

INDENTURE OF TRUST
(SUBORDINATE)

DATED AS OF [INDENTURE MONTH] 1, 2024

between

NS PUBLIC INFRASTRUCTURE DISTRICT NO. 2

and

UMB BANK, N.A.
PHOENIX, ARIZONA
AS TRUSTEE

relating to

SUBORDINATE LIMITED TAX GENERAL OBLIGATION BONDS,
SERIES 2024B
IN THE AGGREGATE PRINCIPAL AMOUNT OF
[\$[PAR B]]

TABLE OF CONTENTS

	Page
ARTICLE I	
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION	
Section 1.01. <u>Definitions</u>	4
Section 1.02. <u>Interpretation</u>	14
Section 1.03. <u>Computations</u>	14
Section 1.04. <u>Exclusion of Bonds Held by the District</u>	15
Section 1.05. <u>Certificates and Opinions</u>	15
Section 1.06. <u>Acts of Consent Parties</u>	16
Section 1.07. <u>Indenture to Constitute Contract</u>	16
ARTICLE II	
THE BONDS	
Section 2.01. <u>Authorization, Terms, Payment, and Form of Bonds</u>	17
Section 2.02. <u>Purpose of Issuance of Bonds</u>	18
Section 2.03. <u>Trustee as Paying Agent and Bond Registrar</u>	18
Section 2.04. <u>Execution of Bonds; Signatures</u>	19
Section 2.05. <u>Persons Treated as Owners</u>	19
Section 2.06. <u>Mutilated, Lost, Stolen, or Destroyed Bonds</u>	19
Section 2.07. <u>Delivery of Bonds</u>	19
Section 2.08. <u>Trustee's Authentication Certificate</u>	20
Section 2.09. <u>Registration, Exchange, and Transfer of Bonds</u>	20
Section 2.10. <u>Cancellation of Bonds</u>	21
Section 2.11. <u>Non-presentment of Bonds</u>	21
Section 2.12. <u>Book-Entry System</u>	21
ARTICLE III	
REVENUES AND FUNDS	
Section 3.01. <u>Source of Payment of Bonds</u>	22
Section 3.02. <u>Creation of Funds and Accounts</u>	22
Section 3.03. <u>Initial Deposits</u>	22
Section 3.04. <u>Subordinate Project Fund</u>	22
Section 3.05. <u>Application of Subordinate Pledged Revenue</u>	23
Section 3.06. <u>Subordinate Bond Fund</u>	25
Section 3.07. <u>Trustee's Fees, Charges, and Expenses</u>	26
Section 3.08. <u>Moneys to be Held in Trust</u>	26

ARTICLE IV

COVENANTS OF DISTRICT

Section 4.01. <u>Performance of Covenants, Authority</u>	26
Section 4.02. <u>Covenant to Impose Subordinate Required Mill Levy</u>	26
Section 4.03. <u>Instruments of Further Assurance</u>	27
Section 4.04. <u>Additional Obligations</u>	27
Section 4.05. <u>Additional Covenants and Agreements</u>	29

ARTICLE V

PRIOR REDEMPTION

Section 5.01. <u>Prior Redemption</u>	31
Section 5.02. <u>Redemption Procedure and Notice</u>	31

ARTICLE VI

INVESTMENTS

Section 6.01. <u>Investments</u>	32
Section 6.02. <u>Tax Matters</u>	33

ARTICLE VII

DISCHARGE OF LIEN

Section 7.01. <u>Discharge of the Lien of the Indenture</u>	33
Section 7.02. <u>Continuing Role as Bond Registrar and Paying Agent</u>	35
Section 7.03. <u>Discharge on March 15, 2065</u>	35

ARTICLE VIII

DEFAULT AND REMEDIES

Section 8.01. <u>Events of Default</u>	35
Section 8.02. <u>Remedies on Occurrence of Event of Default</u>	36
Section 8.03. <u>Majority of Consent Parties May Control Proceedings</u>	37
Section 8.04. <u>Rights and Remedies of Owners</u>	37
Section 8.05. <u>Application of Moneys</u>	38
Section 8.06. <u>Trustee May Enforce Rights Without Bonds</u>	38
Section 8.07. <u>Trustee to File Proofs of Claim in Receivership, Etc</u>	38
Section 8.08. <u>Delay or Omission No Waiver</u>	38
Section 8.09. <u>No Waiver of One Default to Affect Another; All Remedies Cumulative</u>	38
Section 8.10. <u>Discontinuance of Proceedings on Default; Position of Parties Restored</u>	38

Section 8.11. <u>Waivers of Events of Default</u>	39
Section 8.12. <u>Notice of Default; Opportunity to Cure Defaults</u>	39
Section 8.13. <u>Limitations on Remedies and Application of Moneys</u>	39
Section 8.14. <u>Cooperation of District</u>	40

ARTICLE IX

CONCERNING TRUSTEE

Section 9.01. <u>Acceptance of Trusts and Duties of Trustee</u>	40
Section 9.02. <u>Fees and Expenses of the Trustee</u>	43
Section 9.03. <u>Resignation or Replacement of Trustee</u>	43
Section 9.04. <u>Conversion, Consolidation, or Merger of Trustee</u>	45
Section 9.05. <u>Trustee Protected in Relying Upon Resolutions, Etc.</u>	45

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 10.01. <u>Supplemental Indentures Not Requiring Consent</u>	45
Section 10.02. <u>Supplemental Indentures Requiring Consent</u>	45
Section 10.03. <u>Execution of Supplemental Indenture</u>	47

ARTICLE XI

MISCELLANEOUS

Section 11.01. <u>Parties Interested Herein</u>	47
Section 11.02. <u>Severability</u>	47
Section 11.03. <u>Applicable Law</u>	47
Section 11.04. <u>Execution in Counterparts</u>	47
Section 11.05. <u>Notices; Waiver</u>	48
Section 11.06. <u>Holidays</u>	48
Section 11.07. <u>Perfection of Security Interest</u>	48
Section 11.08. <u>Immunity of Officers and Directors</u>	49
Section 11.09. <u>Compliance with Act</u>	49
Section 11.10. <u>Electronic Execution and Storage</u>	49

EXHIBIT A FORM OF BOND

EXHIBIT B FORM OF SUBORDINATE PROJECT FUND REQUISITION

EXHIBIT C PROPERTY OWNER CONSENT TO THE BONDS

This INDENTURE OF TRUST (SUBORDINATE) (the “Indenture”) dated as of [INDENTURE MONTH] 1, 2024, by and between NS PUBLIC INFRASTRUCTURE DISTRICT NO. 2, a political subdivision and body corporate and politic duly organized and existing under the Constitution and laws of the State of Utah (the “District”), and UMB BANK, N.A., a banking institution authorized to accept and execute trusts of the character herein set out, having an office and corporate trust offices in Phoenix, Arizona, as trustee (the “Trustee”).

R E C I T A L S

WHEREAS, capitalized terms used but not otherwise defined in these Recitals shall have the meanings set forth in Section 1.01 hereof; and

WHEREAS, the District is a public infrastructure district and a political subdivision and body corporate and politic duly organized and existing under the Constitution and laws of the State of Utah (the “State”), including particularly Title 17B, Chapter 1 and Title 17D, Chapter 4 (as more particularly defined herein, the “District Act”), Utah Code Annotated 1953, as amended (“Utah Code”); and

WHEREAS, on April 3, 2024, the City Council of Salem, Utah (the “City”) did adopt a resolution authorizing the creation of the District and approving a Governing Document for the District (the “Governing Document”); and

WHEREAS, the District was organized contemporaneously with NS Public Infrastructure District Nos. 1, 3, 4, and 5 (together with the District, the “Districts” in order to provide for the planning, design, acquisition, construction, installation, relocation, and redevelopment of public improvements within the boundaries of the Districts; and

WHEREAS, the District was incorporated on May 2, 2024 upon the issuance of a Certificate of Creation by the Office of the Lieutenant Governor of the State and recorded in the real property records of Utah County, Utah (the “County”) on June 12, 2024; and

WHEREAS, the District is authorized by the District Act, to issue bonds for the purpose of paying all or part of the costs of acquiring, acquiring an interest in, improving, or extending certain improvements, facilities, or property; and

WHEREAS, on or before [CONSENT DATE], 2024, 100% of the surface property owners within the boundaries of the District did consent to the issuance of not to exceed \$60,000,000 of limited tax bonds (the “Property Owner Consent”) for the purpose of paying all or a portion of the cost of public infrastructure as permitted under the District Act (as more particularly defined herein, the “Improvements”), and on such date there were no registered voters within the boundaries of the District. The Property Owner Consent is attached hereto as Exhibit C; and

WHEREAS, pursuant to the District Act, the Property Owner Consent is sufficient to meet any statutory or constitutional election requirement necessary for the issuance of limited tax bonds; and

WHEREAS, the City Council of the City has appointed the members of a Board of Trustees of the District (the “Board”); and

WHEREAS, the Board has previously determined that it was necessary to acquire, construct, and install a portion of the Improvements (the “Project”); and

WHEREAS, for the purpose of funding costs of the Improvements, the District has previously entered into the Infrastructure Acquisition and Reimbursement Agreement dated as of [], 2024 (the “Acquisition and Reimbursement Agreement”) with [Woodside Homes, LLC], a Utah limited liability company (the “Developer”), pursuant to which the District has agreed to reimburse the Developer for advances made by the Developer thereunder to fund costs of Improvements, subject to the limitations and in accordance with the terms thereof; and

WHEREAS, for the purpose of financing or reimbursing a portion of the Project (including paying amounts due or to become due under the Acquisition and Reimbursement Agreement), the Board intends to issue its Subordinate Limited Tax General Obligation Bonds, Series 2024B, in the total aggregate principal amount of \$[PAR B] (the “Bonds”); and

WHEREAS, for the purpose of financing or reimbursing an additional portion of the Project (including paying amounts due or to become due under the Acquisition and Reimbursement Agreement), on the date of issuance of the Bonds, the Board intends to issue its Limited Tax General Obligation Bonds, Series 2024A, in the aggregate principal amount of \$[PAR A] (the “2024A Senior Bonds”), pursuant to an Indenture of Trust (Senior) dated as of [INDENTURE MONTH] 1, 2024 (the “2024A Senior Indenture”), by and between the District and UMB Bank, n.a., as trustee; and

WHEREAS, the Governing Document limits the aggregate Debt (as such term is defined in the Governing Document) that may be issued by the Districts to \$60,000,000, excluding refundings; and

WHEREAS, the Bonds shall be issued under and pursuant to the District Act, a portion of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code (the “Bond Act”), the Governing Document and all other laws thereunto pertaining; and

WHEREAS, the Bonds shall be limited tax general obligations of the District and shall be payable solely from the Subordinate Pledged Revenue (as defined herein); and

WHEREAS, pursuant to the provisions of the District Act, the Bonds shall be purchased by qualified institutional buyers and the Bonds shall be issued in denominations of \$500,000 each, and in integral multiples above \$500,000 of not less than \$1,000 each; and

WHEREAS, the District has duly authorized the execution and delivery of this Indenture to provide for the issuance of the Bonds; and

WHEREAS, all things necessary to make the Bonds, when executed by the District and authenticated and delivered by the Trustee hereunder, the valid obligations of the District, and to make this Indenture a valid agreement of the District, in accordance with their and its terms, have been done;

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

GRANTING CLAUSES

The District, in consideration of the premises and of the mutual covenants herein contained, the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds by the Owners thereof and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium if any, and interest on the Bonds at any time Outstanding under this Indenture, according to their tenor and effect, and to secure the performance and observance of all of the covenants and conditions in the Bonds, the Bond Resolution, and this Indenture, and to declare the terms and conditions upon and subject to which the Bonds are issued and secured, does hereby grant and assign to the Trustee, and to its successors in trust, and to them and their assigns forever, the following (said property being referred to herein as the "Trust Estate"):

GRANTING CLAUSE FIRST:

The Subordinate Pledged Revenue, the Subordinate Bond Fund, the Subordinate Project Fund and all other moneys, securities, revenues, receipts, and funds from time to time held by the Trustee under the terms of this Indenture, subject to the provisions of Sections 3.08 and 9.02 hereof, and a security interest therein; and

GRANTING CLAUSE SECOND:

All right, title, and interest of the District in any and all other revenue of every name and nature from time to time hereafter by delivery or by writing of any kind, given, granted, assigned, pledged, conveyed, mortgaged, or transferred by the District or by anyone on its behalf as and for additional security hereunder, and the Trustee is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof;

THE TRUSTEE SHALL HOLD the Trust Estate for the benefit of the Owners from time to time of the Bonds, as their respective interests may appear; and the Trust Estate granted herein is also granted for the equal benefit, of all present and future Owners of the Bonds as if all the Bonds had been executed and delivered simultaneously with the execution and delivery of this Indenture;

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

IN TRUST, NEVERTHELESS, upon the terms herein set forth for the equal and proportionate benefit, security, and protection of all Owners of the Bonds issued under and secured by this Indenture without privilege, priority, or distinction as to the lien or otherwise (except as herein expressly provided) of any of the Bonds over any other of the Bonds, and as to the Subordinate Pledged Revenue (excluding the Subordinate Pledged Revenue described in clause (c) of the definition thereof), on a parity with the lien thereon of any Parity Bonds;

PROVIDED, HOWEVER, that if the District, its successors, or assigns, shall well and truly pay, or cause to be paid, the principal of, premium if any, and interest on the Bonds at the times and in the manner provided in the Bonds, according to the true intent and meaning thereof; or shall

provide, as permitted hereby and in accordance herewith, for the payment thereof by depositing with the Trustee or placing in escrow and in trust the entire amount due or to become due thereon, or certain securities as herein permitted, and shall well and truly keep, perform, and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed, and observed by it, 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 hereof, then upon such final payments this Indenture and the rights hereby granted shall cease, terminate, and be void; otherwise this Indenture shall be and remain in full force and effect;

THIS INDENTURE FURTHER WITNESSETH and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered, and all said moneys, securities, revenues, receipts, and funds hereby pledged and assigned are to be dealt with and disposed of under, upon, and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and the District has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the Bonds as follows:

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.01. Definitions. In this Indenture, except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

“Acquisition and Reimbursement Agreement” has the meaning assigned it in the recitals hereof.

“Act” means collectively, the Bond Act and the District Act.

“Additional Obligations” means (a) all obligations of the District for borrowed money and reimbursement obligations; (b) all obligations of the District payable from or constituting a lien or encumbrance upon ad valorem tax revenues of the District or any part of the Subordinate Pledged Revenue; (c) all obligations of the District evidenced by bonds, debentures, notes, or other similar instruments, including without limitation any Parity Bonds, Senior Obligations, and Junior Lien Obligations; (d) all obligations of the District to pay the deferred purchase price of property or services; (e) all obligations of the District as lessee under leases, but excluding such obligations outstanding from time to time with respect to which the aggregate maximum repayment costs for all terms thereof do not exceed \$500,000; and (f) all obligations of others guaranteed by the District; provided that notwithstanding the foregoing, the term “Additional Obligations” does not include:

(i) obligations which do not obligate the District to impose any tax, fee, or other governmental charge and either: (A) are subject to termination by the District at least annually; or (B) the repayment of which is contingent upon the District’s annual determination to appropriate moneys therefor (other than leases as set forth in (e) above);

(ii) obligations which are payable solely from the proceeds of Additional Obligations, when and if issued;

(iii) obligations payable solely from periodic, recurring service charges imposed by the District for the use of any District facility or service, which obligations do not constitute a debt or indebtedness of the District or an obligation required to be approved at an election under State law;

(iv) obligations with respect to which the District has irrevocably committed funds (not constituting Subordinate Pledged Revenue) equal to the full amount due or to become due thereunder;

(v) obligations to reimburse any person in respect of surety bonds, financial guaranties, letters of credit, or similar credit enhancements so long as (A) such surety bonds, financial guaranties, letters of credit, or similar credit enhancements guarantee payment of principal or interest on any Parity Bonds, Senior Obligations, or Junior Lien Obligations, (B) the reimbursement obligation does not arise unless payment of an equivalent amount (or more) of principal on the Parity Bonds, Senior Obligations or Junior Lien Obligations has been made, and (C) such reimbursement obligations are payable from the same or fewer revenue sources, with the same or a subordinate lien priority as the Parity Bonds, Senior Obligations, or Junior Lien Obligations supported by the surety bonds, financial guaranties, letters of credit, or similar credit enhancements;

(vi) bonds and notes repayable pursuant to the Assessment Area Act, Title 11, Chapter 42 of the Utah Code and the Commercial Property Assessed Clean Energy Act, Title 11, Chapter 42a; and

(vii) any leases outstanding from time to time with respect to which the aggregate maximum repayment costs for all terms thereof do not exceed \$500,000, payroll obligations, accounts payable, or taxes incurred or payable in the ordinary course of business of the District.

“Administrative Expenses” means an amount reasonably determined by the District as being necessary to pay the District’s expenses reasonably incurred in connection with the administration and operation of the District, including accounting fees, audit expenses, legal fees, insurance premiums, management expenses, board member compensation, and generally all expenses, under which generally accepted accounting practices are properly allocable to administration; however, only such expenses as are reasonably and properly necessary to the efficient administration and operation of the District and permitted under the District Act shall be included, but not in excess of the following: (i) for calendar year 2024, the amount of \$50,000, (ii) for each calendar year thereafter, an additional 2%, and (iii) in the event of a claim by a third-party challenging (A) the creation or existence of the District; (B) the Bonds, any Parity Bonds, any Senior Obligations, or any Junior Lien Obligations; and (C) the District’s ability to perform its obligations under this Indenture or any resolution, indenture, or other document relating to the issuance of Senior Obligations, Parity Bonds, or Junior Lien Obligations; the amount reasonably

necessary to defend the District from such claim to the extent such amount exceeds the limit established in (i) and (ii).

“Authorized Denominations” means, the amount of \$500,000 or any integral multiple of \$1,000 in excess thereof, provided that:

(a) no individual Bond may be in an amount which exceeds the principal amount coming due on any maturity date; and

(b) in the event a Bond is partially redeemed and the unredeemed portion is less than \$500,000, such unredeemed portion of such Bond may be issued in the largest possible denomination of less than \$500,000, in an integral multiple of \$1,000.

“Beneficial Owner” means any person for which a Participant acquires an interest in the Bonds.

“Board” means the Board of Trustees of the District.

“Bond Act” means the applicable portions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code.

“Bond Counsel” means any firm of nationally recognized municipal bond attorneys selected by the District and experienced in the issuance of municipal bonds and the exclusion of the interest thereon from gross income for federal income tax purposes.

“Bond Resolution” means the resolution authorizing the issuance of the Bonds and the execution of this Indenture, certified by the Clerk/Secretary of the District to have been duly adopted by the District and to be in full force and effect on the date of such certification, including any amendments or supplements made thereto.

“Bond Year” means the period commencing on the date of issuance of the Bonds to March 15, 2025, and, thereafter, the period from March 16 of any calendar year to March 15 of the following calendar year.

“Bonds” means the Subordinate Limited Tax General Obligation Bonds, Series 2024B, in the aggregate principal amount of \$[PAR B] dated as of the date of issuance, and issued by the District pursuant to this Indenture and the Bond Resolution.

“Business Day” means a day on which the Trustee or banks or trust companies in Salt Lake City, Utah, or in New York, New York, are not authorized or required to remain closed and on which the New York Stock Exchange is not closed.

“Cede” means Cede & Co., the nominee of DTC as record owner of the Bonds, or any successor nominee of DTC with respect to the Bonds.

“City” means Salem, Utah.

“Code” means the Internal Revenue Code of 1986, as amended and in effect as of the date of issuance of the Bonds.

“Consent Party” means the Owner of a Bond or, if such Bond is held in the name of Cede, the Participant (as determined by a list provided by DTC) with respect to such Bond, or if so designated in writing by a Participant, the Beneficial Owner of such Bonds.

“Counsel” means a person, or firm of which such a person is a member, authorized in any state to practice law.

“County” means Utah County, Utah.

“Depository” means any securities depository that the District may provide and appoint, in accordance with the guidelines of the Securities and Exchange Commission, which shall act as securities depository for the Bonds.

“Developer” means [Woodside Homes Company, LLC], a Utah limited liability company, and its successors and assigns.

“District” means NS Public Infrastructure District No. 2.

“District Act” means, collectively, the Special District Act, Title 17B, Chapter 1, Utah Code, Limited Purpose Local Government Entities - Special Districts and the Public Infrastructure District Act, Title 17D, Chapter 4, Utah Code.

“District Representative” means any member of the Board or the person or persons at the time designated to act on behalf of the District by the Bond Resolution or as designated by written certificate furnished to the Trustee containing the specimen signatures of such person or persons and signed on behalf of the District by its Chair or Treasurer/Vice Chair and attested by its Clerk/Secretary, and any alternate or alternates designated as such therein.

“Districts” means, collectively, NS Public Infrastructure District Nos. 1-5.

“DTC” means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns. References herein to DTC shall include any nominee of DTC in whose name any Bonds are then registered.

“Event of Default” means any one or more of the events set forth in Section 8.01 hereof.

“Federal Securities” means direct obligations of (including obligations issued or held in book-entry form on the books of), or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

“Fiscal Year” means the 12-month period ending December 31 of each calendar year.

“Governing Document” means the Governing Document for the District approved by the City Council of the City on April 3, 2024 (as the same may be further amended or restated from time to time).

“Pioneering Agreement” means any interlocal agreement between the District and the City, whereby the City agrees to remit a portion of certain one-time system fees representing system improvement costs paid by the District.

“Improvements” means public improvements as permitted by the District Act and other provisions of law, the debt for which was approved by the Property Owner Consent, including without limitation necessary or appropriate equipment.

“Indenture” means this Indenture of Trust (Subordinate) as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof.

“Interest Payment Date” means March 15 of each year, commencing March 15, 2025, and continuing for so long as the Bonds are Outstanding.

“Junior Lien Obligations” means any bonds, notes, debentures, or other multiple fiscal year financial obligations having a lien upon the Subordinate Pledged Revenue or any part thereof junior and subordinate to the lien thereon of the Bonds, and any other obligation secured by a lien on any ad valorem property taxes of the District and designated by the District, in the resolutions, indentures, or other documents pursuant to which such obligations are issued, as constituting a Junior Lien Obligation hereunder, provided that such obligations are required to be issued in accordance with the provisions of Section 4.04 hereof. Any Junior Lien Obligation hereafter issued may be issued pursuant to such resolutions, indentures, or other documents as may be determined by the District. Unless specifically designated as such by the District, obligations payable from an Unencumbered Debt Service Mill Levy shall not constitute Junior Lien Obligations hereunder.

“Letter of Representations” means the Blanket District Letter of Representations from the District to DTC to induce DTC to accept the Bonds as eligible for deposit at DTC.

“Mandatory Redemption Date” shall have the meaning assigned it in Section 5.01(b) hereof.

“Mandatory Redemption Price” shall have the meaning assigned it in Section 5.01(b) hereof.

“Outstanding” or “Outstanding Bonds” means, as of any particular time, all Bonds which have been duly authenticated and delivered by the Trustee under this Indenture, except:

(a) Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation because of payment at maturity or prior redemption;

(b) Bonds for the payment or redemption of which moneys or Federal Securities in an amount sufficient (as determined pursuant to Section 7.01(b) hereof) shall have been theretofore deposited with the Trustee, or Bonds for the payment or redemption of which moneys or Federal Securities in an amount sufficient (as determined pursuant to Section 7.01(b) hereof) shall have been placed in escrow and in trust; and

(c) Bonds in lieu of which other Bonds have been authenticated and delivered pursuant to Section 2.06 or Section 2.09 hereof.

“Owner(s)” or “Owner(s) of Bonds” means the registered owner(s) of any Bond(s) as shown on the registration books maintained by the Trustee, including the Depository for the Bonds, if any, or its nominee.

“Parity Bonds” means any bonds, notes, debentures, or other multiple fiscal year financial obligations having a lien upon the Subordinate Pledged Revenue or any part thereof on parity with the lien thereon of the Bonds, and any other obligation secured by a lien on any ad valorem property taxes of the District and designated by the District, in the resolutions, indentures, or other documents pursuant to which such obligations are issued, as constituting a Parity Bond hereunder, provided that such obligations are required to be issued in accordance with the provisions of Section 4.04 hereof. Any Parity Bonds hereafter issued may be issued pursuant to such resolutions, indentures, or other documents as may be determined by the District, and shall be designated in such resolutions, indentures or other documents as constituting Parity Bonds hereunder. Unless specifically designated as such by the District, obligations payable from an Unencumbered Debt Service Mill Levy shall not constitute Parity Bonds hereunder.

“Participants” means any broker-dealer, bank, or other financial institution from time to time for which DTC or another Depository holds the Bonds.

“Permitted 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.

“Project” means the financing, acquisition, construction, or installation of any portion of the Improvements.

“Project Costs” means the District’s costs properly attributable to the Project or any part thereof, including reimbursement or payment of such costs in accordance with the Acquisition and Reimbursement Agreement, including without limitation:

(a) the costs of labor and materials, of machinery, furnishings, and equipment, and of the restoration of property damaged or destroyed in connection with construction work;

(b) the costs of insurance premiums, indemnity and fidelity bonds, financing charges, bank fees, taxes, or other municipal or governmental charges lawfully levied or assessed;

(c) administrative and general overhead costs;

(d) the costs of surveys, appraisals, plans, designs, specifications, and estimates;

(e) the costs, fees, and expenses of printers, engineers, architects, construction management, financial consultants, accountants, legal advisors, or other agents or employees;

(f) the costs of publishing, reproducing, posting, mailing, or recording documents;

(g) the costs of contingencies or reserves;

(h) the costs of issuing the Bonds;

(i) the costs of amending this Indenture, the 2024A Senior Indenture, the Bond Resolution, or any other instrument relating to the Bonds, the 2024A Senior Bonds, or the Project;

(j) the costs of repaying any short-term financing, construction loans, and other temporary loans, and of the incidental expenses incurred in connection with such loans;

- (k) the costs of acquiring any property, rights, easements, licenses, privileges, agreements, and franchises;
- (l) the costs of demolition, removal, and relocation;
- (m) the costs of organizing the District; and
- (n) all other lawful costs as determined by the Board.

“Property Owner Consent” means the consent to the issuance of up to \$60,000,000 of limited tax bonds signed by 100% of the surface property owners within the boundaries of the District, each executed on or before [CONSENT DATE], 2024.

“Record Date” means the last day of the calendar month next preceding the Interest Payment Date.

“Refunding Senior Obligations” means Senior Obligations issued solely for the purpose of refunding all or any portion of the 2024A Senior Bonds, any other Senior Obligations, the Bonds, or any other Parity Bonds; provided, however, that proceeds of such Senior Obligations may also be applied to pay all expenses in connection with such refunding, to fund reserve funds and capitalized interest, and to pay the costs of letters of credit, credit facilities, interest rate exchange agreements, bond insurance, or other financial products pertaining to such refunding.

“Senior Obligations” means, collectively, the 2024A Senior Bonds, any obligations constituting “Parity Bonds” under the 2024A Senior Indenture, and any other obligation of the District so designated by the District as a Senior Obligation (such that any ad valorem property taxes imposed for the payment thereof will constitute a Senior Obligation Mill Levy hereunder), provided that such obligations (other than the 2024A Senior Bonds) are required to be issued in accordance with the provisions of Section 4.04 hereof. Senior Obligations includes any obligation of the District issued as general obligation debt. Any Senior Obligations hereafter issued may be issued pursuant to such resolutions, indentures, or other documents as may be determined by the District, and shall be designated in such resolutions, indentures or other documents as constituting Senior Obligations hereunder. Unless specifically designated as such by the District, obligations payable from an Unencumbered Debt Service Mill Levy shall not constitute Senior Obligations hereunder.

“Senior Obligation Bond Fund” means any fund or account created for the purpose of accumulating revenues to pay, with respect to any Senior Obligations, the current year’s principal and interest due thereon, including any scheduled mandatory or cumulative sinking fund payments, and customary periodic fees due with respect to any Senior Obligations, (including, but not limited to, fees of a trustee, paying agent, rebate agent, lender and provider of liquidity or credit facility), and any reimbursement due to a provider of liquidity or credit facility securing any Senior Obligations.

“Senior Obligation Mill Levy” means the sum of the Senior Required Mill Levy and any other ad valorem property tax levy required to be imposed by the District for the payment of Senior Obligations, and unless specifically designated as Senior Obligations, excludes an Unencumbered Debt Service Mill Levy.

“Senior Obligation Reserve Fund” means any fund or account created for the purpose of securing the payment of Senior Obligations, which fund or account is fully funded as of the date of issuance of the applicable Senior Obligation; excluding, however, any Senior Obligation Bond Fund and any Senior Obligation Surplus Fund.

“Senior Obligation Surplus Fund” means any fund or account created for the purpose of securing the payment of Senior Obligations, which fund or account is not initially fully funded on the date of issuance of the Senior Obligations, but, rather, is to be funded from revenues accumulated after the date of issuance of such Senior Obligations; excluding, however, any Senior Obligation Bond Fund.

“Senior Required Mill Levy” means the Senior Required Mill Levy required to be imposed by the District in accordance with the 2024A Senior Indenture.

“Special Record Date” means the record date for determining Bond ownership for purposes of paying unpaid interest, as such date may be determined pursuant to this Indenture.

“State” means the State of Utah.

“Subordinate Bond Fund” means the “NS Public Infrastructure District No. 2 Subordinate Limited Tax General Obligation Bonds, Series 2024B, Subordinate Bond Fund,” established by Section 3.02 hereof for the purpose of paying the principal of, premium if any, and interest on the Bonds.

“Subordinate Pioneering Agreement Revenue” means all revenues received by the District pursuant to a Pioneering Agreement after deduction of any amount thereof used, paid, pledged or otherwise applied to the payment of any Senior Obligations.

“Subordinate Pledged Revenue” means the following:

- (a) all Subordinate Property Tax Revenues;
- (b) all Subordinate Pioneering Agreement Revenues; and
- (c) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

“Subordinate Project Fund” means the “NS Public Infrastructure District No. 2 Subordinate Limited Tax General Obligation Bonds, Series 2024B, Subordinate Project Fund,” established by the provisions hereof for the purpose of paying the Project Costs.

“Subordinate Property Tax Revenues” means all moneys derived from imposition by the District of the Subordinate Required Mill Levy (including the allocation to the District of any uniform fees related to personal property). Subordinate Property Tax Revenues are net of the collection costs of the County and any tax refunds or abatements authorized by or on behalf of the County.

“Subordinate Required Mill Levy” means an ad valorem property tax on the taxable property in the District each year in an amount equal to (i) [0.004] per dollar of taxable value less the Senior Obligation Mill Levy, or (ii) such lesser amount which, if imposed by the District for collection in the current calendar year, would, after the deduction of the Administrative Expenses and Trustee Fees, generate Subordinate Property Tax Revenues which, when combined with moneys then on deposit in the Subordinate Bond Fund, will pay the Bonds in full in the Fiscal Year such levy is collected; provided however, that pursuant to 17D-4-301(8) of the Utah Code, in the event of any statutory change in the methodology of assessment or collection of property taxes in a manner that reduces the Subordinate Property Tax Revenues, the District may charge a rate sufficient to receive the amount of property taxes the District would have received before the statutory change in order to pay the debt service on Outstanding Bonds.

“Tax Certificate” means the certificate to be signed by the District relating to the requirements of Sections 103 and 141-150 of the Code, and any amendment or modification of any such certificate, instrument or instructions that is accompanied by an opinion of Bond Counsel stating that the amendment or modification will not adversely affect the exclusion of interest on the Bonds from gross income for federal income tax purposes.

“Trustee” means UMB Bank, n.a., in Phoenix, Arizona, in its capacity as trustee hereunder, or any successor Trustee, appointed, qualified, and acting as trustee, paying agent, and bond registrar under the provisions of this Indenture.

“Trustee Fees” means the amount of the fees and expenses of the Trustee charged or incurred in connection with the performance of its ordinary services and duties hereunder (and under the 2024A Senior Indenture and any other indenture entered into by the District in connection with Parity Bonds or Junior Lien Obligations), as the same become due and payable as described in Section 9.02 hereof, but not in excess of \$4,000 annually per bond issue then outstanding, commencing in calendar year 2024; provided however, that (i) the foregoing \$4,000 shall be reduced to \$3,000 for the Bonds (resulting in a total of \$7,000 for the Bonds and the 2024A Senior Bonds, collectively); and (ii) this definition does not include fees of the Trustee and expenses incurred by the Trustee in connection with the performance of extraordinary services and duties as described in Section 9.02 hereof, which expenses shall be payable by the District in accordance with the provisions thereof.

“Trust Estate” means the moneys, securities, revenues, receipts, and funds transferred, pledged, and assigned to the Trustee pursuant to the Granting Clauses hereof.

“Underwriter” means Piper Sandler & Co., of Salt Lake City, Utah, the original purchaser of the Bonds.

“Unencumbered Debt Service Mill Levy” means an ad valorem property tax on the taxable property in the District imposed and designated as such by the District, provided that: (i) such ad valorem property tax shall not be in excess of the rate per dollar of taxable value equal to the maximum debt mill levy then permitted by the Governing Document to be imposed by the District for the payment of “Debt” (as defined in the Governing Document), less [0.004] per dollar of taxable value; and (ii) in the event of any statutory change in the methodology of assessment or collection of property taxes in a manner that reduces the Property Tax Revenues, the foregoing-

referenced [0.004] per dollar of taxable value will be increased or decreased to reflect such changes, so that to the extent possible, the District may charge a rate sufficient to receive the amount of property taxes the District would have received before the statutory change in order to pay the debt service on Outstanding Bonds. [DISCUSS/REMOVE]

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

“2024A Senior Bonds” means the District’s Limited Tax General Obligation Bonds, Series 2024A, in the aggregate principal amount of \$[PAR A] dated as of the date of issuance and issued by the District pursuant to the 2024A Senior Indenture.

“2024A Senior Indenture” means the Indenture of Trust (Senior) dated as of [INDENTURE MONTH] 1, 2024, by and between the District and UMB Bank, n.a., as trustee, authorizing the issuance of the 2024A Senior Bonds.

Section 1.02. Interpretation. In this Indenture, unless the context otherwise requires:

(a) the terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof,” and any similar term, refer to this Indenture as a whole and not to any particular article, section, or subdivision hereof; the term “heretofore” means before the date of execution of this Indenture, the term “now” means at the date of execution of this Indenture, and the term “hereafter” means after the date of execution of this Indenture;

(b) words of the masculine gender include correlative words of the feminine and neuter genders; words importing the singular number include the plural number and vice versa; and the word “person” or similar term includes, but is not limited to, natural persons, firms, associations, corporations, partnerships, and public bodies;

(c) the captions or headings of this Indenture, and the table of contents appended to copies hereof, are for convenience only and in no way define, limit, or describe the scope or intent of any provision, article, or section of this Indenture;

(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) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles;

(f) in no event shall the term “available” when used to modify revenue described herein be interpreted to mean that the Trustee or the District has any discretion to determine that only a portion of such revenue shall be applied as provided herein; and

(g) all exhibits referred to herein are incorporated herein by reference.

Section 1.03. Computations. Unless the facts shall then be otherwise, all computations required for the purposes of this Indenture shall be made on the assumption that: (a) the principal of and interest on all Bonds shall be paid as and when the same become due as therein and herein

provided; and (b) all credits required by this Indenture to be made to any fund shall be made in the amounts and at the times required.

Section 1.04. Exclusion of Bonds Held by the District. In determining whether the Consent Parties with respect to the requisite principal amount of the Outstanding Bonds have given any request, demand, authorization, direction, notice, consent, or waiver hereunder, Bonds for which the District is the Consent Party shall be disregarded and deemed not to be Outstanding.

Section 1.05. Certificates and Opinions.

(a) Except as otherwise specifically provided in this Indenture, each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include: (i) a statement that the person making the certificate or opinion has read the covenant or condition and the definitions herein relating thereto; (ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (iii) a statement that, in the opinion of such person, he has made such examination and investigation as is necessary to enable him to express an informed opinion as to whether the covenant or condition has been complied with; (iv) a statement as to whether, in the opinion of such person, the condition or covenant has been complied with; and (v) an identification of any certificate or opinion relied on in such certificate or opinion.

(b) Any opinion of Counsel may be qualified by reference to the constitutional powers of the United States of America, the police and sovereign powers of the State, judicial discretion, bankruptcy, insolvency, reorganization, moratorium, and other laws affecting creditors' rights or municipal corporations or similar matters.

(c) In any case where several matters are required to be certified by, or covered by an opinion of, any specified person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such person, or that they be so certified or covered by only one document, but one such person may certify or give an opinion with respect to some matters and one or more other such persons as to other matters, and any such person may certify or give an opinion as to such matters in one or several documents.

(d) Any certificate or opinion of an officer of the District may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, Counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the District stating that the information with respect to such factual matters is in the possession of the District, unless such Counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

(e) When any person is required to make, give, or execute two or more applications, requests, consents, certificates, statements, opinions, or other instruments

under this Indenture, such instruments may, but need not, be consolidated to form one instrument.

Section 1.06. Acts of Consent Parties.

(a) Any request, demand, authorization, direction, notice, consent, waiver, or other action provided by this Indenture to be given or taken by Consent Parties may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Consent Party in person or by agent duly appointed in writing; and, except as otherwise expressly provided herein, such action shall become effective when such instrument or instruments are delivered to the Trustee, and, where it is hereby expressly required, the District. Proof of execution of any such instrument or of a writing appointing any such agent made in the manner set forth in subsection (b) hereof shall be sufficient for any purpose of this Indenture and (subject to Section 9.01 hereof) conclusive in favor of the Trustee and the District.

(b) The fact and date of the execution by any person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by an officer of a corporation or a member of a partnership, on behalf of such corporation or partnership, such affidavit or certificate shall also constitute sufficient proof of his authority.

(c) Any request, demand, authorization, direction, notice, consent, waiver, or other action provided by this Indenture to be given or taken by the Consent Parties with respect to a specified percentage or portion of the Outstanding Bonds shall be conclusive and binding upon all present and future Owners and Consent Parties if the Consent Parties with respect to the specified percentage or portion of the Outstanding Bonds take such action in accordance herewith; and it shall not be necessary to make notation of such action on any Bond authenticated and delivered hereunder. In addition, any request, demand, authorization, direction, notice, consent, waiver, or other action by any Consent Party (notwithstanding whether such action was also taken by any other Owner or Consent Party) shall bind the Owner and the Consent Party, and the Owner of and Consent Party with respect to every Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the District in reliance thereon; and it shall not be necessary to make notation of such action on any Bond authenticated and delivered hereunder.

Section 1.07. Indenture to Constitute Contract. This Indenture shall constitute a contract among the District, the Trustee, and the Owners, and shall remain in full force and effect until the Bonds are no longer Outstanding hereunder.

ARTICLE II

THE BONDS

Section 2.01. Authorization, Terms, Payment, and Form of Bonds.

(a) In accordance with the Constitution of the State; the Act; the Property Owner Consent; and all other laws of the State thereunto pertaining, there shall be issued the Bonds for the purposes hereinafter stated. The aggregate principal amount of the Bonds that may be authenticated and delivered under this Indenture is limited to and shall not exceed \$[PAR B], except as provided in Section 2.06 and Section 2.09 hereof.

(b) The Bonds shall be issued only as fully registered Bonds without coupons in Authorized Denominations. Unless the District shall otherwise direct, the Bonds shall be numbered separately from 1 upward, with the number of each Bond preceded by "RB-."

(c) The Bonds shall be dated as of the date of issuance, and shall mature on the dates and in the aggregate principal amounts, and shall bear interest at the rates per annum, set forth in the following table, such interest to be calculated on the basis of a 360-day year of twelve 30-day months, payable to the extent of Subordinate Pledged Revenue available therefor annually on each March 15, commencing on March 15, 2025:

<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>
\$[PAR B]	March 15, 2055	____%

(d) The principal of and premium, if any, on the Bonds are payable in lawful money of the United States of America to the Owner of each Bond upon maturity or prior redemption and presentation at the principal office of the Trustee. The interest on any Bond is payable to the person in whose name such Bond is registered, at his address as it appears on the registration books maintained by or on behalf of the District by the Trustee, at the close of business on the Record Date, irrespective of any transfer or exchange of such Bond subsequent to such Record Date and prior to such Interest Payment Date; provided that any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the Owner thereof at the close of business on the Record Date and shall be payable to the person who is the Owner thereof at the close of business on a Special Record Date for the payment of any such unpaid interest. Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the unpaid interest, and notice of the Special Record Date shall be given to the Owners of the Bonds not less than 10 days prior to the Special Record Date by first-class mail to each such Owner as shown on the registration books kept by the Trustee on a date selected by the Trustee. Such notice shall state the date of the Special Record Date and the date fixed for the payment of such unpaid interest.

(e) Interest payments shall be paid by check or draft of the Trustee mailed on or before the Interest Payment Date to the Owners. The Trustee may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the Owner of such Bond and the Trustee; provided that the District shall not be required to incur any expenses in connection with such alternative means of payment.

(f) To the extent principal of any Bond is not paid when due, such principal shall remain Outstanding until paid, subject to Section 7.03 hereof. To the extent interest on any Bond is not paid when due, such interest shall compound annually on each Interest Payment Date, at the interest rate then borne by the Bond; provided however, that notwithstanding anything herein to the contrary, the District shall not be obligated to pay more than the amount permitted by law.

(g) Subject to the provisions of this Indenture, the Bonds shall be in substantially the form set forth in Exhibit A attached hereto, with such variations, omissions, and insertions as may be required by the circumstances, be required or permitted by this Indenture, or be consistent with this Indenture and necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto. The Bonds may bear such other endorsement or legend satisfactory to the Trustee as may be required to conform to usage or law with respect thereto.

Section 2.02. Purpose of Issuance of Bonds. The Bonds are being issued for the purpose of paying Project Costs.

Section 2.03. Trustee as Paying Agent and Bond Registrar.

(a) The Trustee shall perform the functions of paying agent and authenticating registrar with respect to the Bonds. The Trustee shall establish the registration books for the Bonds and thereafter maintain such books in accordance with the provisions hereof. The District shall cause the Underwriter to provide the Trustee with an initial registry of the Owners within a reasonable time prior to delivery of the Bonds. The District shall be permitted to review the registration books at any time during the regular business hours of the Trustee and, upon written request to the Trustee, shall be provided a copy of the list of Owners of the Bonds. Upon the termination of this Indenture, the Trustee shall promptly return such registration books to the District.

(b) The Trustee shall make payments of principal and interest on the Bonds on each date established herein for payment thereof, in the manner and from the sources set forth herein.

(c) The Trustee will register, exchange, or transfer (collectively, "transfer") the Bonds in the manner provided herein. The Trustee reserves the right to refuse to transfer any Bond until it is satisfied that the endorsement on the Bond is valid and genuine, and for that purpose it may require a guarantee of signature by a firm having membership in the NYSE Chicago, the New York Stock Exchange, or the NYSE American, or by a bank or trust company or firm approved by it. The Trustee also reserves the right to refuse to transfer any Bond until it is satisfied that the requested transfer is legally authorized, and it shall incur no liability for any refusal in good faith to make a transfer which it, in its judgment, deems improper or unauthorized.

(d) The District shall furnish the Trustee with a sufficient supply of blank Bonds for the sole purpose of effecting transfers in accordance herewith and from time to

time shall renew such supply upon the request of the Trustee. Blank Bonds shall be signed and sealed by the District in the manner set forth herein.

(e) In the event the District receives any notice or order which limits or prohibits dealing in the Bonds, it will immediately notify the Trustee of such notice or order and give a copy thereof to the Trustee.

(f) In any circumstances concerning the payment or registration of the Bonds not covered specifically by this Indenture, the Trustee shall act in accordance with federal and state banking laws and its normal procedures in such matters.

Section 2.04. Execution of Bonds; Signatures. The Bonds shall be executed on behalf of the District by the manual or facsimile signature of the Chair or Treasurer/Vice Chair of the District, sealed with a manual impression or facsimile of its corporate seal, and attested by the manual or facsimile signature of the Clerk/Secretary of the District. In case any officer who shall have signed any of the Bonds shall cease to be such officer of the District before the Bonds have been authenticated by the Trustee or delivered or sold, such Bonds with the signatures thereto affixed may, nevertheless, be authenticated by the Trustee and delivered, and may be sold by the District, as though the person or persons who signed such Bonds had remained in office.

Section 2.05. Persons Treated as Owners. The District and the Trustee may treat the Owner of any Bond as the absolute owner of such Bond for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Bond is overdue, and neither the District nor the Trustee shall be affected by notice to the contrary.

Section 2.06. Mutilated, Lost, Stolen, or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the District 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 Owner attesting to such loss, theft or destruction, together in all cases with indemnity satisfactory to the Trustee and the District. 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 2.06 shall be deemed part of the series of Bonds issued hereunder and an original additional contractual obligation of the District.

Section 2.07. Delivery of Bonds. Upon the execution and delivery of this Indenture, the District shall execute the Bonds and deliver them to the Trustee, and the Trustee shall authenticate the Bonds and deliver them to or for the account of the purchasers thereof, directed by the District and in accordance with a written certificate of the District. The Trustee shall be entitled to conclusively rely upon such direction and authorization from the District as to the names of the purchasers and the amount of such purchase price.

Section 2.08. Trustee's Authentication Certificate. The Trustee's certificate of authentication upon the Bonds shall be substantially in the form and tenor set forth in Exhibit A attached hereto. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit hereunder unless and until a certificate of authentication on such Bond substantially in such form 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 under this Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer or signatory of the Trustee, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds issued hereunder.

Section 2.09. Registration, Exchange, and Transfer of Bonds.

(a) The Trustee shall act as bond registrar and maintain the books of the District for the registration of ownership of each Bond as provided herein.

(b) Bonds may be exchanged at the principal office of the Trustee for a like aggregate principal amount of Bonds of the same maturity of other Authorized Denominations. Bonds may be transferred upon the registration books upon delivery of the Bonds to the Trustee, accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Trustee, duly executed by the Owner of the Bonds to be transferred or his attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of such Bonds, along with the social security number or federal employer identification number of such transferee. No transfer of any Bond shall be effective until entered on the registration books. In all cases of the transfer of a Bond, the Trustee shall enter the transfer of ownership in the registration books, and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of Authorized Denominations of the same maturity and interest rate for the aggregate principal amount which the Owner is entitled to receive at the earliest practicable time in accordance with the provisions hereof.

(c) The Trustee shall charge the Owner of such Bond for every such transfer or exchange of a Bond an amount sufficient to reimburse it for its reasonable fees and for any tax or other governmental charge required to be paid with respect to such transfer or exchange.

(d) The District and Trustee shall not be required to issue or transfer any Bonds: (i) during a period beginning at the close of business on the Record Date and ending at the opening of business on the first Business Day following the ensuing Interest Payment Date, or (ii) during the period beginning at the opening of business on a date 45 days prior to the date of any redemption of Bonds and ending at the opening of business on the first Business Day following the day on which the applicable notice of redemption is mailed. The Trustee shall not be required to transfer any Bonds selected or called for redemption, in whole or in part.

(e) New Bonds delivered upon any transfer or exchange shall be valid obligations of the District, evidencing the same debt as the Bonds surrendered, shall be

secured by this Indenture, and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

Section 2.10. Cancellation of Bonds. Whenever any Outstanding Bond shall be delivered to the Trustee for cancellation pursuant to this Indenture and upon payment of the principal amount, premium if any, and interest due thereon, or whenever any Outstanding Bond shall be delivered to the Trustee for transfer pursuant to the provisions hereof, such Bond shall be cancelled by the Trustee in accordance with the customary practices of the Trustee and applicable retention laws.

Section 2.11. Non-presentment of Bonds. In the event any Bonds, or portions thereof, shall not be presented for payment when the principal thereof becomes due, either at maturity, the date fixed for redemption thereof, or otherwise, if funds sufficient for the payment thereof, including accrued interest thereon, shall have been deposited into the Subordinate Bond Fund or otherwise made available to the Trustee for deposit therein, then on and after the date said principal becomes due, all interest thereon shall cease to accrue and all liability of the District to the Owner or Owners thereof for the payment of such Bonds, shall forthwith cease, terminate, and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds in a separate trust account for the benefit of the owner or owners of such Bonds, who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his, her or their part under this Indenture with respect to said Bond or on, or with respect to, this Indenture. Such moneys shall not be required to be invested during such period by the Trustee. If any Bond shall not be presented for payment within the period of three years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall return to the District the funds theretofore held by it for payment of such Bond and payment of such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the District. The obligations of the Trustee under this Section shall be subject, however, to any law applicable to the unclaimed funds or the Trustee providing other requirements for the disposition of unclaimed property.

Section 2.12. Book-Entry System.

(a) The Bonds shall be initially issued in the form of single, certificated, fully registered Bonds for each maturity. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Trustee in the name of Cede.

(b) With respect to Bonds registered in the name of Cede or held by a Depository, neither the District nor the Trustee shall have any responsibility or obligation to any Participant or Beneficial Owner including, without limitation, any responsibility or obligation with respect to: (i) the accuracy of the records of the Depository or any Participant concerning any ownership interest in the Bonds; (ii) the delivery to any Participant, Beneficial Owner, or person other than the Owner, of any notice concerning the Bonds, including notice of redemption; or (iii) the payment to any Participant, Beneficial Owner, or person other than the Owner, of the principal of, premium if any, and interest on the Bonds. The District and the Trustee may treat the Owner of any Bond as the absolute owner of such Bond for the purpose of payment of the principal of, premium if any, and interest on such Bond, for purposes of giving notices of redemption and other

matters with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal of, premium if any, and interest on or in connection with the Bonds only to or upon the order of the Owners, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to the payment of the same. No person, other than an Owner, shall receive a certificated Bond evidencing the obligations of the District pursuant to this Indenture.

(c) DTC may determine to discontinue providing its service as Depository with respect to the Bonds at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law. Upon the termination of the services of DTC, a substitute Depository which is willing and able to undertake the system of book-entry transfers upon reasonable and customary terms may be engaged by the District or, if the District determines in its sole and absolute discretion that it is in the best interests of the Beneficial Owners or the District that the Beneficial Owners should be able to obtain certificated Bonds, the Bonds shall no longer be restricted to being registered in the name of Cede or other nominee of a Depository but shall be registered in whatever name or names the Beneficial Owners shall designate at that time, and fully registered Bond certificates shall be delivered to the Beneficial Owners.

ARTICLE III

REVENUES AND FUNDS

Section 3.01. Source of Payment of Bonds. The Bonds shall constitute limited tax general obligations of the District payable from the Subordinate Pledged Revenue as provided herein. Principal of the Bonds, together with the interest thereon and any premium due in connection therewith, shall be payable from and to the extent of the Subordinate Pledged Revenue, including all moneys and earnings thereon held in the funds and accounts herein created, and the Subordinate Pledged Revenue is hereby pledged to the payment of the Bonds. The Bonds shall constitute an irrevocable lien upon the Subordinate Pledged Revenue, but not necessarily an exclusive such lien. The Bonds are secured by a lien on the Subordinate Pledged Revenue on parity with the lien thereon of any Parity Bonds issued hereafter.

Section 3.02. Creation of Funds and Accounts. There are hereby created and established the following funds and accounts, which shall be established with the Trustee and maintained by the Trustee in accordance with the provisions of this Indenture:

(a) the Subordinate Project Fund; and

(b) the Subordinate Bond Fund and, therein, the Subordinate Interest Account and the Subordinate Mandatory Redemption Account.

Section 3.03. Initial Deposits. Immediately upon issuance of the Bonds and from the proceeds thereof (after payment of the Underwriter's discount), the Trustee shall deposit \$[_____] to the Subordinate Project Fund.

Section 3.04. Subordinate Project Fund.

(a) *In General.* The Subordinate Project Fund shall be maintained by the Trustee in accordance with the terms of this Section 3.04.

(b) *Draws from the Subordinate Project Fund.* So long as no Event of Default shall have occurred and be continuing, amounts in the Subordinate Project Fund shall be released by the Trustee to the District in accordance with requisitions submitted to the Trustee in substantially the form set forth in Exhibit B hereto, signed by the District Representative and certifying that all amounts drawn will be applied to the payment of the Project Costs. The Trustee may rely conclusively on any such requisition and shall not be required to make any independent investigation in connection therewith. The execution of any requisition by the District Representative shall constitute, unto the Trustee, an irrevocable determination that all conditions precedent to the payments requested have been completed.

(c) *Termination of Subordinate Project Fund.* Upon the receipt by the Trustee of a resolution of the District determining that all Project Costs have been paid, any balance remaining in the Subordinate Project Fund shall be credited to the Subordinate Bond Fund. The Subordinate Project Fund shall terminate at such time as no further moneys remain therein.

Section 3.05. Application of Subordinate Pledged Revenue. The District is to transfer all amounts comprising Subordinate Pledged Revenue to the Trustee as soon as may be practicable after the receipt thereof, and in no event later than the 15th day of the calendar month immediately succeeding the calendar month in which such revenue is received by the District, subject to the last paragraph of this Section 3.05; provided, however, that in the event that the total amount of Subordinate Pledged Revenue received by the District in a calendar month is less than \$50,000, the Subordinate Pledged Revenue received in such calendar month may instead be remitted to the Trustee no later than the 15th day of the calendar month immediately succeeding the calendar quarter in which such revenue is received by the District (i.e., no later than April 15th for Subordinate Pledged Revenue received in January, February, or March; no later than July 15th for Subordinate Pledged Revenue received in April, May, or June; no later than October 15th for Subordinate Pledged Revenue received in July, August, or September; and no later than January 15th for Subordinate Pledged Revenue received in October, November, or December). IN NO EVENT IS THE DISTRICT PERMITTED TO APPLY ANY PORTION OF THE SUBORDINATE PLEDGED REVENUE TO ANY OTHER PURPOSE, OR TO WITHHOLD ANY PORTION OF THE SUBORDINATE PLEDGED REVENUE. The Trustee shall credit all Subordinate Pledged Revenue as received in the following order of priority (excluding the Subordinate Pledged Revenue described in clause (c) of the definition thereof, which is to be deposited directly to the Subordinate Bond Fund). For purposes of the following, when credits to more than one fund, account, or purpose are required at any single priority level, such credits shall rank *pari passu* with each other and when credits are required to go to funds or accounts which are not held by the Trustee under this Indenture, the Trustee may rely upon the written instructions of the District with respect to the appropriate funds or accounts to which such credits are to be made.

FIRST: To the Trustee, in an amount sufficient to pay the Trustee Fees then due and payable;

SECOND: To the District, in the amount budgeted by the District to pay Administrative Expenses for the coming Fiscal Year, to the extent that such Administrative Expenses have not been fully paid through application of revenues available under the 2024A Senior Indenture or under any resolutions, indentures, or other documents pursuant to which other Senior Obligations have been issued;

THIRD: To the credit of the Subordinate Bond Fund and any other fund or account created for the payment of the principal of, premium if any, and interest on Parity Bonds, including any sinking fund, reserve fund, surplus fund or similar fund or account established therefor, pro rata in accordance with the then outstanding principal amounts of the Bonds and any Parity Bonds, all Subordinate Pledged Revenue received until the funding of all amounts to become due and payable on the Bonds and the Parity Bonds through maturity; and

FOURTH: To the District, for credit to any other fund or account as may be designated by the District in writing to the Trustee, to be used for any lawful purpose, any Subordinate Pledged Revenue received for the remainder of the Bond Year after the payments and accumulations set forth above (which revenues, upon disbursement to or at the direction of the District in accordance with this clause FOURTH, shall be released from the lien hereof and shall thereafter no longer constitute "Subordinate Pledged Revenue" hereunder).

In the event that any Subordinate Pledged Revenue is available to be disbursed in accordance with clause FOURTH above, the District will, in making its determination as to the application of such amounts, take into account that State law places certain restrictions upon the use of any moneys representing ad valorem property tax revenue from a property tax levy, and any then existing pledge or encumbrance on such revenues.

The District covenants that all property tax revenue collected by the District from a property tax levy, or so much thereof as is needed, shall first, be designated as property taxes resulting from imposition of the Senior Obligation Mill Levy in any Bond Year to pay annual debt service on Senior Obligations and to fund such funds and accounts as are required in accordance with the terms of the 2024A Senior Indenture and any other resolution, indenture or other enactment authorizing such Senior Obligations, and after the funding of such payments and accumulations required in such Bond Year, all property tax revenue collected by the District from a property tax levy for the remainder of such Bond Year shall, second, be designated as property taxes resulting from imposition of the Subordinate Required Mill Levy unless and until the District has funded the full amount outstanding with respect to the Bonds. The debt service property tax levy imposed for the payment of any Junior Lien Obligations shall be deemed reduced to the rate per dollar of taxable value available for payment of such Junior Lien Obligations in any Bond Year after first providing for the funding of payments and accumulations required with respect to all Senior Obligations in such Bond Year (including the amounts required to accomplish the full repayment or defeasance of any such Senior Obligations, to the extent required by the applicable resolutions, indentures, or other enactments authorizing Senior Obligations), and the full amount outstanding with respect to the Bonds and any Parity Bonds (to the extent required by the applicable resolutions, indentures, or other enactments authorizing such Parity Bonds).

Notwithstanding any other provision contained herein, property tax revenue resulting from or relating to any Unencumbered Debt Service Mill Levy imposed by the District shall not be subject to the provisions of the immediately preceding paragraph. Rather, in the event that the District imposes an Unencumbered Debt Service Mill Levy, the collective rate per dollar of taxable value of such District shall be allocated as received between taxes from or relating to the Unencumbered Debt Service Mill Levy and taxes from or relating to the remaining rate per dollar of taxable value (to include the Senior Required Mill Levy, the Subordinate Required Mill Levy, and any ad valorem property tax imposed for Junior Lien Obligations, exclusive of the Unencumbered Debt Service Mill Levy) pro rata in accordance with the amounts of mill levies imposed. In no event shall the immediately preceding paragraph operate to reduce or limit in any way the amount of any Unencumbered Debt Service Mill Levy, or the ability of the District to apply the property tax revenue resulting therefrom, so long as determined in accordance with this paragraph, to the payment of any obligation secured thereby. In no event shall this Indenture be interpreted to constitute a lien upon any Unencumbered Debt Service Mill Levy or any property tax revenue derived or relating thereto.

Section 3.06. Subordinate Bond Fund. Moneys in the Subordinate Bond Fund shall be used by the Trustee solely to pay the principal of, premium if any, and interest on the Bonds.

(a) Subordinate Pledged Revenue required to be credited to the Subordinate Bond Fund in accordance with Section 3.05 hereof shall be credited each Bond Year as received as follows:

FIRST: to the credit of the Subordinate Interest Account, the amount required for amounts on deposit therein to equal the interest due and payable on the Bonds in such Bond Year; and

SECOND: to the credit of the Subordinate Mandatory Redemption Account, all remaining Subordinate Pledged Revenue credited to the Subordinate Bond Fund for such Bond Year.

(b) On each Interest Payment Date, the Trustee is to apply amounts on deposit in the Subordinate Interest Account to the payment of interest on the Bonds (including current interest, accrued but unpaid interest and unpaid compound interest, and including the accrued interest portion of any Mandatory Redemption Price) then due.

(c) On the 45th day prior to each Mandatory Redemption Date, the Trustee shall determine the amounts on deposit in the Subordinate Mandatory Redemption Account available for application to redemption of the Bonds in accordance with Section 5.01(b) hereof, taking into account any requirements of Section 5.02 hereof with respect to the amount to be redeemed. The Trustee shall provide notice of the mandatory redemption to occur on each Mandatory Redemption Date as a result of amounts credited to the Subordinate Mandatory Redemption Account, as provided in Section 5.02 hereof.

(d) On each Mandatory Redemption Date, the Trustee is to apply amounts on deposit in the Subordinate Mandatory Redemption Account to the payment of the principal portion of any Mandatory Redemption Price.

(e) Moneys credited to the Subordinate Bond Fund may be invested or deposited as provided in Section 6.01 hereof.

(f) The District acknowledges and agrees that, notwithstanding anything herein to the contrary, borrowed moneys shall not be used for the purpose of redeeming principal of the Bonds pursuant to Section 5.01(b) hereof and paragraph (d) of this Section 3.06.

Section 3.07. Trustee's Fees, Charges, and Expenses. The District shall pay the Trustee's fees for services rendered hereunder in accordance with its then-current schedule of fees and reimburse the Trustee for all advances, legal fees, and other expenses reasonably or necessarily made or incurred by, in, or about the execution of the trust created by this Indenture and in or about the exercise and performance of the powers and duties of the Trustee hereunder and for the reasonable and necessary costs and expenses incurred in defending any liability in the premises of any character whatsoever, unless such liabilities resulted from the negligence or willful misconduct of the Trustee.

Section 3.08. Moneys to be Held in Trust. All moneys deposited with or paid to the Trustee under any provision of this Indenture shall be held by the Trustee in trust for the purposes specified in this Indenture, and except for amounts due and owing to the Trustee for its fees and expenses in performance of its duties hereunder, shall constitute part of the Trust Estate and be subject to the lien hereof. Except to the extent otherwise specifically provided in Article VII, and Section 8.05 hereof, the District shall have no claim to or rights in any moneys deposited with or paid to the Trustee hereunder.

ARTICLE IV

COVENANTS OF DISTRICT

Section 4.01. Performance of Covenants, Authority. The District covenants that it will faithfully perform and observe at all times any and all covenants, undertakings, stipulations, and provisions contained in the Bond Resolution, this Indenture, the Bonds, and all its proceedings pertaining hereto. The District covenants that it is duly authorized under the constitution and laws of the State, including, particularly and without limitation, the Act, to issue the Bonds and to execute this Indenture and that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken and will be duly taken as provided herein, and that the Bonds are and will be valid and enforceable obligations of the District according to the terms thereof.

Section 4.02. Covenant to Impose Subordinate Required Mill Levy.

(a) For the purpose of paying the principal of, premium if any, and interest on the Bonds, the Board shall annually adopt and report to the county auditor of the County, in each of the years 2025 through 2054, inclusive, and in any year thereafter in which the Bonds remain Outstanding, in addition to all other taxes, the Subordinate Required Mill Levy, subject to clause (b) below. Nothing herein shall be construed to require the District to levy an ad valorem property tax for payment of the Bonds in excess of the Subordinate

Required Mill Levy. When collected, the taxes levied for the foregoing purposes shall be deposited with the Trustee in accordance with Section 3.05 hereof.

(b) NOTWITHSTANDING ANY OTHER PROVISION HEREIN, IN ACCORDANCE WITH THE GOVERNING DOCUMENT, THE DISTRICT SHALL NOT BE PERMITTED TO IMPOSE THE SUBORDINATE REQUIRED MILL LEVY FOR PAYMENT OF THE BONDS AFTER TAX YEAR 2064 FOR PAYMENT PRIOR TO MARCH 15, 2065.

(c) The amounts necessary to pay all costs and expenses incidental to the issuance of the Bonds and to pay the principal of, premium if any, and interest on the Bonds when due are hereby appropriated for said purposes, and such amounts as appropriated for each year shall also be included in the annual budget and the appropriation bills to be adopted and passed by the Board in each year, respectively, until the Bonds have been fully paid, satisfied, and discharged.

(d) It shall be the duty of the Board, annually, at the time and in the manner provided by law for levying other District taxes, to ratify and carry out the provisions hereof with reference to the levying and collection of taxes; and the Board shall levy, report, and collect said taxes in the manner provided by law for the purposes aforesaid.

(e) Said taxes shall be levied, assessed, collected, and enforced at the time and in the form and manner and with like interest and penalties as other general taxes in the State, plus the additional penalty permitted for public infrastructure District under Section 17D-4-304 of the Utah Code, and when collected said taxes shall be paid to the District as provided by law. The Board shall take all necessary and proper steps to enforce promptly the payment of taxes levied pursuant to this Indenture.

Section 4.03. Instruments of Further Assurance. The District covenants that it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such indentures supplemental hereto and such further acts, instruments, and transfers as the Trustee may reasonably require for the better assuring, transferring, and pledging unto the Trustee all and singular the Trust Estate.

Section 4.04. Additional Obligations.

(a) Any Additional Obligations secured by a lien on ad valorem property taxes of the District shall be issued as Parity Bonds, Senior Obligations or Junior Lien Obligations; provided, however, that such requirement shall not apply to Additional Obligations secured solely by an Unencumbered Debt Service Mill Levy. The issuance of the 2024A Senior Bonds in accordance with the 2024A Senior Indenture is permitted, notwithstanding any provision of this Section 4.04. The District shall not issue or incur any other Additional Obligations except as provided in this Section.

(b) The District may issue Additional Obligations constituting Parity Bonds, Senior Obligations or Junior Lien Obligations if such issuance is consented to by the Consent Parties with respect to 100% in aggregate principal amount of the Bonds then Outstanding.

(c) The District may issue Additional Obligations constituting Senior Obligations without the consent of the Consent Parties provided that the following conditions are satisfied:

- (i) the proposed Senior Obligations will constitute Refunding Senior Obligations and, upon issuance of such Refunding Senior Obligations, the total of the District's scheduled debt service on such Refunding Senior Obligations and any other Senior Obligations (to the extent to remain outstanding upon the issuance of such Refunding Senior Obligations) will not exceed in any year the total scheduled debt service on the Senior Obligations outstanding immediately prior to the issuance of such Refunding Senior Obligations (excluding from such calculation of debt service any amount on deposit in a reserve fund anticipated to be available for payment of debt service at final maturity, as reasonably determined by the Board in good faith, such determination to be binding and final). For purposes of the foregoing, the issuance of Refunding Senior Obligations that have a scheduled payment date in any year that is after the latest maturity date of the Senior Obligations outstanding immediately prior to the issuance of the Refunding Senior Obligations shall be deemed to increase the District's Senior Obligations debt service and shall not be permitted by this clause (i); and
- (ii) the Senior Obligation Surplus Fund and Senior Obligation Reserve Fund, if any, securing such Senior Obligations shall not together be required or permitted to be funded in excess of an aggregate amount equal to 20% of the original par amount of such Senior Obligations;
- (iii) the ad valorem property tax levy pledged to the payment of the Senior Obligations shall be not higher than, and subject to the same adjustments and deductions as, the maximum rate per dollar of taxable value set forth in the definition of Senior Required Mill Levy in the 2024A Senior Indenture; and
- (iv) the remedies for defaults under such Senior Obligations are substantially the same as the remedies applicable to the Senior Obligations being refunded.

(d) The District may issue Additional Obligations constituting Junior Lien Obligations without the consent of the Consent Parties and the terms of such Junior Lien Obligations shall be as provided in the documents pursuant to which they are issued, provided that each of the following conditions shall apply to the Junior Lien Obligations:

- (i) the aggregate rate per dollar of taxable value which the District may promise to impose for payment of all Junior Lien Obligations shall not exceed the Subordinate Required Mill Levy;
- (ii) the failure to make a payment when due on the Junior Lien Obligations shall not constitute an event of default thereunder; and

(iii) the Junior Lien Obligations shall be payable as to both principal and interest only on an annual basis, on or after March 15 of each calendar year, and only after the payment or defeasance of the full amount of the Bonds.

(e) The District is permitted to issue or incur Additional Obligations secured solely by an Unencumbered Debt Service Mill Levy (including property tax revenues resulting from an Unencumbered Debt Service Mill Levy) without limitation. Any Additional Obligation secured by an Unencumbered Debt Service Mill Levy and other ad valorem property taxes of the District shall be issued as Parity Bonds, Senior Obligations, or Junior Lien Obligations, and shall satisfy the requirements of subparagraph (c) of this Section with respect to Senior Obligations, or subparagraph (d) of this Section with respect to Junior Lien Obligations, as applicable, unless such issuance is consented to by the Consent Parties with respect to a majority in aggregate principal amount of the Bonds then Outstanding (which consent shall be required if such Additional Obligations are to be issued as Parity Bonds); provided, however, that any provisions of subparagraph (c) and (d) hereof purporting to limit the number of mills pledged to the payment of such Additional Obligations shall not apply to an Unencumbered Debt Service Mill Levy.

(f) A written certificate by the Chair or Treasurer of the District that the conditions set forth herein are met shall conclusively determine the right of the District to authorize, issue, sell, and deliver Additional Obligations in accordance herewith.

(g) Nothing herein shall affect or restrict the right of the District to issue or incur obligations that are not Additional Obligations hereunder.

(h) Notwithstanding any other provision contained herein, under no circumstances shall the District issue Additional Obligations in excess of the amount authorized by the Property Owner Consent, any future consent or election by property owners or eligible electors of the District and the District's Governing Document, as the same may be amended from time to time.

Section 4.05. Additional Covenants and Agreements. The District hereby further irrevocably covenants and agrees with each and every Owner that so long as any of the Bonds remain Outstanding:

(a) The District will maintain its existence and shall not merge or otherwise alter its corporate structure in any manner or to any extent as might reduce the security provided for the payment of the Bonds, and will continue to operate and manage the District and its facilities in an efficient and economical manner in accordance with all applicable laws, rules, and regulations.

(b) At least once a year the District will cause an audit to be performed of the records relating to its revenues and expenditures, and the District shall use commercially reasonable efforts to have such audit report completed no later than 200 days following the end of its fiscal year. The foregoing covenant shall apply notwithstanding any State law audit exemptions that may exist. In addition, at least once a year in the time and manner provided by law, the District will cause a budget to be prepared and adopted. Copies of

the budget and the audit will be filed and recorded in the places, time, and manner provided by law.

(c) The District will carry general liability, public officials' liability, and such other forms of insurance coverage on insurable District property upon the terms and conditions, and in such amount, as in the judgment of the District will protect the District and its operations.

(d) Each District official or other person having custody of any District funds or responsible for the handling of such funds, shall be bonded or insured against theft or defalcation at all times.

(e) In the event any ad valorem taxes are not paid when due, the District shall diligently cooperate with the appropriate county treasurer to enforce the lien of such unpaid taxes against the property for which the taxes are owed.

(f) In the event that any amount of the Subordinate Pledged Revenue is released to the District as provided in FOURTH of Section 3.05 hereof, the District will, in making its determination as to which obligations will be paid with such amounts, take into account that State law places certain restrictions upon the use of any amounts appropriated or added to the tax levy to pay the principal of, premium, and interest on any bonds.

(g) The District will not amend or supplement any of the documents pertaining to the Senior Obligations in any way which (i) alters the amortization of the principal of such Senior Obligations or (ii) increases the rate or rates of interest borne by the Senior Obligations, except upon the prior written consent of the Consent Parties with respect to 100% in aggregate principal amount of the Bonds.

(h) The District shall not impose any rates, tolls, fees or other charges on vacant lots or other undeveloped property within its boundaries in excess of the rates, tolls, fees or other charges applicable to developed residential lots or engage in any other unreasonable act or omission that may impair future development in a manner that could adversely affect the amount of the District's Subordinate Pledged Revenue or delay the timing of the District's receipt of Subordinate Pledged Revenue or remittance thereof to the Trustee in accordance with the provisions hereof.

(i) In the event of nonpayment of any tax, fee or charge that the District imposes, and so long as permitted under the District Act, the District shall impose or cause the County to impose a property tax penalty at an annual rate of 7% in addition to any other lawful penalty for nonpayment of property taxes.

ARTICLE V

PRIOR REDEMPTION

Section 5.01. Prior Redemption.

(a) *Optional Redemption.* The Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity, and in whole or partial maturities (and if in part in such order of maturities as the District shall determine and by lot within maturities), on _____ 1, 20____, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
September 1, 2029, to August 31, 2030	3.00%
September 1, 2030, to August 31, 2031	2.00
September 1, 2031, to August 31, 2032	1.00
September 1, 2032, and thereafter	0.00

(b) *Mandatory Redemption.* The Bonds are subject to mandatory redemption in part by lot on March 15 of each year (each a “Mandatory Redemption Date”), commencing March 15, 2025, to the extent of moneys on deposit, if any, in the Subordinate Mandatory Redemption Account of the Subordinate Bond Fund 45 days prior to the applicable Mandatory Redemption Date, and subject to any minimum requirements with respect to the principal amount of Bonds to be redeemed as set forth in Section 5.02 hereof, at a redemption price (the “Mandatory Redemption Price”) equal to the principal amount thereof (with no redemption premium), plus accrued interest to the redemption date. The District acknowledges and agrees that, notwithstanding anything herein to the contrary, borrowed moneys shall not be used for the purpose of redeeming principal of the Bonds pursuant to this paragraph.

Section 5.02. Redemption Procedure and Notice.

(a) If less than all of the Bonds within a maturity are to be redeemed on any prior redemption date, the Bonds to be redeemed shall be selected by lot prior to the date fixed for redemption, in such manner as the Trustee shall determine. The Bonds shall be redeemed only in integral multiples of \$1,000. In the event a Bond is of a denomination larger than \$1,000, a portion of such Bond may be redeemed, but only in the principal amount of \$1,000 or any integral multiple thereof. Such Bond shall be treated for the purpose of redemption as that number of Bonds which results from dividing the principal amount of such Bond by \$1,000. In the event a portion of any Bond is redeemed, the Trustee shall, without charge to the Owner of such Bond, authenticate and deliver a replacement Bond or Bonds for the unredeemed portion thereof.

(b) In the event any of the Bonds or portions thereof are called for redemption as aforesaid, notice thereof identifying the Bonds or portions thereof to be redeemed will be given by the Trustee by mailing a copy of the redemption notice by first-class mail (postage prepaid) or by electronic means to DTC or its successors, not less than 20 days prior to the redemption date to the Owner of each Bond to be redeemed in whole or in part at the address shown on the registration books maintained by or on behalf of the District

by the Trustee. Failure to give such notice by mailing to any Owner or by electronic means to DTC or its successors, or any defect therein, shall not affect the validity of any proceeding for the redemption of other Bonds as to which no such failure or defect exists. The redemption of the Bonds may be contingent or subject to such conditions as may be specified in the notice, and if funds for the redemption are not irrevocably deposited with the Trustee or otherwise placed in escrow and in trust prior to the giving of notice of redemption, the notice shall be specifically subject to the deposit of funds by the District. All Bonds so called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time.

ARTICLE VI

INVESTMENTS

Section 6.01. Investments.

(a) All moneys held by the Trustee in any of the funds or accounts created hereby shall be promptly invested or reinvested by the Trustee, upon receipt by the Trustee of written direction of the District Representative, in Permitted Investments only. The Trustee may conclusively rely upon the District Representative's written instruction as to both the suitability and legality of the directed investments. If the District fails to provide written directions concerning investment of moneys held by the Trustee, the Trustee shall, in accordance with this subsection, invest and reinvest the moneys in a money market fund which is a Permitted Investment, subject to any other requirements of this Section 6.01. Any such investments shall mature, be redeemable at the option of the owner thereof, pay interest or, in the case of money market funds, shall be available for withdrawal, no later than the respective dates when moneys held for the credit of such fund or account will be required for the purposes intended. The interest income derived from the investment and reinvestment of any moneys in any fund or account held by the Trustee under the Indenture shall be credited to the fund or account from which the moneys invested were derived.

(b) The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries and may charge its ordinary and customary fees for such trades, including cash sweep account fees. The Trustee is not required to issue confirmations of Permitted Investments for any month in which a monthly statement is rendered by the Trustee. The Trustee will not issue a monthly statement for any fund or account if no activity occurred in such fund or account during such month. Unless otherwise confirmed or directed in writing, an account statement delivered periodically by the Trustee to the District Representative shall confirm that the investment transactions identified therein accurately reflect the investment directions of the District Representative, unless the District Representative notified the Trustee in writing to the contrary within 30 days of the date of such statement. The Trustee is specifically authorized to implement its automated cash investments system to assure that cash on hand is invested and to charge reasonable cash management fees, which may be deducted from income earned on investments.

(c) Any and all such investments shall be subject to full and complete compliance at all times with the covenants and provisions of Section 6.02 hereof.

Section 6.02. Tax Matters.

(a) The District shall at all times do and perform all acts and things necessary or desirable in order to assure that interest paid on the Bonds shall, for the purposes of federal income taxation, be excludable from the gross income of the recipients thereof and exempt from such taxation.

(b) The District shall not use or permit the use of any proceeds of Bonds or any funds of the District, directly or indirectly, to acquire any securities or obligations, and shall not take or permit to be taken any other action or actions, which would cause any Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code or "federally guaranteed" within the meaning of Section 149(b) of the Code and any such applicable requirements promulgated from time to time thereunder and under Section 103(b) of the Code, and the District shall observe and not violate the requirements of Section 148 of the Code and any such applicable regulations. The District shall comply with all requirements of Sections 148 and 149(d) of the Code to the extent applicable to the Bonds. In the event that at any time the District is of the opinion that for purposes of this paragraph it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee or held by the District under this Indenture, the District shall so restrict or limit the yield on such investment or shall so instruct the Trustee in a detailed certificate, and the Trustee shall take such action as may be necessary in accordance with such instructions.

(c) The District specifically covenants to comply with the provisions and procedures of the Tax Certificate.

(d) The covenants contained in this Section shall continue in effect until all Bonds are fully paid, satisfied, and discharged.

ARTICLE VII

DISCHARGE OF LIEN

Section 7.01. Discharge of the Lien of the Indenture.

(a) If the District shall pay or cause to be paid to the Trustee, for the Owners of the Bonds, the principal of and interest to become due thereon at the times and in the manner stipulated herein, and if the District shall keep, perform, and observe all and singular the covenants and promises in the Bonds and in this Indenture expressed to be kept, performed, and observed by it or on its part, and if all fees and expenses of the Trustee required by this Indenture to be paid shall have been paid, then these presents and the estate and rights hereby granted shall cease, terminate, and be void, and thereupon the Trustee shall cancel and discharge the lien of this Indenture, and execute and deliver to the District such instruments in writing as shall be required to satisfy the lien hereof, and assign and deliver to the District any property at the time subject to the lien of this Indenture which may then be in its possession, and deliver any amounts required to be paid to the District

under Section 8.05 hereof, except for moneys and Federal Securities held by the Trustee for the payment of the principal of, premium if any, and interest on the Bonds.

(b) Any Bond shall, prior to the maturity or prior redemption thereof, be deemed to have been paid within the meaning and with the effect expressed in this Section 7.01 if, for the purpose of paying such Bond (i) there shall have been deposited with the Trustee an amount sufficient, without investment, to pay the principal of, premium if any, and interest on such Bond as the same becomes due at maturity or upon one or more designated prior redemption dates, or (ii) there shall have been placed in escrow and in trust with a commercial bank exercising trust powers, an amount sufficient (including the known minimum yield from Federal Securities in which such amount may be invested) to pay the principal of, premium if any, and interest on such Bond, as the same becomes due at maturity or upon one or more designated prior redemption dates. The Federal Securities in any such escrow shall not be subject to redemption or prepayment at the option of the issuer, and shall become due at or prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the District and such bank at the time of the creation of the escrow, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure such availability as so needed to meet such schedule. The sufficiency of any such escrow funded with Federal Securities shall be verified by a certified public accountant. With respect to any accrued and unpaid interest on the Bonds, including any compound interest remaining unpaid, it is acknowledged that such amounts are due and payable immediately at the time of funding any escrow intended to accomplish a defeasance of the Bonds. Upon the funding of an escrow defeasing Bonds in accordance with the provisions of this Section 7.01, the Bonds shall cease to be subject to mandatory redemption in accordance with the provisions of Section 5.01(b), and the principal of the Bonds shall be due and payable only on the designated redemption date(s).

(c) Neither the Federal Securities, nor moneys deposited with the Trustee or placed in escrow and in trust pursuant to this Section 7.01, nor principal or interest payments on any such Federal Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of and interest on the Bonds; provided however, that any cash received from such principal or interest payments on such Federal Securities, if not then needed for such purpose, shall, to the extent practicable, be reinvested subject to the provisions of Article VI hereof in Federal Securities maturing at the times and in amounts sufficient to pay, when due, the principal of and interest on the Bonds.

(d) Prior to the investment or reinvestment of such moneys or such Federal Securities as herein provided, the Trustee shall receive and may rely upon: (i) an opinion of Bond Counsel experienced in matters arising under Section 103 of the Code and acceptable to the Trustee, that the investment or reinvestment of such moneys or such Federal Securities complies with Section 6.02 hereof; and (ii) a report of a certified public accountant that the moneys or Federal Securities will be sufficient to provide for the payment of the principal of and interest on the Bonds when due.

(e) The release of the obligations of the District under this Section shall be without prejudice to the rights of the Trustee to be paid reasonable compensation by the District for all services rendered by it hereunder and all its reasonable expenses, charges, and other disbursements incurred in the administration of the trust hereby created, the exercise of its powers, and the performance of its duties hereunder.

Section 7.02. Continuing Role as Bond Registrar and Paying Agent. Notwithstanding the defeasance of the Bonds prior to maturity and the discharge of this Indenture as provided in Section 7.01 hereof, the Trustee shall continue to fulfill its obligations under Section 2.03 hereof until the Bonds are fully paid, satisfied, and discharged.

Section 7.03. Discharge on March 15, 2065. Notwithstanding any other provision in this Indenture, in accordance with the Governing Document (because the District is not permitted to impose an ad valorem property tax levy after a period exceeding forty (40) years from the first date of imposition of the property tax levy for the Bonds) in the event that any amount of principal of or interest on the Bonds remains unpaid after the application of all Subordinate Pledged Revenue available therefor on March 15, 2065, the Bonds and the lien of this Indenture securing payment thereof shall be deemed discharged, the estate and rights hereby granted shall cease, terminate, and be void, and thereupon the Trustee shall cancel and discharge the lien of this Indenture, and execute and deliver to the District such instruments in writing as shall be required to evidence the same. Upon such discharge, the Owners will have no recourse to the District or any property of the District for the payment of any amount of principal of or interest on the Bonds remaining unpaid.

ARTICLE VIII

DEFAULT AND REMEDIES

Section 8.01. Events of Default. The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an Event of Default under this Indenture (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree, rule, regulation, or order of any court or any administrative or governmental body), and there shall be no default or Event of Default hereunder except as provided in this Section:

- (a) The District fails or refuses to impose the Subordinate Required Mill Levy or to apply the Subordinate Pledged Revenue as required by this Indenture;
- (b) The District defaults in the performance or observance of any other of the covenants, agreements, or conditions on the part of the District in this Indenture or the Bond Resolution, and fails to remedy the same after notice thereof pursuant to Section 8.12 hereof; or
- (c) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Bonds.

WITHOUT LIMITING THE FOREGOING, AND NOTWITHSTANDING ANY OTHER PROVISION CONTAINED HEREIN, THE DISTRICT ACKNOWLEDGES AND AGREES THAT THE APPLICATION OF ANY PORTION OF THE SUBORDINATE PLEDGED

REVENUE TO ANY PURPOSE OTHER THAN DEPOSIT WITH THE TRUSTEE IN ACCORDANCE WITH THE PROVISIONS HEREOF CONSTITUTES A VIOLATION OF THE TERMS OF THIS INDENTURE AND A BREACH OF THE COVENANTS MADE HEREUNDER FOR THE BENEFIT OF THE OWNERS OF THE BONDS, WHICH SHALL ENTITLE THE TRUSTEE TO PURSUE, ON BEHALF OF THE OWNERS OF THE BONDS, ALL AVAILABLE ACTIONS AGAINST THE DISTRICT IN LAW OR IN EQUITY, AS MORE PARTICULARLY PROVIDED IN THIS ARTICLE VIII. THE DISTRICT FURTHER ACKNOWLEDGES AND AGREES THAT THE APPLICATION OF SUBORDINATE PLEDGED REVENUE IN VIOLATION OF THE COVENANTS HEREOF WILL RESULT IN IRREPARABLE HARM TO THE OWNERS OF THE BONDS. IN NO EVENT SHALL ANY PROVISION HEREOF BE INTERPRETED TO PERMIT THE DISTRICT TO RETAIN ANY PORTION OF THE SUBORDINATE PLEDGED REVENUE.

It is acknowledged that due to the limited nature of the Subordinate Pledged Revenue, the failure to pay the principal of or interest on the Bonds when due shall not, of itself, constitute an Event of Default hereunder.

IN ADDITION, IT IS ACKNOWLEDGED THAT, IN ACCORDANCE WITH THE GOVERNING DOCUMENT, THE DISTRICT SHALL NOT BE PERMITTED TO IMPOSE THE SUBORDINATE REQUIRED MILL LEVY PURSUANT TO THE TERMS OF THIS INDENTURE FOR PAYMENT OF THE BONDS AFTER TAX YEAR 2064 FOR PAYMENT ON MARCH 15, 2065.

Section 8.02. Remedies on Occurrence of Event of Default.

(a) Upon the occurrence and continuance of an Event of Default, the Trustee shall have the following rights and remedies which may be pursued:

(i) *Receivership.* Upon the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners, the Trustee shall be entitled as a matter of right to the appointment of a receiver or receivers of the Trust Estate, and of the revenues, income, product, and profits thereof pending such proceedings, subject however, to constitutional limitations inherent in the sovereignty of the District; but notwithstanding the appointment of any receiver or other custodian, the Trustee shall be entitled to the possession and control of any cash, securities, or other instruments at the time held by, or payable or deliverable under the provisions of this Indenture to, the Trustee.

(ii) *Suit for Judgment.* The Trustee may proceed to protect and enforce its rights and the rights of the Owners under the Act, the Bonds, the Bond Resolution, this Indenture, and any provision of law by such suit, action, or special proceedings as the Trustee, being advised by Counsel, shall deem appropriate.

(iii) *Mandamus or Other Suit.* The Trustee may proceed by mandamus or any other suit, action, or proceeding at law or in equity, to enforce all rights of the Owners.

(b) No recovery of any judgment by the Trustee shall in any manner or to any extent affect the lien of this Indenture or any rights, powers, or remedies of the Trustee hereunder, or any lien, rights, powers, and remedies of the Owners of the Bonds, but such lien, rights, powers, and remedies of the Trustee and of the Owners shall continue unimpaired as before.

(c) If any Event of Default under Section 8.01(a) shall have occurred and if requested by the Owners of 25% in aggregate principal amount of the Bonds then Outstanding, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section 8.02 as the Trustee, being advised by Counsel, shall deem most expedient in the interests of the Owners, subject to Section 8.03 hereof; provided that the Trustee at its option shall be indemnified as provided in Section 9.01(m) hereof.

(d) Notwithstanding anything herein to the contrary, acceleration of the Bonds shall not be an available remedy for an Event of Default.

Section 8.03. Majority of Consent Parties May Control Proceedings. The Consent Parties of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, at any time, to the extent permitted by law, 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 of this Indenture, or for the appointment of a receiver, and any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions hereof; and provided further that at its option the Trustee shall be indemnified as provided in Section 9.01(m) hereof.

Section 8.04. Rights and Remedies of Owners. No Owner of any Bond shall have any right to institute any suit, action, or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless (a) a default has occurred of which the Trustee has been notified as provided in Section 9.01(h) hereof, or of which under that Section it is deemed to have notice; (b) such default shall have become an Event of Default; (c) the Owners of not less than 25% in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit, or proceedings in their own name, and shall have also offered to the Trustee indemnity as provided in Section 9.01(m) hereof; and (d) the Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name; such notification, request, and offer of indemnity are declared in every case at the option of the Trustee to be conditions precedent to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the lien of this Indenture by his, her, its, or their 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 Owners of all Bonds then Outstanding.

Section 8.05. Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article and any other moneys held as part of the Trust Estate, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and the fees (including attorneys' fees and costs of any other professionals hired by the Trustee hereunder), expenses, liabilities, and advances incurred or made by the Trustee, shall be deposited in the appropriate accounts or accounts created hereunder in the same manner as is provided for deposits of other revenue and used for the purposes thereof, until the principal of, premium if any, and interest on all of the Bonds has been paid in full. NOTWITHSTANDING THE FOREGOING, IT IS ACKNOWLEDGED THAT IN ACCORDANCE WITH THE GOVERNING DOCUMENT, THE DISTRICT SHALL NOT BE PERMITTED TO IMPOSE THE SUBORDINATE REQUIRED MILL LEVY PURSUANT TO THE TERMS OF THIS INDENTURE FOR PAYMENT OF THE BONDS AFTER TAX YEAR 2064 FOR PAYMENT ON MARCH 15, 2065. Whenever all of the Bonds and interest thereon have been paid under the provisions of this Section 8.05 and all expenses and fees of the Trustee have been paid, any balance remaining in any of the funds held hereunder shall be paid to the District.

Section 8.06. Trustee May Enforce Rights Without Bonds. All rights of action and claims under this Indenture or any of the Bonds Outstanding hereunder may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or proceedings relative thereto. Any suit or proceeding instituted by the Trustee shall be brought in its name as the Trustee, without the necessity of joining as plaintiffs or defendants any Owners of the Bonds, and any recovery of judgment shall be for the ratable benefit of the Owners of the Bonds, subject to the provisions of this Indenture.

Section 8.07. Trustee to File Proofs of Claim in Receivership, Etc. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition, or other judicial proceedings affecting the District, the Trustee shall, to the extent permitted by law, file such proofs of claims and other documents as may be necessary or advisable in order to have claims of the Trustee and of the Owners allowed in such proceedings, without prejudice, however, to the right of any Owner to file a claim in his own behalf.

Section 8.08. Delay or Omission No Waiver. No delay or omission of the Trustee or of any Owner to exercise any right or power accruing upon any default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such default, or acquiescence therein; and every power and remedy given by this Indenture may be exercised from time to time and as often as may be deemed expedient.

Section 8.09. No Waiver of One Default to Affect Another; All Remedies Cumulative. No waiver of any default hereunder, whether by the Trustee or the Owners, shall extend to or affect any subsequent or any other then existing default or shall impair any rights or remedies consequent thereon. All rights and remedies of the Trustee and the Owners provided herein shall be cumulative and the exercise of any such right or remedy shall not affect or impair the exercise of any other right or remedy.

Section 8.10. Discontinuance of Proceedings on Default; Position of Parties Restored. In case the Trustee shall have proceeded to enforce any right under this Indenture and such

proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the District and the Trustee shall be restored to their former positions and rights hereunder with respect to the Trust Estate, and all rights, remedies, and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 8.11. Waivers of Events of Default. 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 Consent Parties with respect to a majority in aggregate principal amount of all the Bonds then Outstanding; provided however, that there shall not be waived without the consent of the Consent Parties with respect to 100% of the Bonds then Outstanding as to which the Event of Default exists any Event of Default under Section 8.01(a) hereof. In case of any such waiver, or in case any proceedings taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely to the Trustee, then in every such case the District, the Trustee, and the Owners shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

Section 8.12. Notice of Default; Opportunity to Cure Defaults.

(a) The Trustee shall give to the Owners of all Bonds notice by mailing to the address shown on the registration books maintained by the Trustee or by electronic means to DTC or its successors, of all Events of Default of which the Trustee is by Section 9.01(h) required to take notice, or if notice of an Event of Default is given as provided in said section, within 90 days after the Trustee has knowledge of the occurrence of such default or Event of Default unless such default or Event of Default shall have been cured before the giving of such notice; provided that, the Trustee shall be protected in withholding such notice if and so long as a committee of its corporate trust department in good faith determines that the withholding of such notice is not detrimental to the interests of the Owners.

(b) No default under subsection 8.01(b) hereof shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given by the Trustee or by the Owners of not less than 25% in aggregate principal amount of all Bonds Outstanding to the District, and the District shall have had 30 days after receipt of such notice to correct said default or cause said default to be corrected, and shall not have corrected said default or caused said default to be corrected within the applicable period; provided however, if said default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted within the applicable period and diligently pursued thereafter until the default is corrected.

Section 8.13. Limitations on Remedies and Application of Moneys. It is acknowledged that a portion of the Subordinate Pledged Revenue securing payment of the Bonds is subject to the prior lien thereon in favor of the 2024A Senior Bonds and any additional Senior Obligations issued hereafter. Except as to any of the duties the Trustee is required to perform prior to a default, as set forth in this Indenture, the Trustee or any Owner of the Bonds may not knowingly take any action hereunder which would unduly prejudice the rights of owners of the Senior Obligations with

respect to such Subordinate Pledged Revenue. Furthermore, it is acknowledged that, notwithstanding the occurrence of an Event of Default, no portion of the Subordinate Pledged Revenue that is pledged on a senior basis to the Senior Obligations shall be applied to the payment of any amounts relating to the Bonds until the full satisfaction of all amounts then due with respect to any Senior Obligations (acknowledging that the Senior Obligations shall not be subject to acceleration upon the occurrence of an event of default under the applicable resolution, indenture, or other document pursuant to which any such Senior Obligation is issued).

Section 8.14. Cooperation of District. In the case of any Event of Default hereunder, the District shall cooperate with the Trustee and use its best efforts to protect the Owners.

ARTICLE IX

CONCERNING TRUSTEE

Section 9.01. Acceptance of Trusts and Duties of Trustee. The Trustee hereby accepts the trusts imposed upon it by this Indenture and agrees to perform said trusts, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee.

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing or waiver of any Event of Default which may have occurred, shall undertake to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured or waived) the Trustee shall exercise such of the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs in exercising the rights or remedies or performing any of its duties hereunder.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers, or employees, but shall be answerable for the conduct of the same in accordance with the standard specified in Section 9.01(g) hereof, and shall be entitled to act upon the advice or an opinion of Counsel concerning all matters of trust hereof and the duties hereunder, and may in all cases pay (and be reimbursed as provided in Section 9.02 hereof) such 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 advice or an Opinion of Counsel, but the Trustee shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in good faith in reliance upon the advice or an opinion of Counsel chosen with due care.

(c) The Trustee shall not be responsible for any recital herein or in the Bonds, or for the validity of the execution by the District of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds, or for the recording or rerecording, filing or refiling of this Indenture or any security agreement in connection therewith (excluding the continuation of originally filed Uniform Commercial Code financing statements) 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 District, except as herein set forth; but the Trustee may require of the District full information and advice as to the performance of the covenants, conditions, and agreements aforesaid. 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 Article VI hereof. Provided the District timely delivers to the Trustee a copy of any filed original financing statement, the Trustee shall file continuations of such financing statements but shall be entitled to rely conclusively upon such original financing statement in making any continuation statement filings.

(d) The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof (except for funds or investments held by the Trustee) or as to the validity or sufficiency of this Indenture or the Bonds. The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee, in its individual capacity or any other capacity, may become the Owner of the Bonds with the same rights which it would have if not the Trustee. The Trustee shall not be accountable for the use or application by the District of the proceeds of any of the Bonds or of any money paid to or upon the order of the District under any provision of this Indenture.

(e) The Trustee may conclusively rely and shall be protected in acting or refraining from 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. The Trustee may rely conclusively on any such certificate or other paper or document and shall not be required to make any independent investigation in connection therewith. Any action taken by the Trustee pursuant to this Indenture 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 Bonds shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper, or proceedings, or whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering, or omitting any action hereunder, the Trustee shall be entitled to conclusively rely upon a certificate signed on behalf of the District by the District Representative or the District's Chair or such other person as may be designated for such purpose as provided hereunder or by a certified resolution of the District as sufficient evidence of the facts therein contained, and, prior to the occurrence of a default of which the Trustee has been notified as provided in Section 9.01(h) hereof or of which by said Section 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.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other

than its negligence or willful misconduct and shall not be answerable for any negligent act of its attorneys, agents or receivers which have been selected by the Trustee with due care.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder except failure to be made of any of the payments to the Trustee required to be made hereby for the payment of principal of or interest on the Bonds when due, unless the Trustee shall be specifically notified in writing of such default by the District or by the Owners of at least 25% in aggregate principal amount of Bonds then Outstanding. All notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no default except as aforesaid.

(i) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received but need not be segregated from other funds except to the extent required by this Indenture or by law. The Trustee shall not be under any liability to invest any moneys received hereunder except as provided in Article VI hereof.

(j) At any and all reasonable times the Trustee or its duly authorized agents, attorneys, experts, engineers, accountants, and representatives shall have the right, but shall not be required, to inspect any and all books, papers, and records of the District pertaining to the Bonds and the Subordinate Pledged Revenue, and to take such memoranda from and in regard thereto as may be desired.

(k) Notwithstanding anything in this Indenture to the contrary, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, or any action whatsoever within the purview of this Indenture, any showings, 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, as may be deemed desirable for the purpose of establishing the right of the District to the authentication of any Bonds, or the taking of any other action by the Trustee.

(l) All records of the Trustee pertaining to the Bonds shall be open during reasonable times for inspection by the District.

(m) The Trustee shall not be required to advance its own funds, and before taking any action under this Indenture, other than the payment of monies on deposit in any of the funds as provided for herein, the Trustee may require that indemnity satisfactory to it be furnished to it for the reimbursement of all costs and expenses which it may incur, including attorneys' fees, and to protect it against all liability, except liability which has been adjudicated to have resulted from its negligence or willful misconduct, by reason of any action so taken.

(n) 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.

(o) The Trustee shall have no responsibility with respect to any information, statement or recital in any offering memorandum, remarketing circular or other disclosure material prepared or distributed with respect to the Bonds.

(p) The Trustee makes no representations as to the validity or sufficiency of this Indenture, or the Bonds, assumes no responsibility for the correctness of the same, and shall incur no responsibility in respect to such validity or sufficiency.

(q) In no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, pandemics, epidemics, recognized public emergencies, quarantine restrictions, hacking or cyber-attacks, or other use or infiltration of the Bond Trustee's technological infrastructure exceeding authorized access, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Bond Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 9.02. Fees and Expenses of the Trustee. The Trustee shall be entitled to payment and reimbursement of its fees and expenses for ordinary services rendered hereunder as and when the same become due (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust) and all advances and expenses reasonably and necessarily made or incurred by the Trustee in connection with such ordinary services, including legal fees and expenses. The Trustee reserves the right to renegotiate its current fees for ordinary services to correspond with changing economic conditions, inflation, and changing requirements relating to the Trustee's ordinary services. In no event shall the Trustee be obligated to advance its own funds in order to take any action hereunder. In the event that it should become necessary for the Trustee to perform extraordinary services, the Trustee shall be entitled to reasonable additional compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the negligence or willful misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor. The Trustee shall have a lien upon all moneys in its possession under any provisions hereof for the foregoing advances, fees, costs and expenses incurred and unpaid, but except as otherwise set forth in Section 8.05, subject to the right of prior payment of the principal and interest on the Bonds when due; provided, however, that the payment of principal and interest on the Bonds shall not have priority over the Trustee Fees payable in accordance with clause FIRST of Section 3.05 hereof. The Trustee's right to compensation and indemnification shall survive the satisfaction and discharge of this Indenture or the Trustee's resignation or removal hereunder and payment in full of the Bonds.

Section 9.03. Resignation or Replacement of Trustee.

(a) The Trustee may resign, subject to the appointment of a successor, by giving 30 days' notice of such resignation to the District and to all Owners of Bonds specifying the date when such resignation shall take effect. Such resignation shall take effect on the

date specified in such notice unless a successor shall have been previously appointed as hereinafter provided, in which event such resignation shall take effect immediately on the appointment of such successor. The Trustee may petition the courts to appoint a successor in the event no such successor shall have been previously appointed. The Trustee may be removed at any time by an instrument in writing, executed by a majority of the Owners in aggregate principal amount of the Bonds then Outstanding. Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee.

(b) In case the Trustee shall at any time resign or be removed or otherwise become incapable of acting, a successor may be appointed by the District so long as it is not in default hereunder; otherwise by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding by an instrument or concurrent instruments signed by such Owners, or their attorneys-in-fact appointed; provided however, that even if the District is in default hereunder it may appoint a successor until a new successor shall be appointed by the District or the Owners as herein authorized. The District, upon making such appointment, shall forthwith give notice thereof to the Owners by mailing to the address shown on the registration books maintained by the Trustee, which notice may be given concurrently with the notice of resignation given by any resigning Trustee. Any successor so appointed by the District shall immediately and without further act be superseded by a successor appointed in the manner above provided by the District or the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, as applicable.

(c) Every successor Trustee shall always be a commercial bank or trust company in good standing, qualified to act hereunder, and having a capital surplus of not less than \$50,000,000, if there be such an institution willing, qualified, and able to accept the trust upon reasonable or customary terms. Any successor appointed hereunder shall execute, acknowledge, and deliver to the District an instrument accepting such appointment hereunder, and thereupon such successor shall, without any further act, deed, or conveyance, become vested with all estates, properties, rights, powers, and trusts of its predecessor in the trust hereunder with like effect as if originally named as the Trustee hereunder and thereupon the duties and obligations of the predecessor shall cease and terminate; but the Trustee retiring shall, nevertheless, on the written demand of its successor and upon payment of the fees and expenses owed to the predecessor, execute and deliver an instrument conveying and transferring to such successor, upon the trusts herein expressed, all the estates, properties, rights, powers, and trusts of the predecessor, who shall duly assign, transfer, and deliver to the successor all properties and moneys held by it under this Indenture. If any instrument from the District is required by any successor for more fully and certainly vesting in and confirming to it the estates, properties, rights, powers, and trusts of the predecessor, those instruments shall be made, executed, acknowledged, and delivered by the District on request of such successor.

(d) The instruments evidencing the resignation or removal of the Trustee and the appointment of a successor hereunder, together with all other instruments provided for in this Section, shall be filed or recorded by the successor Trustee in each recording office, if any, where this Indenture shall have been filed or recorded.

Section 9.04. Conversion, Consolidation, or Merger of Trustee. Anything herein to the contrary notwithstanding, any bank or trust company or other person into which the Trustee or its successor may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business as a whole, shall be the successor of the Trustee under this Indenture with the same rights, powers, duties, and obligations, and subject to the same restrictions, limitations, and liabilities as its predecessor, all without the execution or filing of any papers or any further act on the part of any of the parties hereto, provided that such bank, trust company, or other person is legally empowered to accept such trust.

Section 9.05. Trustee Protected in Relying Upon Resolutions, Etc. The resolutions, opinions, certificates, and other instruments provided for in this Indenture 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. Except as provided herein, the Trustee shall not be under any responsibility to seek the approval of any expert for any of the purposes expressed in this Indenture; provided however, that nothing contained in this Section shall alter the Trustee's obligations or immunities provided by statutory, constitutional, or common law with respect to the approval of independent experts who may furnish opinions, certificates, or opinions of Counsel to the Trustee pursuant to any provisions of this Indenture.

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 10.01. Supplemental Indentures Not Requiring Consent. Subject to the provisions of this Article, the District and the Trustee may, without the consent of or notice to the Consent Parties, enter into such indentures supplemental hereto, which supplemental indentures shall thereafter form a part hereof, for any one or more of the following purposes:

- (a) To cure any ambiguity, to cure, correct, or supplement any formal defect or omission or inconsistent provision contained in this Indenture, to make any provision necessary or desirable due to a change in law, to make any provisions with respect to matters arising under this Indenture, or to make any provisions for any other purpose if such provisions are necessary or desirable and do not materially adversely affect the interests of the Owners of the Bonds;
- (b) To subject to this Indenture additional revenues, properties, or collateral;
- (c) To grant or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers, or authority that may lawfully be granted to or conferred upon the Owners or the Trustee; and
- (d) To qualify this Indenture under the Trust Indenture Act of 1939.

Section 10.02. Supplemental Indentures Requiring Consent.

- (a) Except for supplemental indentures delivered pursuant to Section 10.01 hereof, and subject to the provisions of this Article, the Consent Parties with respect to not

less than a majority (or for modifications of provisions hereof which require the consent of a percentage of Owners or Consent Parties higher than a majority, such higher percentage) in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, to consent to and approve the execution by the District and the Trustee of such indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the District for the purpose of modifying, altering, amending, adding to, or rescinding, in any particular, any of the terms or provisions contained in this Indenture; provided however, that without the consent of the Consent Parties with respect to all the Outstanding Bonds affected thereby, nothing herein contained shall permit, or be construed as permitting:

- (i) a change in the terms of the maturity of any Outstanding Bond, in the principal amount of any Outstanding Bond, in the optional or mandatory redemption provisions applicable thereto, or the rate of interest thereon;
- (ii) an impairment of the right of the Owners to institute suit for the enforcement of any payment of the principal of or interest on the Bonds when due;
- (iii) a privilege or priority of any Bond or any interest payment over any other Bond or interest payment; or
- (iv) a reduction in the percentage in principal amount of the Outstanding Bonds, the consent of whose Owners or Consent Parties is required for any such supplemental indenture.

(b) Upon the execution of any supplemental indenture pursuant to the provisions of this Section, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties, and obligations under this Indenture of the District, the Trustee, and all Owners of Bonds then Outstanding shall thereafter be determined, exercised, and enforced hereunder, subject in all respects to such modifications and amendments.

(c) If at any time the District shall request the Trustee to enter into such supplemental indenture for any of the purposes of this Section, the Trustee shall, upon being satisfactorily indemnified with respect to fees and expenses, cause notice of the proposed execution of such supplemental indenture to be given by mailing such notice by certified or registered first class mail to each Owner of a Bond to the address shown on the registration books of the Trustee or by electronic means to DTC or its successors, at least 30 days prior to the proposed date of execution and delivery of any such supplemental indenture. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Owners. If, within 60 days or such longer period as shall be prescribed by the District following the giving of such notice, the Consent Parties with respect to not less than the required percentage in aggregate principal amount of the Bonds then Outstanding at the time of the execution of any such supplemental indenture shall have consented to and approved the execution thereof as herein provided, the District may execute and deliver such supplemental indenture and no Owner 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 District from executing the same or from taking any action pursuant to the provisions thereof.

Section 10.03. Execution of Supplemental Indenture. The Trustee is authorized to join with the District in the execution of any such supplemental indenture and to make further agreements and stipulations which may be contained therein; provided that, prior to the execution of any such supplemental indenture (whether under Section 10.01 or 10.02 hereof) the Trustee and the District shall receive and shall be fully protected in relying upon an opinion of Bond Counsel experienced in matters arising under Section 103 of the Code and acceptable to the Trustee and the District, to the effect that: (a) the supplement will not adversely affect the exclusion from gross income for federal income tax purposes, of the interest paid or to be paid on the Bonds; (b) the District is permitted by the provisions hereof to enter into the supplement; and (c) the supplement is a valid and binding obligation of the District, enforceable in accordance with its terms, subject to matters permitted by Section 1.05 hereof.

ARTICLE XI

MISCELLANEOUS

Section 11.01. Parties Interested Herein. Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person other than the District, the Trustee, and the Owners of the Bonds, any right, remedy, or claim under or by reason of this Indenture or any covenant, condition, or stipulation hereof; and all the covenants, stipulations, promises, and agreements in this Indenture by and on behalf of the District shall be for the sole and exclusive benefit of the District, the Trustee, and the Owners of the Bonds.

Section 11.02. Severability. If any provision of this 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 herein contained, shall not affect the remaining portions hereof, or any part thereof.

Section 11.03. Applicable Law. THIS INDENTURE SHALL BE GOVERNED EXCLUSIVELY BY THE APPLICABLE LAWS OF THE STATE.

Section 11.04. Execution in Counterparts. This Indenture 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 11.05. Notices; Waiver.

(a) Except as otherwise provided herein, all notices, certificates, or other communications required to be given to any of the persons set forth below pursuant to any provision of this Indenture shall be in writing, shall be given either in person, by electronic mail or by certified or registered mail, and if mailed, shall be deemed received three days after having been deposited in a receptacle for United States mail, postage prepaid, addressed as follows:

District:	NS Public Infrastructure District No. 2 c/o White Bear Ankele Tanaka & Waldron 2154 E Commons Ave #2000 Centennial, CO 80122 Telephone: (303) 858-1800 Email: bdickhoner@wbapc.com Attention: Blair Dickhoner
Trustee:	UMB Bank, n.a. Corporate Trust Department 2777 East Camelback Road, Suite 350 Phoenix, Arizona 85016 Telephone: (602) 337-2269 Office Email: Joshua.Gottschall@umb.com Attention: Josh Gottschall

(b) The persons designated above may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, or other communications shall be sent.

(c) Where this Indenture provides for notice in any manner, such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Owners shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 11.06. Holidays. If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Indenture, shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city in which the principal office of the Trustee is located are authorized or required by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required by law to remain closed, with the same force and effect as if done on the nominal date provided in this Indenture.

Section 11.07. Perfection of Security Interest.

(a) The Indenture creates a valid and binding pledge and assignment of security interest in all of the Subordinate Pledged Revenue 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, and is and shall have priority as against all parties having claims of any kind in tort, contract, or otherwise hereafter imposed on the Subordinate Pledged Revenue.

Section 11.08. 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 District.

Section 11.09. Compliance with Act. It is hereby declared by the Board that it is the intention of the District by the execution of this Indenture to comply in all respects with the provisions of the Act.

Section 11.10. Electronic Execution and Storage. The parties hereto agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law. This Indenture 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. To the fullest extent permitted by applicable law and except for the certificate of authentication on the Bonds (which must be manually signed by an authorized representative of the Trustee) and instruments of transfer of the Bonds, facsimile or electronically transmitted signatures shall constitute original signatures for all purposes under this Indenture.

[Signatures Appear on Following Page]

IN WITNESS WHEREOF, NS Public Infrastructure District No. 2 has caused this Indenture to be executed on its behalf by its Chair and attested by its Clerk/Secretary, and to evidence its acceptance of the trusts hereby created, UMB Bank, n.a., Phoenix, Arizona, as Trustee, has caused this Indenture to be executed on its behalf by one of its authorized officers, all as of the date first above written.

(S E A L)

NS PUBLIC INFRASTRUCTURE DISTRICT
NO. 2

Chair

ATTESTED:

Clerk/Secretary

UMB BANK, N.A., as Trustee

Authorized Officer

EXHIBIT A
[FORM OF BOND]

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A LIMITED PURPOSE TRUST COMPANY ORGANIZED UNDER THE LAWS OF THE STATE OF NEW YORK ("DTC"), 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 IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

UNITED STATES OF AMERICA
STATE OF UTAH

No. RB- \$[PAR AMT]

NS PUBLIC INFRASTRUCTURE DISTRICT NO. 2
SUBORDINATE LIMITED TAX GENERAL OBLIGATION BONDS,
SERIES 2024B

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Issue Date</u>	<u>CUSIP</u>
[INT RATE]%	March 1, 2055	[CLOSING DATE], 2024	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ AND NO/100 DOLLARS*

NS Public Infrastructure District No. 2, 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 indebted and promises to pay, solely from and to the extent of the Subordinate Pledged Revenue (defined below), to the registered owner named above, or registered assigns, on the maturity date specified above or on the date of prior redemption, the principal amount specified above. In like manner the District promises to pay interest on such principal amount (computed on the basis of a 360-day year of twelve 30-day months) from the Interest Payment Date next preceding the date of registration and authentication of this Bond, unless this Bond is registered and authenticated prior to March 15, 2025, in which event this Bond shall bear interest from its date of delivery, at the interest rate per annum specified above, payable annually on March 15 each year, commencing on March 15, 2025, until the principal amount is paid at maturity or upon prior redemption.

To the extent principal of this Bond is not paid when due, such principal shall remain Outstanding until paid, subject to the immediately succeeding paragraph. To the extent interest on this Bond is not paid when due, such interest shall compound annually on each Interest Payment

Date, at the rate then borne by the Bond; provided however, that notwithstanding anything herein or in the Indenture (defined below) to the contrary, the District shall not be obligated to pay more than the amount permitted by law.

IT IS ACKNOWLEDGED THAT, IN ACCORDANCE WITH THE GOVERNING DOCUMENT, THE DISTRICT SHALL NOT BE PERMITTED TO IMPOSE THE SUBORDINATE REQUIRED MILL LEVY PURSUANT TO THE TERMS OF THE INDENTURE FOR PAYMENT OF THE BONDS AFTER TAX YEAR 2064 FOR PAYMENT ON MARCH 15, 2065. FURTHERMORE, PURSUANT TO THE INDENTURE, IN THE EVENT THAT ANY AMOUNT OF PRINCIPAL OF OR INTEREST ON THIS BOND REMAINS UNPAID AFTER THE APPLICATION OF ALL SUBORDINATE PLEDGED REVENUE AVAILABLE THEREFOR ON MARCH 15, 2065, THE BONDS AND THE LIEN OF THE INDENTURE SECURING PAYMENT THEREOF SHALL BE DEEMED DISCHARGED. IN SUCH EVENT THE OWNERS WILL HAVE NO RECOURSE TO THE DISTRICT OR ANY PROPERTY OF THE DISTRICT FOR THE PAYMENT OF ANY AMOUNT OF PRINCIPAL OF OR INTEREST ON THE BOND REMAINING UNPAID.

The Bonds are issued pursuant to that certain Indenture of Trust (Subordinate) (the "Indenture") dated as of [INDENTURE MONTH] 1, 2024, between the District and UMB Bank, n.a., as trustee (the "Trustee"). All capitalized terms used and not otherwise defined herein shall have the respective meanings assigned in the Indenture.

The principal of this Bond is payable in lawful money of the United States of America to the registered owner hereof upon maturity or prior redemption and presentation at the principal office of the Trustee. Payment of each installment of interest shall be made to the registered owner hereof whose name shall appear on the registration books of the District maintained by or on behalf of the District by the Trustee at the close of business on the last day of the calendar month next preceding each Interest Payment Date (the "Record Date"), and shall be paid by check or draft of the Trustee mailed on or before the Interest Payment Date to such registered owner at his address as it appears on such registration books. The Trustee may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the registered owner of such Bond and the Trustee as provided in the Indenture. Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner hereof at the close of business on the Record Date and shall be payable to the person who is the registered owner hereof at the close of business on a Special Record Date (the "Special Record Date") established for the payment of any unpaid interest. Notice of the Special Record Date and the date fixed for the payment of unpaid interest shall be given by first-class mail to the registered owner hereof as shown on the registration books on a date selected by the Trustee.

This Bond is one of a series aggregating \$[PAR B] par value, all of like date, tenor, and effect, issued by the Board of Trustees of NS Public Infrastructure District No. 2, for the purpose of paying the costs of providing certain public improvements within and without the District, by virtue of and in full conformity with the Constitution of the State of Utah; Title 17B, Chapter 1 Utah Code Annotated 1953, as amended; Title 17D, Chapter 4 Utah Code Annotated 1953, as amended; Title 11, Chapter 14 Utah Code Annotated 1953, as amended; and all other laws of the State of Utah thereunto enabling, and pursuant to the duly adopted Bond Resolution and the Indenture.

It is hereby recited, certified, and warranted that all of the requirements of law have been fully complied with by the proper officers in issuing this Bond. It is hereby further recited, certified, and warranted that the total indebtedness of the District, including that of this Bond, does not exceed any limit prescribed by the constitution or laws of the State of Utah; and that on or before [CONSENT DATE], 2024, 100% of the surface property owners within the boundaries of the District did consent to the issuance of \$60,000,000 of limited tax bonds, and such consent is sufficient to meet any statutory or constitutional election requirement for the issuance of the Bonds.

All of the Bonds, together with the interest thereon and any premium due in connection therewith, shall be payable from and to the extent of certain moneys held under the Indenture and the "Subordinate Pledged Revenue," as defined by the Indenture. The Bonds constitute an irrevocable lien upon the Subordinate Pledged Revenue, but not necessarily an exclusive such lien. Subject to expressed conditions, obligations in addition to the Bonds of this issue may be issued and made payable from the Subordinate Pledged Revenue having a lien thereon subordinate and junior to the lien of the Bonds of this issue or, subject to additional expressed conditions, having a lien thereon on a parity with the lien of the Bonds of this issue, in accordance with the provisions of the Indenture.

Reference is hereby made to the Indenture for an additional description of the nature and extent of the security for the Bonds, the accounts and revenues pledged to the payment thereof, the rights and remedies of the registered owners of the Bonds, the manner in which the Indenture may be amended, and the other terms and conditions upon which the Bonds are issued, copies of which are on file for public inspection at the office of the District Clerk/Secretary.

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and interest on this Bond contained herein, in the resolution of the District authorizing the issuance of this Bond and in the Governing Document for creation of the District. This Bond does not constitute a debt, financial obligation or liability of the City, the County, the State or any political subdivision of the State (other than the District) and neither the City, the County, the State nor any political subdivision of the State (other than the District) is liable for payment of the principal of, premium if any, and interest on the Bond.

The Bonds are subject to redemption prior to maturity as provided in the Indenture. The Bonds will be redeemed only in integral multiples of \$1,000. In the event a Bond is of a denomination larger than \$1,000, a portion of such Bond may be redeemed, but only in the principal amount of \$1,000 or any integral multiple thereof. Such Bond will be treated for the purposes of redemption as that number of Bonds which results from dividing the principal amount of such Bond by \$1,000. In the event a portion of this Bond is redeemed, the Trustee shall, without charge to the registered owner of this Bond, authenticate and deliver a replacement Bond or Bonds for the unredeemed portion.

Notice of prior redemption shall be given by mailing a copy of the redemption notice or by electronic means to DTC or its successors, not less than 20 days prior to the date fixed for redemption, to the registered owner of this Bond at the address shown on the registration books maintained by or on behalf of the District by the Trustee, in the manner set forth in the Indenture. The redemption of the Bonds may be contingent or subject to such conditions as may be specified

in the notice. All Bonds called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time.

The District and Trustee shall not be required to issue or transfer any Bonds: (a) during a period beginning at the close of business on the Record Date and ending at the opening of business on the first Business Day following the ensuing Interest Payment Date or (b) during the period beginning at the opening of business on a date 45 days prior to the date of any redemption of Bonds and ending at the opening of business on the first Business Day following the day on which the applicable notice of redemption is mailed. The Trustee shall not be required to transfer any Bonds selected or called for redemption, in whole or in part.

The District and the Trustee may deem and treat the registered owner of this Bond as the absolute owner hereof for all purposes (whether or not this Bond shall be overdue), and any notice to the contrary shall not be binding upon the District or the Trustee.

This Bond may be exchanged at the principal office of the Trustee for a like aggregate principal amount of Bonds of the same maturity of other Authorized Denominations. This Bond is transferable by the registered owner hereof in person or by his attorney duly authorized in writing, at the principal office of the Trustee, 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. This Bond may be transferred upon the registration books upon delivery to the Trustee of this Bond, accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Trustee, duly executed by the owner of this Bond or his attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of this Bond, along with the social security number or federal employer identification number of such transferee. In the event of the transfer of this Bond, the Trustee shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of Authorized Denominations of the same maturity and interest rate for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time. The Trustee shall charge the owner of this Bond for every such transfer or exchange an amount sufficient to reimburse it for its reasonable fees and for any tax or other governmental charge required to be paid with respect to such transfer or exchange.

If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in the Indenture, shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city in which the principal office of the Trustee is located are authorized or required by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized or required by law to remain closed, with the same force and effect as if done on the nominal date provided in the Indenture.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

IN TESTIMONY WHEREOF, the Board of Trustees of NS Public Infrastructure District No. 2 has caused this Bond to be signed by the manual or facsimile signature of the Chair of the District, sealed with a manual impression or a facsimile of the seal of the District, and attested by the manual or facsimile signature of the Clerk/Secretary thereof, all as of the Original Issue Date set forth above.

[SEAL]

NS PUBLIC INFRASTRUCTURE
DISTRICT NO. 2

By _____
Chair

Attested:

By _____
Clerk/Secretary

CERTIFICATE OF AUTHENTICATION

Date of Registration and Authentication:

This Bond is one of the Bonds of the issue described in the within mentioned Indenture.

UMB BANK, N.A., as Trustee

By _____
Authorized Signatory

ASSIGNMENT

SIGNATURE OF REGISTERED OWNER:

Dated: _____

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

Signature guaranteed:

(Bank, Trust Company, or Firm)

EXHIBIT B

[FORM OF SUBORDINATE PROJECT FUND REQUISITION]

Requisition No. _____

\$[PAR B]

NS Public Infrastructure District No. 2
Subordinate Limited Tax General Obligation Bonds
SERIES 2024B

The undersigned certifies that s/he is the District Representative under that certain Indenture of Trust (Subordinate) dated as of [INDENTURE MONTH] 1, 2024 (the "Indenture") between NS Public Infrastructure District No. 2 (the "District") and UMB Bank, n.a., as trustee (the "Trustee").

All capitalized terms used in this requisition ("Requisition") shall have the respective meanings assigned in the Indenture.

The undersigned District Representative hereby makes a requisition from the Subordinate Project Fund held by the Trustee under the Indenture, and in support thereof states:

1. The amount requisitioned is \$_____.

2. The name and address of the person, firm, or corporation to whom payment is due or has been made is as follows:

3. Payment is due to the above person for (describe nature of the obligation):

_____.

4. The above payment obligations have been or will be properly incurred, is or will be a proper charge against the Subordinate Project Fund, and have not been the basis of any previous withdrawal. The disbursement requested herein will be used solely for the payment of Project Costs.

5. The costs for which the disbursement is requested herein are authorized by the Governing Document and constitute Project Costs. To the extent that the amount to be paid pursuant to this Requisition will be used to acquire public improvements from or reimburse the landowner/developer for costs of public improvements pursuant to a reimbursement agreement therewith, an independent engineer (the "Engineer") has provided to the District a written certificate regarding the reasonableness of the costs of such improvements and compliance with the criteria as required by the applicable agreement and the District's accountant(s) has or have reviewed and confirmed the summation of costs set forth in the certificate of the Engineer.

6. With respect to the Project financed or refinanced with the disbursement requested herein, based upon information available to the District, including any applicable report of an independent engineer, the District has found and determined that such Project constitutes a publicly owned infrastructure, facility, or system that the District is authorized to provide, and constitute improvements for which the District is authorized to issue indebtedness in accordance with the Governing Document, and the payment of such costs of the Improvements is in furtherance of the purposes for which the District was formed.

7. No Event of Default has occurred and is continuing under the Indenture.

8. Disbursement instructions are attached hereto.

9. With respect to this requested disbursement, the District (i) certifies it has reviewed any wire instructions set forth in this Requisition to confirm such wire instructions are accurate, (ii) to the extent permitted by law and without waiving any rights or privileges under Utah Code Title 63G, Chapter 7, Governmental Immunity Act of Utah, as may be amended, agrees to indemnify and hold harmless the Trustee from and against any and all claim, demand, loss, liability, or expense sustained, including but not limited to attorney fees, and expenses resulting directly or indirectly as a result of making the disbursement in accordance with this Requisition, and (iii) agrees they will not seek recourse from the Trustee as a result of losses incurred by it for making the disbursement in accordance with this Requisition.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, 20____.

District Representative

EXHIBIT C
PROPERTY OWNER CONSENT