



**Memorandum**

**To:** Mayor, Town Council  
**From:** Rick Wixom  
**Date:** May 4, 2024  
**Re:** **May 8, 2024 Town Council Meeting**  
**Wastewater Project Final Bond Resolution, 2024-05**

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In December of 2023, the Council adopted a parameters resolution for the wastewater lagoon improvements project. This parameters resolution effectively started the bonding process for the project. In January 2024, the Council held a public hearing on the proposed bond issue. No public comments were received at that hearing.

Since those two meetings, the project has been bid, a contractor has been selected, and the Town successfully requested authorization from the Utah CIB for supplemental funding to meet the bid amount. The total bond amount is \$4,716,000.

This item is to approve the final bond resolution for the wastewater lagoon project bond. The Council received a draft copy of this resolution in December with the parameters resolution.

Eric Johnson, the Town's Bond Counsel on this issue, will be present at the meeting to discuss the resolution and answer any questions the Council may have.

Following the adoption of this resolution, the Town and the Utah CIB will move to close the bond. We are anticipating that this will occur on or about May 23, 2024.

**TOWN OF SPRINGDALE, UTAH**  
**WASTEWATER REVENUE BONDS, SERIES 2024**  
**FINAL BOND RESOLUTION**  
**May 8, 2024**

RESOLUTION NO. 2024-05

A RESOLUTION AUTHORIZING THE SALE OF \$4,716,000 WASTEWATER REVENUE BONDS, SERIES 2024, FOR THE PURPOSE OF FINANCING WASTEWATER SYSTEM IMPROVEMENTS AUTHORIZING ALL RELATED DOCUMENTS AND ACTION; AND RELATED MATTERS.

WHEREAS, the Issuer has determined that its wastewater system (the “System”) is in need of improvements (as more fully described herein, the “Project”) and does not have on hand money to pay the costs of the Project; and

WHEREAS, the Issuer desires to finance the costs of the with the issuance of Wastewater revenue bonds and, the revenues to be derived by the Issuer from the operation of the System have not been pledged or hypothecated in any manner or for any other purpose; and

WHEREAS, the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended (the “Bonding Act”) provides that the Issuer may issue non-voted revenue bonds as long as revenues generated from the revenue producing facilities of the Issuer are sufficient to pay for operation and maintenance of such facilities and debt service on all outstanding obligations secured by the revenues of such facilities; and

WHEREAS, the Issuer has been advised that the System will generate sufficient revenues to pay for the operation and maintenance of the System as well as debt service on all proposed and outstanding obligations secured by the revenues of the System, including the revenue bonds authorized herein; and

WHEREAS, the Town Council of the Issuer has determined that it is in the best interest of the Issuer to finance the costs of the Project through the issuance of its Wastewater Revenue Bonds, Series 2024 in the aggregate amount of \$4,716,000 (the “Series 2024 Bonds”) as authorized by the Acts; and

WHEREAS, the State of Utah acting through the Utah Permanent Community Impact Fund Board (the “Community Impact Board”), has offered to purchase the Series 2024 Bonds in the total aggregate principal amount of \$4,716,000 and bearing interest at the rate of two percent (2.00%) per annum on the unpaid principal amount thereof; and

WHEREAS, the Issuer desires to accept the offer of the Community Impact Board and to confirm the sale of the Series 2024 Bonds to the Community Impact Board in the aggregate principal amount of \$4,716,000.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Springdale, Washington County, Utah, as follows:

## ARTICLE I

### DEFINITIONS

As used in this Final Bond Resolution, the following terms shall have the following meanings unless the context otherwise clearly indicates:

“Annual Debt Service” means the annual payment of principal of, premium or penalty, if any, and interest to be paid by the Issuer during any Sinking Fund Year on the Series 2024 Bonds and all outstanding bonds or other forms of indebtedness issued on a parity with the Series 2024 Bonds and which are secured by the Net Revenues of the System.

“Bondholder” or “Registered Owner” means the registered holder of any Series 2024 Bond, the issuance of which is authorized herein.

“Bonds” means the Series 2024 Bonds, and any Parity Bonds issued pursuant to the authority of this Final Bond Resolution issued under section 4.2.

“Depository Bank” means a “Qualified Depository” as defined in the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code Annotated, 1953, as amended, selected by the Issuer to receive deposits for the Wastewater Revenue Fund as herein described, the deposits of which are insured by the Federal Deposit Insurance Corporation.

“Community Impact Board” means the State of Utah Permanent Community Impact Fund Board, or any successor agency thereof.

“Escrow Account” means an account to be held in escrow by the Escrow Agent pursuant to the Escrow Agreement, such account to be used for the purpose of depositing the proceeds of the sale of the Series 2024 Bonds and accounting for those proceeds pursuant to the terms of the Escrow Agreement.

“Escrow Agent” means the Utah State Treasurer, and its successors and assigns, which shall so act pursuant to the terms of the Escrow Agreement.

“Escrow Agreement” means the escrow agreement entered among the Issuer, the Community Impact Board, and the Escrow Agent on the date of delivery of the Series 2024 Bonds.

“Escrow Fund” means the escrow fund created and administered under the Escrow Agreement by the Escrow Agent.

“Exchange Bonds” means the fully registered Series 2024 Bonds issued in substantially the form set forth in Exhibit A-2, in exchange for the State Bonds representing the Series 2024 Bonds, or in exchange for other Exchange Bonds, in the denomination of \$1,000 or any integral multiple thereof.

“Fully Registered Bond” means any single Bond that is fully registered in the denomination(s) equal to the aggregate principal amount of the applicable Series 2024 Bonds authorized herein.

“Issuer” means the Town of Springdale, Washington County, Utah, or its successors.

“Net Revenues” means Revenues after provision has been made for the payment of Operation and Maintenance Expenses.

“Operation and Maintenance Expenses” means all expenses reasonably incurred in connection with the operation and maintenance of the System, after tax revenues are applied to such expenses, including the cost of Wastewater collection and Wastewater treatment, whether incurred by the Issuer or paid to any other municipality or company pursuant to contract or otherwise, repairs and renewals (other than capital improvements) necessary to keep the System in efficient operating condition, the cost of audits hereinafter required, fees of the paying agents of the Bonds, payment of premiums for insurance on the System hereinafter required and, generally, all expenses, exclusive of depreciation, which under generally accepted accounting practices are properly allocable to the operation and maintenance of the System, but only such expenses as are reasonably and properly necessary to the efficient operation and maintenance of the System shall be included.

“Outstanding Bonds” the Issuer has no outstanding bonds that are secured by the Issuer’s wastewater revenues.

“Parity Bonds” means all bonds issued on a parity with the Series 2024 Bonds in accordance with Section 4.2 hereof.

“Paying Agent” means the person or persons authorized by the Issuer to pay the principal of and interest on the Series 2024 Bonds on behalf of the Issuer. The initial paying agent for the Series 2024 Bonds is the Town Clerk of the Issuer.

“Project” means the acquisition and construction of wastewater improvements, including the construction of new filtration building and sewer lines, to the Issuer’s System, and all equipment and appurtenances thereto.

“Registered Owner” means the person or persons in whose name or names a bond shall be registered on the books of the Issuer kept for that purpose in accordance with the provisions of this Final Bond Resolution.

“Registrar” means the person or persons authorized by the Issuer to maintain the registration books with respect to the Series 2024 Bonds on behalf of the Issuer. The initial Registrar for the Series 2024 Bonds is the Town Clerk of the Issuer.

“Revenues” means all gross income and revenues of any kind, from any source whatsoever, derived from the operation of the System, including, without limitation, all fees, rates, connection charges, and other charges, the gross revenues of all improvements, additions, and extensions of the System hereafter constructed or acquired, and all interest earned by and profits derived from the sale of investments made with the income or other revenues. Balances held in the Revenue Fund on the last day of each Fiscal Year in excess of 25% of the amount of the Operation and Maintenance Expenses for that Fiscal Year, after payment of all Operation and Maintenance Expenses and all deposits required by Section 3.4(a)-(c) of this Final Bond Resolution to that date have been made, shall be considered to be Revenues available for the next Fiscal Year.

“Series 2024 Bonds” means the Issuer’s Wastewater Revenue Bonds, Series 2024 issued pursuant to this Final Bond Resolution in the aggregate principal amount of \$4,716,000, bearing interest at the rate of 2.00% per annum, as authorized herein to finance the Project.

“Sinking Fund Year” means the twelve-month period beginning on July 1 of the calendar year and ending on the next succeeding June 30; provided, however, that the first Sinking Fund Year will begin on the delivery date of the Series 2024 Bonds and will end on the next succeeding June 30.

“State Bonds” means the fully registered Series 2024 Bonds issued in substantially the form set forth in Exhibit A-1, in a denomination equal to the aggregate principal amount of the Series 2024 Bonds.

“System” means the whole and each and every part of the wastewater system of the Issuer, including the Project to be financed in part with the proceeds of the Series 2024 Bonds to be issued pursuant to this Final Bond Resolution, and all property, real, personal and mixed, of every nature now or hereafter owned by the Issuer and used or useful in the operation of such wastewater system, together with all improvements, extensions, enlargements, additions, and repairs thereto which may be made while any of the Bonds remain outstanding. The terms Wastewater and/or sewer shall mean the same thing.

## ARTICLE II

### ISSUANCE OF SERIES 2024 BONDS

Section 2.1 Principal Amount, Designation Series and Interest Rate. The Series 2024 Bonds are hereby authorized for issuance for the purposes of providing funds to finance (i) the Project, and (ii) to pay the costs of issuing the Series 2024 Bonds. The Series 2024 Bonds shall be limited to \$4,716,000 in aggregate principal amount and shall be issued (a) in the form set forth in Exhibit A-1, if issued as a State Bond(s), and (b) in the form set forth in Exhibit A-2, if issued as Exchange Bonds, in fully registered form, shall bear interest from the date of issuance at the rate of 2.00% per annum on the unpaid principal amount and shall be payable as specified herein. The Series 2024 Bonds, whether issued as State Bonds or Exchange Bonds, shall be in the denomination of \$1,000 or any integral multiple thereof. The Series 2024 Bonds shall be numbered from one (1) consecutively upward in order of delivery by the Registrar. The Series 2024 Bonds shall be designated as, and shall be distinguished from all other bonds of the Issuer by the title, “Wastewater Revenue Bonds, Series 2024.”

Section 2.2 Date and Maturities. The Series 2024 Bonds shall be dated as of their date of delivery shall be issued in the amount of \$1,000 or any integral multiple thereof, and shall be paid as provided in this Section 2.2. The Series 2024 Bonds shall be initially issued as one fully registered State Bond.

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon presentation of the applicable Series 2024 Bond at the offices of the Paying Agent for endorsement or surrender, or of any successor Paying Agent. Payment of interest shall be made to the Registered Owner thereof and shall be paid by check or draft mailed to the Registered Owner thereof at his or her address as it appears on the registration books of the Issuer maintained by the Registrar or at such other address as is furnished to the Registrar in writing by such Registered Owner. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America.

So long as the Community Impact Board is the Registered Owner of the Series 2024 Bonds, payments of principal and interest, if any, on the Series 2024 Bonds shall be made by check or draft and mailed to the Community Impact Board as the Registered Owner at the address shown on the registration books maintained by the Registrar.

Interest at the rate of 2.0% per annum on the outstanding principal amount of the Series 2024 Bonds shall begin to accrue as of October 1, 2024 and shall be payable annually on October 1 of each year, beginning on October 1, 2025. The Issuer shall make the principal payments stated for each year, beginning October 1, 2025, and continuing on each October 1 thereafter until the total principal sum shall be paid in full, as follows

<u>October 1</u>	<u>Principal Maturing</u>	<u>October 1</u>	<u>Principal Maturing</u>
		2039	\$153,000
2025	\$116,000	2040	156,000
2026	119,000	2041	160,000
2027	121,000	2042	163,000
2028	123,000	2043	166,000
2029	126,000	2044	169,000
2030	128,000	2045	173,000
2031	131,000	2046	176,000
2032	134,000	2047	180,000
2033	136,000	2048	183,000
2034	139,000	2049	187,000
2035	142,000	2050	191,000
2036	145,000	2051	195,000
2037	147,000	2052	198,000
2038	150,000	2053	202,000
		2054	207,000

In the event the bid from the lowest responsible bidder on the Project shows that the costs of the Project will exceed the amount of loan commitments the Issuer has already obtained, then, as authorized in Section 11-14-302 of the Acts, the Issuer hereby authorizes the Mayor and Town Manager, as a pricing committee, to approve a final principal amount and repayment schedule for the Series 2024 Bonds within the parameters set forth in the Notice of Public Hearing and Bonds to Be Issued published once each week for two consecutive weeks with the first publication being at least 14 days before this resolution and also posted on the Utah Public Notice Website at least 14 days before this resolution, which parameters are in the aggregate principal amount of not to exceed \$5,000,000 to bear interest at 3.00% per annum, to mature in not more than Thirty-one (31) years from their date or dates, and to be sold at a price not less than 99% of the total principal amount thereof and all other terms of the Series 2024 Bonds, and to approve and execute all documents related to the issuance of the Series 2024 Bonds. The Town Clerk is authorized to attest such signatures and apply the Town seal as appropriate. If the Series 2024 Bonds are not issued during the calendar year, then the denomination of the Bonds will be changed to correspond to the calendar year in which they are issued.

Section 2.3 Optional Redemption and Redemption Prices. Each principal payment of the Series 2024 Bonds is subject to prepayment and redemption at any time, in whole or in part (if in part, in integral multiples of \$1,000), at the election of the Issuer, in inverse order of the due dates thereof, and by lot selected by the Issuer if less than all of the Series 2024 Bonds of a particular due date are to be redeemed, upon notice as provided in Section 2.4 hereof with respect to Exchange Bonds, and upon at least thirty (30) days' prior written notice of the amount of prepayment and the date scheduled for prepayment to the Community Impact Board with respect to the Series 2024 Bonds, and at a redemption price equal to 100% of the principal amount to be prepaid or redeemed, plus accrued interest, if any, to the date of redemption.



Section 2.4 Notice of Redemption of Exchange Bonds.

(a) In the event any of the Exchange Bonds are to be redeemed, the Registrar shall cause notice to be given as provided in this Section 2.4. The notice of redemption shall be mailed by first class mail, postage prepaid, to all Registered Owners of the Exchange 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 forty-five (45) days prior to the date fixed for redemption. The notice shall state the following information:

(i) the complete official name, series and the identification numbers of the Exchange Bonds being redeemed;

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

(iii) in the case of partial redemption of any Exchange 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 Exchange Bond or portion thereof called for redemption; and

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

(b) Upon the payment of the redemption price of the Exchange Bonds being redeemed, each check or other transfer of funds issued for such purpose shall identify the Exchange Bonds being redeemed with the proceeds of such check or other transfer.

(c) The Registrar shall not give notice of redemption until there are on deposit with the Paying Agent sufficient funds for the payment of the redemption price.

A second notice of redemption shall be given, not later than ninety (90) days subsequent to the redemption date, to Registered Owners of the Exchange Bonds or the portion thereof redeemed but who failed to deliver their Exchange Bonds for redemption prior to the 60th day following such redemption date. Any notice mailed as provided herein shall be conclusively presumed to have been duly given, whether or not the Registered

Owner of the Bonds receives the notice. Receipt of a notice of redemption shall not be a condition precedent to redemption and failure by any Registered Owner to receive any such notice shall not affect the validity of the proceedings for the redemption of the Bonds.

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

Section 2.5 Execution and Delivery of the Series 2024 Bonds. The Mayor is hereby authorized to execute by manual or facsimile signature the Series 2024 Bonds and the Town Clerk to countersign by manual or facsimile signature the Series 2024 Bonds and to have imprinted, or otherwise placed on the Series 2024 Bonds the official seal of the Issuer. The Town Clerk is hereby authorized to deliver to the Community Impact Board the Series 2024 Bonds upon the payment of the proceeds of the Series 2024 Bonds.

Section 2.6 Delinquent Payment. If any installment payment of principal of or interest on the Series 2024 Bonds is not paid when due and payable, the issuer shall pay interest on each delinquent installment at the rate of eighteen percent (18%) per annum from such due date until paid in full.

Section 2.7 Exchange of State Bonds. As long as the Community Impact Board is the sole Registered Owner of the Series 2024 Bonds, the Series 2024 Bonds shall be issued only as the Series 2024 Bonds in the form prescribed in Exhibit A-1. It is recognized that the Community Impact Board may sell or otherwise transfer the Series 2024 Bonds pursuant to the provisions of the State Financing Consolidation Act, Title 63, Chapter 65, Utah Code Annotated 1953, as amended, or otherwise. In the event the Community Impact Board determines to sell or otherwise transfer all or a portion of the Series 2024 Bonds pursuant to the State Financing Consolidation Act, or otherwise, the Series 2024 Bonds shall be exchanged at the office of the Paying Agent for a like aggregate principal amount of Exchange Bonds in accordance with the provisions of this Section 2.7 and Section 3.1 hereof. Exchange Bonds may thereafter be exchanged from time to time for other Exchange Bonds in accordance with Section 3.1 hereof. Any Series 2024 Bond, or any portion thereof, which is sold or otherwise transferred or liquidated by the Community Impact Board pursuant to the State Financing Consolidation Act, or otherwise, shall be in the form of an Exchange Bond prescribed in Exhibit A-2, and shall be executed pursuant to the authorization contained in Section 2.5 hereof. Each principal payment on the Series 2024 Bonds not previously paid or canceled shall be represented by an equivalent principal amount of Exchange Bonds, in authorized denominations, and of like maturity. The Issuer and its officers shall execute and deliver such documents and perform such acts as may reasonably be required by the Issuer to accomplish the exchange of the Series 2024 Bonds for Exchange Bonds, provided that the Community Impact Board pay or cause to be paid all costs and other charges incident to such exchange and the Issuer shall have no obligation to pay any such costs or charges.

## ARTICLE III

### REGISTRATION, PAYMENT, AND FLOW OF FUNDS

Section 3.1 Execution of and Registration of Series 2024 Bonds; Persons Treated as Owners. The Issuer shall cause books for the registration and transfer of the Series 2024 Bonds to be kept by the Town Clerk who is hereby appointed the Registrar of the Issuer with respect to the Series 2024 Bonds. Any Series 2024 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 or her duly authorized attorney, upon surrender of such Series 2024 Bond for cancellation, accompanied by delivery of a duly executed instrument of transfer in a form approved by the Registrar. No transfer shall be effective until entered on the registration books kept by the Registrar. Upon surrender of any Series 2024 Bond for transfer as provided herein, the Issuer shall execute and deliver in the name of the transferee or transferees, a new Series 2024 Bond of the same maturity and series for a like aggregate principal amount as the Series 2024 Bond surrendered for transfer. Series 2024 Bonds may be exchanged at the office of the Registrar for a like aggregate principal amount of Series 2024 Bonds of the same series or other authorized denominations and the same maturity. The execution by the Issuer of any Series 2024 Bond of any authorized denomination shall constitute full and due authorization of such denomination, and the Registrar shall thereby be authorized to deliver such Series 2024 Bond. The Registrar shall not be required to transfer or exchange any Series 2024 Bond after the mailing of notice calling such Series 2024 Bond for redemption.

Series 2024 Bonds surrendered for payment, redemption or exchange, shall be promptly canceled and destroyed by the Issuer.

The Issuer, the Registrar and the Paying Agent may treat and consider the person in whose name each Series 2024 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 for all other purposes whatsoever, and neither the Issuer, the Registrar nor the Paying Agent shall be affected by any notice to the contrary. Payment of any Series 2024 Bond shall be made only to or upon order of the Registered Owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2024 Bond to the extent of the sum or sums so paid.

The Issuer may require the payment by the Registered Owner requesting exchange or transfer of Series 2024 Bonds of any tax or other governmental charge and any service charge required to be paid with respect to such exchange or transfer and such charges shall be paid before such new Series 2024 Bond shall be delivered.

Section 3.2 Escrow Fund; Deposit of Bond Proceeds. The proceeds from the sale of the Series 2024 Bonds shall be deposited upon delivery in the Escrow Account and

shall be disbursed pursuant to the provisions of the Escrow Agreement. All monies deposited in the Escrow Account shall be used solely for the purpose of defraying all or a portion of the costs of the Project including the payment of costs of issuance of the Series 2024 Bonds. Any unexpended balance remaining in the Escrow Account after completion of the Project shall be paid immediately into the “Sinking Fund” established hereunder, and shall be used only for the prepayment of the Series 2024 Bonds. Principal last to become due shall be prepaid first, and in the event less than all of the principal amount of the Bonds maturing on the last due date are to be redeemed, the Issuer shall by lot select those Bonds to be prepaid. Proceeds from the sale of the Series 2024 Bonds on deposit in the Escrow Account, may at the discretion of the Issuer, be invested by the Escrow Agent as provided in the Escrow Agreement. Following the transfer of unexpended funds from the Escrow Account to the Sinking Fund, the Escrow Account will be closed.

Section 3.3 The Series 2024 Bonds Constitute Special Limited Obligations; Pledge of Net Revenues Notwithstanding anything to the contrary in this Final Bond Resolution, all of the principal of and interest on the Series 2024 Bonds shall be payable solely from the Net Revenues of the System, all of which are hereby pledged to the payment of the principal of and interest on the Series 2024 Bonds. In no event shall the Series 2024 Bonds be deemed or construed to be a general indebtedness of the Issuer or payable from any funds of the Issuer other than those derived from the operation of the System.

The Issuer may, in its sole discretion, but without obligation and subject to the Constitution, laws, and budgetary requirements of the State of Utah, make available properly budgeted and legally available funds to defray any insufficiency of Net Revenues to pay the Series 2024 Bonds; provided however, the Issuer has not covenanted and cannot covenant to make said funds available and has not pledged any of such funds for such purpose.

Section 3.4 Flow of Funds. From and after the earlier of the delivery date of the Series 2024 Bonds, and until all the Series 2024 Bonds have been fully paid, the Revenues shall be set aside into the Town of Springdale, Utah Wastewater Revenue Fund referred to herein as “Revenue Fund,” previously established, and hereby reaffirmed to be held by the Depository Bank. The Issuer will thereafter make accounting allocations of the funds deposited in the Revenue Fund for the following purposes and in the following priority:

- (a) From the amounts on deposit in the Revenue Fund there shall first be paid all Operation and Maintenance Expenses of the System. For this purpose the Issuer shall establish on its books an account known as the “Expense Account” to which shall be allocated monthly, on or before the 10th day of each month, such portion of the Revenue Fund as is estimated to be required for Operation and Maintenance Expenses of the System for the following month. There shall be allocated to the Expense Account from time to time during the month such additional amounts as may be required to make payments of Operation and Maintenance Expenses for which the amounts theretofore allocated to the Expense Account are insufficient.

(b) From the amounts in the Revenue Fund there shall first be allocated and transferred to the “Town of Springdale, Utah Wastewater Revenue Bond Sinking Fund” (the “Sinking Fund”) hereby established as hereinafter provided.

(i) Of the amounts allocated to the Sinking Fund there shall be allocated the following amounts to a subaccount established on the books of the Issuer known as the “Bond Account” such amounts as will assure, to the extent of the availability of Net Revenues from the System, the prompt payment of the principal and interest, if any, on the Series 2024 Bonds as the same shall become due and all bonds or obligations issued in parity therewith. The amount to be so set aside with respect to the Series 2024 Bonds shall, as nearly as may be practicable, be set aside and allocated to the Bond Account monthly, on or before the tenth day of each month, beginning the dated date of the Series 2024 Bonds and shall equal  $1/12$  (in the case of the first Sinking Fund Year, a fraction, the numerator of which is one and the denominator is the number of monthly remaining until the first principal and interest payment date) of the amount of the principal and interest on the payment next due on the Series 2024 Bonds, to the end that there will be sufficient funds allocated to the Bond Account to pay the principal and interest, if any, on the Series 2024 Bonds as and when the same become due. In the event insufficient moneys are available to make prompt payment of the full principal and interest, if any, on the Series 2024 Bonds as shall become due and all outstanding obligations, if any, issued on parity therewith, such moneys shall be allocated pro rata based on the amount of principal next coming due to the monthly allocation requirement for each such parity bond or obligation. Amounts allocated to the Bond Account shall be used solely for the purpose of paying principal and interest on the Series 2024 Bonds and shall not be reallocated, transferred or paid out for any other purpose; and

(ii) Of the amounts allocated to the Sinking Fund after there shall have been allocated the amounts required to be allocated under (i) above, there shall be allocated monthly on or before the tenth day of each month beginning October 10, 2024 to the “Reserve Account – Series 2024” established on the books of the Issuer the sum of \$2,935, plus such additional amount as may be required to meet any monthly installment to the Reserve Account – Series 2024 not theretofore made in whole or in part, such allocation shall continue until there shall have been accumulated an amount equal to \$211,140. Amounts allocated to the Reserve Account – Series 2024 (the “Reserve Accounts”) shall be used to pay the principal and interest, if any, falling due on the Series 2024 Bonds at any time when there are not sufficient funds in the Bond Account to pay the same, but pending such use may be invested as hereafter provided. When the Reserve Accounts have been accumulated as in this paragraph provided, no further allocations to the Reserve Accounts need be made unless payments from the Reserve Account have reduced the same below the amounts required by this paragraph, in which event allocations shall be resumed until such deficiency has been remedied; and

(iii) All remaining funds, if any, in the Sinking Fund after all of the payments required to be made into the Bond Account and Reserve Accounts have been made, may be used by the Issuer (a) to prepay or redeem the Series 2024 Bonds in whole or in part, (b) to make extensions, improvements, additions, repairs, and replacements to the System, or (c) to be applied to any other lawful purpose as determined by the Issuer.

(c) If at any time, the Revenues derived by the Issuer from the operation of the System shall be insufficient to make any payment to any of the above funds or accounts on the date or dates specified, the Issuer shall make good the amount of such deficiency by making additional payments out of the first available Revenues thereafter derived by the Issuer from the operation of the System.

Section 3.5 Investment of Funds. Any funds allocated to the Bond Account and Reserve Account may, at the discretion of the Issuer, be invested in accordance with the State Money Management Act. All income derived from the investment of the funds of the Bond Account shall be maintained in that account and disbursed along with the other moneys on deposit therein as herein provided. All income derived from the investment of the Reserve Account shall at the end of each Sinking Fund Year be transferred by the Issuer to the Bond Account so long as after such transfer the Reserve Account are fully funded as provided herein. In the event the balance in the Reserve Account is less than the amount required herein, then the income from the investment thereof shall be maintained in each respective reserve account until total deposits in the Reserve Account shall equal the amount required to fully fund the Reserve Account. There shall not be required to be in the Bond Account and the Reserve Account at any time more than the total amount required to pay the total principal of and interest due on the Series 2024 Bonds. Whenever the money in the Bond Account and the Reserve Account equal the total principal amount of the Series 2024 Bonds outstanding plus accrued interest, if any, thereon, the money in those accounts shall be used to prepay all of the Series 2024 Bonds then outstanding.

## ARTICLE IV

### COVENANTS

Section 4.1 Covenants of Issuer. The Issuer hereby covenants and agrees with each and every holder of the Series 2024 Bonds the following:

(a) The Issuer covenants that it shall fund and maintain as provided herein all funds and accounts which were established pursuant to this Final Bond Resolution, until such time as the Series 2024 Bonds have been paid in full.

(b) The rates for all Wastewater service supplied by the System to the Issuer and its inhabitants and to all customers within or without the boundaries of the Issuer shall be sufficient for the payment and/or redemption of the Series 2024 Bonds, provided such rates must be reasonable rates for the type, kind, and character of the service rendered. There shall be no free service and there shall be charged against all users of the System, including the Issuer, such rates and amounts as shall be adequate to meet the debt service payments on the Series 2024 Bonds, and any Parity Bonds (as defined in Section 4.2) when due. The rates charged for Wastewater services provided by the System shall be sufficient to produce Net Revenues that are equal to 125% of Annual Debt Service. All Revenues, including those received from the Issuer, shall be subject to distribution for the payment of the Operation and Maintenance Expenses of the System and the payment of the Series 2024 Bonds, as herein provided. Balances held in the Revenue Fund on the last day of each Fiscal Year in excess of 25% of the amount of the Operation and Maintenance Expenses for that Fiscal Year, after payment of all Operation and Maintenance Expenses and all deposits required by Section 3.4(a)-(d) of this Final Bond Resolution to that date have been made, shall be considered to be Revenues available for the next Fiscal Year.

(c) Each Bondholder shall have a right, in addition to all other rights afforded it by the laws of Utah, to apply to and obtain from any court of competent jurisdiction such decree or order as may be necessary to require the Issuer to charge and collect reasonable rates for services supplied by the System sufficient to meet all requirements of this Final Bond Resolution.

(d) The Issuer will maintain the System in good condition and operate the same in an efficient manner and at reasonable cost.

(e) So long as any Series 2024 Bonds remain outstanding, proper books of record and account will be kept by the Issuer separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the System. Each Bondholder or any duly authorized agent or agents of such holder shall have the right at all reasonable times to inspect all records, accounts and data relating thereto and to inspect the System and all properties constituting the System. Except as otherwise provided herein, the Issuer further agrees that it will within one hundred eighty (180) days following the close of each

Sinking 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 for account of the System, and that such audit will be available for inspection by any Bondholder upon request; provided, however, during such periods of time as the Community Impact Board is the Registered Owner of the State Bonds, each such audit will be supplied to the Community Impact Board as soon as completed without prior request therefor by the Community Impact Board. At a minimum, each such audit shall include the following:

i. A statement in detail of the revenues and expenses of the System for the Sinking Fund Year;

ii. A balance sheet as of the end of the Sinking Fund Year;

iii. The accountant's comments regarding the manner in which the Issuer has carried out the requirements of this Final Bond Resolution, and the accountant's recommendations for any change or improvement in the operation of the System;

iv. A list of the insurance policies in force at the end of the Sinking Fund Year, setting out as to each policy, the amount of the policy, the risks covered, the name of the insurer, and the expiration date of the policy;

v. An analysis of all funds and accounts created in this Final Bond Resolution, setting out all deposits and disbursements made during the Sinking Fund Year and the amount in each fund or account at the end of the Sinking Fund Year;

vi. The number of Wastewater connections within the boundaries of the Issuer, and applications for Wastewater service on hand at the end of the Sinking Fund Year;

vii. The total billings for the Sinking Fund Year and all schedules of rates and charges imposed for Wastewater service during the Sinking Fund Year.

viii. Holders of the Series 2024 Bonds may waive the audit requirements set forth in this Section 4.1(e) for any particular Sinking Fund Year upon written request from the Issuer setting forth the reasons why a certified audit is not necessary or is impractical, provided that such waiver shall not apply to the reporting requirements of the Issuer set forth in Section 4.1(e) herein.

(f) In addition to the reporting requirements set forth in Section 4.1(e) above, the Issuer shall submit to the Community Impact Board within one hundred eighty (180) days following the close of each Sinking Fund Year, a summary report substantially in the form as provided by the Community Impact Board to the Issuer upon purchase of the Series 2024 Bonds.



All expenses incurred in compiling the information required by this Subsection (f) shall be regarded and paid as an Operation and Maintenance Expense. If a Bondholder is other than the Community Impact Board, the Issuer agrees to furnish a copy of such information to such Bondholder at its request after the close of each Sinking Fund Year. Any Bondholder shall have the right to discuss with the accountant compiling such information the contents thereof and to ask for such additional information as it may reasonably require.

(g) Any holder of a Series 2024 Bond shall have the right at all reasonable times to inspect the System, and all records, accounts and data of the Issuer relating thereto, and upon request, the Issuer will furnish to the Bondholder financial statements and other information relating to the Issuer and the System as it may from time to time reasonably require.

(h) The Issuer, in its operation of the System, will carry insurance, including, but not limited to, workmen's compensation insurance and public liability insurance, in such amounts and to such extent as is normally carried by others operating public utilities of the same type. The cost of such insurance shall be considered an Operation and Maintenance Expense of the System. In the event of loss or damage, insurance proceeds shall be used first for the purpose of restoring or replacing the property lost or damaged. Any remainder shall be paid into the Sinking Fund.

(i) The Issuer will not sell, lease, mortgage, encumber, or in any manner dispose of the System or any substantial part thereof, including any and all extensions and additions that may be made thereto, until all Bonds have been paid in full, except that the Issuer may sell any portion of the System which is replaced by comparable property of equal or greater value, or which has ceased to be necessary for the efficient operation of the System, provided, however, that in the event of any sale as aforesaid, the proceeds of such sale shall be paid into the Sinking Fund.

(j) The Issuer shall charge for Wastewater services and require that each be paid in full. Any bill not paid within thirty (30) days from the date it is mailed to the customer shall be deemed delinquent. The Issuer hereby agrees that if any Wastewater bill remains delinquent for more than sixty (60) days, it will take action to collect such bill.

(k) The Issuer may consolidate the bills submitted for sewer or wastewater service with those submitted for water service, if applicable, for those persons who are liable for the payment of charges for such combined services and require that each such consolidated bill be paid in full as a unit and refuse to permit payment of one portion without payment of the remainder. Any bill not paid within thirty (30) days from the date it is mailed to the customer shall be deemed delinquent. The Issuer hereby agrees that if any Wastewater bill remains delinquent for more than sixty (60) days, it will initiate proceedings to cause all Wastewater service to the delinquent Wastewater user to be terminated immediately.

(l) The Issuer shall commence and complete the acquisition and construction of the Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

(m) The Issuer will from time to time duly pay and discharge or cause to be paid all taxes, assessments and other governmental charges, if any, lawfully imposed upon the System or any part thereof or upon the Revenues, as well as any lawful claims for labor, materials or supplies which if unpaid might by law become a lien or charge upon the System or the Revenues or any part thereof or which might impair the security of the Bonds except when the Issuer in good faith contests its liability to pay the same.

(n) The Issuer, in order to assure the efficient management and operation of the System and to assure the Bondholders from time to time that the System will be operated on sound business principles, will employ competent and experienced management for the System, will use its best efforts to see that the System is at all times operated and maintained in first-class repair and condition and in such manner that the operating efficiency thereof shall be of the highest character, and will use its best efforts to see that Operation and Maintenance Expenses are at no time in excess of the Revenues reasonably available for the payment thereof.

(o) All payments falling due on the Series 2024 Bonds shall be made to the Bondholder(s) thereof at par plus accrued interest and all charges made by the Depository Bank for its services shall be paid by the Issuer.

(p) The Issuer will maintain its identity, will make no attempt to cause its existence to be abolished and will resist all attempts by other political subdivisions to annex all or any part of the territory now or hereafter in the Issuer or served by the System.

(q) The Issuer covenants and agrees to and for the benefit of the Bondholders of the Series 2024 Bonds that no use will be made of any of the proceeds from the sale of the Series 2024 Bonds, or any funds or accounts of the Issuer which may be deemed to be proceeds of the Series 2024 Bonds pursuant to Section 148 of the Internal Revenue Code of 1986, as amended, (the "Code") and applicable Treasury regulations promulgated there under (the "Regulations") which use, if it had been reasonably expected on the date of issuance of the Series 2024 Bonds, would have caused the Series 2024 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 the Series 2024 Bonds with the requirements of Section 148 of the Code and the regulations proposed or promulgated there under. The Issuer further covenants and agrees to and for the benefit of the Registered Owners of the Series 2024 Bonds that the Issuer (i) will not take any action that would cause interest on the Series 2024 Bonds to become includible in gross income for purposes of federal income taxation, (ii) will not omit to take any action, which omission would cause the interest on the Series 2024

Bonds to become includible in gross income for purposes of federal income taxation and (iii) will take all reasonable and lawful actions to comply with any other requirements of federal tax law applicable to the Series 2024 Bonds, including any new tax laws, in order to preserve the exclusion from gross income for purposes of federal income taxation of the interest on the Series 2024 Bonds. The Mayor or another officer of the Issuer charged with responsibility for issuing the Series 2024 Bonds (an “Authorized Officer”) shall provide an appropriate certificate of the Issuer, all as of the date of the delivery and payment for the Series 2024 Bonds and for inclusion in the transcript of proceedings, (1) setting forth the reasonable expectations of the Issuer regarding the amount and use of the proceeds of the Series 2024 Bonds and the facts and estimates upon which such expectations are based and (2) certifying that the Issuer can and covenanting that the Issuer will comply with the applicable provisions of the Code and Regulations so that the interest on the Series 2024 Bonds will be and continue to be excludible from gross income for federal income tax purposes under Section 103(a) of the Code.

(r) The Issuer will file or cause to be filed with the Internal Revenue Service Center, Ogden, UT 84201, on or before the fifteenth day of the second calendar month after the close of the calendar quarter in which the Series 2024 Bonds are issued, a Form 8038-G, Information Return for Tax-Exempt Governmental Bond Issues, with respect to the Series 2024 Bonds.

(s) The Mayor and Town Clerk of the Issuer are hereby authorized and directed to execute such certificates as shall be necessary to establish that the Series 2024 Bonds are not “arbitrage bonds” within the meaning of Section 148 of the Code and the regulations promulgated or proposed in relation thereto. The Issuer covenants and certifies to and for the benefit of the Registered Owners of the Series 2024 Bonds that no use will be made of the proceeds from the issue and sale of the Series 2024 Bonds, or any funds or accounts of the Issuer which may be deemed to be gross proceeds of the Series 2024 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 the Series 2024 Bonds, would have caused the Series 2024 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 the Series 2024 Bonds with the requirements of Section 148 of the Code and the regulations proposed or promulgated with respect thereto.

Section 4.2 Additional Indebtedness. No additional indebtedness, bonds or notes of the Issuer having priority over the Series 2024 Bonds with respect to payment from the Net Revenues from the System shall be created or incurred by the Issuer without the prior written consent of all holders of the Series 2024 Bonds. Furthermore, none of the Series 2024 Bonds shall be entitled to priority over any other Series 2024 Bonds in application of the Net Revenues of the System, regardless of when issued, it being the intention of the Issuer that there shall be no priority among the Series 2024 Bonds

authorized to be issued pursuant to this Final Bond Resolution regardless of the fact that they may be actually issued and delivered at different times. Except as provided below, the Issuer will not hereafter issue any bonds or obligations payable from the Net Revenues of the System, or any part thereof, or which constitutes a lien on such Net Revenues or on the System until all Series 2024 Bonds have been paid in full unless such additional bonds are issued in such manner that they are in all respects subordinate to the Series 2024 Bonds.

The provisions of the foregoing paragraph are subject to the following two exceptions:

(a) The Series 2024 Bonds or any part thereof may be refunded. The refunding bonds so issued shall enjoy a lien on the Net Revenues on a parity with the Series 2024 Bonds except that if fewer than all of the Series 2024 Bonds outstanding at the time are so refunded, no refunding bonds shall bear interest at a rate higher or mature at a date earlier than the corresponding Series 2024 Bonds refunded thereby without the consent of the holders of all of the Series 2024 Bonds that are not refunded. In all other respects, refunding bonds may be secured in such manner and may be payable from such sources and be subject to other terms and provisions that may be provided in the resolution authorizing their issuance. Refunding bonds may be exchanged with the consent of the Bondholder for not less than a like principal amount of the Series 2024 Bonds authorized to be refunded, may be sold or may be exchanged in part or sold in part. If sold, the proceeds of the sale not required for the payment of expenses shall be used to refund that portion of the Series 2024 Bonds refunded.

(b) Additional bonds may be issued on a parity with the Series 2024 Bonds herein authorized if all of the following conditions are met at the time of the issuance of such additional bonds (herein referred to as “Parity Bonds”):

(i) The Net Revenues of the System for the Sinking Fund Year preceding the year in which the Parity Bonds are to be issued were 125% of the average Annual Debt Service on all of the Bonds and Parity Bonds then outstanding and the Parity Bonds so proposed to be issued. For purposes of this Subsection (b)(i), the Net Revenues of the preceding Sinking Fund Year may include an amount equal to ninety-five percent (95%) of the amount by which such Net Revenues would increase due to any Wastewater rate increase which became effective prior to and in anticipation of the issuance of the proposed Parity Bonds. The requirements of this Subsection (b)(i) may be waived or modified by the written consent of the Registered Owners and holders of 100% of the principal amount of the Bonds and Parity Bonds then outstanding. Balances held in the Revenue Fund on the last day of each Fiscal Year in excess of 25% of the amount of the Operation and Maintenance Expenses for that Fiscal Year, after payment of all Operation and Maintenance Expenses and all deposits required by Section 3.4(a)-(c) of this Final Bond Resolution to that date have been made, shall be considered to be Revenues available for the next Fiscal Year.

(ii) All payments required by this Final Bond Resolution to be made into the Sinking Fund must have been made in full and there must be in the Reserve Fund the full amount required by this Final Bond Resolution to be accumulated therein.

(iii) The Parity Bonds must be payable as to principal on October 1 of each year in which principal falls due.

(iv) The proceedings authorizing such Parity Bonds shall provide that the aggregate balance of all reserve accounts shall be increased to an amount not less than the maximum Annual Debt Service of all outstanding bonds, Bonds and Parity Bonds then outstanding and the Parity Bonds so proposed to be issued and that balance shall be accumulated within six (6) years after delivery of such Parity Bonds.

(v) The proceeds of the Parity Bonds must be used for the making of improvements, extensions, renewals, replacements or repairs to the System.

Section 4.3 Bank Designation. For purposes of and in accordance with Section 265 of the Code, the Issuer hereby designates the Series 2024 Bonds as an issue qualifying for the exception for certain qualified tax-exempt obligations to the rule denying banks and other financial institutions 100% of the deduction for interest expenses which is allocable to tax-exempt interest. The Issuer reasonably anticipates that the total amount of tax-exempt obligations (other than obligations described in Section 265(b)(3)(C)(ii) of the Code) which will be issued by the Issuer and by any aggregated issuer during calendar year 2024 will not exceed \$10,000,000. For purposes of this Section, “aggregated issuer” means any entity which, (i) issues obligations on behalf of the Issuer, (ii) derives its issuing authority from the Issuer, or (iii) is directly or indirectly controlled by the Issuer within the meaning of Treasury Regulation Section 1.150-1(e). The Issuer hereby represents that (a) it has not created and does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code and (b) the total amount of obligations so designated by the Issuer and all aggregated issuers for the calendar year 2024, does not exceed \$10,000,000.

## ARTICLE V

### MISCELLANEOUS

Section 5.1 Default and Remedies. Failure of the Issuer to perform any covenant or requirement of the Issuer under this Final Bond Resolution within thirty (30) days after having been notified in writing by a Bondholder of such failure shall constitute an event of default hereunder and shall allow each Bondholder to take the following enforcement remedies:

(a) The Bondholder may require the Issuer to pay an interest penalty (the “Interest Penalty”) equal to eighteen percent (18%) per annum of the outstanding principal amount on the Series 2024 Bonds, the Interest Penalty to accrue from the date of the notice from the Bondholder to the Issuer referenced above until the default is cured by the Issuer. The Interest Penalty shall be paid on each succeeding payment date until the default is cured by the Issuer.

(b) The Bondholder may appoint a trustee bank to act as a receiver of the Revenues of the System for purposes of applying the Revenues toward the Revenue allocations required by Section 3.4 herein and in general, protecting and enforcing each Bondholder's rights thereto, in which case, all administrative costs of the trustee bank in performing such functions on behalf of the Bondholders shall be paid by the Issuer.

No remedy conferred herein 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 each Bondholder hereunder or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right, power or remedy accruing upon a default shall impair any such right, power or remedy or shall be construed to be a waiver of any default or acquiescence therein; and every such right, power or remedy may be exercised from time to time as may be deemed expedient.

Section 5.2 Amendments to this Final Bond Resolution. Provisions of this Final Bond Resolution shall constitute a contract between the Issuer and the Bondholders; and after the issuance of the Series 2024 Bonds, no change, variation or alteration of any kind in the provisions of this Final Bond Resolution shall be made in any manner until such time as all of the Series 2024 Bonds have been paid in full except as hereinafter provided.

The Bondholders shall have the right from time to time to consent to and approve the adoption by the Issuer of resolutions modifying or amending any of the terms or provisions contained in this Final Bond Resolution in the manner and to the extent set out below.

Whenever the Issuer shall propose to amend or modify this Final Bond Resolution under the provisions of this Section, it shall cause notice of the proposed amendment to be sent to all Bondholders of all Series 2024 Bonds then outstanding. Such notice shall (a) briefly set forth the nature of the proposed amendment, (b) state that copies thereof are on file at the principal office of the Issuer for inspection by all Bondholders and (c) set forth

the manner in which Bondholders are to give or withhold their consent to the proposed amendment. Upon receipt of Bondholder consents representing at least 75% of the aggregate principal amount of the Series 2024 Bonds then outstanding, the governing body of the Issuer may adopt by resolution the proposed amendment, and it shall become effective. Nothing in this Section shall permit or be construed as permitting an amendment to this Final Bond Resolution which would (A)(i) extend the stated maturity or reduce the principal amount of the Series 2024 Bonds, or (A)(ii) reduce the rate of or extend the time for paying interest due on the Series 2024 Bonds, including interest on delinquent payments of principal of or interest on the Series 2024 Bonds, without the consent of the holders of all the Series 2024 Bonds, or (B) reduce the amount of or extend the time for making any payment required by any fund or account established hereunder without the consent of the holders of all the Series 2024 Bonds which would be affected by such reduction or extension, or (C) change the rights of the holders of less than all Series 2024 Bonds then outstanding, without the consent of the holders of all the Series 2024 Bonds at the time outstanding which would be affected by such changes.

If a Bondholder shall have consented to and approved the adoption of the amendatory resolution as herein provided, such Bondholder shall not have any right or interest to subsequently object to the adoption thereof or to object to any of the terms or provision therein contained or to the operation thereof or to enjoin or restrain the Issuer from taking any action pursuant to the provisions thereof. Any consent given by a Bondholder pursuant to the provisions of this Section shall be conclusive and binding upon all successive Bondholders.

The fact and date of the execution of any instrument under the provisions of this Section may be proved by the certificate of any officer in any jurisdiction who by the laws thereof is authorized to take acknowledgments of deeds within such jurisdiction, that the person signing such instrument acknowledged before him the execution thereof, or may be proved by an affidavit of a witness to such execution sworn to before such officer.

Section 5.3 Maintenance of Proceedings. A certified copy of this Final Bond Resolution and every amendatory or supplemental ordinance or resolution shall be kept on file in the office of the Town Clerk where it shall be made available for inspection by any Bondholder or his or her agent. Upon payment of the reasonable cost of preparing the same, a certified copy of this Final Bond Resolution, including any amendatory or supplemental ordinance or resolution, will be furnished to any Bondholder. The Bondholders may, by suit, action, mandamus, injunction or other proceedings, either at law or in equity, enforce or compel performance of all duties and obligations required by this Final Bond Resolution to be done or performed by the Issuer. Nothing contained herein, however, shall be construed as imposing on the Issuer any duty or obligation to levy any tax either to pay the principal of or interest on the Series 2024 Bonds authorized herein or to meet any obligation contained herein concerning the Series 2024 Bonds.

Section 5.4 Defeasance of Series 2024 Bonds. If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made, to the Registered Owners of the Series 2024 Bonds of the amounts due or to become due thereon at the times and in the manner stipulated therein, then the first lien pledge of the Net Revenues under

this Final Bond Resolution and any and all estate, right, title and interest in and to any of the funds and accounts created hereunder (except moneys or securities held by a Depository Bank for the payment of the Series 2024 Bonds) shall be cancelled and discharged with respect to the Series 2024 Bonds.

Any Series 2024 Bond shall be deemed to be paid within the meaning of this Section when payment of the Series 2024 Bonds (whether such payment is made at maturity or upon prepayment or redemption) shall have been made in accordance with the terms thereof. At such time as the Series 2024 Bonds shall be deemed to be paid hereunder, they shall no longer be secured by or entitled to the benefits hereof (except with respect to the moneys and securities held by a Depository Bank for the payment of the Series 2024 Bonds).

Section 5.5 Sale of Series 2024 Bonds Approved. The sale of the Series 2024 Bonds to the Community Impact Board is hereby authorized, confirmed and approved.

Section 5.6 Bondholders Not Responsible. The holders of the Series 2024 Bonds shall not be responsible for any liabilities incurred by the Issuer in the acquisition or construction of the Project or for the failure of the System to function successfully after completion of the Project.

Section 5.7 Additional Certificates, Documents, and Other Papers. The 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 and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Final Bond Resolution and the documents authorized and approved herein.

Section 5.8 Severability. If any section, paragraph, clause or provision of this Final Bond Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any other section, paragraph, clause or provision of this Final Bond Resolution.

Section 5.9 Statutory Authority for the Series 2024 Bonds. The Series 2024 Bonds are issued under the authority of the Act and each Series 2024 Bond certificate shall so recite. By the adoption of this Final Bond Resolution, it is the intention of the Issuer to comply in all respects with the applicable provisions of the Act.

Section 5.10 Resolutions in Conflict. All resolutions or parts thereof in conflict with the provisions of this Final Bond Resolution are, to the extent of such conflict, hereby repealed.

Section 5.11 Record of Proceedings. The Town Clerk is hereby directed to complete and execute the Record of Proceedings attached hereto.



Adopted and approved as of this May 8, 2024.

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Mayor

ATTEST:

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Town Clerk

( SEAL )

I, Aren Emerson, the Town Clerk for Town of Springdale, Utah (the “Town”), certify that the Town Council (the “Council”) met in public session at the regular meeting place of the Council at 126 Lion Boulevard, Springdale, Utah on May 8, 2024 (the “Meeting”) at 5:00 p.m., or as soon thereafter as feasible. There were present at that meeting the following:

Barbara Bruno	Mayor
Randy Aton	Councilmember
Pat Campbell	Councilmember
Jack Burns	Councilmember
Kyla Topham	Councilmember

Also present:

Aren Emerson	Town Clerk
Rick Wixom	Town Manager

Absent:

which constituted all the members thereof.

After the Meeting had been duly called to order and after other matters were discussed, the foregoing resolution (the “Resolution”) was introduced in written form and fully discussed.

A motion to adopt the Resolution was then duly made by \_\_\_\_\_ and seconded by \_\_\_\_\_, and the Resolution was put to a vote and carried, the vote being as follows:

Those voting YEA:

Those voting NAY:

Those Abstaining:

Other business not pertinent to the Resolution appears in the minutes of the Meeting. Upon the conclusion of all business on the Agenda and motion duly made and carried, the Meeting was adjourned.

CERTIFICATE OF TOWN CLERK

I, Aren Emerson, the duly appointed and qualified Town Clerk for Town of Springdale, Utah (the “Town”), do hereby certify that the attached Resolution is a true, accurate and complete copy thereof as adopted by the Town Council at a public meeting duly held on May 8, 2024 (the “Meeting”). The Meeting was called and noticed as required by law as is evidenced by the attached Meeting Notice and Certificate of Compliance with Open Meeting Law. The persons present and the result of the vote taken at the Meeting are all as shown above. The Resolution, with all exhibits attached, was deposited in my office on May 8, 2024, and is officially of record in my possession.

IN WITNESS WHEREOF, I have hereunto subscribed my signature and impressed hereon the official seal of the Town, this May 8, 2024.

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Town Clerk

( T O W N S E A L )

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Aren Emerson, the Town Clerk for Town of Springdale, Utah (the “Town”), certify according to the records of the Town in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time, and place of the May 8, 2024, public meeting held by the Town Council (the “Meeting”) as follows:

- (a) By causing a Meeting Notice, in the form attached, to be posted at the Town's principal offices at least 24 hours prior to the convening of the Meeting, the Meeting Notice having continuously remained so posted and available for public inspection until the completion of the Meeting;
- (b) By causing a copy of the Meeting Notice to be posted on the Town website at least 24 hours prior to the convening of the Meeting; and
- (c) By causing a copy of the Meeting Notice to be posted on the Utah Public Notice Website at least 24 hours prior to the convening of the Meeting.
- (d) By causing a copy of the Meeting to be personally provided to each and every member of the Town Council of the Issuer at least 24 hours prior to the convening of the Meeting.

DATED: May 8, 2024.

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Town Clerk

( T O W N S E A L )

(Attach Meeting Notice and proof of posting thereof on the Utah Public Notice Website and on the Town website)

EXHIBIT A-1

(FORM OF STATE BOND)

UNITED STATES OF AMERICA  
STATE OF UTAH  
COUNTY OF WASHINGTON  
**TOWN OF SPRINGDALE**  
WASTEWATER REVENUE BONDS, SERIES 2024

\$4,716,000

THIS BOND HAS BEEN DESIGNATED BY THE ISSUER AS A QUALIFIED TAX-EXEMPT OBLIGATION FOR PURPOSES OF SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, RELATING TO THE DEDUCTIBILITY OF A FINANCIAL INSTITUTION'S INTEREST EXPENSE ALLOCABLE TO TAX-EXEMPT INTEREST.

The Town of Springdale, Washington County, Utah (the "Issuer"), a political subdivision and body politic of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to the State of Utah Permanent Community Impact Fund Board (the "Registered Owner") or registered assigns last named on the Registration Certificate attached hereto, the aggregate principal amount of \$4,716,000, together with interest accruing on the unpaid principal balance from the dated date of this Bond, at the rate of 2.00% per annum (calculated on the basis of a 360-day year, comprised of twelve 30-day months), payable annually on October 1 of each year, with interest beginning to accrue on October 1, 2024, and the first payment of interest to be paid on October 1, 2025. Principal, together with accrued but unpaid interest, shall be payable in registered installments beginning October 1, 2025, and each October 1 thereafter in each of the years and in the amounts as set forth in the following Repayment Schedule:

REPAYMENT SCHEDULE

<u>October 1</u>	Principal Maturing	<u>October 1</u>	Principal Maturing
		<u>2039</u>	\$153,000
<u>2025</u>	\$116,000	<u>2040</u>	156,000
<u>2026</u>	119,000	<u>2041</u>	160,000
<u>2027</u>	121,000	<u>2042</u>	163,000
<u>2028</u>	123,000	<u>2043</u>	166,000
<u>2029</u>	126,000	<u>2044</u>	169,000
<u>2030</u>	128,000	<u>2045</u>	173,000
<u>2031</u>	131,000	<u>2046</u>	176,000
<u>2032</u>	134,000	<u>2047</u>	180,000

<u>2033</u>	\$136,000	<u>2048</u>	\$183,000
<u>2034</u>	139,000	<u>2049</u>	187,000
<u>2035</u>	142,000	<u>2050</u>	191,000
<u>2036</u>	145,000	<u>2051</u>	195,000
<u>2037</u>	147,000	<u>2052</u>	198,000
<u>2038</u>	150,000	<u>2053</u>	202,000
		<u>2054</u>	207,000

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon surrender of this Bond at the offices of the Paying Agent, or of any successor Paying Agent. Payments of interest on this Bond shall be made to the Registered Owner hereof and shall be paid by check or draft mailed to the Registered Owner hereof at the address as it appears on the registration books of the Issuer maintained by the Registrar, or at such other address as is furnished to the Registrar in writing by such Registered Owner.

As long as the State of Utah Permanent Community Impact Fund Board (the “Community Impact Board”) is the Registered Owner of this Bond, installment payments of principal and interest shall be made by check or draft mailed to the Community Impact Board as the Registered Owner at the address shown on the registration books maintained by the Registrar.

If any installment payment of Bond principal or interest is not paid when due and payable, the Issuer shall pay interest on the delinquent installment at the rate of eighteen percent (18%) per annum from said due date until paid. All payments shall be made in coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America. All payments shall be applied first to interest, if any, and then to principal.

This Bond represents the Issuer’s Wastewater Revenue Bonds, Series 2024 (the “Series 2024 Bonds”) and is issued (i) pursuant to a Parameters Resolution dated December 13, 2023 and a Final Bond Resolution (the “Bond Resolution”) dated May 8, 2024, approved by the governing body of the Issuer, and (ii) under the authority of the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated, 1953, as amended, for the purposes of providing funds (i) to finance the costs of the acquisition and construction of improvements to the Issuer's Wastewater system (the “System”), including all equipment and necessary appurtenances thereto (the “Project” as more fully defined in the Final Bond Resolution), (ii) to pay the costs of issuing the Series 2024 Bonds (as defined in the Bond Resolution). This Bond is a special limited obligation of the Issuer payable solely from the Net Revenues (as defined in the Final Bond Resolution) of the System and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or

construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Net Revenues of the System.

This Bond is payable solely from the Net Revenues derived from the operation of the Issuer's System, all as more fully described and provided in the Final Bond Resolution. The Final Bond Resolution requires that the Issuer deposit a sufficient amount of the Net Revenues of the System into a sinking fund designated "Town of Springdale, Washington County, Utah, Wastewater Revenue Bonds, Sinking Fund" (the "Sinking Fund") to provide for the annual principal and interest payment on the Series 2024 Bonds and all bonds on a parity. Pursuant to the terms of the Final Bond Resolution, all of the Net Revenues of the System and the Sinking Fund have been pledged to the payment of the principal of and interest on this Bond and all bonds on a parity.

The issuance of this Bond 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 its payment.

As provided in the Final Bond Resolution, bonds, notes and other obligations may be issued from time to time in one or more series in various principal amounts (the "Additional Obligations"), which may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Final Bond Resolution, and the aggregate principal amount of the Additional Obligations which may be issued is not limited. Any Additional Obligations issued under the Final Bond Resolution must either be subordinate to or on parity with this Bond, provided certain conditions are met. If the Additional Obligations are issued on parity with this Bond, then the Additional Obligations and this Bond will be equally and ratably secured by a pledge of the Net Revenues of the System, except as otherwise expressly provided or permitted in or pursuant to the Final Bond Resolution.

This Bond is subject to prepayment and redemption at any time, in whole or in part (if in part, in integral multiples of \$1,000), at the election of the Issuer in inverse order of the due date of the principal installments hereof and by lot selected by the Issuer if less than all Bonds of a particular due date are to be redeemed, upon notice given as hereinafter set forth, at a redemption price equal to the principal amount to be so prepaid.

Notice of redemption shall be mailed by the Issuer, postage prepaid, not less than thirty (30) days nor more than forty-five (45) days prior to the date fixed for prepayment, to the Registered Owner of this Bond addressed to such owner at the address appearing on the registration books maintained by the Issuer. Any notice of redemption so mailed shall be conclusively presumed to have been duly given, whether or not the Registered Owner 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 this Bond.

Subject to the provisions of the Final Bond Resolution, this Bond is issued in fully registered form, without coupons, in a denomination equal to a principal amount of the

bonds or, upon exchange for an Exchange Bond (as defined in the Final Bond Resolution), in a denomination of \$1,000 and any integral multiple thereof.

The Issuer covenants and agrees that it will (a) fix rates for Wastewater service sufficient to pay the principal of and interest on this Bond when due, and the principal of and interest on all other bonds, if any, issued pursuant to the Final Bond Resolution on parity with this Bond, as the same fall due, provided such rates must be reasonable rates for the type, kind and character of the service rendered, (b) collect and account for the Revenues (as defined in the Final Bond Resolution) to be received for such service, and (c) set aside a sufficient amount of the Net Revenues of the System to pay the principal of and interest on this Bond according to the payment terms set forth herein and in the Final Bond Resolution and the principal of and interest on any other bonds issued on a parity with this Bond.

To the extent and in the respects permitted by the Final Bond Resolution, the Final Bond Resolution may be modified or amended by action on behalf of the Issuer taken in the manner and subject to the conditions and exceptions prescribed in the Final Bond Resolution. The holder or owner of this Bond shall have no right to enforce the provisions of the Final Bond Resolution or to institute action to enforce the pledge or covenants made therein or to take any action with respect to an event of default under the Final Bond Resolution or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Final Bond Resolution.

This Bond shall be registered in the name of the initial purchaser and any subsequent purchasers in the registration book in the office of the Town Clerk of the Issuer, who shall be the Registrar. This Bond is transferable only by notation upon the registration book by the registered owner hereof in person or by his or her attorney duly authorized in writing, by the surrender of this Bond, together with a written instrument of transfer satisfactory to the Issuer, duly executed by the registered owner or his or her attorney duly authorized in writing; thereupon, this Bond shall be delivered to and registered in the name of the transferee.

It is hereby declared 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 does not exceed any limitation prescribed by the Constitution or statutes of the State of Utah, that all of the Net Revenues to be derived from the operation of the System, including any future improvements, additions and extensions thereto, have been pledged and that a sufficient amount of the Net Revenues will be set aside into a special fund and account by the Issuer for the prompt payment of this Bond and all bonds, if any, issued on a parity with this Bond, and that the Net Revenues are not pledged, hypothecated or anticipated in any way other than by the issue of this Bond and all other bonds, if any, issued on a parity with this Bond.





REGISTRATION CERTIFICATE

(No writing to be placed herein except by  
the Bond Registrar)

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of Bond Registrar</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

EXHIBIT A-2

(FORM OF EXCHANGE BOND)

UNITED STATES OF AMERICA  
STATE OF UTAH  
COUNTY OF WASHINGTON  
TOWN OF SPRINGDALE  
WASTEWATER REVENUE BONDS, SERIES 2024

THIS BOND HAS BEEN DESIGNATED BY THE ISSUER AS A QUALIFIED TAX-EXEMPT OBLIGATION FOR PURPOSES OF SECTION 265(b)(3) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, RELATING TO THE DEDUCTIBILITY OF A FINANCIAL INSTITUTION'S INTEREST EXPENSE ALLOCABLE TO TAX-EXEMPT INTEREST.

INTEREST RATE	MATURITY DATE	ISSUE DATE
2.00 %	October 1, 20__	_____

Registered Owner: \_\_\_\_\_

Principal Amount: \_\_\_\_\_ Dollars

The Town of Springdale, Washington County, Utah (the "Issuer"), a political subdivision and body politic of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to the Registered Owner identified above, or registered assigns, on the Maturity Date specified above, upon presentation and surrender thereof, the Principal Amount identified above. Interest accruing from the Issue Date specified above, at the Interest Rate specified above on the Principal Amount hereof (calculated on the basis of a year of 360 days comprised of twelve 30-day months) shall be payable by check or draft mailed by Town Clerk at the Town Offices (the "Paying Agent") to the Registered Owner hereof beginning October 1, 20\_\_ and on each October 1 thereafter until this Bond is paid in full. The principal and redemption price of this Bond shall be payable upon presentation of this Bond to the Paying Agent, or its successor as such paying agent, for payment on the Maturity Date or the date set for prior redemption as provided herein.

If this Bond or any installment of interest hereon is not paid when due and payable, the Issuer shall pay interest on the unpaid amount at the rate of eighteen percent (18%) per annum from the due date thereof until paid in full.

This Bond is one of an authorized issue of bonds of like date, term and effect except as to maturity, in the aggregate principal amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), issued in exchange for the conversion of the Issuer's Wastewater Revenue Bond, Series 2024 dated May 23, 2024, originally issued in the total repayable principal sum of \$4,716,000 (the "Series 2024 Bonds"), all as authorized by a Final Bond Resolution of the Issuer duly adopted on May 8, 2024 (the "Final Bond Resolution"). This Bond and the issue of Bonds of which it is a part is issued pursuant to (i) the Parameters Resolution adopted by the governing body of the Issuer on December 13, 2024, and the Final Bond Resolution approved by the governing body of the Issuer on May 8, 2024, and (ii) under the authority of the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, for the purposes of providing funds (i) to finance the costs of the acquisition and construction of improvements to the Issuer's Wastewater system (the "System"), including all equipment and necessary appurtenances thereto (the "Project" as more fully defined in the Final Bond Resolution), and (ii) to pay the costs of issuing the Series 2024 Bonds (as defined in the Final Bond Resolution). This Bond is a special limited obligation of the Issuer payable solely from the Net Revenues (as defined in the Final Bond Resolution) of the System, all of which have been pledged to the payment of the Series 2024 Bonds. This Bond does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Net Revenues of the System.

As provided in the Final Bond Resolution, bonds, notes and other obligations may be issued from time to time in one or more series in various principal amounts (the "Additional Obligations"), which may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Final Bond Resolution, and the aggregate principal amount of the Additional Obligations which may be issued is not limited. Any Additional Obligations issued under the Final Bond Resolution must either be subordinate to or on parity with this Bond, provided certain conditions are met. If the Additional Obligations are issued on parity with this Bond, then the Additional Obligations and this Bond will be equally and ratably secured by a pledge of the Net Revenues of the System, except as otherwise expressly provided or permitted in or pursuant to the Final Bond Resolution.

The issuance of this Bond 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 its payment.

This Bond is subject to prepayment and redemption at any time, in whole or in part (if in part, in integral multiples of \$1,000), at the election of the Issuer in inverse order of the due date of the principal installments hereof and by lot selected by the Issuer if less than all Bonds of a particular due date are to be redeemed, upon notice given as hereinafter set forth, at a redemption price equal to the principal amount to be so prepaid.

Notice of redemption shall be mailed by the Issuer, postage prepaid, not less than thirty (30) days nor more than forty-five (45) days prior to the date fixed for prepayment, to the Registered Owner of this Bond addressed to such owner at the address appearing on

the registration books maintained by the Issuer. Any notice of redemption so mailed shall be conclusively presumed to have been duly given, whether or not the Registered Owner 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 this Bond.

Subject to the provisions of the Final Bond Resolution, the Series 2024 Bonds are issuable in fully registered form, without coupons, in denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of \$1,000 or any integral multiple thereof.

The Issuer covenants and agrees that it will (a) fix rates for Wastewater service sufficient to pay the principal of and interest on this Bond when due, and the principal of and interest on all other bonds, if any, issued pursuant to the Final Bond Resolution on parity with this Bond, as the same fall due, provided such rates must be reasonable rates for the type, kind and character of the service rendered, (b) collect and account for the Revenues (as defined in the Final Bond Resolution) to be received for such service, and (c) set aside a sufficient amount of the Net Revenues of the System to pay the principal of and interest on this Bond according to the payment terms set forth herein and in the Final Bond Resolution and the principal of and interest on any other bonds issued on a parity with this Bond.

To the extent and in the respects permitted by the Final Bond Resolution, the Final Bond Resolution may be modified or amended by action on behalf of the Issuer taken in the manner and subject to the conditions and exceptions prescribed in the Final Bond Resolution. The Registered Owner of this Bond shall have no right to enforce the provisions of the Final Bond Resolution or to institute action to enforce the pledge or covenants made therein or to take any action with respect to an event of default under the Final Bond Resolution or to institute, appear in, or defend any suit or other proceeding with respect thereto, except as provided in the Final Bond Resolution.

This Bond is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the office of the Town Clerk (the "Registrar") in the Town of Springdale, Utah, but only in the manner, subject to the limitations and upon payment of the charges provided in the Final Bond Resolution 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.

It is hereby certified, recited and declared that all conditions, acts and things essential to the validity of this Bond and the issue of which it forms a part do exist, have happened and have been done, and that every requirement of law affecting the issue hereof has been duly complied with; that this Bond and the issue of which it forms a part does not exceed any limitation prescribed by the Constitution and laws of the State of Utah; that all of the Net Revenues to be derived from the operation of the System, including any future improvements, additions and extensions thereto, have been pledged and that a sufficient amount will be set aside into a special fund and account by the Issuer to be used for the

payment of the principal of and interest on the this Bond and all other bonds, if any, issued on a parity with this Bond, and that the Net Revenues of the System have not been pledged, hypothecated or anticipated in any way other than by the issue of this Bond and all other bonds, if any, issued on a parity with this Bond.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by its Mayor and countersigned by its Town Clerk under the official seal of the Issuer this \_\_\_\_\_, 20\_\_.

TOWN OF SPRINGDALE,  
WASHINGTON COUNTY, UTAH

By  /s/ \_\_\_\_\_ (Do Not Sign) \_\_\_\_\_  
Mayor

COUNTERSIGNED:

/s/ \_\_\_\_\_ (Do Not Sign) \_\_\_\_\_  
Town Clerk

( S E A L )

ASSIGNMENT

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

\_\_\_\_\_ (Tax Identification or Social Security No. \_\_\_\_\_) the within Bond and all rights there under 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: \_\_\_\_\_

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:

\_\_\_\_\_  
THE SIGNATURE(S) SHOULD BE GUARANTEED BY AN ELIGIBLE GUARANTOR INSTITUTION (BANKS, STOCKBROKERS, SAVINGS AND LOAN ASSOCIATIONS AND CREDIT UNIONS WITH MEMBERSHIP IN AN APPROVED SIGNATURE GUARANTEE MEDALLION PROGRAM), PURSUANT TO S.E.C. RULE 17Ad-15