Series 2025 Bonds to the Purchaser at a purchase price of \$_____. The verification of said winning bid is attached hereto as Schedule A.

The undersigned hereby approve prior to the original issuance of the Series 2025 Bonds, the following terms of the Series 2025 Bonds:

1. The sale of the Series 2025 Bonds was conducted as a competitive bid;
2. The final principal amount is \$_____ for the Series 2025 Bonds;
3. The maturity dates, principal amounts, and interest rates for the Series 2025 Bonds are set forth in Schedule B attached hereto;
4. The aggregate price to be paid by the Purchaser for the Series 2025 Bonds shall be \$_____ (representing the par amount of the Series 2025 Bonds, plus a [net reoffering premium] of \$_____, less a Purchaser’s discount of \$_____); and
5. The Series 2025 Bonds maturing on or before _____ are not subject to optional redemption prior to maturity. The Series 2025 Bonds maturing on or after _____ are subject to redemption at the option of the Issuer on _____ and on any date thereafter prior to maturity, in whole or in part, from such maturities or parts thereof as may be selected by the Issuer.

All capitalized terms used, but not defined herein, shall have the meanings assigned by the Resolutions or the Indenture (as such term is defined in the Resolutions) unless the context hereof requires otherwise.

IN WITNESS WHEREOF, we have hereunto subscribed our official signatures this
[_____], 2025.

VINEYARD CITY, UTAH

Designated Officer

SCHEDULE A

VERIFICATION OF WINNING BID

SCHEDULE B

\$(PAR)

VINEYARD CITY, UTAH

SALES AND FRANCHISE TAX REVENUE BONDS, SERIES 2025

Maturity Date
(_____)

Principal
Amount

Coupon

Price

EXHIBIT F

FORM OF PRELIMINARY OFFICIAL STATEMENT

PRELIMINARY OFFICIAL STATEMENT DATED [____], 2025

NEW ISSUE – Book-Entry Only

Rating: [____] “[____]”
(See “RATING” herein)

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the interest on the Series 2025 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel notes that interest on the Series 2025 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. The Series 2025 Bonds have not been designated as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. Bond Counsel is also of the opinion that the interest on the Series 2025 Bonds is exempt from State of Utah individual income taxes. See “TAX MATTERS” herein.

VINEYARD CITY, UTAH

\$[PAR]*

SALES AND FRANCHISE TAX REVENUE BONDS, SERIES 2025

Dated: Date of Initial Delivery

Due: [____], as shown herein

The \$[PAR]* Sales and Franchise Tax Revenue Bonds, Series 2025 (the “Series 2025 Bonds”) are issued as fully registered bonds by Vineyard City, Utah (the “City”) and when initially issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Series 2025 Bonds. Purchases of the Series 2025 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC participants. Owners of the Series 2025 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2025 Bonds. Interest on the Series 2025 Bonds is payable on [____] and [____] of each year, commencing [____], 20[____], by U.S. Bank Trust Company, National Association, as Paying Agent, all as more fully described herein. So long as DTC or its nominee is the registered owner of the Series 2025 Bonds, payments of the principal of and interest on such Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See “THE SERIES 2025 BONDS–Book-Entry Only System” herein.

The Series 2025 Bonds are subject to optional [and mandatory sinking fund] redemption as described herein.

Proceeds of the Series 2025 Bonds will be used by the City to (i) finance all or a portion of acquisition, construction, equipping and improvement of a building for use by the Issuer and any lessees (the “Project”) and (ii) pay the costs of issuing the Series 2025 Bonds. See “THE PROJECT” herein.

The Series 2025 Bonds are special limited obligations of the City, payable solely from the Revenues, moneys, securities and funds pledged therefor in the Indenture (as herein defined). Revenues include (i) the revenues received by the City from the imposition of a municipal energy sales and use tax, (ii) the revenues received by the City from the imposition of the local sales and use tax, and (iii) certain other funds described in the Indenture. The Series 2025 Bonds will not be a general obligation of the City or the State of Utah (the “State”) or any agency, instrumentality or political subdivision thereof. Neither the faith and credit nor the ad valorem taxing power of the City or the taxing power of the State or any agency, instrumentality or political subdivision thereof will be assigned or pledged for payment of principal of, premium, if any, and interest on the Series 2025 Bonds. The issuance of the Series 2025 Bonds shall not directly, indirectly or contingently obligate the City or the State or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor or to make any appropriation for the payment of the Series 2025 Bonds. The City will not mortgage or grant a security interest in the improvements refinanced with the proceeds of the Series 2025 Bonds or any portion thereof to secure payment of the Series 2025 Bonds. See “SECURITY FOR THE BONDS” herein.

The Series 2025 Bonds are offered when, as and if issued by the City and received by the Underwriter, and subject to the approval of their legality by Gilmore & Bell, P.C., Salt Lake City, Utah, Bond Counsel to the City. Certain matters relating to disclosure will be passed upon for the City by Gilmore & Bell, P.C., disclosure counsel to the City. Certain legal matters will be passed upon for the City by Jayme Blakesley, City Attorney. LRB Public Finance Advisors, Inc. is acting as Municipal Advisor to the City. It is expected that the Series 2025 Bonds, in book-entry only form, will be available for delivery to DTC or its agent on or about [____], 2025.

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

STIFEL

VINEYARD CITY, UTAH

\$(PAR)*

SALES AND FRANCHISE TAX REVENUE BONDS, SERIES 2025

MATURITIES, AMOUNTS, INTEREST RATES AND PRICES/YIELDS

Due ([_____])	Principal <u>Amount*</u>	Interest <u>Rate</u>	<u>Yield</u>	<u>CUSIP</u> [†]
------------------	-----------------------------	-------------------------	--------------	---------------------------

[\$ _____ % Term Bond Maturing on [_____], 20 ____; Price: _____%; CUSIP** ____]

* Preliminary; subject to change.

† The above referenced CUSIP number(s) have been assigned by an independent company not affiliated with the parties to this bond transaction and are included solely for the convenience of the holders of the Series 2025 Bonds. None of the City, the Trustee or the Underwriter is responsible for the selection or uses of such CUSIP numbers, and no representation is made as to its correctness on the Series 2025 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2025 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities.

No dealer, broker, salesman or any other person has been authorized by the City or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering contained herein, and, if given or made, such information or representations must not be relied upon. This Official Statement does not constitute an offer or solicitation of an offer to buy nor shall there be any sale of the Series 2025 Bonds by any person in any jurisdiction in which it is unlawful for such offer, solicitation or sale.

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

The yields at which the Series 2025 Bonds are offered to the public may vary from the initial reoffering yields on the inside front cover page of this Official Statement. In addition, the Underwriter may allow concessions of discounts from the initial offering prices of the Bonds to dealers and others. In connection with this offering, the Underwriter may engage in transactions that stabilize, maintain or otherwise affect the market prices of the Series 2025A Bonds. Such transactions, if commenced, may be discontinued at any time.

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

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

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

This Official Statement should be considered in its entirety. No one factor should be considered more or less important than any other by reason of its position in this Official Statement. Where statutes, ordinances, reports or other documents are referred to in this Official Statement, reference should be made to those documents for more complete information regarding their subject matter.

The City maintains a website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2025 Bonds.

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

VINEYARD CITY, UTAH

\$(PAR)*

SALES AND FRANCHISE TAX REVENUE BONDS, SERIES 2025

125 South Main Street
Vineyard, Utah 84059
(801) 226-1929

MAYOR AND CITY COUNCIL

Julie Fullmer Mayor
Sara Cameron Council Member
Brett Clawson Council Member
Jacob Holdaway Council Member
Mardi Sifuentes Council Member

CITY ADMINISTRATION

Eric Ellis City Manager
Kristie Bayles Finance Director
Jayme Blakesley City Attorney
Pamela Spencer City Recorder

TRUSTEE, PAYING AGENT & REGISTRAR

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Salt Lake City, Utah 84111
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MUNICIPAL ADVISOR

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Salt Lake City, Utah 84101
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Salt Lake City, Utah 84101
(385) 799-7231

* Preliminary; subject to change.

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OFFICIAL STATEMENT

RELATING TO

[\$[PAR]]*

SALES AND FRANCHISE TAX REVENUE BONDS, SERIES 2025

INTRODUCTION

This Official Statement, including the cover page, introduction, and appendices, provides information in connection with the issuance and sale by Vineyard City, Utah (the “City”) of its [\$[PAR]]* Sales and Franchise Tax Revenue Bonds, Series 2025 (the “Series 2025 Bonds”), initially issued in book-entry form only. This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by more complete and detailed information contained in, the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Series 2025 Bonds to potential investors is made only by means of the entire Official Statement. Capitalized terms used herein and not otherwise are defined in “APPENDIX C— FORM OF GENERAL INDENTURE.”

See also the following appendices attached hereto: “APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF VINEYARD CITY FOR FISCAL YEAR ENDED JUNE 30, 2024”; “APPENDIX B— DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING UTAH COUNTY”; “APPENDIX C— FORM OF GENERAL INDENTURE”; “APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING”; “APPENDIX E—FORM OF OPINION OF BOND COUNSEL”; and “APPENDIX F— PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM.”

The City

The City is located in Utah County, Utah, and is approximately five square miles in size. The City’s 2023 population was estimated by the U.S. Census Bureau to be 14,500. For additional information, see “VINEYARD CITY, UTAH” and APPENDICES A and B herein.

Authorization and Purpose of the Series 2025 Bonds

The Series 2025 Bonds are being issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code (the “Act”), and other applicable provisions of law; (ii) a resolution adopted by the City Council of the City on April 3, 2025 (the “Resolution”), which provides for the issuance of the Series 2025 Bonds; and (iii) a General Indenture of Trust dated as of [CLOSING MONTH] 1, 2025 (the “General Indenture”), between the City and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), as supplemented by a First Supplemental Indenture of Trust dated as of [CLOSING MONTH] 1, 2025 (the “First Supplemental Indenture,” and together with the General Indenture, the “Indenture”).

Proceeds of the Series 2025 Bonds will be used by the City to (i) finance all or a portion of acquisition, construction, equipping and improvement of a building for use by the Issuer and any lessees (the “Project”) and (ii) pay the costs of issuing the Series 2025 Bonds. See “THE PROJECT” and “ESTIMATED SOURCES AND USES OF FUNDS” herein.

Security and Sources of Payment

Pledged Revenues. The Series 2025 Bonds are special limited obligations of the City and are payable solely from, and are secured solely by, the Revenues and certain other moneys in funds and accounts held by the Trustee under the Indenture. The “Revenues” consist of (a) the revenues received by the City from the imposition of the sales

* Preliminary; subject to change.

and use tax levied by the City under the Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code (the “Pledged Sales Tax Revenues”); (b) the revenues received by the City from the imposition of a municipal energy sales and use tax levied by the City under the Municipal Energy Sales and Use Tax Act, Title 10, Chapter 1, Part 3, Utah Code (the “Pledged Franchise Tax Revenues”); and (c) certain other funds described in the Indenture. The Pledged Sales Tax Revenues and the Pledged Franchise Tax Revenues are sometimes collectively referred to herein as the “Pledged Tax Revenues.” See “SECURITY FOR THE BONDS” and “RISK FACTORS” herein.

Debt Service Coverage based on 2024 Pledged Tax Revenues. The Pledged Franchise Tax Revenues for the fiscal year ending June 30, 2024 (“Fiscal Year 2024”), totaled \$[_____] and the Pledged Sales Tax Revenue for Fiscal Year 2024 totaled \$[_____] , for a total of \$[_____] Pledged Tax Revenues for Fiscal Year 2024 (the “2024 Pledged Tax Revenues”). For purposes of this Official Statement, the City estimates that the 2024 Pledged Tax Revenues (assuming no decrease or growth) will provide approximately [_____] * times the maximum annual debt service requirement on the Series 2025 Bonds.

The Series 2025 Bonds will not be a general obligation of the City or the State or any agency, instrumentality or political subdivision thereof. Neither the faith and credit nor the ad valorem taxing power of the City or the taxing power of the State or any agency, instrumentality or political subdivision thereof will be assigned or pledged for payment of principal of, premium, if any, and interest on the Series 2025 Bonds. The issuance of the Series 2025 Bonds shall not directly, indirectly or contingently obligate the City or the State or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor or to make any appropriation for the payment of the Series 2025 Bonds. The City will not mortgage or grant a security interest in the project financed with the proceeds of the Series 2025 Bonds or any portion thereof to secure payment of the Series 2025 Bonds.

Additional Bonds

The Indenture permits the issuance of Additional Bonds secured on a parity with the Series 2025 Bonds, but requires that the City provide certain certificates and opinions as a condition to the issuance of Additional Bonds. Included in these conditions is the requirement that the Revenues for any consecutive twelve-month period in the 24 months immediately preceding the issuance of Additional Bonds be equal to at least [150%] of the Aggregate Annual Debt Service Requirement on all Bonds outstanding for said year. See “SECURITY FOR THE BONDS—Additional Bonds” herein. The Series 2025 Bonds and any Additional Bonds issued under the Indenture are referred to collectively herein as the “Bonds.”

State Pledge of Nonimpairment

In accordance with Section 11-14-307, Utah Code, the State pledges and agrees with the holders of the Series 2025 Bonds that it will not alter, impair or limit the excise taxes in a manner that reduces the amounts to be rebated to the City which are devoted or pledged for the payment of the Series 2025 Bonds until the Series 2025 Bonds, together with applicable interest, are fully met and discharged; provided, however, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the holders of the Series 2025 Bonds. The City notes that this provision has not been interpreted by a court of law and, therefore, the extent that such provision would (i) be upheld under constitutional or other legal challenge, (ii) protect the current rates and collection of all Pledged Tax Revenues, or (iii) impact any other aspect of the Pledged Tax Revenues, cannot be predicted by the City. See “SECURITY FOR THE BONDS—State Pledge of Nonimpairment” herein.

Redemption Provisions

The Series 2025 Bonds are subject to optional [and mandatory sinking fund] redemption as described herein. See “THE SERIES 2025 BONDS” herein.

* Preliminary; subject to change.

Registration, Denominations, Manner of Payment

The Series 2025 Bonds are issuable only as fully registered bonds without coupons and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”). DTC will act as securities depository of the Series 2025 Bonds. Purchases of Series 2025 Bonds will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC Participants. Beneficial Owners of the Series 2025 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2025 Bonds.

Principal of and interest on the Series 2025 Bonds (interest payable [_____] and [_____] of each year, commencing [_____, 2021) are payable by U.S. Bank Trust Company, National Association, as paying agent (the “Paying Agent”), to the registered owners of the Series 2025 Bonds. So long as DTC is the registered owner, it will, in turn, remit such principal and interest to its Participants, for subsequent disbursements to the Beneficial Owners of the Series 2025 Bonds, as described under “THE SERIES 2025 BONDS—Book-Entry Only System” herein.

Tax Matters

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the “Code”), the interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax. The Series 2025 Bonds have not been designated as “qualified tax-exempt obligations” within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Series 2025 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Series 2025 Bonds is exempt from State of Utah individual income taxes.

See “TAX MATTERS” in this Official Statement. Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the Series 2025 Bonds.

Conditions of Delivery, Anticipated Date, Manner and Place of Delivery

The Series 2025 Bonds are offered, subject to prior sale, when, as and if issued and received by Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) subject to approval of legality by Gilmore & Bell, P.C., Bond Counsel to the City, and certain other conditions. Certain matters relating to disclosure will be passed upon for the City by Gilmore & Bell, P.C., disclosure counsel to the City. Certain legal matters will be passed upon for the City by Jayme Blakesley, City Attorney. It is expected that the Series 2025 Bonds in book-entry form will be available for delivery to DTC or its agent on or about [_____, 2025.

Continuing Disclosure

The City will execute a Continuing Disclosure Undertaking for the benefit of the beneficial owners of the Series 2025 Bonds to enable the Underwriter to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934. See “CONTINUING DISCLOSURE” and “APPENDIX D—FORM OF LIMITED CONTINUING DISCLOSURE UNDERTAKING.”

Basic Documentation

The “basic documentation” which includes the Resolution, the Indenture and other documentation, authorizing the issuance of the Series 2025 Bonds and establishing the rights and responsibilities of the City and other parties to the transaction, may be obtained from the “contact persons” as indicated herein.

Contact Persons

The chief contact person for the City concerning the Series 2025 Bonds is:

Eric Ellis, City Manager
Vineyard City
125 South Main Street
Vineyard, Utah 84059
[(801) 226-1929]
erice@vineyardutah.org

The chief contact persons for the City's Municipal Advisor concerning the Series 2025 Bonds is:

Laura Lewis, Principal
LRB Public Finance Advisors, Inc.
Gateway Plaza Building
41 North Rio Grande, Suite 101
Salt Lake City, Utah 84101
(801) 596-0700
laura@lrbfinance.com

THE SERIES 2025 BONDS

General

The Series 2025 Bonds will be dated their date of delivery and except as otherwise provided in the Indenture, shall bear interest from said date. Interest on the Series 2025 Bonds will be payable semiannually on [_____] and [_____] of each year commencing [_____] 20____. The Series 2025 Bonds are issued as fully registered bonds in denominations of \$5,000 or any integral multiple thereof.

The Series 2025 Bonds shall bear interest at the rates and shall mature annually in each of the years as described on the inside cover page hereof. Interest on the Series 2025 Bonds will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The Series 2025 Bonds are special limited obligations of the City, and are payable solely from the Revenues, moneys, securities and funds pledged therefor in the Indenture. *The Series 2025 Bonds will not be a general obligation of the City or the State or any agency, instrumentality or political subdivision thereof. Neither the faith and credit nor the ad valorem taxing power of the City or the taxing power of the State or any agency, instrumentality or political subdivision thereof will be assigned or pledged for payment of principal of, premium, if any, and interest on the Series 2025 Bonds. The issuance of the Series 2025 Bonds shall not directly, indirectly or contingently obligate the City or the State or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefor or to make any appropriation for the payment of the Series 2025 Bonds. The City will not mortgage or grant a security interest in the project financed with the proceeds of the Series 2025 Bonds or any portion thereof to secure payment of the Series 2025 Bonds.*

Interest on the Series 2025 Bonds will be payable by check or draft mailed by the Trustee to the registered owner thereof (initially DTC) as of the Record Date. Principal of and premium, if any, on the Series 2025 Bonds will be payable at the principal corporate trust office of the Trustee as Paying Agent.

Redemption Provisions

[Optional Redemption. The Series 2025 Bonds maturing on or after [_____] 20____ are not subject to redemption prior to maturity. The Series 2025 Bonds maturing on or after [_____] 20____, are subject to redemption at the option of the City on _____ 1, 20____, and on any date thereafter prior to maturity, in whole

or in part, from such maturities or parts thereof as may be selected by the City, at a redemption price of 100% of the principal amount of the Series 2025 Bonds to be redeemed, plus accrued interest to the date of redemption.]

[*Mandatory Sinking Fund Redemption.* The Series 2025 Bonds maturing on [_____], 20__ are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the redemption date on the dates and in the principal amounts as follows:

Mandatory Sinking Fund
Redemption Date
(_____)

Mandatory Sinking Fund
Redemption Amount

* Final Maturity Date

Upon redemption of any Series 2025 Bond 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 respective Series 2025 Bonds maturing on [_____], 20__, as applicable, in such order of mandatory sinking fund date as shall be directed by the City.]

Partial Redemption. If fewer than all Series 2025 Bonds 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 City. If fewer than all of the Series 2025 Bonds of any one maturity shall be called for redemption, the particular units of Bonds to be redeemed shall be selected by the Trustee randomly in such manner as the Trustee, in its discretion, may deem fair and appropriate.

Book-Entry Only System

The Series 2025 Bonds originally will be issued solely in book-entry form to The Depository Trust Company (“DTC”), New York, New York, or its nominee, Cede & Co., to be held in DTC’s book-entry system. So long as the Series 2025 Bonds are held in the book-entry only system, DTC or its nominee will be the registered owner or Holder of such Bonds for all purposes of the Bonds and this Official Statement. Purchases of beneficial ownership interests in the Series 2025 Bonds may be made in denominations described above. For a description of the book-entry only system for the Series 2025 Bonds, see “APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM” herein.

SECURITY FOR THE SERIES 2025 BONDS

Pledged Revenues

The principal, premium, if any, and interest on the Series 2025 Bonds are payable from and secured by a first lien pledge of the Revenues under the General Indenture. The Revenues consist primarily of the Pledged Franchise Tax Revenues and the Pledged Sales Tax Revenues, as described herein.

The Series 2025 Bonds are special limited obligations of the City and no Bondholder will have the right, directly or indirectly, to require the exercise of the ad valorem taxing power of the City for the payment of the Series 2025 Bonds. The Series 2025 Bonds do not constitute a general obligation indebtedness of the City nor a lien on any property of the City other than the Revenues pledged to the payment of the Series 2025 Bonds.

Flow of Funds

In order to secure timely payment of the principal of and interest on the Series 2025 Bonds, the City has pledged and assigned to the Trustee the Revenues and all moneys in certain funds and accounts established by the

Indenture. The Indenture establishes an Acquisition/Construction Fund, Revenue Fund, Bond Fund, Debt Service Reserve Fund, and certain other funds and accounts.

The Indenture provides that all Revenues shall be accounted for by the City separate and apart from all other moneys of the City.

As a first charge and lien on the Revenues, the City shall, at least semi-annually and at least 15 days before each Interest Payment Date, transfer from the Revenue Fund to the Trustee for deposit into the Bond Fund an amount equal to:

- (i) the interest falling due on the Series 2025 Bonds on the next succeeding Interest Payment Date established for the Series 2025 Bonds (provided, however, that so long as there are moneys representing capitalized interest on deposit with the Trustee to pay interest on the Series 2025 Bonds next coming due, the City need not allocate to the Revenue Fund to pay interest on the Series 2025 Bonds); plus
- (ii) one-half of the Principal and premium, if any, falling due in the current fiscal year, and in any event, an amount sufficient to pay the Principal and premium on the next succeeding Principal payment date established for the Series 2025 Bonds; plus
- (iii) one-half of the Sinking Fund Installments, if any, falling due in the current fiscal year, and in any event, an amount sufficient to pay the Sinking Fund Installments on the next succeeding Sinking Fund Installment payment date (for deposit to the Sinking Fund Account within the Bond Fund);

the sum of which shall be sufficient, when added to the existing balance in the Bond Fund, to pay the principal of, premium, if any, and interest on the Series 2025 Bonds promptly on each such date as the same become due and payable.

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

- (i) To the extent the Debt Service Reserve Requirement, if any, is not funded with a Reserve Instrument or Instruments, (A) to the accounts in the Debt Service Reserve Fund any amounts required by the Indenture and by any Supplemental Indenture to accumulate therein the applicable Debt Service Reserve Requirement with respect to each Series of Bonds at the times and in the amounts provided in the Indenture and in any Supplemental Indenture and (B) if funds shall have been withdrawn from an account in the Debt Service Reserve Fund, or any account in the Debt Service Reserve Fund is at any time funded in an amount less than the applicable Debt Service Reserve Requirement, the City shall deposit Revenues in such account(s) in the Debt Service Reserve Fund sufficient in amount to restore such account(s) within one year with 12 substantially equal payments during such period (unless otherwise provided for by the Supplemental Indenture governing the applicable Debt Service Reserve Requirement); or a ratable portion (based on the amount to be transferred pursuant to section (ii) below) of remaining Revenues if less than the amount necessary; and
- (ii) Equally and ratably to the accounts of the Reserve Instrument Fund, with respect to all Reserve Instruments which are in effect and are expected to continue in effect after the end of an interest payment period, such amount of the remaining Revenues, or a ratable portion (based on the amount to be transferred pursuant to section (i) above) of the amount so remaining if less than the amount necessary, that is required to be paid, on or before the next such interest payment period transfer or deposit of Revenues into the Reserve Instrument Fund, to the Reserve Instrument Provider pursuant to any Reserve Instrument Agreement, other than Reserve Instrument Costs, in order to cause the Reserve Instrument Coverage to equal the Reserve Instrument Limit within one year from any draw date under the Reserve Instrument.

Subject to making the foregoing deposits, the City may use the balance of the Revenues accounted for in the Revenue Fund for any of the following:

- (i) redemption of Bonds;
- (ii) refinancing, refunding, or advance refunding of any Bonds; or
- (iii) for any other lawful purpose.

Pledged Tax Revenues

Pledged Franchise Tax Revenues. Title 10, Chapter 1, Part 3 Utah Code (the “Municipal Energy Sales and Use Tax Act”), provides that a municipality may levy a municipal energy sales and use tax (the “Municipal Energy Sales and Use Tax”) on the sale or use of gas and electricity within the municipality, including sales by the municipality, for the purpose of raising revenue and to create a more competitive environment for the energy industry in accordance with the limitations and provisions set forth in the Municipal Energy Sales and Use Tax Act. The Municipal Energy Sales and Use Tax Act provides that each municipality in the State may levy a Municipal Energy Sales and Use Tax on the sale or use of taxable energy within the municipality at a rate not exceeding 6% of the delivered value of the taxable energy. The City currently levies the Municipal Energy Sales and Use Tax at the maximum rate of 6%. The revenues received by the City from the levy of the Municipal Energy Sales and Use Tax are the Pledged Franchise Tax Revenues.

The Municipal Energy Sales and Use Tax is imposed on the “delivered value” of taxable energy provided within the City. “Delivered value” refers to the fair market value of the taxable energy and includes the value of the energy itself and any transportation, freight, customer demand charges, service charges or other costs typically incurred in providing taxable energy in usable form to customers within the City. The City collects directly the majority of revenues derived from the levy of the Municipal Energy Sales and Use Tax; however, a small portion is collected by the Utah State Tax Commission and disbursed to the City.

As previously stated above, as of the date of this Official Statement, the City has not issued any bonds which are secured by a pledge of the Franchise Tax Revenues.

Sales Tax Revenues Generally. The Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code (the “Local Sales and Use Tax Act”) provides that each county, city and town in the State may levy a sales and use tax of up to 1% on the purchase price of taxable goods and services. Although local governments may elect to levy sales and use taxes at rates less than 1%, various provisions of the Local Sales and Use Tax Act encourage them to levy these taxes at the rate of 1%. The legislative intent of the Local Sales and Use Tax Act is to provide the counties, cities and towns of the State with an added source of revenue to assist them in meeting their financial needs and servicing their bonded indebtedness. The City levies the local sales and use tax at the maximum legal rate of 1%.

The local sales and use tax is levied in addition to a statewide sales and use tax (the “Statewide Tax”) which is currently imposed at a rate of 4.85% of the purchase price of taxable goods and services, with the exception of sales of natural gas, electricity, and fuel oil for residential use which are taxed at a rate of 2.00% and food and food ingredients which are taxed at a rate of 3.00% (which includes a 1.75% statewide tax, 1.00% local sales and use tax, and 0.25% county tax). In addition, counties and cities in the State are authorized to impose sales and use taxes to fund public transportation, transportation infrastructure, zoo, art and parks purposes, and at the option of the county for general fund purposes of the county, revenues from which sales and use taxes do not constitute Pledged Sales Tax Revenues. The County currently imposes sales and use taxes to fund transportation infrastructure and for general fund purposes of the County. None of these taxes are pledged as a component of Pledged Tax Revenues. The total sales and use taxes imposed in the City (other than certain specialty taxes, including a motor vehicle rental tax, a transient room tax, and certain tourism taxes imposed by the County) is 7.45%.

Sales and use taxes are collected by the Utah State Tax Commission and distributed monthly to each county, city and town. The distributions are based on a formula, which provides that (i) 50% of sales and use tax collections will be distributed based on the percentage of the population of the local government to the total population of all similar local governments in the State and (ii) 50% of sales and use tax collections will be distributed based on the point of sale (the “50/50 Distribution”). The 50/50 Distribution formula and other provisions of the Local Sales and Use Tax Act are subject to legislative changes.

Under the Local Sales and Use Tax Act, sales taxes are imposed on the amount paid or charged for sales of tangible personal property in the State and for services rendered in the State for the repair, renovation or installation of tangible personal property. A use tax is imposed on the amount paid or charged for the use, storage or other consumption of tangible personal property in the State, including services for the repair, renovation or installation of such tangible personal property. Sales and use taxes also apply to leases and rentals of tangible personal property if the tangible personal property is in the State, the lessee takes possession in the State, or the tangible personal property is stored, used or otherwise consumed in the State.

A sales and use tax due and unpaid constitutes a debt due from the vendor and may be collected, together with interest, penalty, and costs, by appropriate judicial proceeding within three years after the vendor is delinquent. Furthermore, if a sales and use tax is not paid when due and if the vendor has not followed the procedures to object to a notice of deficiency, the Utah State Tax Commission may issue a warrant directed to the sheriff of any county commanding the sheriff to levy upon and sell the real and personal property of a delinquent taxpayer found within such county for the payment of the tax due. The amount of the warrant shall have the force and effect of an execution against all personal property of the delinquent taxpayer and shall become a lien upon the real property of the delinquent taxpayer in the same manner as a judgment duly rendered by any district court.

Largest Sales and Use Tax Payers in the City. [The top ten largest sales tax payers make up _____% of all sales taxes paid by merchants in the City. However, since only 50% of the City's sales tax revenues are allocated based on point of sale location, the top ten sales tax payers comprise only _____% of the City's total sales tax distribution (see discussion of State's "50/50 Distribution" discussed above). The top ten payers include _____ stores.]

Historical Sales Tax and Franchise Tax Revenues

The following table shows the amounts of Sales Tax Revenues and Franchise Tax Revenues received by the City for the fiscal years shown. [City to provide data.]

<u>Fiscal Year Ending June 30,</u>	<u>Pledged Sales Tax Revenues</u>	<u>Pledged Franchise Tax Revenues</u>	<u>Total Pledged Tax Revenues</u>
2025*			
2024			
2023			
2022			
2021			
2020			
2019			
2018			
2017			
2016			

* Preliminary; subject to change.
(Source: The City.)

Debt Service Coverage based on 2024 Pledged Tax Revenues. The Pledged Franchise Tax Revenues for the fiscal year ending June 30, 2024 ("Fiscal Year 2024"), totaled \$[_____] and the Pledged Sales Tax Revenue for Fiscal Year 2024 totaled \$[_____] for a total of \$[_____] Pledged Tax Revenues for Fiscal Year 2024 (the "2024 Pledged Tax Revenues"). For purposes of this Official Statement, the City estimates that the 2024 Pledged Tax Revenues (assuming no decrease or growth) will provide approximately [_____] times the maximum annual debt service requirement on the Series 2025 Bonds.

* Preliminary; subject to change.

[No] Debt Service Reserve Requirement

[No Debt Service Reserve Requirement is anticipated with respect to the Series 2025 Bonds.]

Additional Bonds

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

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

(b) A certificate shall be delivered to the Trustee by an Authorized Representative to the effect that (i) the Revenues for any Year for any consecutive 12-month period in the 24 months immediately preceding the proposed date of issuance of such Additional Bonds were at least equal to [150%] of the sum of the maximum Aggregate Annual Debt Service Requirement on all Bonds outstanding for said Year and (ii) verifying that the Revenues are at least equal to [150%] of the sum of the maximum Aggregate Annual Debt Service Requirement for each of such Bond Fund Years with respect to all of the Bonds and Additional Bonds which would then be Outstanding (after taking into account any Principal reductions resulting from regularly scheduled Principal or sinking fund redemption payments) and the Additional Bonds so proposed to be issued.

The revenue coverage test set forth in subsection (b) above shall not apply to the issuance of any Additional Bonds to the extent (i) they are issued for the purpose of refunding Bonds issued under the Indenture, (ii) the Average Aggregate Annual Debt Service for such Additional Bonds does not exceed the then remaining Average Aggregate Annual Debt Service for the Bonds being refunded therewith and (iii) the maximum Aggregate Annual Debt Service Requirement for such Additional Bonds is less than or equal to the maximum Aggregate Annual Debt Service Requirement for the Bonds being refunded therewith; and

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

(d) The proceeds of the Additional Bonds must be used (i) to refund Bonds issued under the Indenture, or any other obligations of the City (including the funding of necessary reserves and the payment of costs of issuance) and/or (ii) to finance or refinance a Project (including the funding of necessary reserves and the payment of costs of issuance).

State Pledge of Nonimpairment

In accordance with Section 11-14-307, Utah Code, the State pledges and agrees with the holders of the Series 2025 Bonds that it will not alter, impair or limit the pledged excise taxes in a manner that reduces the amounts to be rebated to the City which are devoted or pledged for the payment of the Series 2025 Bonds until the Series 2025 Bonds, together with applicable interest, are fully met and discharged; provided, however, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the holders of the Series 2025 Bonds.

The City notes that this provision has not been interpreted by a court of law and, therefore, the extent that such provision would (i) be upheld under constitutional or other legal attack, (ii) protect the current rates and collection of all Pledged Tax Revenues, or (iii) impact any other aspect of Pledged Tax Revenues, cannot be predicted by the City.

THE PROJECT

[A portion of the proceeds of the Series 2025 Bonds will be used to _____] finance all or a portion of acquisition, construction, equipping and improvement of a building for use by the City and any lessees.] *[Expanded description to come.]*

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds relating to the Series 2025 Bonds are as follows:

Sources of Funds

Principal Amount of Series 2025 Bonds.....\$ _____
[Net] Reoffering Premium
TOTAL

Uses of Funds

Deposit to Construction Account\$ _____
Costs of Issuance ⁽¹⁾.....
TOTAL

⁽¹⁾ Costs of Issuance include legal, municipal advisor, rating agency, and Trustee fees, Underwriter's discount, and other costs and expenses related to the issuance of the Series 2025 Bonds.

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DEBT SERVICE SCHEDULE

The following table sets forth the estimated debt service schedule for the Series 2025 Bonds.

<u>Year</u>	<u>Principal</u> *	<u>Interest</u>	<u>Fiscal Year Total</u>
-------------	--------------------	-----------------	--------------------------

Total	<u><u>\$[PAR]</u></u> *
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* Preliminary; subject to change.
(Source: The Municipal Advisor.)

VINEYARD CITY, UTAH

General

The City is located in Utah County, Utah, and is approximately five square miles in size. Although the City was incorporated as a town in 1989, due to its location and the presence of the steel plant (Geneva Steel), it remained small with limited growth potential for many years. After Geneva Steel ceased operations in late 2001, much of the land in the City was sold to a developer for remediation and redevelopment. Up until approximately 2015, the City did not have a population base to be considered a city under State law. The City has seen rapid population growth as it has been redeveloped from its former land uses to a mixed-use area. The City's 2023 population was estimated by the U.S. Census Bureau to be 14,500.

Form of Government

State statutes detail the functions to be performed by State municipalities. The City operates under a five-member council form of government. Legislative authority is vested in the City Council, consisting of four City Council members, and a Mayor who serves as the executive authority. The City Council is responsible, among other things, for passing ordinances, adopting the budget, and appointing members to various boards. The City Manager, appointed by the Mayor and Council, is responsible for the hiring and day-to-day operations of City employees. Department managers are responsible for their various departments and report to the City Manager. The Mayor and Council Members are elected for staggered four-year terms. The persons currently serving as Mayor, Council Members, and officers of the City and their respective years of service at the City (which may include service in other positions) are as follows:

<u>Office</u>	<u>Person</u>	<u>Years of Service to the City</u>	<u>Expiration of Term</u>
Mayor	Julie Fullmer	14 ^(a)	December 2025
Council Member	Sara Cameron	[]	December 2027
Council Member	Brett Clawson	[]	December 2025
Council Member	Jacob Holdaway	[]	December 2027
Council Member	Mardi Sifuentes	4	December 2025
Council Member	Cristy Welsh	[]	December 2027
City Manager	Eric Ellis	[]	—
Finance Director	Kristie Bayles	[]	—
City Attorney	Jayne Blakesley	[]	—
City Recorder	Pamela Spencer	12	—

(a) Includes Mayor Fullmer's service on the City planning commission from 2012 to 2014 and on the City Council from 2014 to 2018. Mayor Fullmer began her term as mayor in 2018.

The principal powers and duties of Utah municipalities are to maintain law and order, abate nuisances, guard public health and sanitation, promote recreation, provide fire protection, and construct and maintain streets, sidewalks, waterworks, and sewers. Municipalities also regulate commercial and residential development within their boundaries by means of zoning ordinances, building codes and licensing procedures.

Employee Workforce and Retirement System

The City employs approximately [40] full-time employees and [80] part-time employees (including seasonal employees). The City is a member of the Utah State Retirement Systems (the "Systems") and participates in a deferred compensation plan. The City records a liability and expense equal to its proportionate share of the collective net pension liability and expense of the Systems). See "APPENDIX A—BASIC FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2024—Notes to Financial Statements, Note 4—Other Information, 4-D. Pension Plans" herein.

OPEB Liability

The City does not offer any other post-employment benefits.

Investment of Funds

Investment of Operating Funds; the Utah Money Management Act. The Utah Money Management Act, Title 51, Chapter 7, Utah Code Annotated 1953, as amended (the “MM Act”) governs the investment of all public funds held by public treasurers in the State. It establishes criteria for investment of public funds with an emphasis on maintaining safety, liquidity, and yield, matching strategy to fund objectives, and matching the term of investments to the availability of funds. The MM Act provides a limited list of approved investments, including qualified in-state and permitted out-of-state financial institutions, approved government agency securities and investments in corporate securities carrying “top credit ratings.” The MM Act also provides for pre-qualification of broker dealers requiring that broker dealers must agree in writing to comply with the MM Act and certify that they have read and understand the MM Act. The MM Act establishes the Money Management Council (the “MM Council”) to exercise oversight of public deposits and investments. The law requires all securities to be delivered via payment to the Treasurer’s safekeeping bank. It requires diversification of investments, especially in securities of corporate issuers. Not more than 5% of the portfolio may be invested with any one issuer. Investments in mortgage pools and mortgage derivatives or any security making unscheduled periodic principal payments are prohibited. The MM Act also defines the State’s prudent investor rules. The MM Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The City is currently complying with all of the provisions of the MM Act for all City operating funds. All City funds are invested in the Utah Public Treasurers’ Investment Fund (“PTIF”), as discussed below.

The Utah Public Treasurers’ Investment Fund. The PTIF is a local government investment fund, established in 1981, and managed by the State Treasurer. The PTIF invests to ensure safety of principal, liquidity and a competitive rate of return. All moneys transferred to the PTIF are promptly invested in securities authorized by the MM Act. Safekeeping and audit controls for all investments owned by the PTIF must comply with the MM Act.

All investments in the PTIF must comply with the MM Act and rules of the MM Council. The PTIF invests only in securities authorized by the MM Act including time certificates of deposit, top-rated commercial paper and corporate notes, treasuries and certain agencies of the U.S. Government. The maximum weighted average adjusted life of the portfolio, by policy, is not to exceed 90 days. The maximum final maturity of any security purchased by the PTIF is limited to three years, except that a maximum maturity of five years is allowed for treasury or agency securities whose rate adjusts at least annually.

By law, investment transactions are conducted only through certified dealers, qualified depositories or directly with issuers of the securities. All securities purchased are delivered via payment to the custody of the State Treasurer or the State Treasurer’s safekeeping bank, assuring a perfected interest in the securities. Securities owned by the PTIF are completely segregated from securities owned by the State. The State has no claim on assets owned by the PTIF except for any investment of State moneys in the PTIF. Deposits are not insured or otherwise guaranteed by the State.

Securities in the PTIF include certificates of deposit, commercial paper, short-term corporate notes, obligations of the U.S. Treasury and securities of certain agencies of the U.S. Government. These short-term securities must be rated “first tier” (“A1,” “P1,” for short-term investments and “A” or better for long-term investments) by two nationally recognized statistical rating organizations, one of which must be Moody’s or S&P. These securities represent limited risks to governmental institutions investing with the PTIF. Variable rate securities in the PTIF must have an index or rate formula that has a correlation of at least 94% of the effective Federal Funds rate.

Investment activity of the State Treasurer in the management of the PTIF is reviewed monthly by the MM Council and is audited by the State Auditor. The PTIF itself is not rated.

See “APPENDIX A—BASIC FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2024—Notes to Financial Statements, Note 3—Detailed Notes, 3-A. Deposits and investments.

FINANCIAL INFORMATION REGARDING VINEYARD CITY, UTAH

Fund Structure; Accounting Basis

The accounting policies of the City conform to all generally accepted accounting principles for governmental units in general and the cities of the State in particular.

The accounts of the City are organized on the basis of funds or groups of accounts, each of which is considered to be a separate accounting entity. The operations of each fund or account group are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, fund balance, revenues and expenditures or expenses. The various funds are grouped by type in the combined financial statements. See “APPENDIX A—AUDITED BASIC FINANCIAL STATEMENTS OF VINEYARD CITY WITH INDEPENDENT AUDITORS’ REPORT FOR FISCAL YEAR ENDED JUNE 30, 2024—Notes to Financial Statements, Note 1—Summary of Significant Accounting Policies” herein.

Revenues and expenditures are recognized using the modified accrual basis of accounting in all governmental funds. Revenues are recognized in the accounting period in which they become both measurable and available. “Measurable” means that amounts can be reasonably determined within the current period. “Available” means that amounts are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues on cost-reimbursement grants are accrued when the related expenditures are incurred.

In proprietary funds, revenues and expenses are recognized using the accrual basis of accounting. Revenues are recognized in the accounting period in which they are earned and become measurable, and expenses are recognized in the period incurred.

Budget and Appropriation Process

The budget and appropriation process of the City is governed by the Uniform Fiscal Procedures Act for Utah Cities (the “Fiscal Procedures Act”). Pursuant to the Fiscal Procedures Act, the budget officer of the City is required to prepare budgets for the general fund, and any special revenue funds and capital improvement funds. These budgets are to provide a complete financial plan for the budget (ensuing fiscal) year. Each budget is required to specify, in tabular form, estimates of anticipated revenues and appropriations for expenditures. Under the Fiscal Procedures Act, the total of anticipated revenues must equal the total of appropriated expenditures.

On or before the first regular meeting of the City Council of the City in May of each year, the budget officer is required to submit to the City Council tentative budgets for all funds for the fiscal year commencing July 1. Various actual and estimated budget data are required to be set forth in the tentative budgets. The budget officer may revise the budget requests submitted by the heads of City departments, but must file these submissions with the City Council together with the tentative budget. The budget officer is required to estimate in the tentative budget the revenue from non-property tax sources available for each fund and the revenue from general property taxes required by each fund. The tentative budget is then tentatively adopted by the City Council, with any amendments or revisions that the City Council deems advisable prior to the public hearing on the tentative budget. After public notice and hearing, the tentative budget is adopted by the City Council, subject to further amendment or revisions by the City Council prior to adoption of the final budget.

Prior to June 30 of each year, the final budgets for all funds are adopted by the City Council. The Fiscal Procedures Act prohibits the City Council from making any appropriation in the final budget of any fund in excess of the estimated expendable revenue of such fund. The adopted final budget is subject to amendment by the City Council during the fiscal year. However, in order to increase the budget total of any fund, public notice and hearing must be provided. Intra- and inter-department transfers of appropriation balances are permitted upon compliance with the Fiscal Procedures Act.

The amount set forth in the final budget as the total amount of estimated revenue from property taxes constitutes the basis for determining the property tax levy to be set by the City Council for the succeeding tax year.

Adoption of Ad Valorem Tax Levy

The governing body of each taxing entity shall, before June 22 of each year, adopt a proposed or, if the tax rate is not more than the certified tax rate, a final tax rate for the taxing entity. The governing body shall report the rate and levy, and any other information prescribed by rules of the county commission for the preparation, review, and certification of the rate, to the county auditor of the county in which the taxing entity is located.

Financial Controls

The City utilizes a financial accounting system which includes a system of budgetary controls. State law requires budgets to be controlled by individual departments, but the City has currently also empowered the Administrative Services Director under the direction of the City Manager to maintain control by major categories within departments. These controls are such that a requisition will not be entered into the purchasing system unless the appropriated funds are available. The Administrative Services Director checks for sufficient funds again prior to the purchase order being issued and again before the payment check is issued. Voucher payments are also controlled by the Administrative Services Director for sufficient appropriations.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The City participates in the Utah Local Government Trust, a public agency insurance mutual, which provides coverage for property damage and general liability. The City is subject to a minimal deductible for claims. There have been no significant reductions in insurance coverage from coverage in the year prior to fiscal year ended June 30, 2024. Amounts of settlements have not exceeded insurance coverage in any of the past three fiscal years.

Investment of Funds

Investment of Operating Funds; the Utah Money Management Act. The Utah Money Management Act, Title 51, Chapter 7, Utah Code Annotated 1953, as amended (the “MM Act”) governs the investment of all public funds held by public treasurers in the State. It establishes criteria for investment of public funds with an emphasis on maintaining safety, liquidity, and yield, matching strategy to fund objectives, and matching the term of investments to the availability of funds. The MM Act provides a limited list of approved investments, including qualified in-state and permitted out-of-state financial institutions, approved government agency securities and investments in corporate securities carrying “top credit ratings.” The MM Act also provides for pre-qualification of broker dealers requiring that broker dealers must agree in writing to comply with the MM Act and certify that they have read and understand the MM Act. The MM Act establishes the Money Management Council (the “MM Council”) to exercise oversight of public deposits and investments. The law requires all securities to be delivered via payment to the Treasurer’s safekeeping bank. It requires diversification of investments, especially in securities of corporate issuers. Not more than 5% of the portfolio may be invested with any one issuer. Investments in mortgage pools and mortgage derivatives or any security making unscheduled periodic principal payments are prohibited. The MM Act also defines the State’s prudent investor rules. The MM Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The City is currently complying with all of the provisions of the MM Act for all City operating funds. All City funds are invested in the Utah Public Treasurers’ Investment Fund (“PTIF”), as discussed below.

The Utah Public Treasurers’ Investment Fund. The PTIF is a local government investment fund, established in 1981, and managed by the State Treasurer. The PTIF invests to ensure safety of principal, liquidity and a competitive rate of return. All moneys transferred to the PTIF are promptly invested in securities authorized by the MM Act. Safekeeping and audit controls for all investments owned by the PTIF must comply with the MM Act.

All investments in the PTIF must comply with the MM Act and rules of the MM Council. The PTIF invests only in securities authorized by the MM Act including time certificates of deposit, top-rated commercial paper and corporate notes, treasuries and certain agencies of the U.S. Government. The maximum weighted average adjusted life of the portfolio, by policy, is not to exceed 90 days. The maximum final maturity of any security purchased by the PTIF is limited to three years, except that a maximum maturity of five years is allowed for treasury or agency securities whose rate adjusts at least annually.

By law, investment transactions are conducted only through certified dealers, qualified depositories or directly with issuers of the securities. All securities purchased are delivered via payment to the custody of the State Treasurer or the State Treasurer's safekeeping bank, assuring a perfected interest in the securities. Securities owned by the PTIF are completely segregated from securities owned by the State. The State has no claim on assets owned by the PTIF except for any investment of State moneys in the PTIF. Deposits are not insured or otherwise guaranteed by the State.

Securities in the PTIF include certificates of deposit, commercial paper, short-term corporate notes, obligations of the U.S. Treasury and securities of certain agencies of the U.S. Government. These short-term securities must be rated "first tier" ("A1," "P1," for short-term investments and "A" or better for long-term investments) by two nationally recognized statistical rating organizations, one of which must be Moody's or S&P. These securities represent limited risks to governmental institutions investing with the PTIF. Variable rate securities in the PTIF must have an index or rate formula that has a correlation of at least 94% of the effective Federal Funds rate.

Investment activity of the State Treasurer in the management of the PTIF is reviewed monthly by the MM Council and is audited by the State Auditor. The PTIF itself is not rated.

See "APPENDIX A—BASIC FINANCIAL STATEMENTS OF THE CITY FOR THE FISCAL YEAR ENDED JUNE 30, 2024—Notes to Financial Statements, Note 3—Detailed Notes, 3-A. Deposits and investments.

Sources of General Fund Revenues

Set forth herein are brief descriptions of the various sources of revenues available to the City's general fund. The percentage of total general fund revenues represented by each source is based on the City's audited financial statements for the fiscal year ended June 30, 2024.

Taxes—Approximately ____% of general fund revenues are from taxes (of this amount, approximately ____% are from property taxes, ____% from sales and use taxes, and ____% from other taxes).

Charges for services—Approximately ____% of general fund revenues are from charges for services.

Intergovernmental revenue—Approximately ____% of general fund revenues are from State shared revenues.

Licenses and permits—Approximately ____% of general fund revenues are from licenses, fees and permits.

Fines and forfeitures—Approximately ____% of general fund revenues are collected from fines and forfeitures.

Miscellaneous and interest revenue—Approximately ____% of general fund revenues are from miscellaneous revenues and interest on investments.

Five-Year Financial Summaries

The following tables set forth a summary of certain financial information regarding the City and have been extracted from the City's audited basic financial statements for the fiscal years ended June 30, 2020 through June 30, 2024. The following summaries are unaudited.

VINEYARD CITY
Statement of Net Position – Governmental and Business-Type Activities
(This summary has not been audited.)

	Fiscal Year Ended June 30,				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
ASSETS & DEFERRED OUTFLOWS OF RESOURCES					
Current assets:					
Cash & cash equivalents	\$14,923,430	\$12,846,119	\$15,406,554	\$13,373,373	\$14,145,377
Accounts receivable, net	<u>5,137,738</u>	<u>4,889,112</u>	<u>4,573,643</u>	<u>4,599,845</u>	<u>3,627,276</u>
Total current assets	<u>20,061,168</u>	<u>17,735,231</u>	<u>19,980,197</u>	<u>17,973,218</u>	<u>17,772,652</u>
Non-current assets					
Restricted cash & cash equivalents	39,264,305	29,583,061	45,869,811	38,214,446	43,392,841
Capital Assets not being depreciated	47,080,284	60,760,841	37,337,732	35,211,726	27,937,140
Capital Assets (net of accumulated depreciation)	108,454,282	74,798,168	69,992,989	65,616,906	62,131,810
Bond issuance costs	32,506	—	—	—	—
Net pension asset	—	—	695,417	—	—
Total non-current assets	194,831,377	165,142,070	153,895,949	139,043,078	113,461,792
Total Assets	214,892,546	182,877,300	173,876,147	157,016,296	131,234,444
Deferred outflow --pensions	<u>682,825</u>	<u>495,015</u>	<u>417,880</u>	<u>319,751</u>	<u>306,086</u>
Total assets & deferred outflows	<u>215,575,371</u>	<u>183,372,315</u>	<u>174,294,027</u>	<u>157,336,047</u>	<u>131,540,530</u>
LIABILITIES & DEFERRED OUTFLOWS OF RESOURCES					
Current liabilities:					
Accounts payable & accrued liabilities	12,842,494	5,986,102	3,459,473	4,160,999	6,819,016
Accrued interest payable	524,025	432,095	469,796	203,888	223,208
Leases payable due w/in one year	152,296	114,251	152,820	—	—
Revenue bonds due w/in one year	4,641,192	4,232,187	4,059,427	3,519,000	3,423,000
Total current liabilities	18,160,006	10,764,635	8,141,516	7,883,887	10,465,224
Non-current liabilities					
Notes payable	9,054,013	9,464,319	9,426,388	9,659,698	10,505,046
Leases payable due after one year	712,600	113,288	239,493	—	—
Revenue bonds due after one year	79,092,345	69,035,909	73,638,679	43,571,000	47,090,000
Net pension liability	364,056	—	—	61,149	355,051
Total non-current liabilities	<u>89,223,014</u>	<u>78,613,516</u>	<u>83,304,560</u>	<u>53,291,847</u>	<u>57,950,097</u>
Total liabilities	<u>107,383,020</u>	<u>89,378,151</u>	<u>91,446,075</u>	<u>61,175,734</u>	<u>68,415,321</u>
Deferred inflows -property taxes	3,327,347	3,133,910	3,099,914	2,810,508	2,467,108
Deferred inflows - pensions	<u>5,383</u>	<u>6,302</u>	<u>971,903</u>	<u>421,103</u>	<u>192,756</u>
Total liabilities & deferred inflows of resources	<u>110,715,750</u>	<u>92,518,363</u>	<u>95,517,892</u>	<u>64,407,345</u>	<u>71,075,185</u>
NET POSITION					
Net investment in capital assets	83,867,231	78,238,879	64,028,364	80,158,132	67,961,566
Restricted for Class C Roads	33,948	28,396	352,589	449,506	344,028
Restricted for Construction	5,061,498	1,401,973	3,783,657	3,620,024	6,287,402
Unrestricted	<u>15,896,943</u>	<u>10,729,646</u>	<u>10,611,524</u>	<u>8,701,040</u>	<u>5,872,350</u>
Total net position	<u>104,859,621</u>	<u>90,398,894</u>	<u>78,776,134</u>	<u>92,928,702</u>	<u>80,465,345</u>
Total liabilities, deferred inflows of resources & net position	<u>\$215,575,371</u>	<u>\$182,917,256</u>	<u>\$174,294,027</u>	<u>\$157,336,047</u>	<u>\$151,540,530</u>

(Source: Information extracted from the City's 2020-2024 audited basic financial statements. This summary is unaudited.)

VINEYARD CITY
Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund
(This summary has not been audited.) *[Bond counsel will update]*

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Revenues:					
Taxes:					
Property					
Sales					
Other taxes					
Licenses & permits					
Intergovernmental revenues					
Charges for services					
Fines & forfeitures					
Interest					
Miscellaneous					
Total revenues					
Expenditures:					
Current:					
General government					
Public safety					
Highways and public improvements					
Parks, recreation & public property					
Cemetery					
Capital outlay					
Total expenditures					
Excess (deficiency) of revenue over (under) expenditures					
Other financing sources (uses):					
Impact fees					
Transfers in					
Transfers out					
Total other financing sources (uses)					
Net change in fund balance					
Fund balance - beginning of year					
Fund balance - end of year					

(Source: Information extracted from the City's 2020-2024 audited basic financial statements. This summary is unaudited.)

Outstanding Obligations of the City

The following is a list of the City's outstanding obligations as of May 1, 2025:

Outstanding Sales and Franchise Tax Revenue Bonds

<u>Series</u>	<u>Purpose</u>	<u>Original Principal Amount</u>	<u>Final Maturity Date</u>	<u>Principal Amount Outstanding</u>
2025 ⁽¹⁾	[City Hall & Multi-Use]	\$(PAR)*	[____], 20__*	\$(PAR)*

⁽¹⁾ For purposes of this Official Statement the Series 2025 Bonds are considered issued and outstanding.

* Preliminary; subject to change.

Outstanding Water and Sewer Revenue Bonds

<u>Series</u>	<u>Purpose</u>	<u>Original Principal Amount</u>	<u>Final Maturity Date</u>	<u>Principal Amount Outstanding</u>
2023	System improvements	\$14,350,000	May 1, 2053	\$13,970,000

Future Bond Issues

[The City currently has no plans to issue any other bonds within the next three years, but reserves the right to do so as its capital needs require.]

No Defaulted Bonds

The City has no record of failing to pay principal and interest when due on its outstanding bonded indebtedness or any other obligations.

TAX MATTERS

The following is a summary of the material federal and State of Utah income tax consequences of holding and disposing of the Series 2025 Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2025 Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Utah, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2025 Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2025 Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under the law existing as of the issue date of the Series 2025 Bonds:

Federal Tax Exemption. The interest on the Series 2025 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. Interest on the Series 2025 Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bank Qualification. The Series 2025 Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “Code”).

Bond Counsel’s opinions are provided as of the date of the original issue of the Series 2025 Bonds, subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2025 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2025 Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2025 Bonds.

State of Utah Tax Exemption. The interest on the Series 2025 Bonds is exempt from State of Utah individual income taxes.

No Other Opinion. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2025 Bonds but has reviewed the discussion under this heading “TAX MATTERS.”

Other Tax Consequences

[Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Series 2025 Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Series 2025 Bond is the sum of all payments on the Series 2025 Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2025 Bond is generally the first price at which a substantial amount of the Series 2025 Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt Series 2025 Bonds amortizes over the term of the Series 2025 Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Series 2025 Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Series 2025 Bond prior to its maturity. Even though the owner’s basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of Series 2025 Bond premium.]

[Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Series 2025 Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Series 2025 Bond is the sum of all payments on the Series 2025 Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2025 Bond is generally the first price at which a substantial amount of the Series 2025 Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Series 2025 Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Series 2025 Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Series 2025 Bond prior to its maturity. Even though the owner’s basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.]

Sale, Exchange, or Retirement of Series 2025 Bonds. Upon the sale, exchange, or retirement (including redemption) of a Series 2025 Bond, an owner of the Series 2025 Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange, or retirement of the Series 2025 Bond (other than in respect of accrued and unpaid interest) and such owner’s adjusted tax basis in the Series 2025 Bond. To the extent a Series 2025 Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2025 Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Series 2025 Bonds, and to the proceeds paid on the sale of the Series 2025 Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will

apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2025 Bonds should be aware that ownership of the Series 2025 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2025 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2025 Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2025 Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Series 2025 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

INDEPENDENT AUDITORS

The basic financial statements of the City as of June 30, 2024, and for the year then ended, contained in APPENDIX A to this Official Statement, have been audited by Gilbert & Stewart, CPAs, P.C., Provo, Utah ("Gilbert & Stewart"), independent auditors, as set forth in their report included in "APPENDIX A" hereto. Gilbert & Stewart has not been asked to consent to the use of its name, audited financial statements and report in this Official Statement.

RISK FACTORS

The purchase of the Series 2025 Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Series 2025 Bonds should make an independent evaluation of all of the information presented in this Official Statement in order to make an informed investment decision. Certain of these risks are described below; however, it is not intended to be a complete representation of all the possible risks involved:

Uncertainty of Economic Activity and Pledged Tax Revenues

The amount of Pledged Tax Revenues to be collected by the City is dependent on several factors beyond the control of the City, including, but not limited to, the state of the United States economy and the economy of the State and the City. Any one or more of these factors could result in the City receiving less Pledged Tax Revenues than anticipated. During periods in which economic activity declines, Pledged Tax Revenues are likely to fall as compared to an earlier year. In addition, Pledged Tax Revenues are dependent on the volume of the transactions subject to the tax. From time to time, proposals have been made by the Utah State Legislature (the "State Legislature") to add or remove certain types of purchases from the sales tax. The City cannot predict what impact these issues may have on the Pledged Tax Revenues it receives.

Legislative Changes to Sales Tax Statutes

The State Legislature has authority to alter the statutes under which the City derives its various sales and use tax revenues, including specifically the Pledged Sales Tax Revenues. From time to time proposals are discussed and introduced to change these statutes, including changes that could significantly reduce the amount of Pledged Sales Tax Revenues the City receives. This can be done by, among other things, expanding or diminishing the sales tax base, reducing rates or altering the formula by which the tax revenues are allocated among the counties, cities and towns within the State.

The City cannot predict whether the State Legislature will change the sales and use tax base, rates, and/or distribution methods, including changes that could affect Pledged Sales Tax Revenues at some point in the future. Consequently, no assurance can be given that the Revenues from Pledged Sales Tax Revenues will remain sufficient for the payment of the principal or interest on the Bonds, and the City is limited by State law in its ability to increase the rate of such taxes.

Series 2025 Bonds are Limited Obligations

The Series 2025 Bonds are special limited obligations of the City, payable solely from the Revenues, moneys, securities and funds pledged therefor in the Indenture. The Revenues consist primarily of the Pledged Tax Revenues. The Series 2025 Bonds do not constitute a general obligation indebtedness nor are they secured by a pledge of the ad valorem taxing power or the full faith and credit of the City, and are not obligations of the State or any other agency or other political subdivision or entity of the State. The City will not mortgage or grant any security interest in the improvements refinanced with the proceeds of the Series 2025 Bonds or any portion thereof to secure payment of the Series 2025 Bonds.

Limitation on Increasing Rates for Pledged Tax Revenues

The City has levied the maximum rate allowed under Utah law for the Pledged Tax Revenues. No assurance can be given that the Pledged Tax Revenues will remain sufficient for the payment of the principal or interest on the Series 2025 Bonds and the City is limited by Utah law in its ability to increase the rate of such taxes.

[No Reserve Fund Requirement for the Series 2025 Bonds]

[Pursuant to the Indenture, each Series of Bonds may be secured by a separate subaccount in the Debt Service Reserve Fund. Upon the issuance of the Series 2025 Bonds there will be no funding of a subaccount of the Debt Service Reserve Fund with respect to the Series 2025 Bonds.]

Cybersecurity

The risk of cyberattacks against commercial enterprises, including those operated for a governmental purpose, has become more prevalent in recent years. At least one of the rating agencies factors the risk of such an attack into its ratings analysis, recognizing that a cyberattack could affect liquidity, public policy and constituent confidence, and ultimately credit quality. A cyberattack could cause the informational systems of the City to be compromised and could limit operational capacity, for short or extended lengths of time and could bring about the release of sensitive and private information. Additionally, other potential negative consequences include data loss or compromise, diversion of resources to prevent future incidences and reputational damage. To date, the City has not been the subject of a successful materially adverse cyberattack. The City believes it has made all reasonable efforts to ensure that any such attack is not successful and that the information systems of the City are secure. However, there can be no assurance that a cyberattack will not occur in a manner resulting in damage to the City's information systems or other challenges. The City has insurance coverage for cyber-related risks.

CONTINUING DISCLOSURE

The City will undertake for the benefit of the Bondholders and the beneficial owners of the Series 2025 Bonds to provide certain annual financial information and operating data and notice of certain enumerated events to the Municipal Securities Rulemaking Board all in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) (the "Rule") of the Securities and Exchange Commission. See "APPENDIX E" attached hereto and incorporated herein by reference for a form of the Continuing Disclosure Undertaking that will be executed and delivered by the City.

A failure by the City to comply with the Continuing Disclosure Undertaking will not constitute a default under the Indenture and beneficial owners of the Series 2025 Bonds are limited to the remedies described in the Continuing Disclosure Undertaking. See "APPENDIX D—CONTINUING DISCLOSURE UNDERTAKING—

Default.” A failure by the City to comply with the Continuing Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2025 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2025 Bonds and their market price.

RATING

[] (“ ”) has assigned a municipal bond rating of “[]” to the Series 2025 Bonds.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. Any explanation of the significance of the rating should be obtained from the rating agency furnishing the same. There is no assurance that the rating given to the Series 2025 Bonds will be maintained for any period of time or that the rating may not be lowered or withdrawn entirely by the rating agency if, in its judgment, circumstances so warrant. Any such downward change or withdrawal of such rating may have an adverse effect on the market price of the Series 2025 Bonds.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Series 2025 Bonds, and the rating assigned by any rating agency should be evaluated independently. Except as may be required by the undertaking described under the heading “CONTINUING DISCLOSURE,” neither the City nor the Underwriter will undertake responsibility to bring to the attention of the owners of the Series 2025 Bonds any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

LITIGATION

A non-litigation certificate issued by [], legal counsel to the City, dated the date of closing, will be provided stating, among other things, that to the best of his knowledge, after due inquiry, no action, suit, proceeding, inquiry, or any other litigation or investigation at law or in equity, before or by any court, public board or body, has been served on the City or is threatened, challenging the creation, organization, or existence of the City or the titles of its officers to their respective offices or seeking to restrain or enjoin the issuance, sale, or delivery of the Series 2025 Bonds or for the purpose of restraining or enjoining the levy and collection of taxes by the City, or directly or indirectly contesting or affecting the proceedings or the authority by which the Series 2025 Bonds are issued or the validity of the Series 2025 Bonds or the issuance thereof.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated, as the underwriter of the Series 2025 Bonds, has agreed, subject to certain conditions, to purchase all of the Series 2025 Bonds from the City at a purchase price of \$ (being the par amount of the Series 2025 Bonds [plus/less] [net] original issue premium of \$ and less Underwriter’s discount of \$) and to make a public offering of the Series 2025 Bonds. The Series 2025 Bonds may be offered and sold to certain dealers (including dealers depositing the Series 2025 Bonds into investment trusts) at prices lower than the offering prices set forth on the cover page of this Official Statement and such public offering prices may be changed from time to time.

Although the Underwriter expects to maintain a secondary market in the Series 2025 Bonds after the initial offering, no guarantee can be given concerning the future existence of such a secondary market or its maintenance by the Underwriter or others.

MUNICIPAL ADVISOR

The City has engaged LRB Public Finance Advisors, Inc. Salt Lake City, Utah (the “Municipal Advisor”), to provide financial recommendations and guidance to the City with respect to preparation for sale of the Series 2025 Bonds, timing of sale, bond market conditions, costs of issuance and other factors relating to the sale of the Series 2025 Bonds. The Municipal Advisor has read and participated in the drafting of certain provisions of this Official Statement. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the City, with respect to accuracy and

completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the Municipal Advisor respecting accuracy and completeness of the Official Statement or any other matters related to the Official Statement. Municipal Advisor fees are contingent upon the sale and delivery of the Series 2025 Bonds.

LEGAL MATTERS

The authorization and issuance of the Series 2025 Bonds is subject to the approval of legality by Gilmore & Bell, P.C., Bond Counsel to the City. Certain matters relating to disclosure will be passed upon for the City by Gilmore & Bell, P.C., disclosure counsel to the City. Certain legal matters will be passed upon for the City by Jayme Blakesley, City Attorney. The approving opinion of Bond Counsel will be delivered with the Series 2025 Bonds. A copy of the form of the opinion of Bond Counsel is set forth in “APPENDIX F” of this Official Statement.

MISCELLANEOUS

All quotations from and summaries and explanations of the Utah Constitution, statutes, programs, laws of the State of Utah, court decisions, and the Indenture, which are contained herein, do not purport to be complete, and reference is made to said Constitution, statutes, programs, laws, court decisions, and the Indenture for full and complete statements of their respective provisions.

Any statement in this Official Statement involving matters of opinion, whether or not expressly so stated, is intended as such and not as representations of fact.

This Preliminary Official Statement is in a form “deemed final” by the City for purposes of Rule 15c2-12 of the Securities and Exchange Commission.

The appendices attached hereto are an integral part of this Official Statement and should be read in conjunction with the foregoing material.

The delivery of the Official Statement has been duly authorized by the City.

VINEYARD CITY, UTAH

APPENDIX A

**AUDITED BASIC FINANCIAL STATEMENTS OF VINEYARD CITY
FOR FISCAL YEAR ENDED JUNE 30, 2024**

APPENDIX B

DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING UTAH COUNTY

The following demographic information is provided solely as background information regarding the Utah County, the general area where the City is located.

County and State Population

<u>Year</u>	<u>The County</u>	<u>% Change From Prior Period</u>	<u>The State</u>	<u>% Change From Prior Period</u>
2024 Estimate	747,234	3.0%	3,503,613	1.8%
2023 Estimate	725,359	2.9	3,443,222	1.5
2022 Estimate	704,764	2.7	3,391,011	1.5
2021 Estimate	686,038	4.0	3,339,738	2.1
2020 Census	659,399	3.6	3,271,616	2.0
2019 Estimate	719,174	2.3	3,417,734	1.1
2018 Estimate	621,520	2.4	3,153,550	1.7
2017 Estimate	606,742	2.8	3,101,042	1.9
2016 Estimate	590,288	3.1	3,041,868	2.0
2015 Estimate	572,667	2.1	2,981,835	1.5
 2010 Census	 516,564	 —	 2,763,885	 —

(Source: U.S. Census Bureau; estimates are as of July 1 of the year given.)

Rate of Unemployment – Annual Average

<u>Year</u>	<u>County</u>	<u>State</u>	<u>United States</u>
2023	2.6%	2.6%	3.6%
2022	2.2	2.4	3.6
2021	2.4	2.8	5.3
2020	3.9	4.8	8.1
2019	2.3	2.5	3.7

(Source: Utah Department of Workforce Services and the U.S. Department of Labor.)

Economic Indicators in the County

LABOR FORCE ⁽¹⁾	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Labor Force (annual average)	353,125	344,947	331,915	317,287	310,071
Employed (annual average)	344,042	337,405	323,973	304,982	302,821
Unemployed (annual average)	9,083	7,542	7,942	12,305	7,250
Average Employment (Non-Farm Jobs)	306,985	302,222	288,842	268,803	268,093
% Change Prior Year	1.58	4.63	7.45	0.26	3.12
<i>Average Employment by Sector:</i>					
Agriculture, Forestry, Fishing & Hunting	1,130	1,172	1,265	1,222	1,228
Mining	274	271	256	170	150
Utilities	840	709	659	643	637
Construction	29,953	29,726	27,015	25,920	25,062
Manufacturing	23,462	22,937	21,044	19,413	19,680
Wholesale Trade	7,418	7,988	7,838	7,180	7,104
Retail Trade	34,211	34,278	35,993	33,093	33,160
Transportation & Warehousing	6,590	6,486	6,530	5,618	5,193
Information	13,717	15,834	15,073	13,988	14,159
Finance & Insurance	9,440	9,407	9,371	7,177	6,096
Real Estate and Rental & Leasing	3,854	3,583	3,499	3,215	3,165
Professional, Scientific & Technical Services	26,152	26,321	23,555	22,218	21,944
Management of Companies & Enterprises	2,886	2,621	1,919	1,851	1,715
Administrative, Support, Waste Management, & Remediation	16,785	17,683	17,932	16,075	15,637
Education Services	46,879	45,056	43,693	42,968	43,930
Health Care & Social Assistance	38,122	36,066	34,536	32,763	32,000
Arts, Entertainment, & Recreation	6,789	6,195	5,309	4,634	5,274
Accommodation & Food Services	24,036	22,360	20,354	18,444	19,747
Other Services & Unclassified Establishments	7,551	7,063	6,541	5,899	5,979
Public Administration	6,897	6,558	6,465	6,311	6,233
Total Establishments	21,839	21,388	22,372	20,858	19,929
Total Wages (\$Millions)	17,721.4	17,122.9	15,498.6	13,729.4	12,756.4
INCOME AND WAGES	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Total Personal Income (\$000) ⁽²⁾	41,437,922	38,180,460	35,715,506	31,264,189	28,205,040
Median Household Income ⁽¹⁾	n/a	95,085	86,597	81,804	79,505
Per Capita Income ⁽²⁾	57,619	54,335	52,065	47,113	43,627
Average Monthly Nonfarm Wage ⁽¹⁾	4,811	4,721	4,471	4,256	3,965
SALES & CONSTRUCTION	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Gross Taxable Sales (\$000,000) ⁽³⁾	17,737.2	17,488.6	15,630.7	12,811.2	11,242.7
New Dwelling Units ⁽⁴⁾	6,045	8,555	12,430	8,436	7,314
Total Construction Value (\$000) ⁽⁴⁾	2,807,188.0	3,432,366.7	4,056,859.5	3,192,226.5	2,618,932.1
New Residential Value (\$000) ⁽⁴⁾	1,724,314.8	2,239,401.0	2,890,112.7	2,056,615.4	1,781,204.9
New Nonresidential Value (\$000) ⁽⁴⁾	774,011.5	877,996.9	833,194.9	855,962.9	582,391.5

(Sources: (1) Utah Department of Workforce Services; (2) U.S. Department of Commerce, Bureau of Economic Analysis, last updated November 2024; (3) Utah State Tax Commission; (4) University of Utah Ivory-Boyer Construction Database.)

Major Employers in the County

The following is a list of some of the largest employers in the County.

<u>Company</u>	<u>Industry</u>	<u>Employment Range</u>
Brigham Young University	Higher Education	15,000-19,999
Alpine School District	Public Education	7,000-9,999
Utah Valley University	Higher Education	5,000-6,999
Intermountain Health Care	Health Care	5,000-6,999
Nebo School District	Public Education	4,000-4,999
Wal-Mart	Warehouse Clubs and Supercenters	3,000-3,999
Vivint	Building Equipment Contractors	2,000-2,999
State of Utah	State Government	2,000-2,999
Provo City School District	Public Education	1,000-1,999
Doterra International	Miscellaneous Retailers	1,000-1,999
Adobe Systems	Software Publishers	1,000-1,999
Central Utah Medical Clinic	Health Care	1,000-1,999
Chrysalis Utah	Individual and Family Services	1,000-1,999
Provo City	Local Government	1,000-1,999
Utah County Government	County Government	1,000-1,999
Qualtrics	Computer Programming Services	1,000-1,999
Smith's Food & Drug	Supermarkets	1,000-1,999
Costco Wholesale	Warehouse Clubs and Supercenters	1,000-1,999
Nestle Prepared Foods	Specialty Food Manufacturing	1,000-1,999
Texas Instruments	Semiconductor and Device Manufacturing	1,000-1,999
RBD Acquisition Sub	Janitorial Services	500-999
Lehi City	Local Government	500-999
Bamboo Hr	Custom Computer Services	500-999
City of Orem	Local Government	500-999
Championx Resources	Nonmetallic Mineral Product Manufacturing	500-999
Tyson Fresh Meats	Animal Slaughtering	500-999
Alpine Building	New Multifamily Housing Construction	500-999
ARO	Supermarkets	500-999
The Home Depot	Home Centers	500-999
U.S. Postal Service	Postal Service	500-999
Weave Communications, Inc.	Custom Computer Programming Services	500-999
Timpanogos Regional Medical Service	Hospitals	500-999
Wasatch Behavioral Health	Individual and Family Services	500-999
Ancestry.com Operations	Computing Infrastructure, Data Processing	500-999
Smokey's Smokehouse	Animal Food Manufacturing	500-999
Sundance Mountain Resort	Hotels	500-999
Spanish Fork City	Local Government	500-999
Domo	Software Publishers	500-999
Costa Vida Holdings	Limited-Service Restaurants	500-999
Fidelity Brokerage Services	Financials Services	500-999
Rocky Mountain ATV	Other Motor Vehicle Dealers	500-999
Maverik Country Stores	Gasoline Stations w/Convenience Stores	500-999
Target	Warehouse Clubs and Supercenters	500-999
Springville City	Local Government	500-999
Thanksgiving Point Institute	Zoos and Botanical Gardens	500-999
Xactware Solutions	Computer Systems Design Services	500-999
Young Living Holdings	Warehouse and Storage	500-999
Smart Home Pros	Security Systems Services	500-999
American Fork City	Local Government	500-999
Red Robin	Limited-Service Restaurants	500-999
Medicaremd.com	Software Publishers	500-999
Utah Community Credit Union	Credit Unions	500-999

(Source: Utah Department of Workforce Services; last updated November 2024.)

APPENDIX C
FORM OF GENERAL INDENTURE

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Disclosure Undertaking”) is executed and delivered by Vineyard City, Utah (the “City”) in connection with the issuance by the City of its \$_____ Sales and Franchise Tax Revenue Bonds, Series 2025 (the “Series 2025 Bonds”). The Series 2025 Bonds are being issued pursuant to a resolution adopted on April 3, 2025, by the City Council of the City, which provide for the issuance of the Series 2025 Bonds and a General Indenture of Trust dated as of [CLOSING MONTH] 1, 2025 (the “General Indenture”), between the City and U.S. Bank Trust Company, National Association, as trustee, as supplemented by a First Supplemental Indenture of Trust dated as of [CLOSING MONTH] 1, 2025 (the “First Supplemental Indenture,” and together with the General Indenture, the “Indenture”).

The City hereby acknowledges that it is an “obligated person” within the meaning of the hereinafter defined Rule and the only “obligated person” with respect to the Series 2025 Bonds. In connection with the aforementioned transactions, the City covenants as follows:

Section 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the City for the benefit of the Bondholders and Beneficial Owners of the Series 2025 Bonds and in order to assist the Participating Underwriters in complying with the Rule (each as defined herein).

Section 2. Definitions. In addition to the definitions set forth in the Indenture or parenthetically defined herein, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report of the City” means the Annual Report of the City provided by the City pursuant to, and as described in Sections 4 and 5 of this Disclosure Undertaking.

“Beneficial Owner” shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2025 Bonds (including persons holding Series 2025 Bonds through nominees, depositories or other intermediaries).

“Dissemination Agent” shall mean, initially, the City, acting in its capacity as Dissemination Agent hereunder, or any of its successors or assigns.

“Financial Obligation” means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of (a) or (b) in this definition; provided however, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, the address of which is currently 1300 I Street, NW, Suite 1000, Washington D.C. 20005; Telephone (202) 838-1500; the current website address of which is www.emma.msrb.org (for municipal disclosures and market data).

“Official Statement” shall mean the Official Statement of the City dated _____, 2025, relating to the Series 2025 Bonds.

“Participating Underwriter” shall mean any of the original underwriters of the Series 2025 Bonds required to comply with the Rule in connection with the offering of the Series 2025 Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The City shall prepare an Annual Report of the City and shall, or shall cause the Dissemination Agent to, not later than two hundred ten (210) days following the end of each fiscal year of the City (presently June 30), commencing with the fiscal year ended June 30, 2025, provide to the MSRB the Annual Report of the City which is consistent with the requirements of Section 4 of this Disclosure Undertaking. Not later than fifteen (15) Business Days prior to said date, the City shall provide the Annual Report of the City to the Dissemination Agent. In each case, the Annual Report of the City may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for Listed Event under Section 5(e).

(b) If by five (5) Business Days prior to the date specified in (a) for providing the Annual Report of the City to the MSRB, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with 3(a).

(c) If the Dissemination Agent is unable to verify that the Annual Report of the City has been provided to the MSRB by the dates required in (a), the Dissemination Agent shall, in a timely manner, send a notice of a failure to file the Annual Report to the MSRB in an electronic format.

(d) The Dissemination Agent shall:

(i) determine each year prior to the dates for providing the Annual Report of the City, the website address to which the MSRB directs the Annual Report to be submitted; and

(ii) file reports with the City, as appropriate, certifying that their Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing the website address to which it was provided.

Section 4. Content of Annual Reports.

(a) A copy of the annual financial statements of the City, prepared in accordance with generally accepted accounting principles audited by a firm of certified public accountants. If the City's audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report and audited financial statements will be provided when and if available.

(b) An update of the information of the type contained in the Official Statement in the tables under the following headings:

["SECURITY FOR THE SERIES 2025 BONDS—Historical Sales Tax and Franchise Tax Revenues" (as the same becomes historically available); and "FINANCIAL INFORMATION REGARDING VINEYARD CITY, UTAH—Outstanding Obligations of the City."]

Any or all of the items listed in the preceding paragraph may be included by specific reference to other documents, including Official Statements of debt issues of the City, as appropriate or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final Official Statement, it must be available from the MSRB. The City, as appropriate, shall clearly identify each such other document so incorporated by the reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2025 Bonds in a timely manner but not more than ten (10) Business Days after the event:

- (i) Principal and interest payment delinquencies;
- (ii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv) Substitution of credit or liquidity providers, or their failure to perform;

(v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2025 Bonds;

- (vi) Defeasances;
- (vii) Tender offers;
- (viii) Bankruptcy, insolvency, receivership or similar proceedings;
- (ix) Rating changes; or

(x) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5(b), the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2025 Bonds in a timely manner not more than ten (10) Business Days after the Listed Event, if material:

(i) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated persons or their termination;

(ii) Appointment of a successor or additional trustee or the change of the name of a trustee;

(iii) Non-payment related defaults;

(iv) Modifications to the rights of the owners of the Series 2025 Bonds;

(v) Series 2025 Bond calls;

(vi) Release, substitution or sale of property securing repayment of the Series 2025 Bonds; or

(vii) Incurrence of a Financial Obligation of the City or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders.

(c) Whenever the City obtains knowledge of the occurrence of a Listed Event under Section 5(b), whether because of a notice from the Trustee or otherwise, the City shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the City has determined that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the City shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If the City determines that the Listed Event under Section 5(b) would not be material under applicable federal securities laws, the City shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the City to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB in an electronic format in a timely manner not more than ten (10) Business Days after the Listed Event.

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2025 Bonds. If such termination occurs prior to the final maturity of the Series 2025 Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(f).

Section 7. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The City will serve as the initial Dissemination Agent under this Disclosure Undertaking.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the City and the Trustee may amend this Disclosure Undertaking and any provision of this Disclosure Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an "obligated person" (as defined in the Rule) with respect to the Series 2025 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2025 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Series 2025 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Series 2025 Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the City shall describe such amendment in the next Annual Report of the City, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City, as applicable. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 6(f), and (ii) the Annual Disclosure Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the City chooses to include any information in any Annual Disclosure Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the City shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the City or the Dissemination Agent to comply with any provision of this Disclosure Undertaking, any Bondholder or Beneficial Owner of the Series 2025 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an “event of default” under the Indenture or the Lease, and the sole remedy under this Disclosure Undertaking in the event of any failure of the City or the Dissemination Agent to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 11. Duties Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys’ fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent’s gross negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2025 Bonds.

Section 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the Holders and Beneficial Owners from time to time of the Series 2025 Bonds, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Undertaking may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Date: _____, 2025.

VINEYARD CITY, UTAH

(SEAL)

By: _____
Mayor

Attest:

By: _____
City Recorder

APPENDIX E

FORM OF OPINION OF BOND COUNSEL

Upon the delivery of the Series 2025 Bonds, Gilmore & Bell, P.C., Bond Counsel to the City, proposes to issue its final approving opinion in substantially the following form.

Re: \$_____ Vineyard City, Utah Sales and Franchise Tax Revenue Bonds, Series 2025

We have served as bond counsel to Vineyard City, Utah (the “Issuer”), in connection with the issuance by the Issuer of the above-captioned bonds (the “Bonds”). In this capacity, we have examined the law and such certified proceedings, certifications and other documents as we have deemed necessary to give the opinions below.

The Bonds are issued pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and other applicable provisions of law; (ii) a resolution of the city council of the City adopted on April 3, 2025; and (iii) a General Indenture of Trust dated as of [_____] 1, 2025 (the “General Indenture”), as supplemented by a First Supplemental Indenture of Trust dated as of [_____] 1, 2025 (the “First Supplemental Indenture,” and together with the General Indenture, the “Indenture”), each between the City and U.S. Bank Trust Company, National Association, as trustee. Under the Indenture, the Issuer has pledged certain revenues (the “Revenues”) for the payment of principal of, premium (if any), and interest on the Bonds when due.

Capitalized terms used and not otherwise defined in this opinion have the meanings assigned to those terms in the Indenture.

Regarding questions of fact material to the opinions below, we have relied on the representations of the Issuer contained in the Indenture, on the certified proceedings and other certifications of representatives of the Issuer and the certifications of others furnished to us without undertaking to verify them by independent investigation.

Based on the foregoing, we are of the opinion that:

1. The Issuer is validly existing as a political subdivision and body politic duly organized and validly existing under the constitution and laws of the State of Utah (the “State”) with the power to execute the Indenture, perform the agreements on its part contained therein, and issue the Bonds.

2. The Indenture has been authorized, executed and delivered by the Issuer and constitute valid and binding agreements of the Issuer.

3. The Indenture creates a valid lien on the Revenues and other funds pledged by the Indenture for the security of the Bonds on a parity with other bonds, if any, issued or to be issued under the Indenture.

4. The Bonds have been duly authorized and executed by the Issuer, and are valid and binding limited obligations of the Issuer, payable solely from the Revenues and the other funds provided therefor in the Indenture. The Bonds do not constitute general obligations of the Issuer and do not constitute an indebtedness of the Issuer within the meaning of any State constitutional or statutory provision, limitation, or restriction. The Issuer’s taxing power is not pledged to the payment of the Bonds.

5. The interest on the Bonds (i) is excludable from gross income for federal income tax purposes and (ii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds.

6. The interest on the Bonds is exempt from income taxation by the State.

The rights of the owners of the Bonds and the enforceability of the Bonds and the Indenture may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion regarding (a) the accuracy, adequacy or completeness of the Official Statement or other offering material relating to the Bonds, except as may be set forth in our supplemental opinion of even date herewith, (b) the attachment, perfection, or priority of the lien on Revenues or other funds created by the Indenture, or (c) the tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion letter.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances that may later come to our attention, or any changes in law that may later occur.

Respectfully submitted,

APPENDIX F

PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Series 2025 Bonds. The Series 2025 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2025 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has an S&P Global rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2025 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2025 Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2025 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2025 Bonds with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2025 Bonds may wish to ascertain that the nominee holding the Series 2025 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial

Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2025 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2025 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2025 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2025 Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

EXHIBIT G

FORM OF CONTINUING DISCLOSURE UNDERTAKING

CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the “Disclosure Undertaking”) is executed and delivered by Vineyard City, Utah (the “City”) in connection with the issuance by the City of its \$_____ Sales and Franchise Tax Revenue Bonds, Series 2025 (the “Series 2025 Bonds”). The Series 2025 Bonds are being issued pursuant to a resolution adopted on April 3, 2025, by the City Council of the City, which provide for the issuance of the Series 2025 Bonds and a General Indenture of Trust dated as of [CLOSING MONTH] 1, 2025 (the “General Indenture”), between the City and U.S. Bank Trust Company, National Association, as trustee, as supplemented by a First Supplemental Indenture of Trust dated as of [CLOSING MONTH] 1, 2025 (the “First Supplemental Indenture,” and together with the General Indenture, the “Indenture”).

The City hereby acknowledges that it is an “obligated person” within the meaning of the hereinafter defined Rule and the only “obligated person” with respect to the Series 2025 Bonds. In connection with the aforementioned transactions, the City covenants as follows:

Section 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the City for the benefit of the Bondholders and Beneficial Owners of the Series 2025 Bonds and in order to assist the Participating Underwriters in complying with the Rule (each as defined herein).

Section 2. Definitions. In addition to the definitions set forth in the Indenture or parenthetically defined herein, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report of the City” means the Annual Report of the City provided by the City pursuant to, and as described in Sections 4 and 5 of this Disclosure Undertaking.

“Beneficial Owner” shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2025 Bonds (including persons holding Series 2025 Bonds through nominees, depositories or other intermediaries).

“Dissemination Agent” shall mean, initially, the City, acting in its capacity as Dissemination Agent hereunder, or any of its successors or assigns.

“Financial Obligation” means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of (a) or (b) in this definition; provided however, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Listed Events” shall mean any of the events listed in Section 5 of this Disclosure Undertaking.

“MSRB” shall mean the Municipal Securities Rulemaking Board, the address of which is currently 1300 I Street, NW, Suite 1000, Washington D.C. 20005; Telephone (202) 838-1500; the

current website address of which is www.emma.msrb.org (for municipal disclosures and market data).

“Official Statement” shall mean the Official Statement of the City dated _____, 2025, relating to the Series 2025 Bonds.

“Participating Underwriter” shall mean any of the original underwriters of the Series 2025 Bonds required to comply with the Rule in connection with the offering of the Series 2025 Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Reports.

(a) The City shall prepare an Annual Report of the City and shall, or shall cause the Dissemination Agent to, not later than [two hundred ten (210)] days following the end of each fiscal year of the City (presently June 30), commencing with the fiscal year ended June 30, 2025, provide to the MSRB the Annual Report of the City which is consistent with the requirements of Section 4 of this Disclosure Undertaking. Not later than fifteen (15) Business Days prior to said date, the City shall provide the Annual Report of the City to the Dissemination Agent. In each case, the Annual Report of the City may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City’s fiscal year changes, it shall give notice of such change in the same manner as for Listed Event under Section 5(e).

(b) If by five (5) Business Days prior to the date specified in (a) for providing the Annual Report of the City to the MSRB, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with 3(a).

(c) If the Dissemination Agent is unable to verify that the Annual Report of the City has been provided to the MSRB by the dates required in (a), the Dissemination Agent shall, in a timely manner, send a notice of a failure to file the Annual Report to the MSRB in an electronic format.

(d) The Dissemination Agent shall:

(i) determine each year prior to the dates for providing the Annual Report of the City, the website address to which the MSRB directs the Annual Report to be submitted; and

(ii) file reports with the City, as appropriate, certifying that their Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing the website address to which it was provided.

Section 4. Content of Annual Reports.

(a) A copy of the annual financial statements of the City, prepared in accordance with generally accepted accounting principles audited by a firm of certified public accountants. If the City's audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report and audited financial statements will be provided when and if available.

(b) An update of the information of the type contained in the Official Statement in the tables under the following headings:

[“SECURITY FOR THE SERIES 2025 BONDS—Historical Sales Tax and Franchise Tax Revenues” (as the same becomes historically available); and
“FINANCIAL INFORMATION REGARDING VINEYARD CITY, UTAH—
Outstanding Obligations of the City.”]

Any or all of the items listed in the preceding paragraph may be included by specific reference to other documents, including Official Statements of debt issues of the City, as appropriate or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final Official Statement, it must be available from the MSRB. The City, as appropriate, shall clearly identify each such other document so incorporated by the reference.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2025 Bonds in a timely manner but not more than ten (10) Business Days after the event:

- (i) Principal and interest payment delinquencies;
- (ii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iii) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (iv) Substitution of credit or liquidity providers, or their failure to perform;
- (v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2025 Bonds;
- (vi) Defeasances;
- (vii) Tender offers;
- (viii) Bankruptcy, insolvency, receivership or similar proceedings;

(ix) Rating changes; or

(x) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5(b), the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2025 Bonds in a timely manner not more than ten (10) Business Days after the Listed Event, if material:

(i) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated persons or their termination;

(ii) Appointment of a successor or additional trustee or the change of the name of a trustee;

(iii) Non-payment related defaults;

(iv) Modifications to the rights of the owners of the Series 2025 Bonds;

(v) Series 2025 Bond calls;

(vi) Release, substitution or sale of property securing repayment of the Series 2025 Bonds; or

(vii) Incurrence of a Financial Obligation of the City or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders.

(c) Whenever the City obtains knowledge of the occurrence of a Listed Event under Section 5(b), whether because of a notice from the Trustee or otherwise, the City shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the City has determined that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the City shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If the City determines that the Listed Event under Section 5(b) would not be material under applicable federal securities laws, the City shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the City to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB in an electronic format in a timely manner not more than ten (10) Business Days after the Listed Event.

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2025 Bonds. If such termination occurs prior to the final maturity of the Series 2025 Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(f).

Section 7. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. The City will serve as the initial Dissemination Agent under this Disclosure Undertaking.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the City and the Trustee may amend this Disclosure Undertaking and any provision of this Disclosure Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an "obligated person" (as defined in the Rule) with respect to the Series 2025 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2025 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Series 2025 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Series 2025 Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the City shall describe such amendment in the next Annual Report of the City, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City, as applicable. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 6(f), and (ii) the Annual Disclosure Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of

dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the City chooses to include any information in any Annual Disclosure Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the City shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the City or the Dissemination Agent to comply with any provision of this Disclosure Undertaking, any Bondholder or Beneficial Owner of the Series 2025 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an “event of default” under the Indenture or the Lease, and the sole remedy under this Disclosure Undertaking in the event of any failure of the City or the Dissemination Agent to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 11. Duties Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys’ fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent’s gross negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2025 Bonds.

Section 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the Holders and Beneficial Owners from time to time of the Series 2025 Bonds, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Undertaking may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Date: _____, 2025.

VINEYARD CITY, UTAH

(SEAL)

By: _____
Mayor

Attest:

By: _____
City Recorder