CITY OF SOUTH JORDAN
COMBINED CITY COUNCIL & MUNICIPAL BUILDING AUTHORITY BOARD MEETING AGENDA
CITY COUNCIL CHAMBERS
TUESDAY, SEPTEMBER 15, 2026 at 6:30 PM

Notice is hereby given that the South Jordan City Council will hold a Combined City Council and Municipal Building Authority Board meeting at 6:30 p.m. on Tuesday, September 15, 2026. The meeting will be conducted in person in the City Council Chambers, located at 1600 W. Towne Center Drive, South Jordan, Utah, and virtually via Zoom phone and video conferencing. Persons with disabilities requesting assistance should contact the City Recorder at least 24 hours prior to the meeting. The agenda may be amended, and an executive session may be held at the end of the meeting. Times listed are approximate and may be accelerated or delayed.

In addition to in-person attendance, the City intends to provide virtual access via Zoom for phone and video conferencing; however, virtual access is not guaranteed and may be limited by technical issues or connectivity constraints. Individuals may join via phone or video, using Zoom. In the event the Meeting is disrupted in any way that the City in its sole discretion deems inappropriate, the City reserves the right to immediately remove the individual(s) from the Meeting and, if needed, end virtual access to the Meeting. Reasons for removing an individual or ending virtual access to the Meeting include, but are not limited to, the posting of offensive pictures, remarks, or making offensive statements, disrespectful statements or actions, and any other action deemed inappropriate.

Please note that attendees joining virtually or by phone may not comment during public comment or a public hearing; to comment, individuals must attend in person or submit written comments prior to the meeting. To ensure comments are received, please submit them in writing to City Recorder Anna Crookston at acrookston@sjc.utah.gov by 3:00 p.m. on the day of the meeting.

The ability to participate virtually depends on the individual's internet connection. Instructions on how to join virtually are provided below.

Join South Jordan City Council Meeting Virtually:

- Join on any device that has internet capability.
- Zoom link, Meeting ID and Password will be provided 24 hours prior to meeting start time.
- Zoom instructions are posted https://ut-southjordan.civicplus.com/241/City-Council.

Regular Meeting Agenda: 6:30 p.m.

A. Welcome, Roll Call, and Introduction: By Mayor, Dawn R. Ramsey

B. Invocation: By Council Member, Patrick Harris

C. Pledge of Allegiance: By Police Chief, Jeff Carr

D. Minute Approval:

D.1. July 21, 2026 City Council Study Meeting

D.2. July 21, 2026 City Council Meeting

D.3. August 4, 2026 City Council Study Meeting

D.4. August 4, 2026 City Council Meeting

D.5. August 18, 2026 City Council Study Meeting

D.6. August 18, 2026 City Council Meeting

E. Mayor and Council Reports: 6:35 p.m.

F. Public Comment: 6:50 p.m.

This is the time and place on the agenda for any person who wishes to comment. Any person or group wishing to comment on any item not otherwise scheduled for public hearing on the agenda may address the City Council at this point by stepping to the microphone, and giving their name and address for the record. Note, to participate in public comment you must attend City Council Meeting in-person. Comments should be limited to not more than three (3) minutes, unless additional time is authorized by the Chair. Groups wishing to comment will be asked to appoint a spokesperson. Items brought forward to the attention of the City Council will be turned over to staff to provide a response outside of the City Council Meeting. Time taken on non-agenda items, interrupts the process of the noticed agenda.

G. Presentation Item: 7:00 p.m.

G.1. Proclamation of the City of South Jordan Constitution Week 2026. *(By Mayor, Dawn R. Ramsey)*

RECESS CITY COUNCIL MEETING AND MOVE TO MUNICIPAL BUILDING AUTHORITY BOARD MEETING

H. Municipal Building Authority Board Meeting Action Items: 7:05 p.m.

H.1. **Reading of a Statement**: The Municipal Building Authority of the City of South Jordan, Utah hereby intends to issue a lease revenue bond. The purpose of said bond is to provide funds to (a) finance the acquisition and construction of a new fire station and related improvements including a portion of fire training facilities located offsite (the "Project"); (b) fund any required deposits to a debt service reserve fund; and (c) pay costs associated with the issuance of the Bonds. The estimated amount of the bond is $27,000,000.

H.2. **MBA Resolution 2026-01**, Consideration for adoption of a resolution of the Municipal Building Authority of the City of South Jordan, Utah authorizing the issuance and sale of not more than $27,000,000 aggregate principal amount of Lease Revenue Bonds; and related matters. *(By CFO, Sunil Naidu)*

ADJOURN MUNICIPAL BUILDING AUTHORITY BOARD MEETING AND RETURN TO CITY COUNCIL MEETING

I. Action Item: 7:15 p.m.

I.1. **Resolution R2026-30**, Consideration for adoption of a resolution of the City Council of the City of South Jordan, Utah (the "City") authorizing and approving the execution and delivery of a Master Lease Agreement and a Ground Lease Agreement by and between the

City and the Municipal Building Authority of the City of South Jordan, Utah (the "Authority"); authorizing the issuance and sale by the Authority of not more than $27,000,000 aggregate principal amount of Lease Revenue Bonds; and related matters. *(By CFO, Sunil Naidu)*

J. Public Hearing Items: 7:25 p.m.

J.1. **Resolution R2026-29**, Approving the 2025 Consolidated Annual Performance and Evaluation Report and authorizing submittal to the United States Department of Housing and Urban Development. RCV *(By Senior Accountant, Abagail Patonai)*

J.2. **Ordinance 2026-13**, Adopting an amended and updated impact fee for public safety infrastructure; establishing certain policies related to impact fees for public safety (fire infrastructure only) facilities; establishing the service area; and other related matters. RCV *(By Assistant City Manager, Don Tingey)*

J.3. **Ordinance 2026-24**, Amending Chapters 17.08 (Definitions), 17.30 (Agricultural Zones), 17.40 (Residential Zones), and 17.130.030 (Accessory Dwelling Unit Floating Zone) of the City Municipal Code to conform with recent changes in state law. RCV *(By Long-Range Planner, Joe Moss)*

J.4. **Ordinance 2026-25**, Prohibiting operation of Virtual Currency Kiosks. RCV *(By Police Lieutenant, Adrian Montelongo)*

K. Staff Reports and Calendaring Items: 8:30 p.m.

ADJOURNMENT

CERTIFICATE OF POSTING

STATE OF UTAH)

COUNTY OF SALT LAKE)

I, Anna Crookston, the duly appointed City Recorder of South Jordan City, Utah, certify that the foregoing City Council Agenda was emailed to at least one newspaper of general circulation within the geographic jurisdiction of the public body. The agenda was also posted at the principal office of the public body and also posted on the Utah State Public Notice Website http://www.utah.gov/pmn/index.html and on South Jordan City's website at www.sjc.utah.gov. Published and posted September 11, 2026.

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SOUTH JORDAN CITY
CITY COUNCIL STUDY MEETING
JULY 21, 2026

Present: Mayor Dawn R. Ramsey, Council Member Patrick Harris, Council Member Kathie Johnson, Council Member Tamara Zander, Council Member Jason McGuire, City Manager Dustin Lewis, Assistant City Manager Jason Rasmussen, Assistant City Manager Don Tingey, City Attorney Ryan Loose, Police Chief Jeff Carr, Director of Administrative Services Melinda Seager, Director of Human Resources Teresa Robinson, Fire Chief Chris Dawson, Director of Recreation Janell Payne, Director of Planning & Economic Development Brian Preece, Director of Engineering/City Engineer Brad Klavano, Associate Director of Public Works Joey Collins, Deputy City Recorder Ambra Holland, Communications Specialist Joshua Timothy, Assistant Controller Trevor Coburn, Accountant II Krista Purser, Community Center Manager Jamie Anderson, Long-Range Planner Joe Moss

Absent:

Other (Electronic) Attendance: Council Member Don Shelton

Other (In-Person) Attendance: Pearl Porritt, Susan Briggs, Erie Walker, Linda Walker

4:38 P.M.

REGULAR MEETING

A. Welcome, Roll Call, and Introduction - By Mayor Dawn R. Ramsey

Mayor Ramsey welcomed everyone present and introduced the meeting. She noted that Council Member Shelton was participating electronically and that Council Member Zander was on her way.

B. Invocation - By Council Member Jason McGuire

Council Member McGuire offered the invocation.

C. Mayor and Council Coordination

Mayor Ramsey proposed September 10, 2026, for the employee appreciation barbecue and asked whether Council Members wished to serve lunch as they had in prior years. Council Members supported serving the meal.

Council Member McGuire noted that the Major Brent Taylor Foundation September 11 service project would also be underway. Mayor Ramsey stated that volunteer coverage would be coordinated and requested that all service-project dates be added to the Council calendars.

Mayor Ramsey reported on the Pioneer Day Float Preview Party and encouraged Council Members to attend as their schedules allowed. Council Member Johnson suggested involving the

Youth Council in staffing the event in future years, and Council Members supported exploring that option.

Council Member Zander asked what participation would be needed from the Council for the September 11 service project. Mayor Ramsey and Assistant City Manager Don Tingey stated that assignments would be refined at the August 6 planning meeting and through email updates. Mayor Ramsey reported that project organizers believed preparations were progressing well and stated that she and Jennie Taylor planned to conduct fundraising outreach on July 28.

D. Discussion/Review of City Council Meeting

Mayor Ramsey reviewed the regular City Council meeting agenda, including the proclamation recognizing Luane Jensen, recognition of the Police Department's re-accreditation, a presentation from the Great Salt Lake Commission, the scheduled public hearing items, and the So Jo Marketplace Public Infrastructure District item.

Council Member Johnson asked whether the accounting concern previously raised regarding the So Jo Marketplace Public Infrastructure District had been clarified. City Attorney Ryan Loose stated that the State Auditor had advised that a district organized in exact compliance with the current State statute would not be required to be treated as a component unit, although the City could not predict how every auditor might interpret the issue. Assistant City Manager Tingey stated that other municipalities were updating governing documents to conform to the revised statute and that the proposed documents followed the current requirements. Council Member McGuire asked whether a previously approved public infrastructure district should also be reviewed under the current law. Staff agreed that the question should be examined separately.

E. Presentation Item:

E.1. Senior Advisory Committee member appointment. *(By Director of Recreation, Janell Payne)*

Director of Recreation Janell Payne introduced Senior Advisory Committee applicants Pearl Porritt and Susan Briggs. She stated that both applicants participate in Senior Center programs, serve as volunteers, and work as day directors. Mayor Ramsey explained the City's board and committee appointment process.

Susan Briggs stated that she had lived in South Jordan for approximately eight months and had participated at the Senior Center before moving to South Jordan. She described prior work experience in management, administration, payroll, and child care and stated that she enjoys helping people, building relationships, and assisting wherever needed. She reported that she volunteers with food distribution and serves as a Monday day director.

Pearl Porritt stated that she had lived in South Jordan for six years and had participated at the Senior Center since 2022. She described her prior work as a school bus driver in California and

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stated that she wanted to become more involved in the community. She reported that she helps at the front desk and in the kitchen, assists with bingo, and values the relationships she has formed through the Senior Center.

Council Member Zander asked the applicants what they most enjoyed about the Senior Center. Ms. Porritt emphasized the participants and staff, while Ms. Briggs noted the variety of programs and the opportunity to meet and serve people from different backgrounds. Mayor Ramsey noted that South Jordan operates its own senior programming rather than relying on Salt Lake County and stated that this allows the City, participants, staff, and advisory committee to shape programs locally. She thanked both applicants for their service and interest in the committee.

F. Discussion Item:

F.1. Accessory Dwelling Unit (ADU) regulations. *(By Director of Planning & Economic Development, Brian Preece & Long-Range Planner, Joe Moss)*

Director of Planning & Economic Development Brian Preece introduced proposed updates to the City's accessory dwelling unit (ADU) regulations that would be required by changes in State law.

Long-Range Planner Joe Moss reviewed prepared presentation (Attachment A). He stated that the new requirements would take effect October 1, 2026. He explained that detached accessory dwelling units (ADUs) would be permitted on lots of at least 11,000 square feet wherever single-family residential use is permitted. Development agreements adopted before May 2026 that regulate detached ADUs would remain in effect, including the Daybreak development agreement. He stated that the legislation did not change the rules governing internal ADUs. The City could continue regulating matters such as overall size, dimensions, lot coverage, rentals of fewer than 90 days, fire-code compliance, owner occupancy, and the limitation of one attached or detached ADU per lot. He explained that the City could continue requiring off-street parking for an ADU, but the State law limited how many spaces could be required. The City's current ordinance requires one off-street space that does not obstruct the parking required for the primary dwelling.

Council Member Johnson stated that inadequate parking is a frequent neighborhood concern. Long-Range Planner Moss explained that the proposed changes include new parking requirements for ADUs. Under the City's current ordinance, one off-street parking space is required for an ADU, regardless of whether it is internal or detached. He noted that state law now establishes different thresholds, allowing the City to require two or more parking spaces for ADUs larger than 650 square feet, while ADUs of 650 square feet or less may be required to provide one parking space. He clarified that these size-based parking thresholds are new and are not reflected in the City's current ordinance. City Attorney Ryan Loose clarified the ADU parking requirements, noting that state law provides that the city may not require more than two on-site parking spaces for an accessory dwelling unit (ADU).

Council Member Zander asked for clarification regarding whether a driveway could count toward the required parking spaces.

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Long Range Planner Moss explained that single-family homes are required to maintain two off-street parking spaces, which are typically provided within a garage. Required parking spaces cannot be displaced by an ADU. For a home with a three-car garage, the third garage space may count toward the additional parking requirement for an ADU. If a detached garage that provides required parking is converted to an ADU, the required parking for the primary residence must still be provided elsewhere on the property. He also reviewed changes to the design standards cities may regulate for detached ADUs. The State's existing limitations on regulating certain design elements of single-family homes will now extend to detached ADUs. The City may continue to regulate setbacks, proximity to property lines and other structures, easements, building massing, and certain considerations related to window orientation. He explained that massing may include regulations addressing the overall size and form of a structure or requiring additional setbacks for upper stories. However, the city may not regulate specific building materials and other prohibited design elements. He stated that the city may choose to permit detached ADUs on lots smaller than 11,000 square feet and may prohibit an ADU from being larger than the primary single-family dwelling. State law also allows municipalities to prohibit detached ADUs where adequate utility services or access are unavailable; however, he noted that guidance provided during a recent League webinar indicated that this provision may be difficult to regulate on its own. He further explained that the State's restrictions include limitations on regulating building materials, fencing styles, roof pitch, and the number or types of rooms within detached ADUs. As a result, the City's current three-bedroom limitation for guest houses would no longer be permitted under the new requirements.

Council Member Zander asked for clarification regarding the size and number of bedrooms permitted in a detached ADU, confirming that an ADU may contain multiple bedrooms and vary in size, provided the ADU does not exceed the size of the primary residence.

Long-Range Planner Moss clarified that the city may regulate the maximum size of a detached ADU but may not regulate its internal configuration, including the number or types of bedrooms. Regulations would therefore focus primarily on building massing and setbacks. He continued to review prepared presentation (Attachment A). He noted the City's current code and identified provisions that would need to be amended to comply with State law. Detached ADUs would need to be permitted wherever single-family residential uses are allowed, and the City's existing minimum lot-size requirement would need to be reduced. He noted that current City code generally limits an ADU to 35 percent of the size of the primary dwelling but allows ADUs exceeding 1,500 square feet with Planning Commission approval. Because the City may no longer require a conditional use permit for a detached ADU, a different standard would be necessary. The City could establish 1,500 square feet as a firm maximum or consider another size standard that accommodates circumstances previously addressed through the conditional use permit process.

Director Preece explained that although the city currently requires conditional use permits for certain ADUs, such permits generally must be approved when applicable standards are met. As a result, the process often functions as an additional procedural step rather than a significant regulatory restriction. He noted that many conditional use permit requests involve height or size restrictions, particularly in older areas of the City where existing homes, such as 1970s-era

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ramblers with lower roof pitches, make compliance with current standards difficult. He stated that the Planning Commission generally approves these requests with similar conditions each time. Because the City will no longer be able to require a conditional use permit for detached ADUs, staff believes it may be appropriate to establish clearer standards directly within the code. He also noted that some projects combine a garage with an ADU, which would be addressed further in the presentation.

Long-Range Planner Moss explained that many conditional use permit requests involve relatively typical ADU proposals that exceed the City's current 35 percent size limitation. For example, a 750-square-foot detached ADU associated with a 1,500-square-foot primary residence would currently require Planning Commission approval because it exceeds 35 percent of the primary dwelling's living area, despite being relatively small compared to ADUs typically proposed. He suggested that the City consider revising its size standards to eliminate unnecessary approval processes while maintaining reasonable limitations. One option would be to establish a minimum size allowance, such as permitting detached ADUs of at least 750 square feet, while allowing larger units up to 1,500 square feet based on a percentage of the primary dwelling.

Director Preece suggested incorporating into the City Code the conditions that the Planning Commission has consistently imposed when approving similar conditional use permits, thereby creating standardized requirements and eliminating the need for applicants to repeatedly seek the same approvals. Council Member Johnson agreed that this approach would provide greater standardization. Director Preece added that the city could potentially continue requiring a conditional use permit for a detached garage without an ADU. However, he noted that the new State law creates uncertainty when a structure includes both a garage and an ADU, making it unclear whether a conditional use permit could be required based solely on the garage component. Council Member Johnson expressed concern that requiring a conditional use permit may create an expectation among neighboring residents that they can oppose or prevent approval of an application, even though the vast majority of such applications are ultimately approved. Director Preece agreed, explaining that public hearings for conditional use permits can create the perception that public opposition may prevent approval. He noted that this can lead to frustration when residents feel their concerns were not considered, even though the City is legally required to approve a conditional use when the applicable standards are satisfied.

City Attorney Ryan Loose explained that conditional use permits have historically created challenges for the Planning Commission and clarified that a conditional use permit cannot be required for the ADU component of a structure. If a proposed structure includes both a garage and an ADU, the City may still be able to regulate the garage component through a conditional use permit, but conditions cannot be based on the ADU component. For example, if the ADU creates the additional building height that would otherwise trigger a condition, that condition could not be imposed based on the ADU. He stated that conditional use permits are most appropriate when the city cannot reasonably anticipate all potential impacts of a proposed use. If the City can identify and establish appropriate standards for garages in advance, he recommended incorporating those standards into the City Code and treating garages as a permitted use. He noted that conditional use

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permits provide an additional means of addressing unforeseen detrimental impacts, but such circumstances occur infrequently.

Long-Range Planner Moss continued to review prepared presentation (Attachment A). He explained that approximately half of the City's accessory building conditional use permit applications involve a detached ADU combined with another accessory use, such as a garage. Under the current code, these structures frequently require Planning Commission approval due to standards such as wall height, building size, or proximity to property lines. He expressed concern that continuing to require a conditional use permit for the accessory building component of a structure containing an ADU could create uncertainty as to whether the city is indirectly requiring a conditional use permit for the ADU itself. He identified several additional provisions of the current code that would need to be revised to comply with the new State requirements. Guest houses are currently prohibited on flag lots, a restriction that would no longer be permissible. Standards requiring the exterior appearance to retain the character of a single-family neighborhood would also need to be modified. While the City may require some consistency with the primary dwelling, its ability to regulate specific architectural elements and materials is limited. He clarified that regulations for internal ADUs have not changed, including entrance requirements intended to maintain the appearance of a single-family residence rather than a duplex. For detached ADUs, however, the city cannot regulate the location of individual entrances, although it may prohibit a detached ADU from being located in the front yard. The city may also continue to regulate the duration of rentals. He discussed existing accessory building standards concerning windows and doors near property lines. Current code prohibits windows and doors within 20 feet of a property line unless otherwise approved by the Planning Commission, which has sometimes allowed reduced setbacks with conditions such as frosted windows. Because the City will no longer be able to regulate windows in that manner for detached ADUs, the code will need more objective standards based on factors such as proximity to property lines. Similar revisions will be necessary for wall-height and roof-pitch requirements. He noted that common reasons detached ADUs currently require conditional use permits include exceeding 35 percent of the primary dwelling's living area, exceeding accessory building footprint limitations, and exceeding standards related to windows, doors, or wall height near property lines. These issues are particularly common when an ADU is combined with a larger accessory structure, such as an RV garage. He outlined several approaches for revising the City's standards. The City could retain its existing thresholds as firm maximums; revise the thresholds, such as increasing the allowable percentage of the primary dwelling or establishing a minimum size allowance; or establish additional standards that would allow applicants to exceed certain thresholds when specified mitigation measures are provided. He noted that the third approach may be difficult because State law limits the types of conditions the City can impose, and some mitigation measures, such as landscaping or screening, may be difficult to enforce over time. For administrative simplicity, he recommended establishing clear maximum standards without requiring Planning Commission approval. He indicated that the existing thresholds may be overly restrictive because many applications exceeding those standards have historically been approved through the conditional use permit process. He favored reevaluating the standards to establish reasonable limits that would accommodate the majority of commonly approved applications while complying with the new State requirements.

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Council Member Johnson expressed concern that overly restrictive local standards could prompt property owners or other interested parties to seek further legislative action limiting municipal authority over detached ADUs.

Council Member Zander asked for clarification as to whether the proposed cap referred to the number of ADUs permitted or to the maximum size of an ADU. Long-Range Planner Moss clarified that the proposed cap would relate to design criteria, such as the maximum overall square footage of a detached ADU. He noted that the current threshold is 1,500 square feet, although the Planning Commission has approved larger ADUs in some circumstances, particularly when the ADU is combined with another accessory structure.

Council Member Shelton asked whether the city has experienced an increase in detached ADU applications compared to previous years and approximately how many detached ADUs the City permits annually. Long-Range Planner Moss estimated that approximately 25 ADUs had been permitted annually in recent years. He explained that some residents inquire about detached ADUs but ultimately do not proceed because their properties do not meet applicable requirements. Common limitations include restrictions within Daybreak under the development agreement and the City's minimum lot-size requirement for detached ADUs. He noted that the Daybreak development agreement is likely the most significant limiting factor.

Director Preece added that detached ADUs are generally more visible to the city because construction typically requires a building permit and is readily observable. In contrast, some internal ADUs may be established without the City's knowledge or permitting process. He did not have exact application numbers but estimated that at least half of the detached ADU applications received by the city require Planning Commission review under the current code, commonly because applicants seek additional building height or a larger structure than otherwise permitted.

Council Member Shelton asked whether Salt Lake City had significantly relaxed its ADU regulations and, if so, whether those changes had resulted in a substantial increase in the number of ADUs permitted within the city.

Long-Range Planner Moss stated that he did not have exact figures available but understood that Salt Lake City has experienced a significant amount of ADU development. He noted that Salt Lake City's circumstances differ from South Jordan's because it has more small lots, allows ADUs in denser neighborhoods, and has less restrictive parking requirements. He was unable to provide a specific number of ADUs resulting from Salt Lake City's regulatory changes.

Council Member Shelton expressed concern that overly restrictive local regulations could lead to additional complaints to the State Legislature and further limitations on municipal authority. He suggested that future legislation may continue to reduce minimum lot-size requirements for detached ADUs. He proposed considering an approach that focuses on minimum setbacks from property lines and the primary residence rather than establishing a minimum lot size. He noted that setbacks may be a more meaningful measure of potential impacts on neighboring properties because some larger or irregularly shaped lots may satisfy the minimum lot-size requirement but

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still be unable to accommodate an ADU within required setbacks. He asked staff and the Council whether eliminating the minimum lot-size requirement and relying primarily on setback standards would simplify the regulations and whether such an approach would significantly increase detached ADU development.

Director Preece stated that Planning staff did not anticipate concerns with an approach based primarily on setback requirements. He noted, however, that setbacks are generally eligible for variances and asked City Attorney Loose whether an applicant could seek a variance from those requirements. Director Preece added that he did not anticipate such circumstances occurring frequently.

City Attorney Loose confirmed that an applicant could seek a variance from setback requirements if the applicable variance criteria are met. He noted that State law does not prohibit variances in this context and emphasized that the criteria for obtaining a variance are stringent. He stated that allowing the variance process for setbacks did not raise concerns from a legal perspective. He provided additional context regarding the variance process, noting that the City receives relatively few variance applications and that very few satisfy the required legal standards. He explained that an applicant must demonstrate a unique hardship that is not generally shared by other properties within the same zone and that the hardship cannot be self-created. Because the statutory criteria are difficult to meet, he did not consider the possibility of setback variances to be a significant concern in establishing standards for detached ADUs.

Council Member Johnson expressed concern that even if the City relied primarily on setback requirements, the State Legislature could later determine that those standards were too restrictive and further limit the City's regulatory authority.

Long-Range Planner Moss noted that setbacks are one of the few regulatory tools the State Legislature has expressly preserved for municipalities regarding detached ADUs. He explained that setback standards may consider window orientation and proximity to surrounding structures. Although the City cannot directly regulate windows on detached ADUs, it may establish different setback requirements based on whether windows are present on a particular façade and the proximity of neighboring structures. He stated that setbacks could therefore serve as an important means of addressing the impacts of detached ADUs while remaining within the City's regulatory authority.

Council Member Johnson asked whether relying primarily on setback requirements could result in excessively large secondary structures on the City's larger lots if no other size criteria were applied. Long-Range Planner Moss and City Attorney Loose discussed options for addressing the size of detached ADUs, clarifying that the city may retain maximum square-footage requirements and require an ADU to be smaller than the primary residence. They noted that this could be particularly relevant on larger lots containing relatively small existing homes, where property owners might otherwise seek to construct substantially larger secondary structures. The city may also regulate building height and potentially the number of stories permitted for detached ADUs, although limiting ADUs to one story would preclude configurations such as an ADU located above a

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detached garage. The discussion also addressed whether a property owner could construct a larger new residence and designate the existing home as the ADU. Staff explained that existing requirements concerning the location of the primary residence, access from the roadway, and the prohibition against detached ADUs in the front yard would make this difficult in most circumstances. Certain properties with frontage on multiple streets, such as some corner lots, could potentially present exceptions. City Attorney Loose noted that such configurations would likely be uncommon but cautioned that property owners may identify creative ways to maximize development opportunities. He referenced a previous proposal involving lot divisions, ADUs, and flag lots that could have substantially increased the number of dwelling units on a property, emphasizing the importance of considering potential unintended consequences when establishing the new standards.

Director Preece requested direction regarding the standards staff should develop and recommended replacing the term 'guest house' with 'accessory dwelling unit' in the ordinance.

Long-Range Planner Moss asked the Council for direction regarding the City's existing detached ADU thresholds. He explained that the City could retain the current thresholds as firm limits, which would be the most restrictive approach; revise the thresholds and establish new maximum standards; or retain the existing thresholds while developing additional criteria that would apply when an applicant proposes to exceed them.

City Attorney Loose noted that the City has reviewed numerous conditional use permits over the years and that many involve recurring issues and similar conditions. He stated that Planning staff could incorporate those commonly applied conditions into clear code standards, allowing the uses to be permitted administratively while continuing to regulate matters such as building height, storage, and other relevant development standards.

Mayor Ramsey supported reviewing the size and conditions of recent approvals. Council Member Johnson asked staff to consider the experience of surrounding property owners as well as the needs of ADU applicants. Council Member Zander supported property owners' ability to create housing or income while maintaining neighborhood order and stated that the ADU concerns she had received primarily involved parking and windows facing neighboring property.

Long-Range Planner Moss asked for clarification regarding how the city could address window orientation under the new State requirements. He explained that although the City cannot dictate window placement on a detached ADU, it may establish setback requirements based on the orientation of windows toward a property line. Under the current code, detached ADUs must generally be at least 10 feet from a property line, while windows located within 20 feet of a property line typically require conditional use approval. Council Member Zander asked staff to return with additional detail rather than selecting final standards that evening.

Mayor Ramsey asked whether the Council preferred a conditional use process for non-ADU accessory structures or clear standards administered through the ordinance. Council Member Harris expressed concern that a conditional use process could create an expectation that neighbors

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could prevent an otherwise compliant application. Staff reported that accessory-building conditional use applications are common and that approximately half involve an ADU.

Council and staff discussed the frequency of conditional use permit applications involving accessory structures and ADUs. Staff indicated that such applications are common and are among the most frequent matters considered by the Planning Commission. The number varies from month to month, with some months having no applications and others having as many as three. Staff estimated that approximately half of these applications involve an ADU in some manner. The Council discussed the importance of understanding the volume of applications when considering changes to the City's standards. It was also noted that demand may increase as available land becomes more limited and expensive and residents seek additional housing options. Staff reported that residents are already contacting the city regarding the new State law, with some believing the new requirements are immediately applicable. Staff clarified that the City has until October 1 to amend its ordinances and that the City's existing regulations remain in effect until the necessary changes are adopted. Planning and Building staff have been coordinating to ensure consistent information is provided during the transition. Council and staff also discussed public response to ADU applications before the Planning Commission. Staff stated that neighborhood opposition varies depending on the project and surrounding property owners. In some cases, several neighbors attend in opposition, while other applications receive no opposition. Staff noted that applicants who communicate with neighboring property owners before a public meeting can often address concerns and reduce misunderstandings. However, some residents may leave the process feeling their concerns were not heard when an application is ultimately approved.

City Attorney Loose clarified that after October, the city will no longer be able to require conditional use permits for ADUs. If a structure containing an ADU requires a conditional use permit for another reason, the Planning Commission may consider issues related to the building itself but may not consider impacts associated specifically with the ADU or its occupancy. He explained that even if members of the public raise concerns about the ADU during a conditional use permit hearing, the Planning Commission should not discuss or base its decision on those concerns. He cautioned that considering matters outside the City's legal authority could jeopardize the decision and provide grounds for an appeal or reversal of conditions imposed for otherwise permissible reasons.

Mayor Ramsey agreed that establishing clear and consistent standards without a conditional use permit process would provide greater certainty for applicants and neighboring property owners. She stated that applicants would know the applicable requirements in advance and understand that the standards reflect the City's process for complying with the new State requirements for ADUs.

City Attorney Loose agreed that eliminating unnecessary public hearings could reduce frustration by establishing clear expectations regarding what the City can and cannot regulate. He explained that residents may still raise concerns about locally controlled development standards, such as building setbacks, and the city may consider amendments to those standards through the appropriate legislative process. However, when an application complies with adopted

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requirements, it must be processed accordingly. He further clarified that concerns regarding ADU provisions established by State law would need to be addressed at the State level.

Council Member Harris asked staff to ensure that the adopted setbacks and other standards would allow a detached ADU to be reasonably accommodated on an 11,000-square-foot lot, consistent with the Legislature's selected threshold. He requested visual examples using representative lots near that size, including corner lots. Council Member Zander suggested that lots smaller than 11,000 square feet could also be eligible if they met the required setbacks. Council Member McGuire asked how the City determines setback requirements and whether those standards are established independently by the City or based on the setbacks of the original subdivision. Long-Range Planner Moss explained that current City Code requires detached ADUs to be located at least 10 feet from a property line. If the structure has windows or doors facing the property line, or if the wall height exceeds 16 feet, a minimum 20-foot setback is required. Under the current code, applicants seeking to deviate from those standards must obtain a conditional use permit. Council Member McGuire asked how the City's existing 10-foot and 20-foot setback requirements were originally established and whether those distances were based on specific criteria or policy considerations. Long-Range Planner Moss explained that the 10-foot setback is consistent with typical side-yard setbacks in the City's residential zones. He noted that rear-yard setbacks are generally larger, often approximately 20 to 25 feet, but the current ADU regulations allow a detached ADU to be located as close as 10 feet from the property line. He added that the presence and orientation of windows may affect the applicable setback requirements.

Council Member Harris requested that staff evaluate a representative sample of residential lots in South Jordan near the 11,000-square-foot threshold to illustrate how detached ADUs could realistically fit on those properties. He suggested reviewing typical backyard configurations and applicable setbacks to help the Council better understand how proposed standards would affect the placement and feasibility of detached ADUs.

Long-Range Planner Moss stated that staff had received sufficient direction to prepare draft ordinance language and would return to the Council with recommended standards and visual examples.

Council Member McGuire motioned to amend the agenda to add discussion of the purchase, exchange, or lease of real property to the executive closed session. Council Member Johnson seconded the motion. Vote was 5-0, unanimous in favor.

Council Member Johnson motioned to recess the City Council Study Meeting and move to executive closed session for the discussion of the purchase, exchange, or lease of real property

UNAPPROVED

and to discuss the character, professional competence, or physical or mental health of an individual. Council Member Harris seconded the motion. Vote was 5-0, unanimous in favor.

G. Executive Closed Session:

G.1. Discussion of the purchase, exchange, or lease of real property.

G.2. Discuss the character, professional competence, or physical or mental health of an individual.

Council Member Johnson motioned to recess the Executive Closed Session until have the City Council Meeting. Council Member Zander seconded the motion. Vote was 5-0, unanimous in favor.

Council Member Johnson motioned to adjourn the executive closed session and return to the City Council Study Meeting. Council Member Zander seconded the motion. Vote was 5-0, unanimous in favor.

Council Member Johnson motioned to adjourn the July 21, 2026 City Council Study Meeting. Council Member Zander seconded the motion. Vote was 5-0, unanimous in favor.

ADJOURNMENT

The July 21, 2026 City Council Study Meeting adjourned.

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SOUTH JORDAN CITY
CITY COUNCIL MEETING

JULY 21, 2026

Present: Mayor Dawn R. Ramsey, Council Member Patrick Harris, Council Member Kathie Johnson, Council Member Tamara Zander, Council Member Jason McGuire, City Manager Dustin Lewis, Assistant City Manager Jason Rasmussen, Assistant City Manager Don Tingey, City Attorney Ryan Loose, Police Chief Jeff Carr, Director of Administrative Services Melinda Seager, Director of Human Resources Teresa Robinson, Finance Controller Trevor Coburn, Director of Recreation Janell Payne, Fire Chief Chris Dawson, Director of Planning & Economic Development Brian Preece, Director of Engineering/City Engineer Brad Klavano, Associate Director of Public Works Joey Collins, Communications Specialist Joshua Timothy, CTO Matthew Davis, GIS Coordinator Matt Jarman, Deputy City Recorder Ambra Holland, Accountant II Krista Purser

Absent:

Other (Electronic) Attendance: Council Member Don Shelton

Other (In-Person) Attendance: Luane Jensen, Melinda Mansouri, Kelly Good, Erie Walker, Linda Walker, Val Shupe, Kari Johnson, Norah Larson, Elise Jensen, Kaylie Curtis, John-Thomas Lloyd, Tomas Langholtz, Aspen Johnston, Scott Vaheron, John Gust

6:57 P.M.

REGULAR MEETING

A. Welcome, Roll Call, and Introduction - By Mayor Dawn R. Ramsey

Mayor Ramsey welcomed everyone present and introduced the meeting. She noted that Council Member Shelton was participating electronically and apologized for the delayed start.

B. Invocation - By Council Member Patrick Harris

Council Member Harris offered the invocation.

C. Pledge of Allegiance - By Director of Recreation Janell Payne

Director of Recreation Payne led the audience in the Pledge of Allegiance.

D. Minute Approval:

D.1. June 2, 2026 Combined City Council & Redevelopment Agency Meeting

D.2. June 16, 2026 City Council Study Meeting

D.3. June 16, 2026 City Council Meeting

Council Member Zander motioned to approve the June 2, 2026 Combined City Council & Redevelopment Agency Meeting, June 16, 2026 City Council Study Meeting, and June 16, 2026 City Council Meeting minutes as published. Council Member McGuire seconded the motion. Vote was 5-0, unanimous in favor.

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E. Mayor and Council Reports:

Mayor Ramsey recommended foregoing Mayor and Council reports to allow the Council to proceed with the remaining agenda items. The Council agreed.

F. Public Comment:

Mayor Ramsey opened the public comment portion of the meeting.

Melinda Bansuri (Resident) - I have lived in South Jordan for 28 years, and I just love it here. I'm here just to kind of formalize, I've been working with the city, but I think we have a gap in our code, and unfortunately, my backyard has been impacted by this. I'd like us to review outdoor camping, temporary structures, and habitation on private residential property, even when it's in the backyards. I think we're pretty lucky in South Jordan that we haven't had a lot of problems with the unhoused. However, there's not a code that the Health Department or the City can enforce. My problem is that there's been a homeless encampment next to my back fence since November, with various—lots of different people living there, and they're really living there. There are generators and things, and the porta-potty was the last straw for me. What I'd like to say is I have worked with Councilwoman Johnson, and she was so helpful and brought in more people to help. I've worked with the Health Department. I've worked with Code Enforcement. Everyone has been fabulous, but there's just not a code to enforce, and it's just tricky. There's a criminal element that comes to this that, unfortunately, I can hear in my backyard. I've lived in that home for 25 of my 28 years, and I live in a great neighborhood. I live in a neighborhood with little kids running everywhere and bikes, and some of the things I hear in that backyard when I'm in my backyard, it's just not something that I think anyone wants. But I don't know if we'll be able to solve the problem, but it would be awfully nice if we didn't have long-term residents in tents. So, thank you so much for all of your time and all of the things that you do for South Jordan. I'm a very proud South Jordan resident, and I appreciate all that you do. And I'm going to apologize. I'm sneaking out of the meeting. I'm late for the ball game tonight.

John-Thomas Lloyd (Resident) - Good evening, Mayor Ramsey and Council Members. I live immediately adjacent to the city-owned parcel west of 10244 South Temple Drive. Over the past year and a half, I have made good-faith efforts to understand the City's long-term plans for this parcel by working through the normal channels, including discussions with City staff, correspondence with the Mayor's Office, and communications with my City Council representative. Despite these efforts, I still have not been able to obtain a clear understanding of the City's position regarding the future of this property. That is why I am here this evening, seeking clarification from the Council. In October 2024, in response to my expressed interest in acquiring the property, the City commissioned a broker price opinion evaluating the parcel. That report described the parcel as approximately 0.18 acres, non-buildable, and encumbered by a canal easement. It also identified the adjoining property owner as the most likely purchaser and noted that the City continues to incur maintenance obligations. The City acquired this property in December 2001 and has maintained it for approximately 25 years. Those maintenance activities include mowing, pruning, fertilization, sprinkler maintenance, irrigation, and other routine landscape care. The parcel contains approximately 3,500 square feet of irrigated turf and five mature trees. Earlier this year, a new water meter was installed with an initial reading of zero. Dated photographs document 26,606 gallons of irrigation water, or City water, used through July 20, 2026. I'm not asking the Council to decide this matter tonight. Rather, I am simply asking for clarity regarding the City's plans for the property and the process, if any, for considering its disposition. Specifically, I respectfully request that the Council direct the appropriate staff member to provide a written response addressing what public, operational, infrastructure, or other purpose the parcel currently serves or is expected to serve, and has the City made a policy decision to retain this parcel indefinitely, or is there a process through which its future disposition can be considered? My objective is simply to understand the City's position so I can determine whether there is a constructive path forward. Thank you for your time and consideration.

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City Attorney Loose stated that he was preparing a response and gathering information regarding prior easement repairs, costs, canal access, water rights, and the canal company's position. He stated that staff could present the full circumstances to the Council for direction regarding the property.

Mayor Ramsey closed the public comment portion of the meeting.

G. Presentation Items:

G.1. Proclamation recognizing Luane Jensen for Service to South Jordan City and the United States of America. (By Mayor Dawn R. Ramsey)

Mayor Ramsey read a proclamation (Attachment A) recognizing Luane Jensen for more than five decades of service to South Jordan City and the United States of America. The proclamation highlighted Ms. Jensen's work to preserve local history, honor veterans, support the South Jordan Cemetery and Memorial Day program, mentor youth through Scouting, and strengthen community traditions. Mayor Ramsey presented the proclamation and a commemorative gift to Ms. Jensen.

Ms. Jensen reflected on moving to South Jordan in 1973, the City's growth and changes, and the residents who worked together to shape the community. She expressed appreciation for the opportunity to serve on City committees and stated that South Jordan's residents care for one another and that South Jordan and the United States are special places to serve.

G.2. Recognition of Police Department Re-Accreditation. (By Executive Director of the Utah Chiefs of Police Association, Val Shupe)

Utah Chiefs of Police Association Executive Director Val Shupe recognized the South Jordan Police Department for completing its third accreditation. He explained that departments must maintain compliance with 177 standards addressing federal, state, and local requirements, undergo assessment and on-site review, and complete reaccreditation every four years. He presented the Department with its April 2026 accreditation award and commended Chief Carr and the Department for maintaining the required standards. Police Chief Carr credited Deputy Police Chief Robert Hansen, Police Lieutenant Case Winder, and Accreditation Manager Kevin Tingey for leading and completing the accreditation work. He thanked them for their continued effort and dedication.

G.3. Great Salt Lake Commission. (By Great Salt Lake Strategic Coordinator, Aspen Johnston)

Great Salt Lake Strategic Coordinator Aspen Johnston reviewed prepared presentation (Attachement B). He explained the decline in Great Salt Lake elevations and the resulting risks to human health, wildlife habitat, the brine shrimp and mineral industries, snowpack, and the regional economy. She stated that the Office of the Great Salt Lake Commissioner coordinates state, federal, municipal, and nonprofit efforts to improve the lake's health and is pursuing water acquisitions, voluntary agricultural leases, invasive phragmites treatment, and municipal conservation partnerships. Mr. Johnston described a proposed flexible municipal conservation strategy that could allow cities to dedicate available conserved water to the Great Salt Lake in favorable water years without an annual obligation. He stated that the Commissioner's Office would compensate participating entities under an agreed schedule and that reporting could show residents how local conservation resulted in water reaching the lake. He invited the city to continue the discussion and to participate in a future airboat tour of Farmington Bay.

Mayor Ramsey thanked Mr. Johnston for the update and partnership, emphasizing the City’s commitment to water conservation efforts. She expressed appreciation for the ongoing work and noted the Council looked forward to receiving additional information about the upcoming tour and stated that water conservation is important to South Jordan City.

UNAPPROVED

Council Member Johnson motioned to amend the agenda by adding Item H.1., Resolution R2026-25, approving the appointment of Krista Purser as City Treasurer, and shifting the remaining agenda sections accordingly. Council Member Zander seconded the motion. Vote was 5-0, unanimous in favor.

H. Action Item:

H.1. Resolution R2026-25, Approving the appointment of Krista Purser as City Treasurer.

Mayor Ramsey explained that the Council had met with Ms. Purser in closed session before considering the appointment. Ms. Purser thanked the Council for the opportunity and stated that she looked forward to the role. Mayor Ramsey recommended Ms. Purser's appointment, citing her city experience, knowledge of the Finance Department and City finances and willingness to fill operational needs, and work with the Chief Financial Officer during the vacancy.

Council Member Zander motioned to approve Resolution R2026-25, Approving the appointment of Krista Purser as City Treasurer. Council Member McGuire seconded the motion.

Roll Call Vote

Council Member Zander - Yes
Council Member McGuire - Yes
Council Member Harris - Yes
Council Member Johnson - Yes
Council Member Shelton - Yes
The motion passed with a vote of 5-0 in favor.

Council Member McGuire motioned to amend the agenda by adding Item I.1., Ordinance 2026-19, fixing the compensation for the South Jordan City Treasurer, and shifting the remaining public hearing item numbers accordingly. Council Member Johnson seconded the motion. Vote was 5-0, unanimous in favor.

I. Public Hearing Items:

I.1. Ordinance 2026-19, Fixing the compensation for the South Jordan City Treasurer. (By City Attorney Ryan Loose)

City Attorney Ryan Loose explained that state law requires the City Council to establish compensation for certain positions, including the City Treasurer, by ordinance. He stated that the proposed ordinance established the compensation schedule for the newly appointed Treasurer.

Mayor Ramsey opened the public hearing for Ordinance 2026-19. There were no public comments. Mayor Ramsey closed the public hearing.

Council Member McGuire motioned to approve Ordinance 2026-19, Fixing the compensation for the South Jordan City Treasurer. Council Member Johnson seconded the motion.

Roll Call Vote

Council Member McGuire - Yes
Council Member Johnson - Yes
Council Member Harris - Yes
Council Member Zander - Yes
Council Member Shelton - Yes
The motion passed with a vote of 5-0 in favor.

I.2. Ordinance 2026-14, Adopting an amended and updated impact fee for water infrastructure within the "Lark Meadows" (also known as "Shoreline") properties;

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establishing certain policies related to impact fees for water facilities; establishing a service area; and/or other related matters. (By Assistant City Manager Don Tingey)

Assistant City Manager Don Tingey reviewed prepared presentation (Attachment C). He explained that the city had adopted an impact fee for the Lark Meadows area several years earlier that included water and transportation infrastructure. He stated that Lewis, Robertson & Burningham updated the water impact fee study based on the known costs of the new water tank and transmission lines and that the proposed amendment increased the fee by approximately $156 per equivalent residential connection.

Mayor Ramsey opened the public hearing for Ordinance 2026-14. There were no public comments. Mayor Ramsey closed the public hearing.

Council Member Zander motioned to approve Ordinance 2026-14, Adopting an amended and updated impact fee for water infrastructure within the "Lark Meadows" properties. Council Member McGuire seconded the motion.

Roll Call Vote

Council Member Zander - Yes
Council Member McGuire - Yes
Council Member Harris - Yes
Council Member Johnson - Yes
Council Member Shelton - Yes
The motion passed with a vote of 5-0 in favor.

I.3. Ordinance 2026-16, Amending Chapter 17.18.020: Allowed Uses, adding residential permitted uses to the BH-MU Zone; and amending Chapter 17.70.020: Zone Establishment, requiring a development agreement. (By City Attorney Ryan Loose)

City Attorney Ryan Loose presented item I.3., I.4., and I.5. concerning the District development. He explained that the proposed development agreement would allow the City to purchase approximately five acres in the southwest portion of the District, west of the theater, for a senior center and approximately 200 affordable senior housing units in partnership with Ivory Innovations. As part of the agreement, the developer would be permitted to develop up to 500 residential units in the designated theater district, excluding the five-acre City property. Approximately 265 units would be transferred from existing entitlements elsewhere in the District, with an additional 235 units authorized, resulting in an overall density increase of less than five percent from previously approved entitlements. He summarized revisions made following Planning Commission review, including establishing a 30-year term, clarifying that the development agreement would be recorded, reorganizing certain provisions, and adding language allowing an additional pylon sign due to anticipated reduced visibility associated with the senior housing development. He noted the Planning Commission also discussed providing amenities if residential development occurs, although specific amenities were not included in the agreement. The Planning Commission recommended approval by a 3-1 vote, with the dissenting commissioner expressing concern regarding the market feasibility of the number of rental units proposed. He explained that Ordinances 2026-16 and 2026-17 were necessary to facilitate the development agreement. Ordinance 2026-16 would clarify residential uses as permitted within the BH-MU Zone and remove the requirement to establish density and development plans through a master development plan. Ordinance 2026-17 would repeal the master development plan contained in Exhibit A to Ordinance 2010-04, eliminating potential conflicts and allowing applicable development standards and entitlements to be governed through the development agreement.

Boyer Company representative Scott Vaheron thanked the City for its work on the matter and stated that the proposed approvals would help the developer finalize related agreements with retailers.

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Mayor Ramsey opened the public hearing for Ordinance 2026-16. There were no public comments. Mayor Ramsey closed the public hearing.

Council Member Zander asked for clarification regarding the Planning Commission's dissenting vote, specifically whether the commissioner's concern was that there may not be sufficient market demand to fill the proposed 500 residential units. City Attorney Loose confirmed that the dissenting Planning Commissioner expressed concern about the affordability and market feasibility of the proposed residential units, specifically whether rental rates in the area could be too high for prospective tenants and potentially create a need for financial assistance. Council Member Zander asked whether City Attorney Loose or staff had any concerns regarding sufficient market demand for the proposed residential units, noting that she did not personally have concerns. City Attorney Loose stated that staff did not have concerns regarding market demand and generally does not evaluate that factor. He noted that other residential developments in the area have successfully filled and that the city has already received significant interest in the proposed senior housing. He added that the developer would determine what the market could support and that development may occur over an extended period, during which market conditions could change. Council Member Zander asked for clarification that the city would not be responsible for leasing the residential units and asked who would handle the lease agreements. City Attorney Loose clarified that Ivory Innovations would manage the senior housing project, including leases, age restrictions established by the Council, and ongoing property management. Following approval, the City would proceed with acquiring or leasing the property and subsequently sell or lease the applicable ground to Ivory Innovations. Ivory Innovations would also assist with construction of both the senior housing and senior center. The city would retain ownership and responsibility for operating and programming the senior center.

Director of Planning & Economic Development Preece added that an agreement between the Redevelopment Agency and Ivory Innovations would address the use of affordable housing funds. City Attorney Loose stated that using those funds for the project would retain the investment in South Jordan.

Council Member Johnson clarified that authorization for up to 500 residential units would establish the entitlement but would not obligate the developer to construct all 500 units. City Attorney Loose confirmed that the number ultimately constructed would depend on market conditions. He further explained that the developer currently has remaining residential entitlements within the District, including 96 units that could be developed without the City having received an application. He reiterated that the developer would not be required to construct all 500 units authorized under the proposed agreement. The developer would own and administer any units constructed, subject to the BH-MU Zone requirements in effect when development applications are submitted.

Council Member Shelton expressed support for the project moving forward and asked whether provisions were included to provide additional amenities to serve the residential units if the developer chooses to construct them. City Attorney Loose stated that neither the development agreement nor the BH-MU Zone currently requires residential amenities beyond applicable code requirements, such as parking. He noted that comparable developments have provided amenities, including pools and clubhouses, without specific City requirements and deferred to the developer to address the Planning Commission's request regarding amenities.

Mr. Vaheron stated that while specific amenities have not yet been planned, residential development of this size would need an amenity package to remain competitive in the market. Potential amenities could include trails, dog parks, swimming pools, and a clubhouse, although the specific amenities would depend on the project and market conditions at the time of development.

UNAPPROVED

Council Member Shelton suggested considering a provision to ensure residential amenities are addressed in the future, noting that the property could change ownership or developers before the units are constructed. He expressed interest in providing appropriate protection should development occur at a later date.

City Attorney Loose identified two options for addressing future amenity requirements; including provisions in the development agreement or establishing requirements in the BH-MU Zone based on the number of residential units developed. He expressed concern that a general requirement in the development agreement could be too vague and suggested that the City Code may be the more appropriate mechanism to establish specific standards, noting there would be sufficient time to consider such amendments before development occurs.

Council Member Johnson motioned to approve Ordinance 2026-16, Amending Chapter 17.18.020: Allowed Uses, adding residential permitted uses to the BH-MU Zone; and amending Chapter 17.70.020: Zone Establishment, requiring a development agreement. Council Member Shelton seconded the motion.

Roll Call Vote
Council Member Johnson - Yes
Council Member Shelton - Yes
Council Member Harris - Yes
Council Member Zander - Yes
Council Member McGuire - Yes
The motion passed with a vote of 5-0 in favor.

I.4. Ordinance 2026-17, Repealing Exhibit A to Ordinance 2010.04 regarding the BH-MU Zone. (By City Attorney Ryan Loose)

Mayor Ramsey opened the public hearing for Ordinance 2026-17. There were no public comments. Mayor Ramsey closed the public hearing.

Council Member Zander motioned to approve Ordinance 2026-17, Repealing Exhibit A to Ordinance 2010.04 regarding the BH-MU Zone. Council Member Harris seconded the motion.

Roll Call Vote
Council Member Zander - Yes
Council Member Harris - Yes
Council Member Johnson - Yes
Council Member McGuire - Yes
Council Member Shelton - Yes
The motion passed with a vote of 5-0 in favor.

I.5. Resolution R2026-21, Authorizing the Mayor to sign the Second Amendment to the Development Agreement for the development of the Kunkler Trust property by The Boyer Company, LC. (By City Attorney Ryan Loose)

Mayor Ramsey opened the public hearing for Resolution R2026-21. There were no public comments. Mayor Ramsey closed the public hearing.

Council Member Shelton motioned to approve Resolution R2026-21, Authorizing the Mayor to sign the Second Amendment to the Development Agreement for the development of the Kunkler Trust property by The Boyer Company, LC. Council Member McGuire seconded the motion.

UNAPPROVED

Roll Call Vote

Council Member Shelton - Yes
Council Member McGuire - Yes
Council Member Harris - Yes
Council Member Johnson - Yes
Council Member Zander - Yes
The motion passed with a vote of 5-0 in favor.

Mayor Ramsey thanked The Boyer Company, Ivory Innovations, the other project partners, City staff, and the senior center patrons for their work and patience in advancing the senior center and affordable senior housing project.

I.6. Resolution R2026-26, Amending the South Jordan Fee Schedule for transfer and replacement certificate fees for the Memorial Park Cemetery. (By City Attorney Ryan Loose)

City Attorney Ryan Loose explained that, after cemetery administration moved to the City Recorder's Office, staff identified multiple requests to transfer resident-priced burial rights to nonresidents for the existing $5 transfer fee. He stated that the proposed fee schedule amendment would clarify that a transfer requires the $5 fee plus the difference between the residential rate originally paid and the current nonresidential rate on the transfer date. He stated that the amendment would close an unintended pricing loophole.

Mayor Ramsey opened the public hearing for Resolution R2026-26. There were no public comments. Mayor Ramsey closed the public hearing.

Council Member Zander asked where cemetery transfers had previously been administered. City Attorney Loose stated that administration had moved from Public Works and that staff there had not encountered the issue in the same manner. He stated that the amendment would make the intended fee clear.

Council Member Zander motioned to approve Resolution R2026-26, Amending the South Jordan Fee Schedule for transfer and replacement certificate fees for the Memorial Park Cemetery. Council Member Harris seconded the motion.

Roll Call Vote

Council Member Zander - Yes
Council Member Harris - Yes
Council Member Johnson - Yes
Council Member McGuire - Yes
Council Member Shelton - Yes
The motion passed with a vote of 5-0 in favor.

J. So Jo Marketplace PID Public Hearing Item:

J.1. Resolution R2026-13, Providing for the creation of the So Jo Marketplace Public Infrastructure District (the "District") as an independent district; authorizing and

UNAPPROVED

approving a governing document; authorizing other documents in connection therewith; and related matters. (By Assistant City Manager Don Tingey)

Assistant City Manager Don Tingey reviewed prepared presentation (Attachment D). He stated that the Council held a public hearing on the proposed So Jo Marketplace Public Infrastructure District on May 5, 2026 and postponed action to allow staff and legal counsel to review a State Auditor alert and statutory changes effective May 6. He described the proposed district as a 17-acre retail and commercial development on South Jordan Parkway, east of Mountain View Corridor. He stated that the resolution and governing documents had been revised to comply with current state law and address the component-unit concerns identified by the State Auditor. Applicant John Gust stated that Assistant City Manager Tingey had adequately presented the item.

Mayor Ramsey opened the public hearing for Resolution R2026-13. There were no public comments. Mayor Ramsey closed the public hearing.

Council Member Zander motioned to approve Resolution R2026-13, Providing for the creation of the So Jo Marketplace Public Infrastructure District as an independent district. Council Member Shelton seconded the motion.

Roll Call Vote

Council Member Zander - Yes
Council Member Shelton - Yes
Council Member Harris - No
Council Member Johnson - Yes
Council Member McGuire - No
The motion passed with a vote of 3-2 in favor. Council Member Harris and Council Member McGuire voted "No".

K. Staff Reports and Calendaring Items:

City Manager Dustin Lewis turned the time to Assistant City Manager Don Tingey, who distributed South Jordan America250 commemorative pins and coloring books to the Mayor and Council. Mayor Ramsey offered commemorative pins to the remaining members of the public and thanked staff for attending the meeting.

Council Member Johnson motioned to adjourn the July 21, 2026 City Council Meeting and return to the recessed City Council Study Meeting. Council Member McGuire seconded the motion. Vote was 5-0, unanimous in favor.

ADJOURNMENT

The July 21, 2026 City Council Meeting adjourned at 8:29 p.m.

UNAPPROVED

SOUTH JORDAN CITY
CITY COUNCIL STUDY MEETING
AUGUST 4, 2026

Present: Mayor Dawn R. Ramsey, Council Member Patrick Harris, Council Member Kathie Johnson, Council Member Don Shelton, Council Member Jason McGuire, City Manager Dustin Lewis, Assistant City Manager Jason Rasmussen, Assistant City Manager Don Tingey, City Attorney Ryan Loose, Police Chief Jeff Carr, Director of Administrative Services Melinda Seager, Director of Human Resources Teresa Robinson, Fire Chief Chris Dawson, City Planner Greg Schindler, Director of Engineering/City Engineer Brad Klavano, Director of Public Works Raymond Garrison, City Recorder Anna Crookston, Community Center Manager Jamie Anderson, Recreation Manager Kaitlin Youd, CTO Matthew Davis, Senior System Administrator Phill Brown

Absent: Council Member Tamara Zander

Other (Electronic) Attendance:

Other (In-Person) Attendance: Cordelia Franklin, William Franklin

4:38 P.M.

REGULAR MEETING

A. Welcome, Roll Call, and Introduction - By Mayor Dawn R. Ramsey

Mayor Ramsey welcomed everyone present and introduced the meeting.

B. Invocation - By Council Member Don Shelton

Council Member Shelton offered the invocation.

C. Mayor and Council Coordination

None.

D. Discussion/Review of City Council Meeting

Mayor Ramsey reviewed the regular City Council meeting agenda.

Council Member McGuire motioned to recess the City Council Study Meeting and move to executive closed session to discuss the character, professional competence, or physical or mental health of an individual and for the discussion of the purchase, exchange, or lease of real property. Council Member Harris seconded the motion. Vote was 4-0, unanimous in favor; Council Member Zander was absent from the vote.

UNAPPROVED

E. Executive Closed Session:

E.1. Discuss the character, professional competence, or physical or mental health of an individual.

E.2. Discussion of the purchase, exchange, or lease of real property.

Council Member Johnson motioned to adjourn the executive closed session and return to the City Council Study Meeting. Council Member Shelton seconded the motion. Vote was 4-0, unanimous in favor; Council Member Zander was absent from the vote.

Council Member Johnson motioned to adjourn the August 4, 2026 City Council Study Meeting. Council Member Shelton seconded the motion. Vote was 4-0, unanimous in favor; Council Member Zander was absent from the vote.

ADJOURNMENT

The August 4, 2026 City Council Study Meeting adjourned at 6:32 p.m.

UNAPPROVED

SOUTH JORDAN CITY
CITY COUNCIL MEETING

AUGUST 4, 2026

Present: Mayor Dawn R. Ramsey, Council Member Patrick Harris, Council Member Kathie Johnson, Council Member Don Shelton, Council Member Jason McGuire, City Manager Dustin Lewis, Assistant City Manager Jason Rasmussen, Assistant City Manager Don Tingey, City Attorney Ryan Loose, Police Lieutenant Case Winder, Director of Administrative Services Melinda Seager, Director of Public Works Raymond Garrison, City Planner Greg Schindler, Communications Specialist Joshua Timothy, CTO Matthew Davis, Senior System Administrator Phill Brown, City Recorder Anna Crookston

Absent: Council Member Tamara Zander

Other (Electronic) Attendance:

Other (In-Person) Attendance: Cindy Wagstaff, Jess Birtcher, Devin Child, Jordyn Bates, Tomas Langholtz, Katelyn Farnsworth

6:36 P.M.
REGULAR MEETING

A. Welcome, Roll Call, and Introduction - By Mayor Dawn R. Ramsey

Mayor Ramsey welcomed everyone present and introduced the meeting.

B. Invocation - By Council Member, Kathie Johnson

Council Member Johnson offered the invocation.

C. Pledge of Allegiance – By Assistant City Manager Don Tingey

Assistant City Manager Tingey led the audience in the Pledge of Allegiance.

D. Mayor and Council Reports:

Mayor Ramsey recommended skipping the Mayor and Council reports due to time constraints to allow Council Members additional time to attend Night Out Against Crime activities.

E. Public Comment:

Mayor Ramsey opened the public comment portion of the meeting. There were no comments. Mayor Ramsey closed the public comment portion of the meeting.

UNAPPROVED

F. Public Hearing Items:

F.1. Zoning Ordinance 2026-06-Z, Rezoning property located at 3250 W. 11400 S. from A-5 (Agriculture) & R-1.8 (Single-Family Residential) Zones to R-1.8 (Single-Family Residential). Mark Wagstaff (Applicant). (By Planner II, Miguel Aguilera)

Planner II Miguel Aguilera reviewed prepared presentation (Attachment A). He noted the zoning amendment request involves three parcels with split and nonconforming zoning designations. He explained that portions of the properties are currently zoned A-5 and R-1.8, with the A-5 parcels not meeting the minimum lot size requirements. Planner Aguilera stated that the applicant intends to retain the existing residential uses and is requesting the amendment to establish uniform single-family residential zoning and facilitate potential lot-line adjustments. Future adjustments could include additional lot-line changes or elimination of a small rectangular parcel. Staff recommended approval of the zoning amendment.

Applicant Cindy Wagstaff (Resident) - She shared that her father served a four-year term on the Planning Commission in the early 1970s, followed by a four-year term on the City Council. She acknowledged that serving can sometimes be a thankless job and said her father served because he wanted South Jordan to be a great place to live for his children and grandchildren, and she believed the Council served for the same reason. Ms. Wagstaff provided some history of the property, explaining that it originally belonged to her grandfather, Peterson, who farmed the property approximately 90 years ago and was an early settler of South Jordan. She estimated that five or six subdivisions have since been created from his original property. Her grandfather wanted her parents to have property on which to build a home, and her parents later wanted to provide her with the same opportunity. She stated that her parents' home is approximately 60 years old and her home is approximately 40 years old. The two properties have shared common ground and lawns over the years, with no fences erected between them. The family has enjoyed the shared space for neighborhood barbecues, scouting events, weddings, and other gatherings. Before her mother passed away on March 30, she left notes expressing her hope that the property boundary could be moved so that one outbuilding, which houses lawn equipment, would be incorporated into Ms. Wagstaff's property and the other outbuilding would remain with her mother's property. Her mother also recognized that fences would likely need to be erected in the future because a new neighbor might not want to share a common lawn. She explained that when she contacted the City to carry out her mother's wishes and pursue the boundary adjustment, she learned that the property was zoned agricultural, which led to the zoning amendment request before the Council.

Mayor Ramsey opened the public hearing for Zoning Ordinance 2026-06-Z. There were no comments. Mayor Ramsey closed the public hearing.

Council Member McGuire motioned to approve Zoning Ordinance 2026-06-Z, Rezoning property located at 3250 W. 11400 S. from A-5 (Agriculture) & R-1.8 (Single-Family Residential) Zones to R-1.8 (Single-Family Residential). Mark Wagstaff (Applicant). Council Member Johnson seconded the motion.

Council Member Harris commented that there are certain areas of the city with larger parcels of land and that circumstances can change over time. He stated that whenever possible, the City

UNAPPROVED

should be flexible with landowners when proposed changes remain consistent with what the property and surrounding community could look like in the future.

Roll Call Vote
Council Member McGuire - Yes
Council Member Johnson - Yes
Council Member Harris - Yes
Council Member Shelton - Yes
Council Member Zander - Absent

The motion passed with a vote of 4-0 in favor. Council Member Zander was absent from the vote.

G. Staff Reports and Calendaring Items:

City Manager Dustin Lewis had nothing to report.

Council Member Harris motioned to adjourn the August 4, 2026 City Council Meeting. Council Member Johnson seconded the motion. Vote was 4-0, unanimous in favor; Council Member Zander was absent from the vote.

ADJOURNMENT

The August 4, 2026 City Council Meeting adjourned at 6:49 p.m.

UNAPPROVED

Minute Approval: Item D.5.

August 18, 2026 City Council Study Meeting Minutes will be added to the packet Monday, September 14, 2026.

Minute Approval: Item D.6.

August 18, 2026 City Council Meeting Minutes will be added to the packet Monday, September 14, 2026.

Proclamation

of the

City of South Jordan

CONSTITUTION WEEK 2026

Whereas, The Constitution of the United States of America, the guardian of our liberties, embodies the principles of limited government in a Republic dedicated to rule by law, and

Whereas, September 17, 2026, marks the two hundred thirty-ninth anniversary of the framing of the Constitution of the United States of America by the Constitutional Convention, and

Whereas, It is fitting and proper to accord official recognition to this magnificent document and its memorable anniversary, and to the patriotic celebrations which will commemorate it, and

Whereas, Public Law 915 guarantees the issuing of a proclamation each year by the President of the United States of America designating September 17 through September 23 as Constitution Week, and

Now, Therefore, I, Dawn R. Ramsey by virtue of the authority vested in me as Mayor of the City of South Jordan in the State of Utah do hereby proclaim the week of September 17 through 23 as

CONSTITUTION WEEK

and ask our citizens to reaffirm the ideals of the Framers of the Constitution had in 1787 by vigilantly protecting the freedoms guaranteed to us through this guardian of our liberties.

Signed this 15th Day of September, 2026

____

Dawn R. Ramsey, Mayor

ATTEST:

____

Anna Crookston, City Recorder

NOTICE OF SPECIAL MEETING

TO THE MEMBERS OF THE GOVERNING BOARD OF THE MUNICIPAL BUILDING AUTHORITY THE CITY OF SOUTH JORDAN, UTAH:

NOTICE IS HEREBY GIVEN that a special meeting of the Governing Board of the Municipal Building Authority the City of South Jordan, Utah, (the "Authority") will be held at 1600 W. Towne Center Drive, South Jordan, Utah at 6:30 p.m. on September 15, 2026, for the purpose of making a statement indicating the Authority's intent to issue its Lease Revenue Bonds, Series 2026 and for the transaction of such other business incidental to the foregoing as may come before said meeting.

____
Secretary-Treasurer

ACKNOWLEDGMENT OF NOTICE AND CONSENT TO SPECIAL MEETING

We, the Chair-President, the Vice President and Trustees of the Governing Board of the Authority, do hereby acknowledge receipt of the foregoing Notice of Special Meeting, and we hereby waive any and all irregularities, if any, in such notice and in the manner of service thereof upon us and consent and agree to the holding of such special meeting at the time in said notice, and to the transaction of any and all business which may come before said meeting.

____
Chair-President

____
Vice President

____
Trustee

____
Trustee

____
Trustee

____
Trustee

South Jordan, Utah

September 15, 2026

The Board of Trustees (the "Governing Board") of the Municipal Building Authority of the City of South Jordan, Utah (the "Authority"), met in special session in South Jordan, Utah, on September 15, 2026, at 6:30 p.m., with the following Trustees being present:

Dawn R. Ramsey	Chair-President
Tamara Zander	Vice President
Patrick Harris	Trustee
Kathie L. Johnson	Trustee
Jason T. McGuire	Trustee
Donald J. Shelton	Trustee

Also present:

Anna Crookston	Secretary-Treasurer

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the Secretary-Treasurer presented to the Governing Board a Certificate of Compliance with Open Meeting Law with respect to this September 15, 2026, meeting, a copy of which is attached hereto as Exhibit A.

The Chair-President then read the following statement pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and the Local Building Authority Act, Title 17D, Chapter 2, of the Utah Code Annotated 1953, as amended:

"The Municipal Building Authority of the City of South Jordan, Utah hereby intends to issue a lease revenue bond (the "Bonds"). The purpose of said bond is to provide funds to (a) finance the acquisition and construction of a new fire station and related improvements including a portion of fire training facilities located offsite (the "Series 2026 Project"); (b) fund any required deposits to a debt service reserve fund; and (c) pay costs associated with the issuance of the Bonds. The estimated amount of the bond is $27,000,000."

Following the reading of the above statement, this separate agenda item for the meeting was closed.

This September 15, 2026.

(SEAL)

By: ______________________________________
Chair-President

ATTEST:

By:___________________________________
Secretary-Treasurer

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

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

(SEAL)

By: ______________________________________
Chair-President

ATTEST:

By:_____________________________________
Secretary-Treasurer

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Anna Crookston, the undersigned Secretary-Treasurer of the Governing Board of the Municipal Building Authority the City of South Jordan, Utah (the "Authority"), do hereby certify, according to the records of the Authority in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time, and place of the September 15, 2026, public meeting held by the Authority as follows:

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

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

(iii) By causing a copy of such Notice, to be posted on the City of South Jordan's official website at least twenty-four (24) hours prior to the convening of the meeting.

The Authority meets on an "as needed" basis.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this September 15, 2026.

(SEAL)

By:__________________________________

Secretary-Treasurer

SCHEDULE 1

NOTICE OF MEETING

NOTICE OF SPECIAL MEETING

TO THE MEMBERS OF THE GOVERNING BOARD OF THE MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH:

NOTICE IS HEREBY GIVEN that a special meeting of the Governing Board of the Municipal Building Authority of the City of South Jordan, Utah (the "Authority") will be held at 1600 W. Towne Center Drive, South Jordan, Utah, at 6:30 p.m. on September 15, 2026, for the purpose of authorizing the issuance and sale of the Authority's Lease Revenue Bonds, Series 2026, in a total principal amount of not more than $27,000,000, and related matters, and for the transaction of such other business incidental to the foregoing as may come before said meeting.

____
Secretary-Treasurer

ACKNOWLEDGMENT OF NOTICE
AND CONSENT TO SPECIAL MEETING

We, the Chair/President, Vice President and Trustees of the Governing Board of the Authority, do hereby acknowledge receipt of the foregoing Notice of Special Meeting, and we hereby waive any and all irregularities, if any, in such notice and in the manner of service thereof upon us and consent and agree to the holding of such special meeting at the time and place specified in said notice, and to the transaction of any and all business which may come before said meeting.

____
Chair/President

____
Vice President

____
Trustee

____
Trustee

____
Trustee

____
Trustee

____
Trustee

South Jordan, Utah

September 15, 2026

The Governing Board (the "Board") of the Municipal Building Authority of the City of South Jordan, Utah (the "Authority"), met in special session at 1600 W. Towne Center Drive, South Jordan, Utah, on September 15, 2026, at 6:30 p.m., with the following Trustees being present:

Dawn R. Ramsey	Chair/President
Tamara Zander	Vice President
Patrick Harris	Trustee
Kathie L. Johnson	Trustee
Jason T. McGuire	Trustee
Donald J. Shelton	Trustee

Also present:

Anna Crookston	Secretary-Treasurer

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the Secretary-Treasurer presented to the Board a Certificate of Compliance with Open Meeting Law with respect to this September 15, 2026, meeting, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in written form, was fully discussed, a, was adopted by the following vote:

AYE:

NAY:

The resolution was then signed by the Chair/President in open meeting and recorded by the Secretary-Treasurer in the official records of the Municipal Building Authority of the City of South Jordan, Utah. The resolution is as follows:

MBA RESOLUTION NO. 2026-01

A RESOLUTION OF THE MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH (THE "AUTHORITY") AUTHORIZING THE ISSUANCE AND SALE OF NOT MORE THAN $27,000,000 AGGREGATE PRINCIPAL AMOUNT OF LEASE REVENUE BONDS, SERIES 2026 (THE "SERIES 2026 BONDS"); DELEGATING TO CERTAIN OFFICERS OF THE AUTHORITY THE ABILITY TO APPROVE THE FINAL TERMS AND PROVISIONS OF THE SERIES 2026 BONDS WITHIN THE PARAMETERS SET FORTH HEREIN; FIXING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE SERIES 2026 BONDS, THE MAXIMUM NUMBER OF YEARS OVER WHICH THE SERIES 2026 BONDS MAY MATURE, THE MAXIMUM INTEREST RATE WHICH THE SERIES 2026 BONDS MAY BEAR, AND THE MAXIMUM DISCOUNT FROM PAR AT WHICH THE SERIES 2026 BONDS MAY BE SOLD; PROVIDING FOR THE PUBLICATION POSTING OF A NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED; PROVIDING FOR THE PUBLICATION AND POSTING OF A NOTICE OF INTENT TO ISSUE A LEASE REVENUE BOND AND PUBLIC HEARING; PROVIDING FOR THE RUNNING OF A CONTEST PERIOD; AUTHORIZING AND APPROVING A GENERAL INDENTURE OF TRUST AND A FIRST SUPPLEMENTAL INDENTURE OF TRUST, A BOND PURCHASE CONTRACT, A MASTER LEASE AGREEMENT, SECURITY DOCUMENTS, A GROUND LEASE, A TAX AND DISCLOSURE COMPLIANCE PROCEDURE, AND OTHER DOCUMENTS NECESSARY FOR THE ISSUANCE OF THE SERIES 2026 BONDS; AUTHORIZING AND APPROVING THE USE AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the City Council (the "Council") of the City of South Jordan, Utah (the "City") has previously authorized and directed the creation of the Municipal Building Authority of the City of South Jordan, Utah (the "Authority"); and

WHEREAS, pursuant to the direction of the City, the Authority has been duly and regularly created, established and is organized and existing as a nonprofit corporation under and by virtue of the provisions of the Constitution and the laws of the State of Utah, including, in particular, the provisions of the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the "Building Authority Act"); and

WHEREAS, pursuant to the provisions of the Building Authority Act and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (collectively, with the Building Authority Act, the "Act"), the Governing Board (the "Board") of the Authority, has authority to issue its lease revenue bonds for the purpose of financing certain improvements for and on behalf of the Authority; and

WHEREAS, the Authority desires to issue its Lease Revenue Bonds, Series 2026 (to be issued in one or more series and with such other or further designation(s) as the Authority may determine) (the "Series 2026 Bonds"), in an aggregate principal amount of not to exceed $27,000,000 to (a) finance the acquisition and construction of a new fire station and related improvements including a portion of fire training facilities located offsite (the "Series 2026 Project"); (b) fund any required deposits to a debt service reserve fund; and (c) pay costs associated with the issuance of the Series 2026 Bonds; and

WHEREAS, the Act provides for the posting of a Notice of Public Hearing and Bonds to be Issued, and the Authority desires to publish such notice in compliance with the Act with respect to the Series 2026 Bonds to thereby initiate the running of a contest period; and

WHEREAS, pursuant to Sections 11-14-316, 11-14-318 and 17D-2-502 of the Act, the Notice of Public Hearing and Bonds to be Issued substantially in the form in Exhibit B shall constitute (a) the notice of intent to issue bonds, (b) the notice of a public hearing to receive input from the public with respect to the Series 2026 Bonds, and (c) will provide for a 30-day period during which the active voters of the City may submit a written petition requesting an election to approve or disapprove the issuance of the Series 2026 Bonds; and

WHEREAS, pursuant to Sections 11-14-103 and 17D-2-501 of the Act, the Notice of Intent to Issue a Lease Revenue Bond and Public Hearing attached hereto as Exhibit C shall constitute (a) the notice of intent to issue a lease revenue bond, and (b) notice of a public hearing required under 11-14-103.

WHEREAS, it is anticipated that the City will be the owner of a fee simple interest or have a leasehold interest to certain parcels on which the Series 2026 Project shall be located and the Authority desires to lease such properties from the City pursuant to the terms and provisions of a Ground Lease Agreement (a "Ground Lease") in substantially the form presented to this meeting and attached hereto as Exhibit G and herein authorized and approved; and

WHEREAS, the Authority desires to lease the Series 2026 Project, as lessor, on an annually renewable basis, to the City, as lessee, pursuant to the terms and provisions of a Master Lease Agreement, (the "Lease") by and between the Authority and the City in substantially the form presented to the Board at this meeting and attached hereto as Exhibit E; and

WHEREAS, the Authority proposes to (i) finance the costs associated with the Series 2026 Project, (ii) fund the deposit of any required reserve, and (iii) pay the costs of issuance of the Series 2026 Bonds by means of the issuance of the Series 2026 Bonds issued pursuant to a General Indenture of Trust and a First Supplemental Indenture of Trust (together, the "Indenture") between a trustee and the Authority, in substantially the form presented to the Board at this meeting and attached hereto as Exhibit D; and

WHEREAS, to further secure its payment obligations under the Indenture, the Authority proposes to grant a lien on and security interest in the Series 2026 Project pursuant to the following: (i) a Leasehold Deed of Trust, Assignment of Rents and Security Agreement, and (ii) an Assignment of Ground Lease in substantially the forms presented to this meeting and attached hereto as Exhibit F (collectively the "Security Documents"); and

WHEREAS, there has been presented to the Board at this meeting a form of a Bond Purchase Contract (the "Bond Purchase Contract") to be entered into between the Authority, the City, and the underwriter/purchaser selected by the Authority for the Series 2026 Bonds (the "Underwriter/Purchaser"), in substantially the form attached hereto as Exhibit H, in the event that the Series 2026 Bonds are not sold pursuant to a public bid with an official notice of bond sale or similar document; and

WHEREAS, in the event that the Designated Officer (defined below) determines that it is in the best interests of the Authority to publicly offer all or a portion of the Series 2026 Bonds, the Authority desires to authorize the use and distribution of one or more of a Preliminary Official Statement (the "Preliminary Official Statement") in substantially the form attached hereto as Exhibit I, and to approve one or more of a final Official Statement (the "Official Statement") in substantially the form as the Preliminary Official Statement, and other documents relating thereto; and

WHEREAS, the Authority desires to improve and promote the local health and general welfare of the citizens of the City by entering into the documents and taking the actions described above; and

WHEREAS, the Council has or is expected to authorize, approve and direct the execution of the Ground Lease, the Lease, the Indenture, the Bond Purchase Contract and the Security Documents and to authorize the issuance of the Series 2026 Bonds and the financing of the Series 2026 Project by the Authority and authorize and approve the distribution and use of the Preliminary Official Statement and the Official Statement and to further authorize the execution of the Ground Lease, the Lease, the Indenture, the Bond Purchase Contract, the Security Documents, and certain other acts to be taken by the Authority in connection therewith; and

WHEREAS, in order to allow the Authority (in consultation with the Authority's municipal advisor (the "Municipal Advisor"), flexibility in setting the pricing date of the Series 2026 Bonds to optimize debt service costs to the Authority, the Board desires to grant to any one of the following: Chair/President or Vice President or the Chief Financial Officer of the City (the "Designated Officers"), the authority to (a) determine whether all or a portion of the Series 2026 Bonds should be sold pursuant to a private placement or a public offering (including via a negotiated underwriting or public bid), (b) approve the principal amounts, interest rates, terms, maturities, redemption features, and purchase price at which the Series 2026 Bonds shall be sold; (c) select the Underwriter/Purchaser of the Series 2026 Bonds, and (d) make any changes with respect thereto from those terms which were before the Board at the time of adoption of this resolution (this "Resolution"), provided such terms do not exceed the parameters set forth for such terms in this Resolution (the "Parameters"); and

WHEREAS, there has been presented to the Board at this meeting a certificate demonstrating that the useful life of the Series 2026 Project exceeds the final maturity of the Series 2026 Bonds, attached hereto as Exhibit J; and

WHEREAS, as provided by the Act, the Council has updated its own Tax and Disclosure Compliance Procedure (the "Tax and Disclosure Procedure") and has or will authorize and approve the use by the Authority of the same or a similar Tax and Disclosure Compliance Procedure attached hereto as Exhibit K (the "Authority Tax and Disclosure Procedure") in conjunction with the issuance of the Series 2026 Bonds and any future bonds issued by the Authority, and the Board, on behalf of the Authority and pursuant to its Articles of Incorporation (the "Articles") and Bylaws previously adopted by it, desires to authorize and approve the use of such Authority Tax and Disclosure Procedure.

NOW, THEREFORE, IT IS HEREBY RESOLVED BY THE BOARD OF THE MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH, AS FOLLOWS:

Section 1. Terms defined in the foregoing recitals hereto shall have the same meaning when used in this Resolution.

Section 2. The Board hereby finds and determines that it is in the best interests of the Authority and the residents of the City for the Authority to issue not more than Twenty-Seven Million Dollars ($27,000,000) aggregate principal amount of the Authority's Lease Revenue Bonds, Series 2026, to bear interest at a rate or rates of not to exceed six percent (6.00%) per annum, to mature in not more than thirty-one (31) years from their date or dates, and to be sold at a price not less than ninety-seven percent (97%) of the total principal amount thereof, plus accrued interest, if any, to the date of delivery of the Series 2026 Bonds, for the purpose of (i) financing the Series 2026 Project, (ii), funding any required deposits to a debt service reserve fund, and (iii) paying costs of issuance, all pursuant to this Resolution, the Indenture and the Lease, all substantially in the forms attached hereto, as shall be approved by the Designated Officers, all within the Parameters set forth herein. The issuance of the Series 2026 Bonds shall be subject to the final approval of Bond Counsel and to the approval of the Attorney for the Authority.

Section 3. The Designated Officers are hereby authorized to select the Underwriter/Purchaser and specify and agree as to the method of sale between either a competitive sale or negotiated sale (including a private placement without the use of an Official Statement), the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2026 Bonds for and on behalf of the Authority, provided that such terms are within the parameters set by this Resolution.

Section 4. The final interest rate or rates for the Series 2026 Bonds shall be set by the Designated Officers, in consultation with the Municipal Advisor, at the rate or rates which, taking into account the purchase price offered by the Underwriter/Purchaser of the Series 2026 Bonds, will in the opinion of the Designated Officers and the Municipal Advisor result in the lowest cost of funding reasonably achievable given the manner of offering the Series 2026 Bonds at the time of the sale of the Series 2026 Bonds, as evidenced by the execution and delivery of the Bond Purchase Contract (or a term sheet or certificate of award if the Series 2026 Bonds are sold pursuant to a competitive sale).

Section 5. The form of the Indenture attached hereto as Exhibit D is in all respects hereby authorized and approved, and the Chair/President or Vice President and Secretary-Treasurer are hereby authorized and directed to execute and deliver the same on behalf of the Authority.

Section 6. The Bond Purchase Contract in the form presented to this meeting and attached hereto as Exhibit H is in all respects authorized, approved, and confirmed. The Chair/President or Vice President and the Secretary-Treasurer are hereby authorized to execute and deliver said Bond Purchase Contract. The Designated Officers are each hereby authorized to select the Underwriter/Purchaser and to specify and agree as to the final principal amounts, terms, discounts, maturities, interest rates, redemption features, and purchase price with respect to the Series 2026 Bonds for and on behalf of the Authority, provided that such terms are within the Parameters set by this Resolution. The execution of the Bond Purchase Contract (or a term certificate or certificate of award in the case of a competitive sale) will signify the approval of the Designated Officers.

Section 7. The Lease, the Ground Lease, and the Security Documents, in substantially the respective forms presented to this meeting and attached hereto as exhibits, are in all respects approved, authorized and confirmed, and the Chair/President or Vice President and the Secretary-Treasurer are hereby authorized and directed to execute and deliver the same on behalf of the Authority.

Section 8. The Designated Officers of the Authority are authorized to make any alterations, changes or additions to the Indenture, the Bond Purchase Contract, the Preliminary Official Statement, the Official Statement, the Lease, the Security Documents, the Ground Lease, the Series 2026 Bonds, or any other document herein authorized and approved which may be necessary to conform the same to the final terms of the Series 2026 Bonds (within the Parameters set by this Resolution), to correct errors or omissions therein, to complete the same, to remove ambiguities therefrom, or to conform the same to other provisions of said instruments, to the provisions of this Resolution, or any resolution adopted by the City or the Authority, the agreements with the Underwriter/Purchaser or the provisions of the laws of the State of Utah or the United States.

Section 9. Should the Designated Officers determine to have the Series 2026 Bonds sold publicly, the Authority hereby authorizes the utilization and distribution of the Preliminary Official Statement (including an official notice of bond sale, if applicable), in substantially the form attached hereto as Exhibit I, in the marketing of the Series 2026 Bonds and hereby approves an Official Statement in substantially the same form as the Preliminary Official Statement.

Section 10. The form, terms, and provisions of the Series 2026 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Chair/President or Vice President and Secretary-Treasurer are hereby authorized and directed to execute and seal the Series 2026 Bonds and to deliver said Series 2026 Bonds to the Underwriter/Purchaser(s). The signatures of the Chair/President or Vice President and the Secretary-Treasurer may be by facsimile or manual execution.

Section 11. Upon their issuance, the Series 2026 Bonds will constitute special limited obligations of the Authority payable solely from and to the extent of the sources set forth in the Series 2026 Bonds, the Indenture and the Security Documents. No provision of this Resolution, the Indenture, the Bond Purchase Contract, the Lease, the Security Documents, the Ground Lease, the Series 2026 Bonds, or any other instrument, shall be construed as creating a general obligation of the Authority or the City or of creating a general obligation of the State of Utah or any political subdivision thereof, or as incurring or creating a charge upon the general credit of the Authority or the City or its taxing powers. The Authority has no taxing power.

Section 12. The Designated Officers and appropriate officials of the Authority, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Authority any or all additional certificates, documents and other papers (including amending the Authority's Bylaws as necessary) and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Resolution and the documents authorized and approved herein.

Section 13. After the Series 2026 Bonds are delivered to the Underwriter/Purchaser, and upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the principal of the Series 2026 Bonds is deemed to have been duly discharged in accordance with the terms and provisions of the Indenture.

Section 14. The Authority shall hold a public hearing on October 6, 2026 at 6:30 p.m. to receive input from the public with respect to (a) the issuance of the Series 2026 Bonds and (b) the potential economic impact that the improvements to be financed with the proceeds of the Series 2026 Bonds will have on the private sector, which hearing date shall not be less than fourteen (14) days after notice of the public hearing is posted (a) as a Class A notice under Section 63G-30-102, Utah Code Annotated 1953, as amended, (i) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (ii) on the City's official website and (iii)in a public location within the City that is reasonably likely to be seen by residents of the City and (b) as required in Section 45-1-101, Utah Code Annotated 1953, as amended. The City additionally authorizes the publication of such Notice of Public Hearing and Bonds to be Issued pursuant to Sections 11-14-316, and 11-14-318 of the Act as (a) notice of its intent to issue bonds, (b) notice of a public hearing to receive input from the public with respect to the Series 2026 Bonds and (c) the initiation of a 30-day contestability period in which any person of interest may contest the issuance of the Series 2026 Bonds. The Secretary-Treasurer shall cause a copy of this Resolution (together with all exhibits hereto) to be kept on file in the City offices, for public examination during the regular business hours of the City until at least thirty (30) days from and after the date of posting thereof. The Authority directs its officers and staff to post a "Notice of Public Hearing and Bonds to be Issued" in substantially the form as shown in Exhibit B hereto.

Section 15. The Authority shall hold a public hearing separate from any other public hearing on October 6, 2026 at 6:30 p.m. to provide members of the public desiring to be heard an opportunity to present testimony on the proposed issuance of the Series 2026 Bonds in accordance with Sections 11-14-103 and 17D-2-501, Utah Code Annotated 1953, as amended. The Authority directs its officers and staff to publish a "Notice of Intent to Issue a Lease Revenue Bond and Public Hearing" in substantially the form as shown in Exhibit C hereto (i) once each week for the two weeks before the public hearing in a newspaper of general circulation in the City; (ii) electronically in accordance with Section 45-1-101, Utah Code Annotated 1953, as amended; and (iii) for at least 14 days immediately before the public hearing as a Class A notice under Section 63G-30-102, Utah Code Annotated 1953, as amended (a) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (b) on the City's official website and (c) in a public location within the City that is reasonably likely to be seen by residents of the City.

Section 16. The Authority hereby declares its intention and reasonable expectation to use the proceeds of the Series 2026 Bonds to reimburse itself and/or the City for expenditures for costs of the Series 2026 Project. The Series 2026 Bonds are to be issued, and reimbursements made, by the later of 18-months after the payment of costs or after the Series 2026 Project is placed in service, but in any event, no later than three years after the date the original expenditure was paid. The maximum principal amount of the Series 2026 Bonds which will be issued to finance the Series 2026 Project is not expected to exceed $27,000,000.

Section 17. The Authority Tax and Disclosure Procedure in the form attached hereto as Exhibit K and as approved by the Council is hereby adopted by the Board pursuant to their authority under the Articles.

Section 18. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall be in full force and effect immediately upon its approval and adoption.

APPROVED AND ADOPTED this September 15, 2026.

(SEAL)

By:_________________________________
Chair/President

ATTEST:

By:_________________________________
Secretary-Treasurer

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

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

(SEAL)

By:__________________________________
Chair/President

ATTEST:

By:__________________________________
Secretary-Treasurer

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

I, Anna Crookston, the undersigned, duly qualified, and acting Secretary-Treasurer of the Governing Board (the "Board") of the Municipal Building Authority of the City of South Jordan, Utah (the "Authority"), do hereby certify:

The foregoing pages are a true, perfect and complete copy of the record of proceedings of the Board, had and taken at a lawful special meeting of said Board held at 1600 W. Towne Center Drive, South Jordan, Utah, on September 15, 2026, commencing at the hour of 6:30 p.m., as recorded in the regular official book of the proceedings of the Authority kept in my office, and said proceedings were duly had and taken as therein shown, and the meeting therein shown was duly held, and the persons therein were present at said meeting as therein shown.

All members of the Board were duly notified of said meeting, pursuant to law.

I further certify that the above Resolution, with all exhibits attached, was deposited in my office on September 15, 2026, and pursuant to the Resolution:

1. A "Notice of Public Hearing and Bonds to be Issued" will be posted as a Class A notice under Section 63G-30-102, Utah Code Annotated 1953, as amended:

    a. On the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended,

    b. On the City's official website; and

    c. In a public location within the City that is reasonably likely to be seen by residents of the City; and

2. A "Notice of Intent to Issue a Lease Revenue Bond and Public Hearing" will be published:

    a. Once each week for the two weeks before the public hearing in a newspaper of general circulation in the City, in a minimum type of 18 point, surrounded by a ¼ inch border, and placed in the portion of a newspaper where legal notices and classified advertisements do not appear;

    b. Electronically in accordance with Section 45-1-101, Utah Code Annotated 1953, as amended; and

    c. For at least 14 days immediately before the public hearing as a Class A notice under Section 63G-30-102, Utah Code Annotated 1953, as amended (i) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (ii) on the City's official website and (iii) in a public location within the City that is reasonably likely to be seen by residents of the City.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Authority this September 15, 2026.

(SEAL)

By:___________________________________
Secretary-Treasurer

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Anna Crookston, the undersigned Secretary-Treasurer of the Governing Board of the Municipal Building Authority of the City of South Jordan, Utah (the "Authority"), do hereby certify, according to the records of the Authority in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time, and place of the September 15, 2026, public meeting held by the Authority as follows:

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

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

(iii) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted on the City's official website at least twenty-four (24) hours prior to the convening of the meeting.

The Authority meets on an "as needed" basis.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this September 15, 2026.

(SEAL)

By:________________________________
Secretary-Treasurer

SCHEDULE 1

NOTICE OF MEETING

EXHIBIT B

NOTICE OF PUBLIC HEARING AND BONDS TO BE ISSUED

PUBLIC NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended, and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (together, the "Act"), that on September 15, 2026, the Governing Board (the "Board") of the Municipal Building Authority of the City of South Jordan, Utah (the "Authority") adopted a resolution (the "Resolution") declaring its intention to issue its Lease Revenue Bonds, Series 2026 (the "Bonds"), and calling a public hearing to receive input from the public with respect to the issuance of the Bonds.

TIME, PLACE AND LOCATION OF PUBLIC HEARING

The Authority shall hold a public hearing on October 6, 2026, at the hour of 6:30 p.m. The location of the public hearing is at the City offices of South Jordan, Utah (the "City") located at 1600 W. Towne Center Drive, South Jordan, Utah. The purpose of the hearing is to receive input from the public with respect to: (a) the proposed Bonds, and (b) any potential economic impact that the improvements, facility or property financed in whole or in part with the proceeds of the Bonds may have on the private sector. All members of the public are invited to attend and participate.

PURPOSE FOR ISSUING BONDS

The Authority intends to issue the Bonds to provide funds to (a) finance the acquisition and construction of a new fire station and related improvements including a portion of fire training facilities located offsite (the "Series 2026 Project"); (b) fund any required deposits to a debt service reserve fund; and (c) pay costs associated with the issuance of the Bonds.

PARAMETERS OF THE BONDS

The Authority intends to issue the Bonds in a principal amount of not to exceed Twenty-Seven Million Dollars ($27,000,000), to bear interest at a rate or rates of not to exceed six percent (6.00%) per annum, to mature in not more than thirty-one (31) years from their date or dates, and to be sold at a price not less than ninety-seven percent (97%) of the total principal amount thereof, plus accrued interest, if any, to the date of delivery of the Bonds.

The Bonds are to be issued and sold by the Authority pursuant to the Resolution, including as attachments to said Resolution a form of the General Indenture of Trust and First Supplemental Indenture of Trust (collectively, the "Indenture") and a form of a Master Lease Agreement (the "Lease"), which were before the Board at the time of the adoption of the Resolution. The Indenture and the Lease are to be executed by the Authority and/or the City with such terms and provisions and any changes thereto as authorized by the Resolution.

SECURITY FOR THE BONDS

The Bonds are payable solely from the rents, revenues and other income received by the Authority from the leasing of the Series 2026 Project to the City on an annually renewable basis (the "Lease Revenues").

OUTSTANDING BONDS SECURED BY LEASE REVENUES

The Authority currently has no bonds outstanding secured by Lease Revenues.

OTHER OUTSTANDING BONDS OF THE AUTHORITY

Information regarding all of the Authority's outstanding bonds may be found in the City's audited financial report (the "Financial Report") at https://reporting.auditor.utah.gov/searchreports/s/. For additional information, including any more recent than as of the date of the Financial Report please contact Anna Crookston, Secretary-Treasurer at (801) 446-4357.

TOTAL ESTIMATED COST

Based on an estimate of the current interest rate and financing plan, the estimated total debt service cost of the Bonds, if held until maturity, is $43,667,000.

A copy of the Resolution and the forms of Indenture and the Lease are on file in the City offices, located at 1600 W. Towne Center Drive, South Jordan, Utah, where they may be examined during regular business hours from 8:00 a.m. to 6:00 p.m., Monday through Thursday, and 8:00 a.m. to 12:00 p.m. on Friday, for a period of at least thirty (30) days from and after the last date of posting of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the posting of this notice is provided by law during which (i) any person in interest shall have the right to contest the legality of the Resolution, the Indenture, the Lease, or the Bonds, or any provision made for the security and payment of the Bonds, and after such time, no one shall have any cause of action to contest the regularity, formality or legality thereof for any cause whatsoever, and (ii) active voters (as defined in Section 20A-1-102 of the Utah Code Annotated 1953, as amended) within the City may sign a written petition requesting an election to authorize the issuance of the Bonds. If written petitions which have been signed by at least twenty percent (20%) of the active voters of the City are filed with the Authority during said 30-day period, the Authority shall be required to hold an election to obtain voter authorization prior to the issuance of the Bonds. If fewer than twenty percent (20%) of the active voters of the City file a written petition during said 30-day period, the Authority may proceed to issue the Bonds without an election.

DATED this September 15, 2026.

/s/Anna Crookston
Secretary-Treasurer

EXHIBIT C

[*The newspaper publication of this notice shall be published in a minimum type of 18 point, be surrounded by a ¼ inch border, be no less than ¼ page in size, and shall* not *be placed in the portion of a newspaper where legal notices and classified advertisements appear.*]

NOTICE OF INTENT TO ISSUE A LEASE REVENUE BOND AND PUBLIC HEARING

PUBLIC NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended, and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (together, the "Act"), that the Governing Board (the "Board") of the Municipal Building Authority of the City of South Jordan, Utah (the "Authority") intends to issue its Lease Revenue Bonds, Series 2026 (the "Series 2026 Bonds") and will hold a public hearing to provide members of the public desiring to be heard an opportunity to present testimony on the proposed issuance of the Series 2026 Bonds in accordance with Sections 11-14-103 and 17D-2-501 of the Utah Code Annotated 1953, as amended. Said public hearing will be held on October 6, 2026, at 6:30 p.m., at 1600 W. Towne Center Drive, South Jordan, Utah. The purpose of the Series 2026 Bonds is to provide funds to finance the acquisition and construction of a new fire station and related improvements including a portion of fire training facilities located offsite (the "Series 2026 Project"); (b) fund any required debt service reserve fund; and (c) pay costs associated with the issuance of the Series 2026 Bonds. The length of term of the Series 2026 Bonds shall not exceed 26 years. The average annual amount that the Authority will be required to pay in principal and interest on the Series 2026 Bonds is $1,732,500. The intended lessee of the facility to be constructed using proceeds from the Series 2026 Bonds is the City of South Jordan, Utah (the "City") and the expected annual amount of lease payments that the City will pay is $1,732,500. The Authority anticipates taking action on the proposal to issue the Series 2026 Bonds directly following the public hearing at the same meeting listed above.

DATED this September 15, 2026.

/s/ Anna Crookston
Secretary-Treasurer

EXHIBIT D

GENERAL INDENTURE AND FIRST SUPPLEMENTAL INDENTURE

GENERAL INDENTURE OF TRUST

Dated as of [________], 2026

between

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

and

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

Municipal Building Authority
of the City of South Jordan, Utah
Lease Revenue Bonds

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GENERAL INDENTURE OF TRUST

THIS GENERAL INDENTURE OF TRUST dated as of [_______], 2026 (the "General Indenture"), between the MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH, a nonprofit corporation duly incorporated, validly existing and in good standing under the laws of the State of Utah (the "Authority"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized under the laws of the United States with its principal office located in Salt Lake City, Utah, as trustee (the "Trustee"):

W I T N E S S E T H:

WHEREAS, the City Council (the "Council") of the City of South Jordan, Utah (the "City") has organized the Authority solely for the purpose of (a) accomplishing the public purposes for which the City exists by acquiring, constructing, improving or extending any improvements, facilities or properties (whether real or personal) and appurtenances to them which the City is authorized or permitted by law to acquire, including, but not limited to, public buildings or other structures of every nature or any joint or partial interest in the same, which improvements, facilities, properties and appurtenances need not be situated within the boundaries of the City (collectively, the "Projects") and (b) financing or refinancing the costs of such Projects on behalf of the City in accordance with the procedures and subject to the limitations of the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended, the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (collectively, the "Act"), including, but not limited to, the costs of refunding and retiring existing obligations, funding debt service reserves, and paying issuance expenses to be incurred in connection with the issuance and sale of the Bonds herein authorized and defined; and

WHEREAS, the Act provides that the Authority may issue and sell its Bonds for the purposes described above; and

WHEREAS, the Bonds shall be secured by a pledge and assignment of certain base rentals (the "Base Rentals") received by the Authority under that certain Master Lease Agreement dated as of even date herewith between the Authority, as lessor, and the City, as lessee (the "Master Lease") and a purchase option price (the "Purchase Option Price"), if paid by the City, with respect to a Project under the Master Lease and will be further secured by the Security Documents (as defined herein); and

WHEREAS, pursuant to the Master Lease, the Authority has agreed to acquire, construct, improve and equip or to refinance one or more Projects and to lease the same to the City upon the terms and conditions set forth in the Master Lease; and

WHEREAS, pursuant to the provisions of a resolution of the City adopted on September 15, 2026 (the "City Resolution"), the City has authorized and approved the execution of the Master Lease and has authorized and approved certain actions to be taken by the Authority in connection with the financing or refinancing of the acquisition, construction, improvement and equipping (as applicable) of a Project or Projects, including, among other things, the execution, delivery and performance of this General Indenture and the issuance of the Bonds hereunder; and

WHEREAS, pursuant to the provisions of a resolution of the Authority adopted on September 15, 2026 (the "Authority Resolution"), the governing board of the Authority (the "Governing Board") has authorized, approved and directed the execution of the Master Lease and this General Indenture and has authorized and approved certain actions to be taken by the Authority in connection with the financing or refinancing of the acquisition, construction, improvement and equipping (as applicable) of a Project or Projects, including the issuance of the Bonds hereunder; and

WHEREAS, the Authority has determined that the Bonds shall be secured by this Indenture (as hereinafter defined) and as provided herein and has ascertained and determined that the provisions herein contained for protecting and enforcing the rights and remedies of the registered owners of such Bonds are reasonable, proper and in accordance with law, and that this Indenture is necessary to the performance of its duties and the execution of its powers under law, and does deem and determine all of the provisions herein contained to be reasonable and proper for the security of the registered owners of the Bonds; and

WHEREAS, all acts and things required by law and by the articles of incorporation and bylaws of the Authority necessary to make this Indenture a valid and binding trust instrument for the security of all Bonds duly issued hereunder have been done and performed and the execution and delivery of this Indenture have been in all respects duly authorized; and

WHEREAS, the Trustee has accepted the trust created and established by this Indenture and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS GENERAL INDENTURE OF TRUST WITNESSETH:

GRANTING CLAUSES

That the Authority, in consideration of the premises and the acceptance of the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds by the Bondholders thereof, and of the sum of One Dollar, lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of and premium, if any, and interest on the Bonds according to their tenor and effect and to secure the performance and observance by the Authority of all the covenants expressed or implied herein and in the Bonds, does hereby grant, bargain, sell, convey, assign and pledge, and does hereby grant a security interest in, the following properties, rights, interests and privileges (collectively, the "Trust Estate") to the Trustee, and its successors in trust and assigns forever, for the securing of the performance of the obligations of the Authority hereinafter set forth:

GRANTING CLAUSE FIRST

The Authority's interest in the Projects, and any other interest, easements, licenses, rights and interests in real property hereafter acquired by the Authority for use in connection with the Projects, together with all additions thereto and substitutions thereof, subject to the Permitted Encumbrances;

GRANTING CLAUSE SECOND

The improvements made as part or all of the Projects and all substitutions or replacements thereof and in general all property acquired by the Authority with the proceeds of the Bonds issued under and secured by this Indenture and substitutions and replacements thereof and any other property which under the terms of the Master Lease is to become the property of the Authority or be subjected to the lien of this Indenture or the Security Documents, subject to Permitted Encumbrances;

GRANTING CLAUSE THIRD

The equipment constituting a part of the Projects and any other interest in personal property hereafter acquired by the Authority for use in connection with the Projects, together with all additions thereto and replacements, renewals and substitutions therefor;

GRANTING CLAUSE FOURTH

The Master Lease, including all extensions and renewals of the term thereof, if any, the present and continuing right to make claim for, collect, receive and receipt for any of the Base Rentals, Additional Rentals, Purchase Option Price, if paid by the City, as applicable, with respect to a Project or Projects, sums, amounts, income, revenues, issues and profits and any other sums of money payable or receivable under the Master Lease with respect to the Projects for deposit with the Trustee under this Indenture (except for amounts payable under Sections 6.3(d), 6.3(j), 13.3 and 14.5 thereof), to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Authority under the Master Lease or any lessor under the Master Lease is or may become entitled to;

GRANTING CLAUSE FIFTH

All moneys and securities from time to time held by the Trustee under the terms of this Indenture (except for moneys deposited with or paid to the Trustee for the payment of Bonds not then deemed Outstanding under the Indenture and the Rebate Fund) and any and all other real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder by the Authority or by anyone on its behalf, or with its written consent, to the Trustee which 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 thereof;

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto Trustee and its respective successors (for the benefit of the Bondholders) in said Trust and assigns forever;

IN TRUST NEVERTHELESS, upon the terms, conditions and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future Bondholders of the Bonds, from time to time, issued under and secured by this Indenture without privilege, priority or distinction as to the lien or otherwise of any of the Bonds over any of the other Bonds, except as expressly provided therein, and for all Security Instrument Issuers and second, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers;

PROVIDED, HOWEVER, that if the Authority, its successors or assigns shall well and truly pay, or cause to be paid, the principal of and premium (including any make-whole additional payments), if any, and interest on the Bonds due or to become due thereon, at the times and in the manner mentioned in the Bonds, the Security Instrument Repayment Obligations and all Reserve Instrument Repayment Obligations according to the true intent and meaning thereof, and shall cause the payments to be made on the Bonds as required under Article IV hereof, or shall provide, as permitted hereby, for the payment thereof by depositing with the Trustee the entire amount due or to become due thereon (as provided in Article VIII hereof), and shall well and truly cause to be kept, performed and observed all of its covenants and conditions pursuant to the terms of this Indenture, 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 the final payment thereof 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 GENERAL INDENTURE OF TRUST FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said property, rights and interests, including, without limitation, the Base Rentals, Additional Rentals, Purchase Option Price, if paid by the City, with respect to a Project or Projects and other amounts hereby assigned and pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as herein expressed, and the Authority has agreed and covenanted, and does hereby agree and covenant with Trustee and with the respective Bondholders, Security Instrument Issuers and Reserve Instrument Providers as follows (subject, however, to the provisions of Section 2.3 hereof):

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. All terms defined in Article I of the Master Lease shall have the same meaning in the Indenture unless otherwise indicated. In addition, unless the context otherwise requires, the terms defined in the recitals to this General Indenture set forth above and in this Article I shall, for all purposes of the Indenture and the Master Lease, have the meaning herein specified.

"Additional Bonds" means all Bonds (other than the Initial Bonds) issued under the Indenture pursuant to Section 2.14 hereof.

"Authority Representative" means the Chair/President, or Vice President and Secretary-Treasurer of the Authority, and any other person or persons at any time designated to act on behalf of the Authority for purposes of performing any act on behalf of the Authority with respect to a Project by a written certificate furnished to the City and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Authority by any duly authorized officer of the Authority. Such certificate may designate an alternate or alternates. The Authority Representative may be an officer or employee of the Authority or the City.

"Base Rentals" means that portion of the rentals payable under the Master Lease which is pledged to the payment of debt service on the Bonds and to the replenishment of the Debt Service Reserve Fund under the Indenture.

"Beneficial Owner" means with respect to the Bonds, the person owning the Beneficial Ownership Interest therein.

"Beneficial Owner Interest" means the right to receive payments and notices with respect to the Bonds held in a book-entry System

"Bond Documents" means the Master Lease, the Security Documents and the Indenture.

"Bond Fund" means Municipal Building Authority of the City of South Jordan, Utah, Bond Fund established under Section 5.2 hereof.

"Bond Registrar" means the Trustee (or other party designated as Registrar by Supplemental Indenture), appointed as the initial registrar for the Bonds pursuant to Section 2.8 hereof, and any additional or successor registrar appointed pursuant hereto.

"Bondholder," "Holder," "Owner" or "Registered Owner" means the person or persons in whose name or names a Bond shall be registered on the books of the Bond Registrar kept for that purpose in accordance with provisions of the Indenture.

"Bonds" means (i) the Initial Bonds, (ii) any Refunding Bonds issued pursuant to Section 2.13 hereof and (iii) any Additional Bonds issued pursuant to Section 2.14 hereof.

"Chair/President" means the Chair/President (including any acting Chair/President) of the Authority.

"Code" means the Internal Revenue Code of 1986, as amended.

"Construction Fund" means Municipal Building Authority of the City of South Jordan, Utah, Construction Fund established under Section 5.5 hereof.

"Cost of Issuance Fund" means the fund established in Section 5.17 herein.

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

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

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

"Debt Service Reserve Fund" means the Municipal Building Authority of the City of South Jordan, Utah, Debt Service Reserve Fund established under Section 5.4 hereof for the purpose of securing payment of Bonds issued under this Indenture.

"Debt Service Reserve Requirement" means with respect to each Series of Bonds issued pursuant to this Indenture, unless otherwise provided in the related Supplemental Indenture, an amount equal to the least of (i) 10% of the proceeds of such Series of Bonds determined on the basis of original principal amount (unless original issue premium or original issue discount exceeds 2% of original principal, then determined on the basis of initial purchase price to the public), (ii) the maximum annual debt service during any year for such Series of Bonds, and (iii) 125% of the average annual debt service for such Series of Bonds; provided, however, that in the event any Series of Refunding Bonds is issued to refund only a portion and not all of the then Outstanding Bonds of any Series issued pursuant to this Indenture (the "Prior Bonds"), then the portion of such Series of Prior Bonds that remain Outstanding immediately after the issuance of such Refunding Bonds and the portion of such Refunding Bonds that is allocable to the refunding of such Series of Prior Bonds may be combined and treated as a single Series for purpose of determining the Debt Service Reserve Requirement relating to such combined Series and the resulting requirement shall be allocated among the two Series pro rata based upon the total principal amount remaining Outstanding for each Series. Each account of the Debt Service Reserve Fund shall only be used with respect to the related Series of Bonds.

"Direct Obligations" means direct noncallable obligations of (including obligations issued or held in book-entry form on the books of) the Department of the Treasury of the United States of America, obligations unconditionally guaranteed as to principal and interest by the United States of America and evidences of ownership interests in such direct or unconditionally guaranteed obligations.

"Direct Payments" means the interest subsidy payments received by the Authority from the Internal Revenue Service pursuant to Section 6431 and 1400U-2 of the Code or other similar programs (with respect to Bonds issued hereunder).

"City Representative" means the Mayor, the Mayor Pro Tem and City Recorder of the City and any other person at any time designated to act on behalf of the City for purposes of performing any act with respect to a Project by a written certificate furnished to the Authority and the Trustee containing the specimen signature of such person and signed on behalf of the City or any duly authorized officer thereof. Such certificate may designate an alternate or alternates. The City Representative may be an officer or employee of the Authority or the City.

"Event of Default" means any occurrence or event specified in and defined by Section 9.1 hereof.

"General Indenture" means this General Indenture of Trust, by and between the Authority and the Trustee.

"Indenture" means this General Indenture and any Supplemental Indentures entered into in compliance with the provisions of Article XI.

"Initial Bonds" means the first Series of Bonds issued under the Indenture.

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

"Investment Obligations" means any of the following securities:

(i) Direct Obligations;

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

(iii) Money market funds rated at the time of purchase "AAAm" or "AAAm-G" or better by S&P, including money market funds from which the Trustee or its affiliates receive fees for investment, advisory or other services to the fund;

(iv) 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;

(v) Bonds, notes or other evidences of indebtedness rated at the time of purchase "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;

(vi) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks 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);

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

(viii) Any investments or securities permitted for investment of public funds under the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code Annotated 1953, as amended.

"Master Lease" means the Master Lease Agreement dated as of even date herewith by and between the Authority, as lessor and the City, as lessee and any amendments and supplements thereto entered into in accordance with Article XII hereof.

"Moody's" means Moody's Investors Service, its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority.

"Outstanding" or "Bonds Outstanding" means all Bonds which have been authenticated, registered and delivered by the Trustee under the Indenture, except:

(a) Bonds delivered to the Trustee for cancellation, whether after purchase in the open market or because of payment at, or redemption prior to, maturity;

(b) Bonds in lieu of which others have been authenticated under Sections 2.6, 2.7, and 2.12 hereof; and

(c) Bonds deemed paid under Article VIII of this General Indenture.

"Paying Agent" means the Trustee, appointed as the initial paying agent for the Bonds pursuant to Section 2.8 hereof, and any additional or successor paying agent appointed pursuant hereto.

"Project" or "Projects" means collectively each Project identified in a Supplemental Indenture to be financed or refinanced with a Series of Bonds issued under the Indenture.

"Rebatable Arbitrage" shall mean with respect to any Series of Bonds the amount (determinable as of each Rebate Calculation Date) of rebatable arbitrage payable to the United States at the times and in the amounts specified in Section 148(f)(3) of the Code and Section 1.148-3 of the Regulations.

"Rebate Calculation Date" means, with respect to each Series of Tax-Exempt Bonds, the Interest Payment Date next preceding the fifth anniversary of the issue date of such Series of Bonds, each fifth anniversary of the initial Rebate Calculation Date for such Series of Bonds, and the date of retirement of the last Bond of such Series.

"Rebate Fund" means Municipal Building Authority of the City of South Jordan, Utah, Rebate Fund established by Section 5.6 hereof

"Recovery Zone Bonds" means interest subsidy bonds issuable by the Authority under Sections 1400U-2 and 6431 of the Code and a "qualified bond" under Section 1400U-2(a) of the Code or such other tax credit bonds of substantially similar nature which may be hereafter authorized.

"Refunding Bonds" means all Bonds (other than the Initial Bonds) issued pursuant to Section 2.13 hereof.

"Regular Record Date" means the fifteenth day (whether or not a Business Day, as this term is defined in the Master Lease) next preceding each Interest Payment Date.

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

"Required Rebate Deposit" means, with respect to any Series of Bonds an amount determinable as of each Rebate Calculation Date, which when added to amounts then on deposit in the Rebate Fund with respect to such Series of Bonds, if any, equals the aggregate amount of Rebatable Arbitrage for such Series of Bonds less the amount of Rebatable Arbitrage theretofore paid to the United States with respect to such Series of Bonds, if any.

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

"Reserve Instrument Agreement" means any agreement entered into by the Authority and a Reserve Instrument Provider pursuant to a Supplemental Indenture and providing for the issuance by such Reserve Instrument Provider of a Reserve Instrument.

"Reserve Instrument Costs" means all fees, premiums, expenses and similar costs, other than Reserve Instrument Repayment Obligations, required to be paid to a Reserve Instrument Provider pursuant to a Reserve Instrument Agreement.

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

"Reserve Instrument Fund" means the Municipal Building Authority of the City of South Jordan, Utah Reserve Instrument Fund established in Section 5.18 of hereof to be held by the Trustee and administered pursuant to Section 5.19 hereof.

"Reserve Instrument Limit" means, as of any date of calculation and with respect to any Reserve Instrument, the maximum aggregate amount available to be paid under such Reserve Instrument into an account in the Debt Service Reserve Fund assuming for purposes of such calculation that the amount initially available under each Reserve Instrument has not been reduced or that the amount initially available under each Reserve Instrument has only been reduced as a result of the reduction of the Debt Service Reserve Requirement.

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

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

"S&P" means S&P Global Ratings, its successors and assigns, and, if such entity shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority.

"Secretary-Treasurer" means the Secretary-Treasurer (including any deputy or acting Secretary-Treasurer) of the Authority.

"Security Documents" means collectively the security documents described in each Supplemental Indenture.

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

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

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

"Security Instrument Issuer" means any bank or other financial institution, insurance company, Surety Company or other institution issuing a Security Instrument.

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

"Serial Bonds" means those Bonds other than Term Bonds.

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

"Sinking Fund Account" means Municipal Building Authority of the City of South Jordan, Utah, Sinking Fund Account of the Bond Fund established by Section 5.3 hereof.

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

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

"State" means the State of Utah.

"Supplemental Indenture" means any indenture between the Authority and the Trustee entered into pursuant to and in compliance with the provisions of Article XI hereof.

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

"Tax-Exempt Bonds" means Bonds the interest on which is intended to be excludable from gross income for federal income tax purposes.

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

"Trust Estate" means the property conveyed to the Trustee pursuant to the Granting Clauses hereof.

"Trustee" means U.S. Bank Trust Company, National Association, a national banking association and its successors and any association resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at the time serving as successor trustee under the Indenture.

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

Reserve Instruments which, regardless of the time or times of their issuance, delivery or termination, shall be of equal rank without preference, priority or distinction of any Reserve Instrument over any other thereof.

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

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

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

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

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

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

ARTICLE II

TERMS AND PROVISIONS OF BONDS; ADDITIONAL BONDS AND REFUNDING BONDS

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

Section 2.2 Description of Bonds; Payment.

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

(b) The Bonds of each Series issued hereunder shall be dated, shall bear interest calculated on the basis of a 360-day year consisting of twelve 30-day months (unless otherwise specified by Supplemental Indenture) at a rate or rates not exceeding the maximum rate permitted by law on the date of initial issuance of Bonds of such Series, and be payable on the days, shall be stated to mature on the days and in the years and shall be subject to redemption prior to their respective maturities, all as set forth in the Supplemental Indenture authorizing such Series of Bonds. The Bonds of each Series shall be designated "Municipal Building Authority of the City of South Jordan, Utah [Taxable] Lease Revenue [Refunding] Bonds, Series," in each case inserting the year in which the Bonds are issued and an identifying Series letter or a project designation (if applicable).

(c) Both the principal of and the interest on the Bonds shall be payable in any coin or currency of the United States of America, as at the respective time of payment, shall be legal tender for payment of public and private debts. Payment of the interest on any Bond shall be made to the person appearing on the Bond registration books of the Bond Registrar hereinafter provided for as the Registered Owner thereof by check or draft mailed to the Registered Owner at his address as it appears on such registration books or to owners of $1,000,000 or more in aggregate principal amount of Bonds (or owners of 100% of any Series then Outstanding) by wire transfer to a bank account within the United States designated by the Registered Owner in written instructions furnished to the Trustee (unless otherwise specified by Supplemental Indenture). The interest on Bonds so payable, and punctually paid and duly provided for, on any Interest Payment Date will be paid to the person who is the Registered Owner thereof at the close of business on the Regular Record Date for such interest. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner of any Bond on such Regular Record Date and may be paid to the person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such Registered Owner not less than ten days prior to such Special Record Date. The principal of and premium, if any, on Bonds are payable upon presentation and surrender thereof at the principal corporate trust office of the Trustee as Paying Agent, except as otherwise provided by Supplemental Indenture. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

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

Section 2.3 Execution; Limited Obligation. The Bonds shall be executed on behalf of the Authority with the manual or official facsimile signature of its Authority Representative, countersigned with the manual or official facsimile signature of the Secretary-Treasurer, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Authority. In case any officer, the facsimile of whose signature shall appear on the Bonds, shall cease to be such officer before the delivery of such Bonds, such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The Bonds shall not be general obligations but shall be special, limited obligations of the Authority payable solely out of and to the extent available from the Base Rentals, and, if paid by the City, the Purchase Option Price under the Master Lease and other amounts derived from the leasing of the Projects (except to the extent paid out of moneys attributable to the proceeds derived from the sale of the Bonds or to income from the temporary investment thereof and, under certain circumstances, to moneys held in funds or accounts by the Trustee, to Net Proceeds from insurance policies, performance bonds, condemnation awards and liquidation proceeds with respect to the Projects and from Direct Payments) and shall be a valid claim of the respective Bondholders thereof only against the Bond Fund, the Debt Service Reserve Fund and other moneys held by the Trustee and the Base Rentals, and other amounts derived from the leasing of the Projects under the Master Lease, which Base Rentals and other amounts are hereby pledged, assigned and otherwise secured for the equal and ratable payment of the Bonds and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds (including any make whole interest payments or redemption premiums on any Bonds), except as may be otherwise expressly authorized in the Indenture or in the Master Lease. The Authority shall not be obligated to pay the principal of such Bonds or the interest thereon or other costs incident thereto except from the moneys pledged therefor under the Indenture. The Bonds and the interest thereon shall never constitute an indebtedness of the City within the meaning of any constitutional limitation or statutory provision and shall not constitute or give rise to a pecuniary liability of the City or a charge against the general credit or taxing power of the City. Neither the City nor the Authority on its behalf has pledged the credit of the City to the payment of the Bonds, the interest thereon or amounts due or to become due under the Master Lease. The City shall not be obligated to appropriate Funds for the purpose of paying Base Rentals, Additional Rentals or the Purchase Option Price under the Master Lease, and no judgment may be entered against the City in the event of an insufficiency of moneys to pay the principal of, premium, if any, and interest on the Bonds. The payment obligations of the City under the Master Lease are subject to annual renewal and will be terminated upon the occurrence of an Event of Nonappropriation. In such event, all payments from the City under the Master Lease will terminate, and the Bonds and the interest thereon will be payable solely from and to the extent of such moneys, if any, as may be held by the Trustee under the Indenture (except amounts held for the payment of Bonds not deemed Outstanding) and, subject to the provisions of Article IX hereof, any moneys made available from a liquidation of the Authority's interest in the Project financed with such Bonds subsequent to foreclosure of the lien of the Indenture and the Security Documents. No deficiency judgment subsequent to foreclosure of the lien of the Indenture and the Security Documents may be entered against the City or the Authority, and no breach of any provision of the Master Lease, the Security Documents or the Indenture shall impose any general obligation or liability upon or a charge against the City, the Authority or upon the general credit or taxing powers of the City. Except as expressly provided in the Master Lease, no judgment requiring a payment of money may be entered against the City under the Master Lease.

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

Section 2.4 Authentication and Delivery of Bonds.

(a) The Authority shall deliver executed Bonds of each Series to the Trustee for authentication and registration. Subject to the satisfaction of the conditions for authentication of Bonds set forth herein, the Trustee and Bond Registrar shall authenticate and register, respectively, such Bonds, and deliver them upon the order of the Authority to the purchasers thereof upon the payment by the purchasers to the Trustee for the account of the Authority of the purchase price therefor. Delivery by the Trustee shall be full acquittal to the purchasers for the purchase price of such Bonds, and such purchasers shall be under no obligation to see to the application thereof. The proceeds of the sale of such Bonds shall, however, be disposed of only as provided herein and in the Master Lease, and in the Supplemental Indenture executed in connection therewith.

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

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

(i) A copy, duly certified by the Secretary-Treasurer of the Authority, of the resolution of the Authority and a copy, duly certified by the City Recorder of the City, of the resolution of the City, each approving the execution and delivery of the instruments specified in Subparagraphs (ii) and (iii) below and the execution and delivery of such Series of Bonds, together with a certificate, dated as of the date of authentication of such Series of Bonds, of the Secretary-Treasurer and the City Recorder, respectively, that such proceedings are still in force and effect without amendments except as shown in such proceedings;

(ii) A copy, duly certified by the Secretary-Treasurer of the Authority, of (a) this General Indenture (to the extent not theretofore so filed) and the Supplemental Indenture authorizing such Series of Bonds and (b) the Master Lease (to the extent not theretofore so filed) and any amendments to the Master Lease executed in connection with such Supplemental Indenture and such Series of Bonds;

(iii) Original executed counterparts of the Security Documents identified in such Supplemental Indenture;

(iv) A request and authorization to the Trustee on behalf of the Authority and signed by the Authority Representative of the Authority to authenticate and deliver the Bonds to the purchasers therein identified upon payment to the Trustee, but for the account of the Authority, of a sum specified in such request and authorization. The proceeds of such payment shall be deposited with the Trustee as provided in the Master Lease and the Supplemental Indenture;

(v) (A) In the case of the Initial Bonds, an ALTA mortgagee title policy or policies, or commitment therefor, of mortgage title insurance in an aggregate amount equal to not less than the principal amount of the Initial Bonds insuring the lien of the Security Documents identified in the Supplemental Indenture, subject only to Permitted Encumbrances and (B) in the case of Additional Bonds and Refunding Bonds, the title insurance specified in Section 2.14(b) and Section 2.13(c) hereof, respectively; alternatively, for the situations described in both (A) and (B) (excluding Refunding Bonds), the Authority may reasonably expect to be able to deliver the required mortgage title insurance following delivery of the related Series of Bonds, provided that no proceeds of such Bonds shall be drawn out of the Construction Fund until such mortgage title insurance is delivered (except for costs of issuance related to such Bonds);

(vi) A written opinion of nationally recognized bond counsel, to the effect that (a) the Authority has authorized the execution and delivery of the General Indenture and Supplemental Indenture and such Series of Bonds, (b) the General Indenture and Supplemental Indenture have been duly executed and delivered by the Authority and are valid and binding agreements of the Authority; and (c) such Series of Bonds have been duly executed and delivered to the Trustee by the Authority and, upon authentication thereof by the Trustee pursuant to the Indenture and delivery thereof by the Trustee pursuant to the request referred to in Subparagraph (iv), will be valid and binding obligations of the Authority;

(vii) A written opinion of counsel to the City as to the legal, valid and binding nature of the Master Lease as against the City and such other matters as may be reasonably required by the purchasers of such Series of Bonds;

(viii) A written opinion of counsel to the Authority as to the legal, valid and binding nature of the Master Lease, the General Indenture, the Supplemental Indenture and the Security Documents as against the Authority and such other matters as may be reasonably required by the purchasers of such Series of Bonds;

(ix) Evidence that upon the issuance of such Bonds there will be on deposit in the Debt Service Reserve Fund an amount (including Reserve Instruments) at least equal to the Debt Service Reserve Requirement, if any, for all Bonds to be Outstanding immediately following the issuance of such Bonds;

(x) The items required by Section 2.13 in the case of Refunding Bonds and Section 2.14 in the case of Additional Bonds; and

(xi) Such other agreements, certificates, documents and opinions as are required to be delivered to the purchasers of such Series of Bonds or to the Security Instrument Issuers.

Section 2.5 Form of Bonds. For each Series of Bonds, the text of such Bonds, and the Trustee's Authentication Certificate shall be in substantially the forms thereof set forth in the Supplemental Indenture authorizing the issuance of such Bonds, with such omissions, insertions and variations not inconsistent with the terms hereof as may be necessary, desirable, authorized and permitted hereby.

Section 2.6 Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Authority may execute and the Trustee may authenticate a new Bond of like date, maturity and denomination to 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 Authority and the Trustee evidence of such loss, theft or destruction satisfactory to the Authority and the Trustee, together in each case with an indemnity satisfactory to them. In the event any such Bond shall have matured or been redeemed or be approaching maturity, instead of issuing a duplicate Bond, the Authority may pay the same on or after the due date thereof without surrender thereof, making such requirements as it deems fit for its protection, including a lost instrument bond or other satisfactory indemnity. The Authority and the Trustee may charge the Bondholder of such Bond with their reasonable fees and expenses in this connection. Any Bond issued pursuant to this Section shall be deemed part of the Series of the Bonds in respect of which it was issued and an original additional contractual obligation of the Authority. This Section 2.6 is subject to additional stipulations as may be provided by Supplemental Indenture.

Section 2.7 Registration and Exchange of Bonds; Persons Treated as Owners. The Authority shall cause books for the registration and for the transfer of the Bonds to be kept by the Trustee which is hereby constituted and appointed the Bond Registrar of the Authority, provided, however, that the Authority may by Supplemental Indenture select a party other than the Trustee to act as Bond Registrar with respect to the Series of Bonds issued under said Supplemental Indenture. Any Bond may, in accordance with its terms, be transferred only upon the registration books kept by the Bond Registrar, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation (or as otherwise provided by the related Supplemental Indenture), accompanied by delivery of a written instrument of transfer in a form approved by the Bond Registrar, duly executed. No transfer shall be effective until entered on the registration books kept by the registrar. This Indenture shall constitute a "system of registration" for all purposes of the Registered Public Obligations Act, Title 15, Chapter 7, Utah Code Annotated 1953, as amended. Upon surrender for transfer of any Bond at the principal office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Bondholder or his attorney duly authorized in writing, the Authority shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new, fully registered Bond or Bonds of the same Series and the same maturity for a like aggregate principal amount as the Bond to be transferred. Bonds may be exchanged at the principal corporate trust office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations of the same Series and the same maturity. The execution by the Authority of any Bond of any authorized denomination shall constitute full and due authorization of such denomination, and the Trustee shall thereby be authorized to authenticate and deliver such Bond upon such exchange. The Authority and the Trustee shall not be required to transfer or exchange any Bond (i) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date, (ii) during the period from and including the day fifteen days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto, (iii) during the period from and including the day fifteen days prior to the mailing of notice calling any Bonds for redemption, to and including the date of such mailing, or (iv) at any time following the mailing of notice calling such Bond for redemption.

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

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

Section 2.8 Designation of the Trustee as Bond Registrar and Paying Agent and Designation of Any Additional Paying Agents. The Trustee is hereby designated and agrees to act as Bond Registrar and Paying Agent for and in respect to the Bonds. The Authority hereby covenants and agrees to cause the necessary arrangements to be made through the Trustee and to be thereafter continued for the designation of any additional paying agents and for the making available of moneys hereunder for the payment of such of the Bonds as shall be presented when due at the principal office of said additional paying agent.

Section 2.9 Cancellation. All Bonds which have been surrendered for payment (provided payment in full has actually been received by the Owners of such Bonds), redemption or exchange, and Bonds purchased from any moneys held by the Trustee hereunder or surrendered to the Trustee by the Authority, shall be canceled and destroyed by the Trustee and shall not be reissued.

Section 2.10 Nonpresentation of Bonds. Unless otherwise provided by Supplemental Indenture, in the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the Authority to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability to the Registered Owner of such Bond for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part hereunder or on, or with respect to, said Bond. If any Bond shall not be presented for payment within four (4) years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall, to the extent permitted by law, repay to the Authority the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Authority, and the Registered Owner thereof shall be entitled to look only to the Authority for payment, and then only to the extent of the amount so repaid, and the Authority shall not be liable for any interest thereon and shall not be regarded as a trustee of such money. The provisions of this Section are subject to the provisions of Title 67, Chapter 4a, Utah Code Annotated 1953, as amended.

Section 2.11 Initial Bonds. Subject to the provisions hereof, the Initial Bonds may be authenticated and delivered by the Trustee upon satisfaction of the conditions specified in Section 2.4 hereof and any additional conditions specified in the Supplemental Indenture authorizing such Series of Bonds.

Section 2.12 Temporary Bonds.

(a) Until the definitive Bonds of any Series are prepared, the Authority may execute, in the same manner as is provided in Section 2.3 hereof, and upon the request of the Authority, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds except as to the denominations thereof, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in denominations authorized by the Authority, and with such omissions, insertions and variations not inconsistent with the Indenture as may be appropriate to temporary Bonds. The Authority at its own expense shall prepare and execute and, upon the surrender of such temporary Bonds (or as otherwise provided for in the related Supplemental Indenture), for exchange and the cancellation of such surrendered temporary Bonds, the Trustee shall authenticate and, without charge to the Registered Owner thereof, deliver in exchange therefor, definitive Bonds, of the same aggregate principal amount, Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant hereto.

(b) If the Authority shall authorize the issuance of temporary Bonds in more than one denomination, the Registered Owner of any temporary Bond or Bonds may, at his option, surrender the same (or as otherwise provided for in the related Supplemental Indenture) to the Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount, series and maturity of any other authorized denomination or denominations, and thereupon the Authority shall execute and the Trustee shall authenticate and, in exchange for the temporary Bond or Bonds so surrendered, shall deliver a temporary Bond or Bonds of like aggregate principal amount, series and maturity in such other authorized denomination or denominations as shall be requested by such Registered Owner.

(c) All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith canceled by the Trustee.

Section 2.13 Issuance of Refunding Bonds. So long as the Master Lease is in effect and no Event of Default under the Indenture or the Master Lease has occurred and is continuing and so long as no Event of Nonappropriation has occurred and is continuing, one or more Series of Refunding Bonds may be issued, authenticated and delivered for the purpose of refunding Bonds or other obligations of the Authority (with accompanying security documentation and pledge of refinanced property). The Refunding Bonds may be issued in one or more Series, shall be authenticated and registered by the Trustee and, upon payment to the Trustee of the proceeds of said sale of Refunding Bonds, they shall be delivered by the Trustee to or upon the order of the purchasers thereof, but only upon satisfaction of the conditions specified in Section 2.4 hereof and there being filed with the Trustee:

(a) Original executed counterparts of a Supplemental Indenture, a supplement or amendment (if necessary) to the Security Documents and the Master Lease providing for the issuance of such Refunding Bonds, and further providing for a revision to the Base Rentals to be paid by the City under the Master Lease to such amount as shall be necessary to pay, assuming that no Event of Default or Event of Nonappropriation shall occur, the principal of, premium, if any, and interest on the Bonds (including the Refunding Bonds being issued and any Bonds theretofore issued and to remain Outstanding), and to extend the Lease Term if the maturity of any of the Refunding Bonds would otherwise occur after the expiration of the then current Lease Term. The date or dates of the Refunding Bonds, the rate or rates of interest on the Refunding Bonds, and the redemption provisions (if any) with respect thereto all shall be as provided in the Supplemental Indenture;

(b) If any of the Bonds being refunded were Tax-Exempt Bonds or were designated as Tax Credit Bonds qualifying for Direct Payments, a written opinion of nationally recognized bond counsel, to the effect that the exclusion from gross income of the interest on the Tax-Exempt Bonds being refunded or the status of the Bonds as Tax Credit Bonds qualifying for Direct Payments, for federal income tax purposes, will not be adversely affected by the issuance of the Refunding Bonds being issued;

(c) A date-down endorsement to the ALTA mortgagee title insurance policy issued in connection with the issuance of the Bonds being refunded or commitment therefor (or if the bonds or other obligations being refunded were not issued pursuant to this Indenture, an ALTA Mortgagee title insurance policy or commitment therefor), which endorsement or policy shall insure to the date of issuance of such Refunding Bonds and the recording of any supplement or amendment to the Security Documents the continuing validity of the lien thereof, as modified by any supplement or amendment to the Security Documents, as a first and prior lien on the premises thereby secured, subject only to Permitted Encumbrances, and which endorsement or policy shall increase the amount of title insurance coverage thereunder, if necessary, to an amount, which when added to the coverage provided under any other title policies delivered with respect to other Bonds then Outstanding and issued with respect to the Project financed by the Bonds or other obligations to be refunded, is at least equal to the aggregate principal amount of all Bonds to be Outstanding with respect to such Project following said refunding and naming the Trustee as an insured; alternatively, the Authority may reasonably expect to be able to deliver the required mortgage title insurance following delivery of the related Series of Bonds, provided that no proceeds of such Bonds shall be drawn out of the Construction Fund until such mortgage title insurance is delivered (except for costs of issuance related to such Bonds);

(d) (i) A report of an independent firm of certified public accountants to the effect that, upon the issuance of the Refunding Bonds, moneys and Direct Obligations will be deposited with the Trustee or an escrow agent sufficient to cause the Bonds (or other obligations) being refunded to be deemed paid under Article VIII hereof (or a comparable provision of the documents authorizing the obligations to be refunded even if not deemed paid for Cross-over Refunding Bonds); or (ii) in the event that the Bonds (or other obligations) to be refunded are to be redeemed on the date of issuance of the Refunding Bonds or within ninety (90) days thereafter, there shall be delivered to the Trustee evidence satisfactory to it that upon the issuance of the Refunding Bonds moneys and Direct Obligations will be deposited with the Trustee or an escrow agent sufficient, without taking into account investment earnings thereon, to redeem the Bonds (or other obligations); and

(e) A certificate of the Authority, stating that, as of the date of such delivery, no event or condition has happened or exists and is continuing, or is happening or existing, which constitutes, or which, with notice or lapse of time or both, would constitute, an Event of Default under the Indenture or the Master Lease and there has not occurred and is then continuing an Event of Nonappropriation; provided however that the existence of an Event of Default shall not preclude the issuance of any Refunding Bonds if: (i) the issuance of such Refunding Bonds otherwise complies with the provisions hereof and (ii) any Event of Default will cease to continue upon the issuance of such Refunding Bonds and the application of the proceeds thereof.

Each Series of Refunding Bonds issued pursuant to this Indenture shall be equally and ratably secured under the Indenture with the Initial Bonds and all other Series of Refunding Bonds and Additional Bonds, if any, theretofore issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

Section 2.14 Additional Bonds. So long as the Master Lease is in effect and no Event of Default under the Indenture or the Master Lease has occurred and is continuing and so long as no Event of Nonappropriation has occurred and is continuing, one or more Series of Additional Bonds may be issued, authenticated and delivered for the purpose of financing Costs of Acquisition and Construction of a Project or Projects. The Additional Bonds may be issued in one or more Series, shall be authenticated by the Trustee and registered and, upon payment to the Trustee of the proceeds of said sale of Additional Bonds, they shall be delivered by the Trustee to or upon the order of the purchasers thereof, but only upon satisfaction of the conditions specified in Section 2.4 hereof and there being filed with the Trustee:

(a) Original executed counterparts of a Supplemental Indenture, additional Security Documents or a supplement or amendment (if necessary) to the Security Documents and Master Lease providing for the financing of a Project and for the issuance of the Additional Bonds and further providing for an increase in the Base Rentals to be paid by the City under the Master Lease in such amount as shall be necessary to pay, assuming that no Event of Default or Event of Nonappropriation shall occur, the principal of, premium, if any, and interest on the Bonds (including the Additional Bonds being issued and any Bonds theretofore issued and Outstanding), and to extend the Lease Term if the maturity of any of the Additional Bonds would otherwise occur after the expiration of the then current Lease Term. The date or dates of the Additional Bonds, the rate or rates of interest on the Additional Bonds, and the redemption provisions (if any) with respect thereto all shall be as provided in the Supplemental Indenture;

(b) A date-down endorsement to the ALTA mortgagee title insurance policy issued in connection with the issuance of the Initial Bonds (or other Bonds) or commitment therefor or an additional ALTA mortgagee title insurance policy or commitment therefor, which endorsement or policy shall insure to the date of issuance of such Additional Bonds and the recording of any additional Security Documents or supplement to the Security Documents, if required, the continuing validity of the lien thereof, as modified by any supplement to the Security Documents, as a first and prior lien on the premises thereby secured, subject only to Permitted Encumbrances, and which endorsement or additional policy shall increase the amount of title insurance coverage thereunder by an amount at least equal to the aggregate principal amount of the Additional Bonds to be issued (or in the case of Additional Bonds issued to complete or extend a Project previously financed hereunder the endorsement to the original policy for such Project shall increase the coverage to at least the aggregate principal amount of Bonds issued for such Project to be Outstanding following the issuance of such Additional Bonds) and naming the Trustee as an insured. In the event that the property upon which additional projects are to be located has not been acquired at or prior to the time of issuance of the Additional Bonds, the amendment to Master Lease relating to such Additional Bonds shall require that such endorsement or additional title policy with respect to such property be delivered at the time of or prior to any disbursements being made from the Construction Fund with respect to such portion of the Project (except for costs of issuance related to such Bonds);

(c) If such Series of Additional Bonds is being issued in whole or in part for construction purposes, (i) a copy, duly certified by the Secretary-Treasurer of the Authority, of the project contract and architect's agreement with respect to such construction and the performance and payment bond covering such contract or, in the alternative, a requirement that a copy of such documents be delivered to the Trustee prior to the time that moneys are withdrawn from the Construction Fund with respect to such portions of the Project, and (ii) a certificate of the architect or engineer responsible for planning and designing any such construction which sets forth the estimated useful life of the Project or Projects, as so improved and extended, in compliance with Section 17D-2-301 of the Act; and

(d) A certificate of the Authority, stating that as of the date of such delivery no event or condition has happened or exists and is continuing, or is happening or existing, which constitutes, or which, with notice or lapse of time or both, would constitute, an Event of Default under the Indenture or the Master Lease and there has not occurred and is then continuing an Event of Nonappropriation; provided however that the existence of an Event of Default shall not preclude the issuance of any Additional Bonds if: (i) the issuance of such Additional Bonds otherwise complies with the provisions hereof and (ii) any Event of Default will cease to continue upon the issuance of such Additional Bonds and the application of the proceeds thereof.

Each Series of Additional Bonds issued pursuant to the Indenture shall be equally and ratably secured under the Indenture with the Initial Bonds and all other Series of Additional Bonds and Refunding Bonds, if any, theretofore issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

ARTICLE III

REDEMPTION PROVISIONS

Section 3.1 Redemption. The Bonds of a Series may be callable for redemption prior to maturity as provided in the Supplemental Indenture authorizing said Series of Bonds.

Section 3.2 Extraordinary Redemption. The Bonds of a Series shall be callable for redemption prior to maturity in whole on any date, if (i) the Project financed by such Series or a material portion thereof is damaged or destroyed or taken in a condemnation proceeding, or a material defect in the construction of said Project shall become apparent, or title to or the use of all or any material portion of said Project shall be lost by reason of a defect in title thereto, (ii) the Net Proceeds of any insurance policy, performance bond or condemnation award made available by reason of one or more such occurrences shall be insufficient to pay in full the cost of repairing or replacing such portion of said Project, and (iii) the City elects to discharge its obligation to repair and replace such portion of said Project by depositing such Net Proceeds into the Bond Fund. Upon the deposit of such Net Proceeds in the Bond Fund, the payment obligations of the City with respect to said Project or Projects financed by such Series of Bonds under the Master Lease shall terminate and the City shall have no further obligation for the payment of Base Rentals and Additional Rentals with respect to said Project or Projects, and possession of said Project or Projects, as well as all right, title and interest of the City and the Authority in any funds or accounts created under the Indenture with respect to said Project or Projects shall be surrendered to the Trustee, as trustee for the Bondholders. Thereafter, the Indenture and the Security Documents applicable to said Project or Projects may, subject to the limitations of Article IX hereof, be foreclosed and the Authority's interest in said Project or Projects liquidated and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Indenture with respect to said Project or Projects (except moneys held in the Rebate Fund or for the payment of Bonds not then deemed outstanding), shall be applied by the Trustee to the redemption of the applicable Series of Bonds at the earliest date practicable. Any such redemption of said Series of Bonds shall be made upon payment of all or a prorated portion of the principal amount thereof plus accrued interest thereon to the redemption date. IN THE EVENT THE BONDS OF ANY SERIES ARE TO BE REDEEMED BY PAYMENT OF AN AMOUNT LESS THAN THE OUTSTANDING PRINCIPAL AMOUNT THEREOF, AND ACCRUED INTEREST TO THE REDEMPTION DATE, NO FURTHER CLAIM FOR PAYMENT MAY BE HAD BY THE BONDHOLDERS AGAINST THE AUTHORITY, THE CITY, ANY SUBLESSEE OR THE TRUSTEE WITH RESPECT TO SAID SERIES OF BONDS. In the event there are moneys remaining in the Bond Fund after payment in full of all Bonds of said Series issued under the Indenture, the Trustee is authorized and directed to transfer said moneys to the City.

Section 3.3 Other Redemption Provisions. The Term Bonds of each Series may be subject, to the extent provided in the Supplemental Indenture authorizing each such Series of Bonds, to redemption prior to maturity by operation of Sinking Fund Installments required to be made to the Sinking Fund Account. The Bonds of each Series shall further be subject to redemption prior to maturity at the option of the Authority at such times and upon such terms as shall be fixed by such Supplemental Indenture. If fewer than all of the Bonds of any one maturity of a Series shall be called for redemption, the particular Bonds or portions thereof, as determined in accordance with Section 3.7 herein, to be redeemed shall be selected by the Trustee in such manner as the Trustee, in its discretion, may deem proper in order to assure each Registered Owner of Bonds of such Series or maturity a fair opportunity to have their Bond or Bonds or portions thereof selected.

Section 3.4 Notice of Redemption.

(a) In the event any of the Bonds are to be redeemed, the Bond Registrar shall cause notice to be given as provided in this Section 3.4. Unless otherwise specified in the Supplemental Indenture authorizing the issuance of the applicable Series of Bonds, notice of such redemption (i) shall be filed with the paying agent designated for the Bonds being redeemed; and (ii) shall be mailed by first class mail, postage prepaid, to all Registered Owners of Bonds to be redeemed at their addresses as they appear on the registration books of the Bond Registrar at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption. Such notice shall state the following information:

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

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

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

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

(v) the redemption price;

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

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

(b) In addition to the foregoing, further notice of any redemption of Bonds hereunder shall be given by the Trustee, to at least one national information service that disseminates notices of redemption of obligations such as the Bonds (which may be the Electronic Municipal Market Access System). Such further notice shall contain the information required in clause (a) above. Failure to give all or any portion of such further notice shall not in any manner defeat the effectiveness of a call for redemption.

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

(d) If at the time of mailing of any notice of optional redemption there shall not be on deposit with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that such redemption is subject to the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date and that such notice shall be of no effect unless such moneys are so deposited and transmitted to the Registered Owners of said Bonds on the redemption date.

(e) A second notice of redemption shall be given, not later than ninety (90) days subsequent to the redemption date, to Registered Owners of Bonds or portions thereof redeemed but who failed to deliver Bonds for redemption prior to the 60th day following such redemption date. Any notice mailed shall be conclusively presumed to have been duly given, whether or not the owner of such Bonds receives the notice. Receipt of such notice shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such registered Owners shall not affect the validity of the proceedings for the redemption of the Bonds.

(f) In case any Bond is to be redeemed in part only and subject to Section 3.7 hereof, the notice of redemption which relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond in principal amount equal to the unredeemed portion of such Bond will be issued.

Section 3.5 Redemption Payments. On or prior to the date fixed for redemption, moneys shall be deposited by the Authority with the Trustee to pay to the Paying Agent, and the Paying Agent is hereby authorized and directed to apply such moneys to the payment of the Bonds, or portions thereof called, together with accrued interest thereon to the redemption date, and any required premium. Upon the giving of notice, the deposit of moneys for redemption with the Paying Agent and the sending of said moneys by the Paying Agent to the Holders of the Bonds to be redeemed, interest on the Bonds or portions thereof thus called shall no longer accrue after the date fixed for redemption and said Bonds shall cease to be entitled to any lien, benefit or security under the Indenture or the Security Documents, and the Bondholders of said Bonds shall have no rights in respect thereof except to receive payments of the redemption price thereof. Unless otherwise specified in a Supplemental Indenture, no payment shall be made by the Paying Agent upon any Bond or portion thereof called for redemption until such Bond or portion thereof shall have been delivered for payment or cancellation or the Trustee shall have received the items required by Section 2.6 hereof with respect to any mutilated, lost, stolen or destroyed Bond.

Section 3.6 Cancellation. All Bonds which have been redeemed shall not be reissued but shall be canceled and destroyed by the Trustee in accordance with Section 2.9 hereof.

Section 3.7 Partial Redemption of Bonds. Unless otherwise specified in the Supplemental Indenture authorizing the issuance of the applicable Series of Bonds, in case any registered Bond shall be redeemed in part only, upon the presentation of such Bond for such partial redemption, the Authority shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Authority, a Bond or Bonds of the same Series, interest rate and maturity, in aggregate principal amount equal to the unredeemed portion of such registered Bond. If less than all of the applicable Series of Bonds of any maturity are to be redeemed, the particular Bond or portion of Bonds of such maturity to be redeemed will be selected at random by the Bond Registrar in such manner as the Bond Registrar in its discretion may deem fair and appropriate, unless otherwise specified in the applicable Supplemental Indenture. Unless otherwise provided by Supplemental Indenture, a portion of any Bond of the authorized denomination of more than the authorized denomination to be redeemed will be in the principal amount of the authorized denomination or an integral multiple thereof and in selecting portions of such Bonds for redemption, the Trustee will treat each such Bond as representing that number of Bonds of the authorized denomination which is obtained by dividing the principal amount of such Bonds by the authorized denomination.

ARTICLE IV

GENERAL COVENANTS

Section 4.1 Payment of Principal and Premium, if any, and Interest. The Authority covenants that it will promptly pay the principal of and premium, if any, and interest on every Bond issued under this Indenture at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof, but solely from the Trust Estate created by the Indenture, including the Base Rentals and, if paid by the City under the Master Lease, the Purchase Option Price with respect to a Project or Projects, and other amounts pledged therefor which are from time to time held by the Trustee in the Bond Fund and the Debt Service Reserve Fund. The principal of and premium, if any, and interest on the Bonds are payable solely from the Trust Estate created by the Indenture, including the Base Rentals and, if paid by the City under the Master Lease, the Purchase Option Price with respect to a Project or Projects, and other amounts derived from the lease of the Projects and otherwise as provided herein, in the Security Documents, and in the Master Lease, which amounts are hereby specifically pledged to the payment thereof in the manner and to the extent herein and in the Master Lease specified, and nothing in the Bonds or in the Indenture shall be construed as pledging any other funds or assets of the Authority or the City. The Authority shall in no event be liable for the payment of the principal of and premium, if any, or interest on any of the Bonds or for the performance of any pledge, obligation or agreement undertaken by the Authority except to the extent that the moneys, properties, interests and assets constituting the Trust Estate are sufficient therefor.

Section 4.2 Performance of Covenants; Due Authority. The Authority covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions on its part contained in the Indenture, in the Master Lease, in the Security Documents, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto. The Authority represents and warrants that it is duly authorized under its Articles of Incorporation, the Constitution and laws of the State, including the Act, to issue the Bonds authorized hereby and to execute the Indenture, to assign the Master Lease and to pledge the Base Rentals, the Purchase Option Price and other amounts hereby pledged in the manner and to the extent herein set forth, that all action required on its part for the issuance of the Bonds and the execution and delivery of the Master Lease, the Security Documents and the Indenture has been duly and effectively taken, and that the Bonds are and will be valid and enforceable special, limited obligations of the Authority according to the terms thereof and hereof.

Section 4.3 Ownership; Instruments of Further Assurance. The Authority covenants that it will own the Projects, and any property becoming a part of the Projects shall be acquired and kept, free of all liens and encumbrances, except Permitted Encumbrances. The Authority will defend the title to and interest in the Projects and each part thereof to the Trustee, for the benefit of the Bondholders against the claims and demands of all persons whomsoever, except for claims and demands arising from Permitted Encumbrances as provided in the Master Lease. The Authority will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such Supplemental Indentures and such further acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, conveying, pledging, assigning and confirming unto the Trustee the Projects, the Base Rentals, Purchase Option Price and other amounts pledged hereby to the payment of the principal of and premium, if any, and interest on the Bonds. The Authority, except as herein and in the Master Lease or Security Documents provided, will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Projects or the Base Rentals, the Additional Rentals, the Purchase Option Price, the revenues and receipts therefrom or its rights under the Master Lease, together with any additions thereto and substitutions therefor, subject to Permitted Encumbrances.

Section 4.4 Perfection of Security Interest. The Indenture creates a valid and binding pledge and assignment of and security interest in all of the personal property pledged as part of the Trust Estate held by the Trustee under the Indenture in favor of the Trustee as security for payment of the Bonds and amounts owed to any Security Instrument Issuer or any Reserve Instrument Provider, enforceable by the Trustee in accordance with the terms thereof. Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-501, Utah Code Annotated 1953, as amended, and is and shall be prior to any judicial lien hereafter imposed on the personal property pledged as part of the Trust Estate to enforce a judgment against the Authority on a simple contract.

Section 4.5 Inspection of Project Books. All books and records of the Authority wherever located relating to the Projects and the Base Rentals, the Additional Rentals, Purchase Option Price and other amounts derived from the Projects shall at all reasonable times be open to inspection by such accountants or other agents as the Trustee or Bondholders may from time to time designate.

Section 4.6 List of Bondholders. The Trustee shall keep a list of names and addresses of the Bondholders as from time to time registered on the registration books of the Authority maintained by the Trustee as Bond Registrar, together with the principal amount and numbers of such Bonds. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the City or by Bondholders (or a designated representative thereof) of 15% or more in aggregate principal amount of Bonds then Outstanding, such ownership and the authority of such designated representative to be evidenced to the satisfaction of the Trustee.

Section 4.7 Rights Under Master Lease. The Master Lease, a duly executed counterpart of which has been filed with the Trustee, sets forth the covenants and obligations of the Authority and the City, including provisions that, subsequent to the issuance of Bonds and prior to their payment in full or provision for payment thereof in accordance with the provisions hereof, the Master Lease may not be effectively amended, changed, modified or altered without the written consent of the Trustee, and reference is hereby made to the same for a detailed statement of said covenants and obligations of the Authority and the City thereunder, and the Authority agrees that the Trustee in its name or in the name of the Authority may but shall not be obligated to enforce all rights of the Authority and all obligations of the City under and pursuant to the Master Lease for and on behalf of the Bondholders, whether or not the Authority is in default hereunder.

Section 4.8 Payment of Taxes, Charges, Insurance. etc. The Authority shall cause the City pursuant to the Master Lease to maintain certain insurance and pay all lawful taxes, assessments and charges at any time levied or assessed against or with respect to the Projects, the Base Rentals, the Additional Rentals, the Purchase Option Price, the Net Proceeds and any and all other amounts held pursuant to the Indenture, or any part thereof, which might impair or prejudice the lien and property of the Indenture; provided, however, that nothing contained in this Section 4.8 shall require the maintenance of insurance or payment of any such taxes, assessments or charges if the same are not required to be maintained or paid under the provisions of the Master Lease. The Authority shall maintain such insurance and pay such taxes, assessments and charges to the same extent as provided in the Master Lease as if said provisions were herein set forth in full, if and to the extent that the City fails to maintain such insurance or pay such taxes, assessments or charges, but the liability hereby imposed on the Authority shall only be paid from the Trust Estate as herein provided. At least 30 days prior to the last day of each Fiscal Year, the Authority shall file or cause to be filed with the Trustee evidence of the insurance required pursuant to Article VII (if applicable at the time) and Article IX of the Master Lease for the next succeeding Fiscal Year. In the event that any required insurance will terminate or expire, the Authority shall file or cause to be filed with the Trustee evidence of a replacement policy (or self-insurance, if permitted under the Master Lease) at least 30 days prior to the termination or expiration date; provided, however, if a policy is terminated without notice to the Authority or the City (and the actions or omissions of the Authority or the City were not responsible for such termination), the Authority shall provide or cause to be provided to the Trustee evidence of a replacement policy within 20 days after such termination.

Section 4.9 Maintenance and Repair. Pursuant to the Master Lease, the City has agreed at its own expense to maintain, manage and operate the Projects in good order, condition and repair, and the City may, at its own expense, make from time to time additions, modifications or improvements to the Projects under the terms and conditions set forth in the Master Lease.

Section 4.10 Warranty. The Authority has the right, power and authority to grant a mortgage lien on the Projects to the Trustee pursuant to the Security Documents and to pledge and assign a security interest in the Trust Estate to the Trustee pursuant to the Indenture, all for the uses and purposes herein set forth. The Authority warrants that there is no financing statement or other filed or recorded instrument in which the Authority is named as, or which the Authority has signed as, debtor now on file in any public office covering any of the Trust Estate excepting the financing statements or other instruments filed or to be filed in respect of and for the security interest provided for herein, or financing statements to be released in connection with the issuance of Bonds and that the lien and security interest herein created have been duly perfected and are prior to any other (other than the Permitted Encumbrances).

Section 4.11 Further Assurances. The Authority will, at the City's expense, do, execute, acknowledge and deliver all and every act, deed, conveyance, transfer and assurance necessary or proper for the perfection of the lien and security interest being herein provided for in the Trust Estate, whether now owned or held or hereafter acquired, including, but not limited to, such financing statements and continuation statements as shall be necessary under applicable law to perfect and maintain the security interest being herein provided for in the Trust Estate.

Section 4.12 Actions with Respect to Trust Estate. The Authority will not:

(a) Declare a default or exercise the remedies of the seller or lessor, as the case may be, under, or terminate, modify or accept a surrender of, or offer or agree to any termination, waiver, modification or surrender of, the Master Lease (except as otherwise expressly provided herein or in the Master Lease) or by affirmative act consent to the creation or existence of any lien or encumbrance (other than the security interest and lien of this Indenture and the Security Documents) to secure the payment of indebtedness upon the leasehold or other estate created by the Master Lease or any part of any thereof; or

(b) Receive or collect or permit the receipt or collection of any payment under the Master Lease prior to the date for the payment thereof provided for by the Master Lease or assign, transfer or hypothecate (other than to the Trustee hereunder) any revenues or other payment then due or to accrue in the future under the Master Lease in respect of the Projects; or

(c) Sell, mortgage, transfer, assign or hypothecate (other than to the Trustee hereunder) its interest in the Projects or any part thereof or interest therein or in any amount to be received by it from the disposition of the Projects except as herein provided under Article IX, and except as provided in the Master Lease and the Security Documents.

Section 4.13 Power of Attorney in Respect of the Master Lease. The Authority does hereby irrevocably constitute and appoint the Trustee its true and lawful attorney with an interest and full power of substitution, for it and in its name, place and stead (a) to ask, demand, collect, receive and receipt for any and all rents, income and other sums which are assigned under the Granting Clauses hereof, and (b) without limiting the provisions of the foregoing clause (a) hereof: during the continuance of any Event of Default under the Indenture, to exercise any remedies available under the Master Lease and the Security Documents as fully as the Authority could itself do, and to perform all other necessary or appropriate acts with respect to any such remedies, and in its discretion to file any claim or take any other action or proceedings, either in its own name or in the name of the Authority or otherwise, which the Trustee may deem necessary or appropriate to protect and preserve the right, title and interest of the Trustee (but only to the extent specifically provided herein) in the Master Lease and to the Base Rentals, the Additional Rentals, the Purchase

Option Price, the Net Proceeds and all other amounts payable under the Master Lease and other sums and the security intended to be afforded hereby, whether or not the Authority is in default hereunder.

ARTICLE V

REVENUES AND FUNDS

Section 5.1 Source of Payment of Bonds. The Bonds herein authorized and all payments by the Authority hereunder are not general obligations of the Authority but are special, limited obligations of the Authority payable solely as provided in Section 2.3 hereof.

The Projects have been leased under the Master Lease and the Base Rentals and the Purchase Option Price provided for in Sections 6.2 and 12.1, respectively, of the Master Lease are to be remitted directly to the Trustee for the account of the Authority and deposited in the Bond Fund and the Debt Service Reserve Fund along with all other moneys authorized or required to be deposited in the Bond Fund and Debt Service Reserve Fund under the Master Lease. Such Base Rentals and the Purchase Option Price are hereby pledged to such payment. Said pledge shall constitute a first and exclusive lien on the Base Rentals and the Purchase Option Price provided in the Master Lease for the payment of the principal of, and premium, if any, and interest on, the Bonds in accordance with the terms hereof and thereof.

Section 5.2 Creation of Bond Fund. There is hereby created by the Authority and ordered established in the custody of the Trustee a special trust fund to be designated "Municipal Building Authority of the City of South Jordan, Utah, Bond Fund" (herein defined as the "Bond Fund"), which shall be used to pay the principal of and premium, if any, and interest on the Bonds.

Section 5.3 Creation of Sinking Fund Account. There is hereby created by the Authority and ordered established in the custody of the Trustee a separate account within the Bond Fund to be designated "Municipal Building Authority of the City of South Jordan, Utah, Sinking Fund Account" (herein defined as the "Sinking Fund Account").

Section 5.4 Creation of Debt Service Reserve Fund. There is hereby created by the Authority and ordered established in the custody of the Trustee a special trust fund to be designated "Municipal Building Authority of the City of South Jordan, Utah, Debt Service Reserve Fund." By Supplemental Indenture, there may be established within the Debt Service Reserve Fund a separate account for each Series of Bonds. (Said Debt Service Reserve Fund and applicable accounts therein are herein referred to as the "Debt Service Reserve Fund.")

Section 5.5 Creation of Construction Fund. There is hereby created by the Authority and ordered established in the custody of the Trustee a special trust fund to be designated "Municipal Building Authority of the City of South Jordan, Utah, Construction Fund." There is hereby created and ordered established in the custody of the Trustee a separate account within the Construction Fund for each Series of Bonds. (Said Construction Fund and applicable accounts therein are herein referred to as the "Construction Fund.")

Section 5.6 Creation of Rebate Fund. There is hereby created by the Authority and ordered established in the custody of the Trustee a special trust fund to be designated "Municipal

Building Authority of the City of South Jordan, Utah, Rebate Fund" (herein defined as the "Rebate Fund").

Section 5.7 Creation of Funds. Notwithstanding anything contained herein to the contrary, the Trustee need not create any of the funds or accounts referenced in this Article V until such funds or accounts shall be utilized as provided in a Supplemental Indenture authorizing a Series of Bonds. By Supplemental Indenture the Authority may authorize the creation of additional funds and accounts within any funds.

Section 5.8 Use of Bond Fund.

(a) There shall be deposited into the Bond Fund all accrued interest received, if any, at the time of the issuance, sale and delivery of the Bonds. In addition, there shall be deposited into the Bond Fund, as and when received, (i) any amount directed to be paid into the Bond Fund pursuant to the Master Lease or any amount in the Debt Service Reserve Fund directed to be paid into the Bond Fund in accordance with the provisions of Section 5.10 hereof; (ii) any Net Proceeds of any insurance policy, performance bond or condemnation award to be deposited in the Bond Fund pursuant to the Master Lease; (iii) all Base Rentals, and, if paid by the City, that portion of the Purchase Option Price attributable to the retirement of the applicable Series of Bonds issued hereunder, as specified in the Master Lease; and (iv) any Direct Payments and all other moneys received by the Trustee under and pursuant to any of the provisions hereof or of the Master Lease which are required or which are accompanied by directions that such moneys are to be paid into the Bond Fund. The Authority hereby covenants and agrees that so long as any of the Bonds issued hereunder are Outstanding it will deposit, or cause to be paid to the Trustee for deposit in the Bond Fund for its account, any moneys which are pledged under this Indenture for the payment of the principal of and premium, if any, and interest on the Bonds and which are required to be deposited into the Bond Fund.

(b) Except as provided in Section 5.15 herein, moneys in the Bond Fund shall be used solely for the payment of the principal of and premium, if any, and interest on the Bonds and for the redemption of the Bonds prior to maturity.

(c) The Bond Fund shall be in the custody of the Trustee but in the name of the Authority, and the Authority hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of and premium, if any, and interest on the Bonds as the same become due and payable, which authorization and direction the Trustee hereby accepts.

Section 5.9 Use of Sinking Fund Account.

(a) As required by Supplemental Indenture, the Trustee shall apply moneys in the Sinking Fund Account to the retirement of any Term Bonds required to be retired by operation of the Sinking Fund Account under the provisions of and in accordance with the Supplemental Indenture authorizing the issuance of such Term Bonds, either by redemption in accordance with such Supplemental Indenture or, at the direction of the Authority, purchase of such Term Bonds in the open market prior to the date on which notice of the redemption of such Term Bonds is given pursuant hereto, at a price not to exceed the redemption price of such Term Bonds (plus accrued interest which will be paid from moneys in the Bond Fund other than those in the Sinking Fund Account). Sinking Fund Installments may also be collected in the Sinking Fund Account without redemption of Bonds prior to maturity.

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

Section 5.10 Use of Debt Service Reserve Fund.

(a) Except as otherwise provided in this Section, moneys in accounts within the Debt Service Reserve Fund shall at all times be maintained in an amount not less than the Debt Service Reserve Requirement. In calculating the amount on deposit in each account of the Debt Service Reserve Fund, the amount available under the Reserve Instrument Coverage will be treated as an amount on deposit therein. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify that the amount, if any, of the Debt Service Reserve Requirement applicable to such Series which shall be deposited immediately upon the issuance and delivery of such Series either from (a) proceeds from the sale thereof or from any other legally available source or may be built up over time as provided by the Supplemental Indenture, or (b) by a Reserve Instrument, or (c) any combination thereof. Funds on deposit in accounts within the Debt Service Reserve Fund shall be used only to make up any deficiencies in accounts within the Bond Fund with respect to the related Series of Bonds.

(b) If on any Interest Payment Date the moneys held in the Bond Fund are insufficient to pay all interest, premium, if any, and principal then becoming due on the Bonds of a Series for which an account of the Debt Service Reserve Fund has been established, the Trustee shall transfer, on or before such date, moneys from the applicable accounts within the Debt Service Reserve Fund to the Bond Fund to the extent necessary so that the amount of money so transferred plus all moneys then held in the Bond Fund for such Series of Bonds shall be sufficient to pay all interest, premium, if any, and principal payments then becoming due and payable on such date;

(c) In the event funds on deposit in the Debt Service Reserve Fund are needed to make up any deficiencies in the Bond Fund as aforementioned, and there is insufficient cash available in an account of the Debt Service Reserve Fund to make up such deficiency and a Reserve Instrument applicable to such Series of Bonds is in effect, the Trustee shall immediately make a demand for payment on such Reserve Instrument, to the maximum extent authorized by such Reserve Instrument, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof into the Bond Fund. Thereafter, the Authority shall be obligated to reinstate the Reserve Instrument from Base Rentals received from the City under Section 6.2 of the Master Lease, including any interest owing on any draws on the Reserve Instrument.

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

(e) In the event that the City shall exercise its option to purchase a Project or Projects and terminate its payment obligations under the Master Lease upon payment of the Purchase Option Price with respect to said Project or Projects, the Trustee shall transfer all moneys held in the Debt Service Reserve Fund (other than any amount drawn under any Reserve Instrument) applicable to said Project or Projects to the Bond Fund in accordance with the written direction of the City.

(f) In the event moneys are drawn from the related account of the Debt Service Reserve Fund to pay principal, premium or interest on the related Series of Bonds, such that there shall be remaining in said account an amount less than the Debt Service Reserve Requirement, the Trustee shall immediately give notice to the Authority and the City of such deficiency. Such account shall be replenished to the Debt Service Reserve Requirement upon the deposit by the Trustee of the additional Base Rental payment to be paid by the City pursuant to the Master Lease.

(g) Any moneys (other than any amount drawn under any Reserve Instrument) remaining in the related account of the Debt Service Reserve Fund with respect to a Series of Bonds on the final maturity of said Series of Bonds (whether at stated maturity or upon prior redemption) shall be transferred on such date into the Bond Fund.

(h) If, following the payment of principal and interest due on a Series of Bonds on each Interest Payment Date, the moneys (other than any amount drawn under any Reserve Instrument) held in the related account of the Debt Service Reserve Fund exceed the related Debt Service Reserve Requirement, all moneys in excess of said sum shall be immediately transferred to the Bond Fund. To the extent so paid, such excess shall reduce the amount of the succeeding Base Rental otherwise payable under the Master Lease.

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

Section 5.11 Use of Construction Fund; Disbursements.

(a) The moneys in the Construction Fund shall be expended in accordance with the provisions of the Master Lease and the Supplemental Indenture authorizing such Series of Bonds.

(b) The Authority covenants and agrees to take all necessary and appropriate action promptly in approving and ordering disbursements from the Construction Fund in accordance with provisions of the Master Lease. The Trustee is hereby authorized and directed to make each disbursement so requested by the City on behalf of the Authority and to issue its checks therefor, but only in compliance with the provisions of the Master

Lease. The Trustee shall keep and maintain adequate records pertaining to each account within the Construction Fund and all disbursements therefrom, and after the related Project has been completed and a certificate of payment of all costs is, or has been, filed as provided in Section 7.4 of the Master Lease, the Trustee shall file an account thereof with the Authority and the City.

Section 5.12 Completion of Project. Any balance remaining in the Construction Fund following the establishment of the Completion Date for a Project pursuant to the Master Lease (except amounts the City shall have directed the Trustee to retain for any Cost of Acquisition and Construction not then due and payable) shall at the direction of the City and the Authority, be used as provided in the related Supplemental Indenture.

Section 5.13 Rebate Fund and Arbitrage Rebate.

(a) When directed in writing to do so by the Authority, the Trustee shall establish and thereafter maintain, so long as the Bonds are Outstanding, a Rebate Fund and an account therein for each such Series, which shall be held separate and apart from all other funds and accounts established under the Indenture and from all other moneys of the Trustee.

(b) All amounts in the Rebate Fund, including income earned from investment of the fund, shall be held by the Trustee free and clear of the lien of the Indenture. In the event the amount on deposit in the Rebate Fund exceeds the aggregate amount of Rebatable Arbitrage for all Series of Bonds, as verified in writing by an independent public accountant or other qualified professional at the time the Rebatable Arbitrage is determined, less amounts of Rebatable Arbitrage theretofore paid to the United States for all Series of Bonds, the Trustee shall, upon the Authority's request, withdraw from the Rebate Fund and pay to the Authority an amount not to exceed such excess.

(c) The Authority shall determine the amount of Rebatable Arbitrage and the corresponding Required Rebate Deposit with respect to each Series of Bonds on each applicable Rebate Calculation Date. The Authority shall deposit into the Rebate Fund the Required Rebate Deposit, if any, with respect to each Series of Bonds (or instruct the Trustee to transfer to the Rebate Fund moneys representing such Required Rebate Deposit from the Funds and Accounts held under the Indenture other than the Rebate Fund) within 30 days of each such Rebate Calculation Date. The Authority shall instruct the Trustee to withdraw from the Rebate Fund and pay over to the United States Government with respect to each Series of Bonds: (1) not less frequently than once each five years commencing no later than 60 days after the first Rebate Calculation Date for such Series of Bonds and upon each fifth anniversary of such date, an amount which when added to all previous rebate payments made with respect to such Series of Bonds equals 90% of the sum of the Rebatable Arbitrage pertaining to such Series of Bonds, and (2) not later than 60 days after the retirement of the last Bond of such Series, 100% of the Rebatable Arbitrage with respect to such Series. The determination of Rebatable Arbitrage made with respect to each such payment date and with respect to any withdrawal and payment to the Authority from the Rebate Fund pursuant to the Indenture must be verified in writing by an independent public accountant or other qualified professional.

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

(e) The Trustee, on behalf of the Authority shall keep and retain, until the date six years after the retirement of the last of the Bonds of each series, records with respect to each Series of the Bonds and the investment and expenditure of proceeds thereof to comply with the arbitrage rebate requirements of this Section, including without limitation a complete list of all investments and reinvestments of proceeds of each Series of the Bonds. For purposes of the computation required by this Section, the Trustee shall upon request, furnish to the Authority all information in the Trustee's control which is necessary for such computations.

(f) The Authority hereby covenants and agrees that it will not enter into any transaction or cause any transaction to be entered into with respect to the investment of proceeds of the Bonds, or otherwise, which reduces the amount which may be required to be paid to the United States pursuant to the arbitrage rebate requirements specified hereinabove, because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the yield on each Series of the Bonds not been relevant to either party.

(g) The provisions of this Section may be amended or deleted, with respect to any or all Series of the Bonds, from this Indenture upon receipt by the Authority and the Trustee of an opinion of nationally recognized bond counsel that such amendment or deletion will not adversely affect (i) the exclusion from gross income of interest in the case of Tax-Exempt Bonds or (ii) the qualification of the Bonds for tax credits or Direct Payments in the case of Tax Credit Bonds.

Section 5.14 Moneys to be Held in Trust. All moneys required to be deposited with or paid to the Trustee for account to any fund referred to in any provision of the Indenture or the Master Lease shall be held by the Trustee in trust, and except for moneys deposited with or paid to the Trustee for the payment of Bonds not then deemed Outstanding shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the lien or security interest created hereby.

Section 5.15 Repayment to the City from Bond Fund or Debt Service Reserve Fund. Any amounts remaining in the Bond Fund or the applicable account within the Debt Service Reserve Fund after payment in full of the principal of and premium, if any, and interest on the Bonds of a Series, the fees, charges and expenses of Trustee and all other amounts required to be paid hereunder (including amounts owed to a Security Instrument or a Reserve Instrument Provider) shall be paid immediately to the City as an overpayment of Base Rentals or Additional Rentals. In the event that Direct Payments are deposited with the Trustee after the City has made the related payment of Base Rentals, the City may elect to have the Trustee return to the City an amount equal to such Direct Payments or to have the Trustee retain the Direct Payments in the Bond Fund and take the credit with respect to the next required Base Rentals payment.

Section 5.16 Custody of Separate Trust Fund. The Trustee is authorized and directed to establish a separate trust fund after the Completion Date to hold all Net Proceeds from any insurance policies, performance bonds or condemnation awards and disburse such proceeds in accordance with the Master Lease, or if the City directs that the Net Proceeds be applied to redeem Bonds pursuant to the Master Lease, the Authority covenants and agrees to transfer all of the Net Proceeds in such fund to the Bond Fund and to redeem the Bonds as provided in the Indenture.

Section 5.17 Cost of Issuance Fund. The Trustee shall establish a Cost of Issuance Fund, into which shall be deposited upon delivery of a Series of Bonds, sufficient moneys to pay costs of issuance of such Series of Bonds. The Trustee shall disburse said moneys upon receipt of written authorization to pay costs of issuance executed by an Authority Representative. Any remaining moneys on deposit therein after payment in full of all costs of issuance shall be transferred by the Trustee to the Construction Fund, unless otherwise specified by Supplemental Indenture.

Section 5.18 Creation of Reserve Instrument Fund. There is hereby created and ordered established in the custody of the Trustee a special trust fund to be designated the "Municipal Building Authority of the City of South Jordan, Utah Reserve Instrument Fund" (herein defined as the "Reserve Instrument Fund"). By Supplemental Indenture, there may be established within the Reserve Instrument Fund a separate account for each Series of Bonds.

Section 5.19 Use of Reserve Instrument Fund. There shall be paid into the Reserve Instrument Fund the amounts required hereby and by a Supplemental Indenture to be so paid in order to reimburse or repay a Reserve Instrument Provider. The amounts in the Reserve Instrument Fund shall, from time to time, be applied by the Trustee on behalf of the Authority to pay the amounts which are due and payable to any Reserve Instrument Provider under any applicable Reserve Instrument Agreement.

ARTICLE VI

INVESTMENT OF MONEYS

Section 6.1 Trustee to Invest Funds. The City will direct the Trustee in investing amounts held in the funds created hereunder. Any moneys held as part of the Construction Fund, the Debt Service Reserve Fund, the Rebate Fund or any other fund shall be invested and reinvested by the Trustee in Investment Obligations at the written direction of the City in accordance with the provisions hereof and the Master Lease; provided, however that in the absence of such written direction, the Trustee shall hold such moneys in cash, uninvested. Any such investments shall be held by or under the control of the Trustee. The Trustee shall sell and reduce to cash a sufficient amount of such investments within the Bond Fund whenever the cash balance therein is insufficient to pay the principal of and premium, if any, and interest on the Bonds when due. All income and earnings from the investment of amounts on deposit in any fund shall be retained therein; provided, however, that any moneys held in the Debt Service Reserve Fund in excess of the Debt Service Reserve Requirement shall be transferred to the Bond Fund at least annually.

Section 6.2 Method of Valuation and Frequency of Valuation. In computing the amount in any fund or account, Investment Obligations shall be valued at the fair market value of such Obligations, exclusive of accrued interest. All funds and accounts are to be valued on the basis of a market valuation conducted annually by the Trustee.

ARTICLE VII

RIGHTS OF THE CITY

Section 7.1 Subordination of Master Lease to Indenture; Certain Rights to City. As provided in the Master Lease, the Master Lease and the City's interest in the Projects and its interest as lessee under the Master Lease shall at all times be subject to the lien of the Indenture; provided, however, that so long as no Event of Default hereunder or an Event of Nonappropriation has occurred and is then continuing, the Master Lease shall remain in full force and effect notwithstanding such subordination, and the City shall not be disturbed by the Authority or the Trustee in its possession, use and enjoyment of the Projects during the term of the Master Lease or in the enjoyment of its rights under the Master Lease; provided further that this Indenture and the rights and privileges hereunder of the Trustee and Bondholders are specifically made subject and subordinate to the rights and privileges of the City set forth in the Master Lease to exercise its option to purchase the Projects in the event of, and subsequent to, the occurrence of an Event of Default, but prior to the liquidation of the Authority's interest in the Projects. As a condition of the exercise of such option, the City under the Master Lease must pay, in addition to the Purchase Option Price, any interest payment deficiencies accruing from the date of the Event of Default or Event of Nonappropriation. The Trustee agrees that it shall execute and deliver any instrument necessary or appropriate at any time to confirm, evidence or enable the City to enjoy such rights and privileges, including without limitation, those referred to in Section 7.2 hereof.

Section 7.2 Granting of Rights in and to the Projects. Reference is made to the provisions of the Master Lease, whereby the Authority and the City have reserved the right to grant rights in and to certain portions of the Projects and to withdraw portions of the Projects from the terms of the Master Lease and the lien of this Indenture and the Security Documents upon compliance with the terms and conditions of the Master Lease, unless otherwise provided by Supplemental Indenture.

Section 7.3 Release of Equipment Forming a Part of the Projects. Reference is made to the provisions of the Master Lease, whereby the City, may withdraw certain items of equipment forming a part of the Projects upon substitution of other property of comparable or greater value, or upon deposit of sale proceeds in the Bond Fund, in conformity with the terms and conditions of the Master Lease, unless otherwise provided by Supplemental Indenture.

Section 7.4 Release of Portions of Project Upon Payment of Related Series of Bonds. Pursuant to the Master Lease the City has been granted the option of purchasing a Project in advance of the final maturity of the related Series of Bonds. So long as no Event of Default shall have occurred and be continuing under the Indenture and so long as no Event of Default or Event of Nonappropriation shall have occurred and be continuing under the Master Lease, a Project may be released from the lien created with respect to the related Series of Bonds and the Indenture and the Master Lease and transferred to the City if (a) the City shall deposit with the Trustee and the

Trustee shall send to the applicable Bondholders the Purchase Option Price for such Project; and (b) if any of the related Series of the Bonds are Tax-Exempt Bonds or Tax Credit Bonds qualifying for Direct Payments, there shall have been delivered to the Trustee an opinion of nationally recognized bond counsel to the effect that the release of the Project will not adversely affect the excludability of interest on said Bonds, if applicable, from the federal gross income of the owners thereof or affect the status of the Bonds as Tax Credit Bonds qualifying for Direct Payments.

For purposes of this Section 7.4 the Authority may, in the Supplemental Indenture authorizing a Series of Bonds, designate a subseries of such Series of Bonds with respect to any discrete portion of a Project financed with such Series of Bonds and in the Master Lease or an amendment to Master Lease provide for a separate schedule of Base Rental payments and Purchase Option Price for such subseries. The City shall be entitled to the option to purchase such discrete portion of a Project upon payment of the related Purchase Option Price for such portion of the Project and compliance with the provisions of the preceding paragraph.

ARTICLE VIII

DISCHARGE OF LIEN

If the Authority shall pay or cause to be paid, or there shall be otherwise paid or unconditional provisions for payment made to or for the Bondholders, the principal of and premium, if any, and interest due or to become due on the Bonds at the times and in the manner stipulated therein, and shall pay or cause to be paid to the Trustee and any paying agents, all Security Instrument Issuers and all Reserve Instrument Providers all sums of money due or to become due according to the provisions hereof and any Supplemental Indenture (including any make whole interest payment or redemption premiums), then these presents and the estate and rights hereby granted shall cease, terminate and be void, whereupon the Trustee shall cancel and discharge the lien of the Indenture, and release, assign and deliver unto the Authority and the City any and all the estate, right, title and interest in and to any and all rights assigned to the Trustee or otherwise subject to the lien of the Indenture, including amounts in the Bond Fund and the Debt Service Reserve Fund and all rights granted under the Security Documents, except moneys or securities held by the Trustee for the payment of the principal of and premium, if any, and interest on the Bonds.

Any Bond shall be deemed to be paid within the meaning of this Article and for all purposes of the Indenture when (a) payment of the principal of and the applicable redemption premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in the Indenture, or otherwise), either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided by irrevocably depositing with or for the benefit of the Trustee, in trust, and the Trustee shall have irrevocably set aside exclusively for such payment, (1) moneys sufficient to make such payment, and/or (2) Direct Obligations maturing as to principal and interest in such amount and at such times as will insure, without reinvestment, the availability of sufficient moneys to make such payment as verified by a Certified Public Accountant, and (b) all necessary and proper fees, compensation and expenses of the Trustee and any paying agents pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such time as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of the Indenture, except for the purposes of any such payment from such moneys or Direct Obligations.

Notwithstanding the foregoing, no deposit under clause (a)(ii) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until: (a) proper notice of redemption of such Bonds shall have been previously given in accordance with Article III of this General Indenture, or in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty days, until the Authority shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions to notify, as soon as practicable, the Bondholders of the Bonds, in accordance with Article III hereof, that the deposit required by (a)(ii) above has been made with or for the benefit of the Trustee and that said Bonds are deemed to have been paid in accordance with this Article VIII, and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds and to call for redemption pursuant to the Indenture any Bonds to be redeemed prior to maturity; or (b) the maturity of such Bonds.

All moneys so deposited with or for the benefit of the Trustee as provided in this Article VIII may at the direction of the Authority also be invested and reinvested in Direct Obligations, maturing in the amounts and at times as hereinbefore set forth, and all income from all Direct Obligations pursuant to this Article VIII which is not required for the payment of the Bonds and interest and premium, if any, thereon with respect to which such moneys shall have been so deposited, shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund.

The Authority hereby covenants that no deposit will be made hereunder and no use made of any such deposit which would cause the Tax-Exempt Bonds to be treated as arbitrage bonds within the meaning of Section 148 of the Code.

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

ARTICLE IX

DEFAULT PROVISIONS AND REMEDIES OF THE TRUSTEE AND BONDHOLDERS

Section 9.1 Events of Default. If any of the following events occur, it is hereby declared to constitute an "Event of Default" under this Indenture:

(a) Failure to pay when due interest on any Bond;

(b) Failure to pay when due the principal of, or premium, if any, on any Bond, whether at the stated maturity thereof, or upon proceedings for redemption thereof (other than the event contemplated in Section 3.4(d) herein, which shall not be an Event of Default);

(c) Failure to perform or observe any other of the covenants, agreements or conditions on the part of the Authority contained in the Indenture or in the Bonds and failure to remedy the same after notice thereof pursuant to Section 9.13 hereof;

(d) The occurrence of an event of default under the terms of any of the other Bond Documents on the part of either the Authority or the City;

(e) The Authority shall for any reason be rendered incapable of fulfilling its obligations hereunder;

(f) The Authority (1) is adjudged insolvent by a court of competent jurisdiction, (2) admits in writing its inability to pay its debts generally as they become due, (3) files a petition in bankruptcy, (4) makes an assignment for the benefit of creditors, or (5) consents to the appointment of a receiver of itself or property with respect to the Projects;

(g) An order, judgment or decree shall be entered by any court of competent jurisdiction appointing, without the consent of the Authority, a receiver of the Authority or of the property with respect to the Projects, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty days from the date of such appointment;

(h) A court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against the Authority under the provisions of any bankruptcy act and such order, judgment or decree shall not be vacated or set aside or stayed within sixty days from the date of entry of such order, judgment or decree;

(i) Under the provisions of any other law now or hereafter existing for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Authority or of the property with respect to the Projects or any part thereof, and such custody or control shall not be terminated within sixty days from the date of assumption of such custody or control; or

(j) Subject to the limitations contained in the Master Lease, the Authority shall unreasonably delay or fail to carry on with reasonable dispatch, or shall discontinue construction of any substantial part of a Project.

Section 9.2 Acceleration, Limitation on Remedies. Upon the occurrence and continuation of an Event of Default, the Trustee shall (subject to (a) the applicable provisions of the related Supplemental Indenture and (b) the rights of any Security Instrument Issuer contained in a Supplemental Indenture) have all the rights and remedies with respect to the Trust Estate as the Authority, as lessor, has against the Projects and the City under the pertinent provisions of the Master Lease; and the Trustee may, and upon the written request of Bondholders of not less than 25% in aggregate principal amount of the Bonds Outstanding shall, by notice in writing delivered to the Authority, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable without further action. Such amounts of principal and interest shall bear interest from the date of acceleration, as herein provided, until paid at the same rate borne by the accelerated Bonds prior to acceleration.

Upon any sale made either under the power of sale given in this Article IX or given in the Security Documents or under a judgment, order or decree made in any judicial proceedings for the foreclosure or enforcement of this Indenture and/or the Security Documents, the principal of all Bonds then outstanding, if not previously due, shall at once become and be immediately due and payable without declaration or notice by the Trustee or the Bondholders.

Notwithstanding anything to the contrary contained in the Indenture, no deficiency judgment upon foreclosure of the lien of the Indenture or of the Security Documents against the Projects may be entered against the City or the Authority, and no breach of any provision of the Master Lease, the Security Documents or this Indenture shall impose any general obligation or liability upon or a charge against the City or the Authority or upon the general credit or taxing powers of the City. Additionally, no judgment requiring a payment of money may be entered against the City by reason of an Event of Default or an Event of Nonappropriation under the Master Lease; provided to the extent permitted by law that the Trustee may, subject to compliance with the applicable provisions of the "one action rule" set forth in Title 78B, Chapter 6, Utah Code Annotated 1953, as amended, recover from the City (a) the portion of Base Rentals and Additional Rentals (including amounts owed to any Security Instrument Issuer and any Reserve Instrument Provider) which are or would otherwise have been payable under the Master Lease during any period in which the City continues to use, occupy and operate a Project or Projects or any portion thereof; and (b) Base Rentals and Additional Rentals which are or would otherwise have been payable by the City under the Master Lease during the remainder, after the City vacates the applicable Project or Projects, of the then current annual term of the Master Lease in which such Event of Default occurs for which term the City had lawfully appropriated moneys for purposes of paying such Base Rentals and Additional Rentals; provided, however, that the Authority shall be obligated to the City to use its best efforts to lease or sublease the Project or Projects for the remainder of such annual term, and the Net Proceeds of such leasing shall be offset against the amount recoverable from the City under this clause (b).

Notwithstanding anything contained herein to the contrary, the rights and privileges of the Trustee and the Bondholders are subject to the right of the City to purchase the Project or Projects as set forth in the Master Lease and the Trustee shall make no final sale or other final disposition of any interest in said Project or Projects pursuant to any available foreclosure remedy without notifying the City in writing of the occurrence of an Event of Default, and allowing the City ninety days from the mailing of such notice to exercise its option and purchase the Project or Projects.

Section 9.3 Surrender of Possession of Projects; Rights and Duties of Trustee in Possession. Subject to Section 9.2 hereof, upon the occurrence and continuation of an Event of Default under the Indenture, the Authority, upon demand of the Trustee, shall forthwith surrender possession of the Projects, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Projects together with the books, papers and accounts of the Authority pertaining thereto, and including the rights and the position of the Authority with respect to the Projects under the Master Lease and to make all needful repairs and improvements as the Trustee shall deem wise. Upon the occurrence and continuation of an Event of Default, the Trustee may execute a written notice of default and an election to cause the Authority's interest in the Projects or any portion thereof to be sold (subject to any reversionary rights of the City which may be retained in the Project site or sites in the event any ground lease may be executed between the Authority and the City) to satisfy the obligations of the Authority under the Indenture in accordance with the provisions of the Security Documents and/or may cause a sale of personal property as provided by law. The Trustee may also lease or otherwise dispose of the Authority's interest in the Projects in the name and for the account of the Authority and in such manner as the Trustee, in its sole discretion, may elect. In connection with any such sale or leasing of the Projects, the Trustee may collect, receive and sequester the rental payments, revenues, earnings, income, products and profits therefrom, and out of the same and any moneys received from any receiver pay, or set up the proper reserve for the payment of, all proper costs and expenses of so taking, holding, leasing, selling and managing the same, including reasonable compensation to the Trustee, its agents and counsel, and any charges of the Trustee hereunder, and any taxes and assessments and other charges prior to the lien of the Indenture and the Security Documents which the Trustee may deem it wise to pay, and all expenses of such repairs and improvements, and apply the remainder of the moneys so received in accordance with the provisions of Section 9.8 hereof. Whenever all that is due upon the Bonds and all other obligations secured hereby shall have been paid and all defaults made, cured or waived, the Trustee shall surrender whatever possession the Trustee shall retain to the Authority; the same right of entry, however, to exist upon any subsequent Event of Default.

While in possession of such property the Trustee shall render annually to the Authority and the City and, at the request and at the expense of any Bondholder, at its address set forth in the registration book required by Section 4.6 hereof, a summarized statement of income and expenditures in connection therewith.

While any Bonds are Outstanding, the Authority shall not exercise any of the remedies on default specified in the Master Lease without the prior written consent of the Trustee and any Security Instrument Issuer.

Section 9.4 Other Remedies; Rights of Bondholders. Except as otherwise limited by the provisions of the Indenture and subject to the rights of any Security Instrument Issuer, upon the occurrence of an Event of Default under the Indenture, the Trustee may, upon being satisfactorily indemnified, pursue any available remedy that it deems to be in the best interest of the Bondholders by suit at law or in equity to enforce the payment of the principal of and premium, if any, and interest on the Bonds then Outstanding.

Subject to Section 9.5, if an Event of Default shall have occurred under the Indenture, and if requested so to do by the Bondholders of 25% in aggregate principal amount of Bonds then Outstanding and indemnified as provided in Section 10.1 hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section 9.4 and by Section 9.2 hereof, as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondholders.

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee (or the Bondholders) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity.

No delay or omission to exercise any right or power accruing upon any default or Event of Default under the Indenture shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein; and such right and power may be exercised from time to time as often as may be deemed expedient. Every power or remedy given by the Indenture, the Master Lease or the Security Documents or to which the Trustee may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by the Trustee, and the Trustee may pursue inconsistent remedies.

No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

Notwithstanding anything contained herein or in the Security Documents to the contrary, upon the occurrence and continuance of an Event of Default, before taking any foreclosure action or any action which may subject the Trustee to liability under any Environmental Law, the Trustee may require that a satisfactory indemnity bond, indemnity or environmental impairment insurance be furnished for the payment or reimbursement of all expenses to which it may be put and to protect it against all liability resulting from any claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability) and expenses which may result from such foreclosure or other action. The term “Environmental Law” shall mean all federal, state and local environmental, land use, zoning, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating to the protection of the environment or governing the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances and the rules, regulations, policies, guidelines, interpretations, decisions, orders and directives of federal, state and local governmental agencies and authorities with respect thereto. The term “Hazardous Substances” shall mean any chemical, substance or material classified or designated as hazardous, toxic or radioactive, or other similar term, and now or hereafter regulated under any Environmental Law, including without limitation, asbestos, petroleum and hydrocarbon products. If the approval of a government regulator shall be a condition precedent to taking any foreclosure action, then the Trustee shall not be required to take such action until such approval is obtained.

Section 9.5 Right of Bondholders to Direct Proceedings. Except as otherwise provided by Supplemental Indenture, the Bondholders of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture and such bondholders have provided the Trustee indemnification as it is provided in Article X. Unless indemnified therefore, the Trustee shall have the right to decline to follow any direction of Bondholders that in the sole discretion of the Trustee would be unjustly prejudicial to the Trustee or to Bondholders not parties to such direction, that would expose the Trustee to unreasonable liability or financial exposure or that is not in accordance with law or the provisions of this Indenture, shall be entitled to rely without further investigation or inquiry upon any direction given by the Owners of a majority in aggregate principal amount of the Bonds Outstanding, and shall not be responsible for the propriety of or liable for the consequences of following any such direction. Notwithstanding anything to the contrary contained herein, unless indemnified therefor, the Trustee shall not be required to foreclose the lien of the Security Documents or bid on behalf of Bondholders at any foreclosure sale (a) if, in the Trustee's sole discretion, such action would subject the Trustee to personal liability for the cost of investigation, removal and/or other remedial activity with respect to Hazardous Substances or (b) if the presence of Hazardous Substances on the property subject to the lien of the Security Documents results in such property having no or nominal value. It is acknowledged and agreed that the Trustee has no authority to manage, own or operate the Project, or any portion thereof, except as necessary to exercise remedies upon default.

Section 9.6 Appointment of Receivers. Upon the occurrence of an Event of Default under the Indenture and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders under the Indenture, the Trustee shall be entitled to the appointment of a receiver or receivers of the Trust Estate and of the rents, revenues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 9.7 Waiver. Upon the occurrence of an Event of Default under the Indenture, to the extent that such rights may then lawfully be waived, neither the Authority, nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any appraisement, valuation, stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of the Indenture, and the Authority, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws.

Section 9.8 Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee, including any Trustee fees and the fees and expenses of its counsel, be deposited in the Bond Fund and all moneys in the Bond Fund (except as otherwise provided herein or in a Supplemental Indenture) shall be applied as follows:

(a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

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

SECOND-To the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of the Bonds which shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), in the order of their due dates, with interest on such Bonds from the respective dates upon which they became due (with interest on overdue installments of interest, at the same rate as the rate of the respective Bond or Bonds, or rate as otherwise specified in the applicable Supplemental Indenture, which are past due) and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege; and

THIRD-To be held for the payment of the persons entitled thereto as the same shall become due of the principal of and premium, if any, and interest on the Bonds which may thereafter become due either at maturity or upon call for redemption prior to maturity and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with interest then due and owing thereon, payment shall be made ratably according to the amount of principal due on such date to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege, plus, to the extent permitted by law, interest on overdue installments of interest or principal at the same rate as the rate of the respective Bond or Bonds, or rate as otherwise specified in a related Supplemental Indenture which are past due.

(c) If the principal of all the Bonds shall have been declared due and payable, and if such declarations shall thereafter have been rescinded and annulled under the provisions of this Article IX then, subject to the provisions of Section 9.8(b) hereof in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of Section 9.8(a) hereof.

(d) Following the payment of amounts due with respect to the Bonds, remaining amounts shall be applied to the payment of all obligations then due and payable to any Security Instrument Issuer or Reserve Instrument Provider in connection with any Security Instrument or applicable Reserve Instrument, respectively.

Whenever moneys are to be applied pursuant to the provisions of this Section 9.8, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Setting aside such moneys in trust for the proper purpose shall constitute proper application by the Trustee, and the Trustee shall have no liability whatsoever to the Authority, to any Bondholder, or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with the circumstances known at the time of the application by the Trustee. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue, provided the Trustee sends the money to the Bondholders. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date and shall not be required to make payment to the Bondholder of any Bond until such Bond shall be presented to Trustee for appropriate endorsement or for cancellation if fully paid (unless otherwise specified by Supplemental Indenture).

Whenever the principal of and premium, if any, and interest on all Bonds and all Reserve Instrument Repayment Obligations have been paid under the provisions of this Section 9.8 and all fees, expenses and charges of the Trustee and its counsel have been paid, any balance remaining in the Bond Fund shall be paid to the City as provided in Section 5.15 of this General Indenture as overpayment of Base Rentals.

Section 9.9 Remedies Vested in the Trustee. All rights of action (including the right to file proof of claims) under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto and any such 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 Bondholders, and any recovery of judgment shall be for the equal and ratable benefit of the Bondholders of the Outstanding Bonds.

Section 9.10 Rights and Remedies of Bondholders. Unless otherwise provided by Supplemental Indenture, no Bondholder shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of the Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless a default has occurred of which the Trustee has been notified as provided in Section 10.1(h) hereof, or of which by said subsection it is deemed to have notice, nor unless also such default shall have become an Event of Default under the Indenture and the Bondholders of 25% in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in their own name or names, nor unless also they have offered to the Trustee indemnity as provided in Section 10.1(l) hereof, nor unless 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; and such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Bondholders shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture by its, his, her 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 and ratable benefit of the Bondholders of all Bonds then Outstanding. However, nothing contained in the Indenture shall affect or impair the right of any Bondholder to enforce the payment of the principal of and premium, if any, and interest on any Bond at and after the maturity thereof or the redemption date established therefor, or the obligation of the Authority to pay the Bonds issued hereunder to the respective Bondholders thereof at the time, place, from the source and in the manner in the Bonds expressed.

Section 9.11 Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under the Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder respectively, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 9.12 Waivers of Events of Default. The Trustee may, with the consent of all Security Instrument Issuers and upon the written direction of Security Instrument Issuers insuring a majority of the Bonds then Outstanding or, if some Bonds are uninsured, any combination of Bondholders and Security Instrument Issuers representing a majority of the Bonds then Outstanding, waive any Event of Default under the Indenture and its consequences and rescind any declaration of maturity of the principal of the Bonds; provided, however, that there shall not be waived (1) any Event of Default under the Indenture in the payment of the principal of any Outstanding Bonds at the date of maturity specified therein, or (2) any Event of Default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission, all arrears of interests (including interest on overdue installments of interest) or all arrears of payments of principal when due, as the case may be, both with interest at the same rate as the rate of the respective Bond or Bonds which are past due, and all fees and expenses of the Trustee and its counsel, in connection with such Event of Default shall have been paid or provided for, and in cases of any such waiver or rescission, or in case any proceeding taken by Trustee, the Security Instrument Issuers on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon. This Section 9.12 is subject to additional stipulations as may be provided by Supplemental Indenture.

Section 9.13 Notice of Events of Default under Section 9.l(c); Opportunity of the Authority and the City to Cure Such Events of Default. Anything herein to the contrary notwithstanding and except as otherwise provided by Supplemental Indenture, no default under Section 9.1(c) hereof shall constitute an Event of Default under the Indenture until actual notice of such default by registered or certified mail shall be given to the Authority and the City by the Trustee or by the Bondholders of not less than 25% in aggregate principal amount of all Bonds Outstanding, and the Authority and the City shall have had thirty 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, that, if said default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default under the Indenture if corrective action is instituted by the Authority and the City within the applicable period and diligently pursued, to the satisfaction of the Trustee until the default is corrected (provided that no such grace period shall exceed 90 days unless the Security Instrument Issuers shall have consented thereto).

With regard to any default concerning which notice is given to the Authority and the City under the provisions of this Section 9.13, the Authority hereby grants the City full authority for account of the Authority to perform any covenant or obligation alleged in said notice to constitute a default, in the name and stead of the Authority with full power to do any and all things and acts to the same extent that the Authority could do and perform any such things and acts and with power of substitution.

Section 9.14 Cooperation of Authority. The Authority covenants and agrees that should there be an Event of Default under the Master Lease with the result that the right of possession of the Projects is returned to the Authority, the Authority shall fully cooperate with the Trustee and with the Bondholders to fully protect the rights and security of the Bondholders and shall diligently proceed in good faith and, if requested by the Trustee or any Bondholder, shall use its best efforts to secure a purchaser or another lessee of the Projects so that at all times sufficient rents and other amounts will be derived from the Projects promptly to meet and pay the principal of and premium, if any, and interest on the Bonds as the same become due and payable, as well as to cover the cost of all Additional Rentals with respect to the Projects required under the Master Lease. Nothing herein shall be construed as requiring the Authority to operate the Projects or to use any funds or revenues from any source other than the rents and other amounts derived from the Projects.

Section 9.15 Limitation on Remedies and Acceleration During Acquisition and Construction of Portions of Projects. Notwithstanding the provisions of this Article IX or other provisions of the Indenture, the Master Lease or of the Security Documents to the contrary, in the event that (a)(i) a portion of the Projects (the "Completed Portion of the Projects") financed with a separate Series of Bonds is accepted by the City for use and occupancy under the Master Lease, and (ii) the acquisition and construction of additional portions of the Projects (the "Uncompleted Portion of the Projects") financed with one or more Series of Bonds (other than the Series of Bonds described in (i) above) have yet to be completed, and (b) an Event of Default occurs due to the failure to complete the Uncompleted Portion of the Projects, the following limitations shall apply:

(a) Such Event of Default shall be limited to the Series of Bonds issued to finance the Uncompleted Portion of the Projects and not the Series of Bonds issued to finance the Completed Portion of the Projects;

(b) The City shall, subject to the occurrence of an Event of Nonappropriation, continue to pay Base Rentals and Additional Rentals with respect to the Completed Portion of the Projects, and the Master Lease shall remain in full force and effect with respect to the Completed Portion of the Projects;

(c) The Trustee shall use the amounts on deposit in the related account of the Debt Service Reserve Fund to pay amounts due on the Series of Bonds issued to finance the Uncompleted Portion of the Projects and amounts on deposit in the account of the Debt Service Reserve Fund relating to the Series of Bonds issued to finance the Completed Portion of the Projects shall not be used to pay amounts due on the Series of Bonds issued to finance the Uncompleted Portion of the Projects;

(d) The Series of Bonds issued to finance the Completed Portion of the Projects shall not be accelerated or otherwise affected by the Event of Default described in this Section 9.15; and

(e) The Trustee shall not proceed to exercise any remedies under the Indenture or the Security Documents relating to the Completed Portion of the Projects with respect to the Event of Default described in this Section 9.15.

ARTICLE X

THE TRUSTEE

Section 10.1 Acceptance of Trusts. The Trustee hereby accepts the trusts imposed upon it by the Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an Event of Default under the Indenture and after the curing of all Events of Default under the Indenture which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the Indenture. In case an Event of Default has occurred under the Indenture (which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by the Indenture and use the same degree of care and skill in their exercise, as a corporate trustee would exercise or use under the circumstances in the conduct of its own affairs.

No provision of the Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that (i) prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred:

(A) The duties and obligations of the Trustee shall be determined solely by the express provisions of the Indenture, and the Trustee shall be liable only for the performance of such duties and obligations as are specifically set forth in the Indenture, and no implied covenant or obligation shall be read into the Indenture against the Trustee; and

(B) In the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee conforming to the requirements of the Indenture; but in the case of any such certificate or opinion which by any provision hereof is specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they, on their face, conform to the requirements of the Indenture;

and (ii) the Trustee shall not be liable for any other judgment made in good faith by a responsible officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

(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 not be answerable for the conduct of the same appointed in accordance with the standard specified above, and shall be entitled to advice of counsel (including its own in-house counsel) concerning its duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Authority or the City), approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or inaction in good faith in reliance upon such opinion or advice.

(c) Except for those pertaining to it, the Trustee shall not be responsible for any recital herein or in any official statement or in the Bonds (except with respect to the certificate of the Trustee endorsed on the Bonds), or for insuring the Projects or collecting any insurance moneys, or for the validity of the execution by the Authority of the Indenture, or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value of title of the Projects or any lien waivers with respect to the Projects; provided, however, that 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 Authority or on the part of the City under the Master Lease in connection with the matters referred to in Article XIV of the Master Lease, except as hereinafter set forth; but the Trustee may require of the Authority or the City full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the property herein conveyed and the Trustee shall not be responsible for any loss suffered in connection with any investment of funds made by it in accordance with Article VI hereof.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder.

(e) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to the 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 Bondholder of any Bonds, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefor or 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 proceeding, the Trustee shall be entitled to rely upon a certificate signed by the Authority Representative or the City Representative 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 10.l(h) hereof, or of which by said Section 10.l(h) 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 by it to be necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of any of the officers of the Authority who have executed the Bonds (or their successors), and of any member of the governing body of the City, to the effect that a resolution in the form therein set forth has been adopted by the Authority or the City, as the case may be, as conclusive evidence that such resolution has been duly adopted and is in full force and effect.

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

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default under the Indenture except an Event of Default under Section 9.l(a) or 9.l(b) hereof or the failure by the Authority to cause to be made any of the payments to the Trustee required to be made by Article IV hereof or failure by the Authority, any Security Instrument Issuer or the City to file with the Trustee any document required by the Indenture or the Master Lease to be so filed subsequent to the issuance of the Bonds, unless the Trustee shall be specifically notified in writing of such default by the Authority or by the Holders of at least 25% in aggregate principal amount of any Series of Bonds then Outstanding (or as otherwise provided by Supplemental Indenture), and all notices or other instruments required by the Indenture to be delivered to the Trustee, must, in order to be effective, be delivered at the principal office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(i) At any and all reasonable times the Trustee and the Bondholders, and their duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all of the property herein conveyed, including all books and records of the Authority pertaining to the Projects and the Bonds, and to take such memoranda from and with regard thereto as may be desired.

(j) 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.

(k) Notwithstanding anything elsewhere in the Indenture with respect to the authentication of any Bonds, the withdrawal of any cash or the taking of any action whatsoever, within the purview of the Indenture, the Trustee shall have the right, but shall not be required, to demand any showings, certifications, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, by the Trustee deemed desirable for the purpose of establishing the right of the Authority to the authentication of any Bonds, the withdrawal of any cash or the taking of any other action by the Trustee.

(l) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by the Indenture at the request, order or direction of any of the Bondholders, pursuant to the provisions of the Indenture, unless such Bondholders shall have offered to the Trustee security or indemnity acceptable to it against the fees, costs, expenses and liabilities, including fees and expenses of its counsel, which may be incurred therein or thereby.

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

(n) 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, pandemics, epidemics, recognized public emergencies, quarantine restrictions, nuclear or natural catastrophes or acts of God, interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services, and hacking, cyber-attacks, or other use or infiltration of the Trustee's technological infrastructure exceeding authorized access; it being understood that the Trustee shall use reasonable efforts that are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 10.2 Fees, Charges and Expenses of the Trustee. The Trustee shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services and such other compensation as may be authorized under the Master Lease. Upon an Event of Default under the Indenture, but only upon such an Event of Default, the Trustee shall have a first lien with right of payment, prior to payment on account of principal of and premium, if any, and interest on any Bond, upon the Trust Estate for the foregoing fees, charges and expenses incurred by it.

Section 10.3 Notice to Bondholders. The Trustee shall give to the Bondholders notice of each default hereunder actually known to the Trustee (or of which the Trustee is deemed to have notice by Section 10.l(h) hereof) within fifteen (15) days after the occurrence thereof, unless such default shall have been remedied or cured before the giving of such notice. Each such notice of default shall be given by the Trustee by mailing written notice thereof to all Bondholders of Bonds then outstanding whose names appear on the list of Bondholders as provided in Section 4.6 hereof.

Section 10.4 Intervention by the Trustee. In any judicial proceeding to which the Authority is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interest of owners of the Bonds, the Trustee may intervene on behalf of Bondholders and shall do so if requested in writing by the Bondholders of at least 25% of the aggregate principal amount of Bonds then Outstanding.

Section 10.5 Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become successor to the Trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 10.6 Resignation by the Trustee. The Trustee and any successor to the Trustee may at any time resign from the trusts herein created by giving sixty (60) days' written notice by registered or certified mail to the Authority and to the Bondholders of each Bond as shown by the list of Bondholders required by Section 4.6 hereof to be kept by the Trustee, and such resignation shall take effect only upon the appointment of a successor Trustee by the Bondholders or by the Authority; provided, however that if no successor Trustee has been appointed within 60 days of the date of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice, if any, as it deems proper and prescribes, appoint a successor Trustee.

Section 10.7 Removal of the Trustee. The Trustee may be removed by the Authority at any time, by an instrument or concurrent instruments in writing delivered to the Trustee, provided that such instrument or instrument concurrently appoint a successor Trustee meeting the qualifications set forth herein.

Section 10.8 Appointment of Successor Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Authority by an instrument or concurrent instruments executed by its Chair/President or Vice President and attested by its Secretary-Treasurer under its seal (or, if an Event of Default exists, by the Registered Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such Owners, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of such vacancy the Authority by an instrument executed by the Chair/President or Vice President and attested by the Secretary-Treasurer under its seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Registered Owners in the manner above provided; and any such temporary Trustee so appointed by the Authority shall immediately and without further act be superseded by the Trustee so appointed by such Registered Owners). The original Trustee and every such Trustee appointed pursuant to the provisions of this Section 10.8 shall be a trust company or bank in good standing located in or incorporated under the laws of the State duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than Seventy-Five Million Dollars ($75,000,000).

Section 10.9 Concerning Any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Authority and the City an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the written request of the Authority, or of its successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Authority be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article X, shall be filed or recorded by the successor Trustee in each recording office where the Indenture shall have been filed or recorded. Additionally, all substitutions of Trustee under the Security Documents shall be filed or recorded in accordance with the laws of the State.

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

Section 10.10 Right of the Trustee to Pay Taxes and Other Charges. In case any tax, assessment, governmental or other charge upon, or insurance premium with respect to, any part of a Project or Projects is not paid as required herein or in the Master Lease or the Security Documents, the Trustee may pay such tax, assessment, governmental or other charge, or insurance premium, without prejudice, however, to any rights of the Trustee or the Bondholders arising in consequence of such failure; and any amount at any time so paid under this Section 10.10, with interest thereon from the date of payment at a rate per annum equal to the then prevailing one-month U.S. Federal Treasury Rate as of the date of payment, but in no event less than a rate of 3.5% per annum, shall become so much additional indebtedness secured by the Indenture, and the same shall be given a preference in payment over any of the Bonds, and shall be paid out of the proceeds of Base Rentals or Additional Rentals collected from the Projects, if not otherwise caused to be paid; but the Trustee shall not be under any obligation to make any such payment unless it shall have been requested to do so by the Bondholders of at least 25% of the aggregate principal amount of Bonds then Outstanding and shall have been provided with adequate funds for the purpose of such payment.

Section 10.11 Appointment of Co-Trustee. It is the purpose of the Indenture that there shall be no violation of any law of any jurisdiction (including particularly the laws of the State) denying or restricting the right of banking corporations or associations to transact business as the Trustee in such jurisdiction. It is recognized that in case of litigation under the Indenture, the Master Lease, or the Security Documents, and in particular in case of the enforcement of either upon an Event of Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or Co-Trustee. The following provisions of this Section 10.11 are adapted to these ends. The Trustee may appoint an additional individual or institution as a separate or Co-Trustee, in which event each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by the Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vested in such separate or Co-Trustee, but only to the extent necessary to enable such separate or Co-Trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or Co-Trustee shall run to and be enforceable by either of them.

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

Section 10.12 Trustee Not Responsible for Actions of Authority. The Trustee shall not be liable or responsible because of the failure of the Authority or of any of its officers, employees or agents to make any collections or deposits, or to perform any act herein required of the Authority or its officers, directors, employees or agents. The Trustee shall not be responsible for the application of any of the proceeds of the Bonds or any other moneys deposited with it and paid out, invested, withdrawn or transferred so long as such actions were done in strict conformance in accordance with the provisions of the Indenture. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

Section 10.13 Trustee's Right to Own and Deal in Bonds. The bank or trust company acting as Trustee under the Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued hereunder and secured by the Indenture, and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under the Indenture.

Section 10.14 Requirements as to Trustee's Records. So long as any of the Bonds shall remain outstanding:

(a) the records of the Trustee pertaining to the Bonds and to the Trustee hereunder shall be available to and open for inspection at all reasonable times by the Bondholders (at no cost or expense to the Bondholders), the Authority, the City and all other governmental bodies legally entitled to inspect such records, and

(b) the Trustee shall retain in its possession all financial statements furnished to it pursuant to the Indenture. The Trustee shall transfer to any successor trustee copies of the records of the Trustee pertaining to the Bonds.

Section 10.15 Trustee's Own Funds. No provision of the Indenture or of the Bond Documents shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it has reasonable grounds for believing that the repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

Section 10.16 Direct Payment Authorization. (a) The Authority hereby authorizes and directs the Trustee to take all necessary actions to effectively carry out the duties required to apply for and accept Direct Payments from the Internal Revenue Service on behalf of the Authority under Sections 54AA, 1400U-2, and 6431 of the Code or such other tax provisions of substantially similar nature which may be hereafter authorized. In connection with such application and acceptance of Direct Payments, the Authority shall provide to the Trustee (i) a copy of the executed Form 8038-TC filed in connection with the issuance of the Bonds, (ii) an incumbency certificate listing the officers of the Authority authorized to act on behalf of the Authority under this Indenture and (iii) such other instruments, opinions and certificates as the Trustee may reasonably request. Upon receipt of any Direct Payments, the Trustee shall promptly deposit such payment in the Bond Fund for use in paying debt service on the Bonds. Failure by the Trustee to prepare or file the Form 8038-CP shall not affect any payment obligations of the Authority hereunder. The Authority hereby authorizes and directs the Trustee to prepare and file the IRS Form 8038-CP as may be required from time to time under the Code as are within its power and are requested by and at the expense of the Authority and agreed to by the Trustee, to request the Direct Payments. The Form 8038-CP shall authorize the Direct Payments requested in accordance with this clause (a) to be paid to the Trustee.

(b) For fixed rate bonds, at least ninety (90) days prior to each Interest Payment Date with respect to the Bonds, the Trustee shall deliver to the Authority by a delivery method that provides the Trustee with evidence of delivery a completed Form 8038-CP, which is to be signed by an Authority Representative. The form and the certification shall be sent to the attention of an Authority Representative for the Authority's signature. The Authority shall return such signed Form 8038-CP to the Trustee not later than eighty (80) days prior to each Interest Payment Date with respect to the Bonds, by a delivery method which provides the Authority with evidence of delivery. Not more than ninety (90) and not less than seventy (70) days prior to each Interest Payment Date for the Bonds, the Trustee shall file, or cause to be filed a Form 8038-CP with the Internal Revenue Service Center, Ogden, Utah 84201, or any successor location specified by the Internal Revenue Service, or take such other or additional actions as may be required from time to time under the Code as are within its power and are requested by the Authority and agreed to by the Trustee, to request the Direct Payments with respect to such Interest Payment Date. Upon completion of filing, the Trustee shall deliver a copy of such Form 8038-CP to the Authority.

(c) For variable rate bonds, no more than five (5) days after the last Interest Payment Date within the calendar quarter period for which reimbursement is being requested, the Trustee shall deliver to the Authority by a delivery method that provides the Trustee with evidence of delivery a completed Form 8038-CP, which is to be signed by an Authority Representative. The form and certification shall be sent to the attention of an Authority Representative. The Authority shall return such signed Form 8038-CP to the Trustee not later than twenty (20) days after the last Interest Payment Date within the calendar quarter period for which reimbursement is being requested with respect to the Bonds, by a delivery method which provides the Authority with evidence of delivery. Not more than 35 days after the last Interest Payment Date within the calendar quarter period for which reimbursement is being requested, the Trustee shall file or cause to be filed a Form 8038-CP with the Internal Revenue Service Center, Ogden, Utah 84201, or any successor location specified by the Internal Revenue Service, or take such other or additional actions as are within its power and are requested by the Authority and agreed to by the Trustee, to request the Direct Payments with respect to such prior Interest Payment Dates. Upon completion and filing, the Trustee shall deliver a copy of such Form 8038-CP to the Authority.

Section 10.17 U.S.A. Patriot Act Requirements of the Trustee. To help the government of the United States of America fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual Person such as a business entity, a charity, a trust or other legal entity, the Trustee may request documentation to verify such Person's formation and existence as a legal entity and the identity of the owners or controlling persons thereof. The Trustee may also request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent such Person or other relevant documentation.

ARTICLE XI

SUPPLEMENTAL INDENTURES

Section 11.1 Supplemental Indentures Not Requiring Consent of Bondholders. The Authority and the Trustee may (subject to the rights of any Security Instrument Issuer under any Supplemental Indenture), without consent of, or notice to, any of the Bondholders enter into an indenture or indentures supplemental to the Indenture which shall not be inconsistent with the general terms and provisions hereof for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in the Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee;

(c) To subject to the Indenture additional revenues, properties or collateral;

(d) To modify, amend or supplement the Indenture or any indenture supplemental hereto in such matter as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States of America;

(e) To evidence the appointment of a separate Trustee or a Co-Trustee or paying agent or the succession of a new Trustee or paying agent hereunder;

(f) To issue the Initial Bonds, Refunding Bonds or Additional Bonds in accordance with the Indenture and the Master Lease; and

(g) To make any other change which, in the judgment of the Trustee is not materially adverse to the Trustee or, as evidenced by an opinion of counsel delivered to the Trustee, the Holders of the Bonds.

Section 11.2 Supplemental Indentures Requiring Consent of Bondholders. Exclusive of Supplemental Indentures covered by Section 11.1 hereof and subject to the terms and provisions contained in this Section 11.2, and not otherwise, the Bondholders of not less than 66 2/3% in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to consent to and approve the execution by the Authority and the Trustee of such Supplemental Indentures hereto as shall be deemed necessary and desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture; provided, however, that nothing in this Section 11.2 or in Section 11.1 hereof contained shall permit, or be construed as permitting, (i) an extension of the maturity of the principal of, or the interest on, any Bond issued hereunder, or (ii) a reduction in the principal amount of, or redemption premium on, any Bond or the rate of interest thereon, or (iii) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indentures, or (v) permit the creation of any lien ranking prior to or on a parity with the lien of the Indenture and the Security Documents on the Trust Estate or any part thereof (except in connection with the issuance of Refunding Bonds or Additional Bonds), or (vi) deprive the Bondholder of any Bond then Outstanding of the lien hereby created on any material portion of the Trust Estate, without the prior consent of the Bondholders of 100% of the Bonds affected by such action. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which adversely affects the Trustee's rights, deeds or immunities under the Indenture or the Master Lease.

If at any time the Authority shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section 11.2, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such Supplemental Indenture to be given by registered or certified mail to the Bondholder of each Bond shown by the list of Bondholders required by the terms of Section 4.6 hereof to be kept at the office of the Trustee. Such notices shall be prepared by bond counsel and briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the principal office of the Trustee for inspection by all Bondholders. If the Bondholders of not less than 66 2/3% in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no Holder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as in this Article XI permitted and provided, the Indenture shall be and be deemed to be modified and amended in accordance therewith.

Anything therein to the contrary notwithstanding, so long as no Event of Default or Event of Nonappropriation with respect to the Projects shall have occurred and be continuing under the Master Lease, a Supplemental Indenture under this Article shall not become effective unless and until the City shall have consented to the execution and delivery of such Supplemental Indenture. In this regard and except with respect to Supplemental Indentures for which the City has otherwise been notified, the Trustee shall cause notice of the proposed execution of any such Supplemental Indenture together with a copy of the proposed Supplemental Indenture to be mailed by certified or registered mail to the City at least fifteen days prior to the proposed date of execution and delivery of any such Supplemental Indenture. The City shall be deemed to have consented to the execution and delivery of any such Supplemental Indenture if the Trustee does not receive a letter of protest or objection thereto signed by or on behalf of the City on or before the fifteenth day after the mailing of said notice.

ARTICLE XII

AMENDMENT OF MASTER LEASE

Section 12.1 Amendments, etc., to Master Lease Not Requiring Consent of Bondholders. The Authority and the Trustee shall without the consent of or notice to the Bondholders (subject to the rights of any Security Instrument Issuer in a Supplemental Indenture) consent to any amendment, change or modification of the Master Lease as may be required (i) by the provisions of the Indenture and the Master Lease (including those provisions applicable to the issuance of the Initial Bonds, Refunding Bonds and Additional Bonds), (ii) for the purpose of curing any ambiguity or formal defect or omission, (iii) so as to more precisely identify the Projects, or the Project sites or substitute or add additional improvements or equipment to the Projects or additional rights or interests in property acquired in accordance with the provisions of the Master Lease, or (iv) in connection with any amendment to the Indenture pursuant to Section 11.1 hereof, or (v) in connection with any other change therein which, in the judgment of the Trustee is not materially adverse to the Trustee or, as evidenced by an opinion of counsel delivered to the Trustee, the Holders of the Bonds.

Section 12.2 Amendments, etc., to the Master Lease Requiring Consent of Holders of the Bonds. Except for the amendments, changes or modifications as provided in Section 12.1 hereof, neither the Authority nor the Trustee shall consent to any other amendment, change or modification of the Master Lease without mailing of notice and receipt of the written approval or consent of the Holders of not less than 66 2/3% in aggregate principal amount of the Bonds at the time outstanding given as in this Section 12.2 provided and the consent of any Security Instrument Provider as provided in any Supplemental Indenture. If at any time the Authority and the City shall request the consent of the Trustee to any such proposed amendment, change or modification of the Master Lease, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be given in the same manner as provided by Section 11.2 of the Indenture with respect to Supplemental Indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the principal office of Trustee for inspection by all Holders of the Bonds. No such amendment, change or modification of the Master Lease shall reduce the aggregate principal amount of the Bonds the Bondholders of which are required to consent to any amendment, change or modification of such Master Lease, or materially reduce or postpone payments required to be made under the Master Lease without the consent of all of the Holders of the Bonds Outstanding. Approval or consent shall be evidenced in a manner acceptable to the Trustee and the Authority.

ARTICLE XIII

MISCELLANEOUS

Section 13.1 Consents, etc. of Bondholders. Any consent, request, direction, approval, objection or other instrument required by the Indenture to be signed and executed by the Bondholders may be in any number of concurrent documents and may be executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of the Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken by it under such request or other instrument, namely:

(a) The fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution.

(b) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same, shall be proved by the registration books of the Authority maintained by the Trustee pursuant to Section 4.6 of the Indenture.

Section 13.2 Limitation of Rights. With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from the Indenture or the Bonds is intended or shall be construed to give to any person or company other than the parties hereto, any Security Instrument Provider, any Reserve Provider, and the Holders of the Bonds, any legal or equitable right, remedy or claim under or with respect to the Indenture or any covenants, conditions and provisions herein contained; the Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the City, any security Instrument Provider, any Reserve Provider and the Bondholders as herein provided.

Section 13.3 Severability. If any provision of the Indenture shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatsoever.

Section 13.4 Notices. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, or sent by facsimile addressed as follows: If to the Authority, to the Municipal Building Authority of the City of South Jordan, Utah, 1600 W. Towne Center Drive, South Jordan, Utah, 84095, Attention: Chair/President; if to the Trustee, to U.S. Bank Trust Company, National Association, 170 South Main Street, Suite 600, Salt Lake City, Utah 84101, Attention: Corporate Trust Department; if to the City, 1600 W. Towne Center Drive, South Jordan, Utah, 84095, Attention: Mayor. A duplicate copy of each notice required to be given hereunder by the Trustee to either the Authority or the City shall also be given to the others. The Authority, the City, and the Trustee may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 13.5 Payments Due on Days other than Business Days. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption of any Bonds shall be other than a Business Day, then payment of principal and premium, if any, or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date, provided that payment is received by the Holders of the Bonds on such next succeeding Business Day.

Section 13.6 Counterparts. This General Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.7 Applicable Provisions of Law. The Indenture shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the Authority has caused these presents to be signed in its corporate name and with its official seal hereunto affixed and attested by its duly authorized officers, and to evidence its acceptance of the trust hereby created, the Trustee has caused these presents to be executed in its corporate name by its duly authorized officers, as of the date first above written.

MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH

(SEAL)

By: ________________________________
Chair/President

ATTEST AND COUNTERSIGN:

By: ________________________________
Secretary-Treasurer

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

By: ________________________________

Title: ________________________________

FIRST SUPPLEMENTAL INDENTURE OF TRUST

Dated as of [______], 2026

between

MUNICIPAL BUILDING AUTHORITY OF
THE CITY OF SOUTH JORDAN, UTAH

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

Supplementing the General Indenture of Trust Dated as of [______], 2026

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This FIRST SUPPLEMENTAL INDENTURE OF TRUST, dated as of [______], 2026 (the "First Supplemental Indenture"), by and between the MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH, a nonprofit corporation duly organized and existing under the laws of the State of Utah (the "Authority"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah (the "Trustee"),

W I TN E S S E T H:

WHEREAS, the Authority has entered into a General Indenture of Trust, dated as of [______], 2026 (the "General Indenture") with the Trustee; and

WHEREAS, the City of South Jordan, Utah (the "City") has previously authorized and directed the creation of the Authority; and

WHEREAS, the Authority has been duly and regularly created, established and is organized and existing as a nonprofit corporation under and by virtue of the provisions of the laws of the State of Utah, including, in particular, the provisions of the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the "Building Authority Act"), and the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended (the "Nonprofit Corporation Act"); and

WHEREAS, under the Articles of Incorporation of the Authority (the "Articles") and the Act (hereinafter defined), the objects and purposes for which the Authority has been founded and incorporated are to acquire, improve or extend one or more projects and to finance their costs on behalf of the City in accordance with the procedures and subject to the limitations of the Local Building Authority Act and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Local Government Bonding Act and together with the Building Authority Act and the Nonprofit Corporation Act, the "Act") in order to accomplish the public purposes for which the City exists; and

WHEREAS, the Authority is possessed under the Articles with all powers set forth in the Act and the Constitution and other laws of the State of Utah, including, without limitation, the power to acquire, own, hold, lease and improve real and personal property, and to enter into agreements providing for a lease, mortgage or other conveyance of real and personal property and to issue its notes, bonds or other obligations; and

WHEREAS, at the request of the City, the Authority desires to issue bonds for the purpose of financing the acquisition and construction of a new fire station and related improvements (the "Series 2026 Project") as provided in the Act; and

WHEREAS, in order to (i) finance the Series 2026 Project, (ii) fund any required deposits to a debt service reserve fund and (iii) pay costs associated with the issuance of the Series 2026 Bonds (hereinafter defined), the Authority has determined to issue its Lease Revenue Bonds, Series 2026, in the aggregate principal amount of $[__________] (the "Series 2026 Bonds"); and

WHEREAS, the City is the owner of fee simple title or have a leasehold interest to the site[s] whereon the Series 2026 Project will be located (the "Project Site") and has agreed to lease such Project Site to the Authority pursuant to a Ground Lease Agreement dated as of [______], 2026 (the "Ground Lease"); and

WHEREAS, the Series 2026 Bonds will be authorized, issued and secured under the General Indenture, as amended and supplemented by this First Supplemental Indenture (together with the General Indenture, and any amendments thereto or hereto, the "Indenture"); and

WHEREAS, pursuant to a Master Lease Agreement dated as of [______], 2026 (the "Master Lease"), between the Authority and the City, the City, as lessee, has leased the Series 2026 Project from the Authority, as lessor, on an annually renewable basis; and

WHEREAS, under the provisions of a resolution adopted by the City Council of the City on September 15, 2026 (the "City Resolution"), the City has authorized and approved the execution of the Master Lease and the Ground Lease and has authorized and approved certain actions to be taken by the Authority in connection with the issuance of the Series 2026 Bonds, including the execution, delivery and performance of the Authority under the General Indenture and this First Supplemental Indenture; and

WHEREAS, under the provisions of a resolution adopted on September 15, 2026 (the "Authority Resolution"), the Board of Trustees of the Authority (the "Governing Board") has authorized, approved and directed the execution of the Master Lease, the General Indenture and this First Supplemental Indenture and has authorized and approved certain actions to be taken by the Authority in connection with the issuance of the Series 2026 Bonds hereunder; and

WHEREAS, the execution and delivery of the Series 2026 Bonds, the General Indenture and of this First Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2026 Bonds, when executed by the Authority and authenticated by the Trustee, the valid and binding legal obligations of the Authority and to make the General Indenture, as amended and supplemented by this First Supplemental Indenture, a valid assignment and pledge of the amounts pledged to the payment of the principal of and premium, if any, and interest on the Series 2026 Bonds and a valid assignment of the rights of the Authority with respect to the Series 2026 Project under the Master Lease (except the rights of the Authority under Sections 6.3(d), 6.3(j), 13.3 and 14.5 of the Master Lease) have been done and performed.

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

ARTICLE I

SUPPLEMENTAL INDENTURE; DEFINITIONS

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

Section 1.2 Uniform Definitions. Unless the context clearly requires otherwise and except as otherwise defined in Section 1.3 hereof, all terms used herein shall have the meanings set forth in Article I of the General Indenture and Article I of this First Supplemental Indenture, and Article I of the Master Lease.

Section 1.3 Amended Definitions. The following definitions contained in Article I of the General Indenture are hereby amended to read as follows:

"Interest Payment Date" means with respect to the Series 2026 Bonds, each [______] and [______], commencing [___________].

Section 1.4 Additional Definitions. Defined terms used in the preambles to this First Supplemental Indenture shall have the meanings given to such terms therein. In addition, for purposes of the General Indenture, this First Supplemental Indenture and the Master Lease, the following terms shall, unless the context clearly requires otherwise, have the meanings as follows:

"Assignment of Ground Lease Agreement" means the agreement dated as of [______], 2026, by and between the Authority and the Trustee.

["Bond Purchase Contract" means the Bond Purchase Contract dated [October/November 2026] by and between the Authority, the City and the Underwriter.]

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

"Debt Service Reserve Requirement" means, with respect to the Series 2026 Bonds, [$0].

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

"First Supplemental Indenture" means this First Supplemental Indenture dated as of [______], 2026, between the Authority and the Trustee.

"Leasehold Deed of Trust" means the Leasehold Deed of Trust, Assignment of Rents and Security Agreement dated as of [______], 2026 by and between the Authority and the Trustee.

"Original Issue Date" means with respect to the Series 2026 Bonds, [_____], 2026, the date the Series 2026 Bonds are initially issued.

"Register" means the record of ownership of the Series 2026 Bonds maintained by the Bond Registrar.

"Security Documents" means collectively (i) the Leasehold Deed of Trust and (ii) the Assignment of Ground Lease Agreement.

"Series 2026 Bonds" means the Authority's Lease Revenue Bonds, Series 2026, issued in the aggregate principal amount of $[__________] herein authorized.

"Series 2026 Construction Account" means the account established within the Construction Fund used to pay the costs of construction of the Series 2026 Project.

"Series 2026 Cost of Issuance Account" means the account established in Section 3.3 herein.

"Series 2026 Ground Lease" means the Ground Lease Agreement, dated as of [______], 2026 by and between the City and the Authority pursuant to which the City will lease the site on which the Series 2026 Project will be constructed.

"Series 2026 Project" means the acquisition and construction of a new fire station and related improvements.

"Underwriter" means [_____________________________], as underwriter of the Series 2026 Bonds pursuant to a Bond Purchase Agreement dated [_____], 2026 by and between the Underwriter and the Authority.

ARTICLE II

ISSUANCE OF THE SERIES 2026 BONDS

Section 2.1 Principal Amount, Designation and Series. The Series 2026 Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to (i) pay the costs of the Series 2026 Project and (ii) pay costs of issuance of the Series 2026 Bonds. The Series 2026 Bonds shall be limited to $[__________] in aggregate principal amount, shall be issued in fully registered form, in Five Thousand Dollar ($5,000) denominations each or any integral multiple thereof, and shall be in substantially the form and contain substantially the terms contained in Exhibit A attached hereto and made a part hereof, and shall bear interest at the rates and be payable as to principal or redemption price as specified herein. The Series 2026 Bonds shall be designated as, and shall be distinguished from the Bonds of all other series by the title, "Municipal Building Authority of the City of South Jordan, Utah Lease Revenue Bonds, Series 2026."

Section 2.2 Date, Maturity and Interest Rates. The Series 2026 Bonds shall be dated as of the Dated Date, and shall mature in the years and in the amounts and shall bear interest from the Interest Payment Date next preceding their date of authentication thereof unless authenticated as of an Interest Payment Date, in which event such Bonds shall bear interest from such date, or unless such Bonds are authenticated prior to the first Interest Payment Date, in which event such Bonds shall bear interest from their Dated Date or unless, as shown by the records of the Trustee, interest on the Series 2026 Bonds shall be in default, in which event such Bonds shall bear interest from the date to which interest has been paid in full, or unless no interest shall have been paid on such Bonds, in which event such Bonds shall bear interest from their Dated Date, payable on each Interest Payment Date at the rates per annum as set forth below:

Maturity ([______])	Principal Amount	Interest Rate

The interest on Series 2026 Bonds so payable, and punctually paid and duly provided for, on any Interest Payment Date will be paid to the Registered Owner thereof at the close of business on the Regular Record Date for such interest. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Owner of any Series 2026 Bonds on such Regular Record Date, and may be paid to the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such Registered Owner not less than ten days prior to such Special Record Date. The principal of and premium, if any, on the Series 2026 Bonds are payable upon presentation and surrender thereof at the principal corporate trust office of the Trustee. Interest shall be paid by check or draft mailed by certified mail on each Interest Payment Date to the Holder of each of the Series 2026 Bonds as the name and address of such Holder appears on the Record Date in the Register. Interest on the Series 2026 Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Section 2.3 Redemption.

(a) [Optional Redemption. The Series 2026 Bonds maturing on or prior to [__________], are not subject to redemption prior to maturity. The Series 2026 Bonds maturing on or after [__________] are subject to redemption at the option of the Authority, in whole or in part, on any time on and after [__________], in such order of maturity as may be directed by the Authority at a redemption price equal to 100% of the principal amount of the Series 2026 Bonds to be redeemed plus accrued interest to the date of redemption.

(b) [Extraordinary Redemption. The Series 2026 Bonds shall be callable for redemption prior to maturity in whole on any date, if (i) the Series 2026 Project or a material portion thereof is damaged or destroyed or taken in a condemnation proceeding, or a material defect in the construction of the Series 2026 Project shall become apparent, or title to or the use of all or any material portion of the Series 2026 Project shall be lost by reason of a defect in title thereto, (ii) the Net Proceeds of any insurance policy, performance bond or condemnation award made available by reason of one or more such occurrences shall be insufficient to pay in full the cost of repairing or replacing such portion of the Series 2026 Project, and (iii) the City elects to discharge its obligation to repair and replace such portion of the Series 2026 Project by depositing such Net Proceeds into the Bond Fund, as provided in Section 10.2 of the Master Lease. Upon the deposit of such Net Proceeds in the Bond Fund, the payment obligations of the City with respect to the Series 2026 Project under the Master Lease shall terminate and the City shall have no further obligation for the payment of Base Rentals and Additional Rentals thereunder with respect to the Series 2026 Project, and possession of the Series 2026 Project, as well as all right, title and interest of the City and the Authority in any funds or accounts created under the Indenture with respect to the Series 2026 Project shall be surrendered to the Trustee, as trustee for the Bondholders. Thereafter, the Indenture and the Security Documents applicable to the Series 2026 Project may, subject to the limitations of Article IX of the General Indenture, be foreclosed and the Authority's interest in the Series 2026 Project liquidated and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Indenture with respect to the Series 2026 Project (except moneys held in the Rebate Fund or for the payment of Bonds not then deemed outstanding), shall be applied to the redemption of the Series 2026 Bonds at the earliest date practicable, as specified in a written notice from the Authority to the Trustee. Any such redemption of the Series 2026 Bonds shall be made upon payment of all or a prorated portion of the principal amount thereof plus accrued interest thereon to the redemption date. IN THE EVENT THE SERIES 2026 BONDS ARE TO BE REDEEMED PURSUANT TO THE PROVISIONS OF THIS PARAGRAPH (B), BY PAYMENT OF AN AMOUNT LESS THAN THE OUTSTANDING PRINCIPAL AMOUNT THEREOF, AND ACCRUED INTEREST TO THE REDEMPTION DATE, NO FURTHER CLAIM FOR PAYMENT MAY BE HAD BY THE BONDHOLDERS AGAINST THE AUTHORITY, THE CITY, OR THE TRUSTEE WITH RESPECT TO SAID SERIES 2026 BONDS. In the event there are moneys remaining in the Bond Fund after payment in full of the Series 2026 Bonds, the Trustee is authorized and directed to transfer said moneys to the City.]

Section 2.4 Execution of Bonds. The Chair/President or Vice President is hereby authorized to execute by facsimile or manual signature the Series 2026 Bonds and the Secretary-Treasurer to countersign by facsimile or manual signature the Series 2026 Bonds and to have imprinted, engraved, lithographed, stamped or otherwise placed on the Series 2026 Bonds a facsimile of the official seal of the Authority, and the Trustee shall manually authenticate the Series 2026 Bonds.

Section 2.5 Delivery of Bonds. Upon the execution and delivery of this First Supplemental Indenture, the Authority shall execute and deliver to the Trustee and the Trustee shall authenticate the Series 2026 Bonds deliver the Series 2026 Bonds to the Underwriter thereof as directed by the Authority.

The Series 2026 Bonds issued pursuant to this First Supplemental Indenture shall be equally and ratably secured under the Indenture with all other series of Additional Bonds and Refunding Bonds, if any, issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

Section 2.6 Limited Obligation. The Series 2026 Bonds, together with interest thereon, shall be special, limited obligations of the Authority as described in the General Indenture.

Section 2.7 Series 2026 Bonds to Remain Tax-Exempt. The Authority covenants and agrees to and for the benefit of the Bondholders that the Authority (i) will not take any action that would cause interest on the Series 2026 Bonds to become includible in gross income for purposes of federal or state income taxation, (ii) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause the interest on the Series 2026 Bonds to become includible in gross income for purposes of federal or state income taxation, and (iii) will comply with any other requirements of federal and state tax law applicable to the Series 2026 Bonds in order to preserve the exclusion from gross income, for purposes of federal income taxation, of interest on the Series 2026 Bonds.

Section 2.8 Record of Payment. In the event of a redemption, acceleration, or any other similar transaction necessitating a reduction in aggregate principal amount of any of the Series 2026 Bonds outstanding, a Bondholder shall make an appropriate notation on the Series 2026 Bonds certificate indicating the date and amounts of such reduction in principal, except in the case of final maturity in which case the certificate must be presented to the Paying Agent (or as otherwise provided herein) prior to payment. In the case of a discrepancy between the record of payments on the Series 2026 Bonds and the Bond Registrar's records, the Bond Registrar's records shall govern.

Section 2.9 Book-Entry Only System.

(a) Except as provided in paragraphs (b) and (c) of this Section 2.9, the Registered Owner of all Series 2026 Bonds shall be, and the Series 2026 Bonds shall be registered in the name of, Cede and Co. ("Cede"), as nominee of The Depository Trust Company, New York, New York (together with any substitute securities depository appointed pursuant to paragraph (c)(iii) of this Section 2.9, ("DTC"). Payment of interest for any Series 2026 Bond, as applicable, shall be made in accordance with the provisions of this Indenture to the account of Cede on the Interest Payment Date for the Series 2026 Bonds at the address indicated for Cede in the registry books of the Trustee.

(b) The Series 2026 Bonds shall be initially issued in the form of a separate registered Bond in the amount of each separate stated maturity of the Series 2026 Bonds. Upon initial issuance, the ownership of each such Series 2026 Bond shall be registered in the registry books of the Authority kept by the Trustee, in the name of Cede, as nominee of DTC. With respect to Series 2026 Bonds so registered in the name of Cede, the Authority, the Trustee and any Paying Agent shall have no responsibility or obligation to any DTC participant or to any Beneficial Owner of any of such Series 2026 Bonds. Without limiting the immediately preceding sentence, the Authority, the Trustee and any Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC participant with respect to any Beneficial Ownership Interest in the Series 2026 Bonds; (ii) the delivery of any DTC participant, Beneficial Owner or other person, other than DTC, of any notice with respect to the Series 2026 Bonds, including any notice of redemption; or (iii) the payment to any DTC participant, Beneficial Owner or other person, other than DTC, of any amount with respect to the principal or redemption price of, or interest on, any of the Series 2026 Bonds. Except as provided herein or in the General Indenture, the Authority, the Trustee and any Paying Agent may treat DTC as, and deem DTC to be, the absolute owner of each Series 2026 Bond for all purposes whatsoever, including (but not limited to) (1) payment of the principal or redemption price of, and interest on, each such Series 2026 Bond, (2) giving notices of redemption and other matters with respect to such Series 2026 Bonds and (3) registering transfers with respect to such Series 2026 Bonds. The Paying Agent shall pay the principal or redemption price of, and interest on, all Series 2026 Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to satisfy fully and discharge the Authority's obligations with respect to such principal, or redemption price, and interest, to the extent of the sum or sums so paid. Except as provided in paragraph (c) of this Section 2.9, no person other than DTC shall receive a Series 2026 Bond evidencing the obligation of the Authority to make payments of principal or redemption price of, and interest on, any such Series 2026 Bond pursuant to this Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of this Indenture, the word "Cede" in this Indenture shall refer to such new nominee of DTC.

Except as provided in paragraph (c)(iii) of this Section 2.9, and notwithstanding any other provisions of this Indenture, the Series 2026 Bonds may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

(c) (i) DTC may determine to discontinue providing its services with respect to the Series 2026 Bonds at any time by giving written notice to the Authority, the Trustee and the Paying Agent, which notice shall certify that DTC has discharged its responsibilities with respect to the Series 2026 Bonds under applicable law.

(ii) The Authority, in its sole discretion and without the consent of any other person, may, by notice to the Trustee, terminate the services of DTC with respect to the Series 2026 Bonds if the Authority determines that the continuation of the system of book-entry-only transfers through DTC is not in the best interests of the Beneficial Owners of the Series 2026 Bonds or the Authority; and the

Authority shall, by notice to the Trustee, terminate the services of DTC with respect to the Series 2026 Bonds upon receipt by the Authority, the Trustee, and the Paying Agent of written notice from DTC to the effect that DTC has received written notice from DTC participants having interests, as shown in the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then outstanding Series 2026 Bonds to the effect that: (1) DTC is unable to discharge its responsibilities with respect to the Series 2026 Bonds; or (2) a continuation of the requirement that all of the outstanding Series 2026 Bonds be registered in the registration books kept by the Trustee in the name of Cede, as nominee of DTC, is not in the best interests of the Beneficial Owners of the Series 2026 Bonds.

(iii) Upon the termination of the services of DTC with respect to the Series 2026 Bonds pursuant to subsection (c)(ii)(2) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Series 2026 Bonds pursuant to subsection (c)(i) or subsection (c)(ii)(1) hereof the Authority may within 90 days thereafter appoint a substitute securities depository which, in the opinion of the Authority, is willing and able to undertake the functions of DTC hereunder upon reasonable and customary terms. If no such successor can be found within such period, the Series 2026 Bonds shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of Cede, as nominee of DTC. In such event, the Authority shall execute and the Trustee shall authenticate Bond certificates as requested by DTC of like principal amount, maturity and series, in authorized denominations to the identifiable Beneficial Owners in replacement of such Beneficial Owners' Beneficial Owner Interest in the Series 2026 Bonds.

(iv) Notwithstanding any other provision of this Indenture to the contrary, so long as any Series 2026 Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal or redemption price of, and interest on, such Series 2026 Bond and all notices with respect to such Series 2026 Bond shall be made and given, respectively, to DTC as provided in the hereinafter defined Representation Letter of the Authority addressed to DTC and in DTC's operational arrangements.

(v) In connection with any notice or other communication to be provided to Owners of Series 2026 Bonds registered in the name of Cede pursuant to the Indenture by the Authority or the Trustee with respect to any consent or other action to be taken by such Owners, the Authority shall establish a record date for such consent or other action by such Owners and give DTC notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

(vi) A blanket Representation Letter (the "Representation Letter") has been executed and delivered by the Authority. The execution and delivery of the Representation Letter shall not in any way limit the provisions of this Section 2.9 hereof or in any other way impose upon the Authority or the Trustee any obligation whatsoever with respect to persons having interests in the Series 2026 Bonds other than the registered owners of the Series 2026 Bonds, as shown on the registration books kept by the Trustee. The Trustee shall take all action necessary for all representations of the Authority and the Trustee in the Representation Letter or any other comparable agreement with a securities depository with respect to the Trustee and in DTC's operational arrangements shall at all times be complied with.

ARTICLE III

FUNDS AND ACCOUNTS

Section 3.1 Creation of Series 2026 Accounts. There is hereby established with the Trustee a Series 2026 Bond Account within the Bond Fund, a Series 2026 Cost of Issuance Account within the Cost of Issuance Fund, and a Series 2026 Construction Account within the Construction Fund.

Section 3.2 Disbursement of Series 2026 Bond Proceeds. The Authority shall deposit with the Trustee the proceeds from the sale of the Series 2026 Bonds in the amount of $[_________], (being the par amount of the Series 2026 Bonds, plus a net reoffering premium of $[__________], and less an Underwriter's discount of $[_________]), and the Trustee shall transfer and deposit such amounts as follow:

(a) An amount equal to $[_______] shall be deposited into the Series 2026 Construction Account within the Construction Fund; and

(b) The remaining amount into the Series 2026 Cost of Issuance Account within the Construction Fund held by the Trustee to be used to pay costs of issuance of the Series 2026 Bonds.

Section 3.3 Costs of Issuance Account; Payment of Costs of Issuing Series 2026 Bonds. An amount equal to $[________] of the proceeds of the Series 2026 Bonds shall be deposited into the Series 2026 Cost of Issuance Account. At or about the time of the issuance of the Series 2026 Bonds, the Trustee shall apply the amounts on deposit in the Series 2026 Cost of Issuance Account to pay costs of issuing the Series 2026 Bonds, as instructed in the Cost of Issuance Disbursement in substantially the form of Exhibit B attached hereto to be signed by the Chair/President or Vice President of the Authority. Any amounts remaining in the Series 2026 Cost of Issuance Account 90 days after the delivery of the Series 2026 Bonds shall be transferred to the Series 2026 Construction Account of the Construction Fund and applied to the uses therein authorized.

Section 3.4 Debt Service Reserve Requirement. The Debt Service Reserve Requirement with respect to the Series 2026 Bonds shall be [$0].

Section 3.5 Deposit to and Use of Series 2026 Construction Account of Construction Fund. The balance of the proceeds of the Series 2026 Bonds remaining after depositing $[________] to the Series 2026 Cost of Issuance Account for payment of certain costs of issuance of the Series 2026 Bonds as contemplated by Section 3.3 of this First Supplemental Indenture, shall be deposited into the Series 2026 Construction Account in the Construction Fund. The amount on deposit in the Series 2026 Construction Account of the Construction Fund shall be disbursed by the Trustee for the purpose for which the Series 2026 Bonds were issued (including any capitalized interest thereon) in accordance with the provisions of the Master Lease and the Indenture. Upon completion of the Series 2026 Project, as evidenced by delivery of a completion certificate, amounts remaining on deposit in the Series 2026 Construction Account of the Construction Fund shall be applied to the redemption of Series 2026 Bonds as soon as practicable.

No amounts shall be disbursed from the Series 2026 Construction Account of the Construction Fund for payment of Contractors with respect to the Series 2026 Project until the applicable requirements of the Master Lease and the Indenture have been met and reasonable evidence of the same (including the insurance requirements in Article VII and Article IX of the Master Lease) has been delivered to the Trustee.

Section 3.6 Series 2026 Bonds as Initial Bonds. The Series 2026 Bonds are issued as the Initial Bonds under the Indenture. The Authority hereby certifies that the requirements set forth herein and in Section 2.4 of the General Indenture have been and will be complied with in connection with the issuance of the Series 2026 Bonds.

ARTICLE IV

CONFIRMATION OF GENERAL INDENTURE

Section 4.1 Confirmation of General Indenture. As modified and supplemented by this First Supplemental Indenture, the General Indenture is in all things and respects hereby ratified and confirmed. The provisions of the General Indenture shall apply to this First Supplemental Indenture to the extent that such provisions have not been deleted or modified by or are not inconsistent with the specific provisions of this First Supplemental Indenture.

ARTICLE V

MISCELLANEOUS

Section 5.1 Confirmation of Sale of Series 2026 Bonds. The sale of the Series 2026 Bonds to the Underwriter at a price of $[__________] is hereby ratified, confirmed and approved.

Section 5.2 Illegal, etc. Provisions Disregarded. In case any provision in this First Supplemental Indenture shall for any reason be held invalid, illegal, or unenforceable in any respect, this First Supplemental Indenture shall be construed as if such provision had never been contained herein.

Section 5.3 Applicable Law. This First Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of Utah.

Section 5.4 Headings for Convenience Only. The descriptive headings in this First Supplemental Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 5.5 Counterparts. This First Supplemental Indenture may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when so executed and delivered, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Authority has caused these presents to be signed in its corporate name and with its official seal hereunto affixed and attested by its duly authorized officers, and to evidence its acceptance of the trust hereby created, the Trustee has caused these presents to be executed in its corporate name with its corporate seal hereunto affixed all by its duly authorized officers, as of the date first above written.

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

By: ________________________________
Chair/President

(SEAL)

ATTEST AND COUNTERSIGN:

By: ________________________________
Secretary-Treasurer

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

By: ________________________________

Title: _______________________________

EXHIBIT A

FORM OF SERIES 2026 BONDS

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

UNITED STATES OF AMERICA
STATE OF UTAH
MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH
LEASE REVENUE BOND, SERIES 2026

REGISTERED REGISTERED

NUMBER R-1 $_____________

Interest Rate	Maturity Date	Original Issue Date	CUSIP
	_________	___________	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ______________________AND NO/100 DOLLARS****

The Municipal Building Authority of the City of South Jordan, Utah, a nonprofit corporation duly organized and existing under the laws of the State of Utah (the “Authority”), performing essential governmental functions on behalf of the City of South Jordan, Utah, a body corporate and politic of the State of Utah (the “City”) for value received, promises to pay solely and to the extent available from the sources hereinafter provided, to the Registered Owner named above, or registered assigns, on the Maturity Date specified above, the Principal Amount specified above, and in like manner to pay interest on said amount at the Interest Rate specified above (calculated on the basis of a 360-day year consisting of twelve 30-day months), payable on [______] and [______] of each year (each an “Interest Payment Date”) commencing [______], except as the provisions hereinafter set forth with respect to redemption of this Bond prior to maturity may become applicable hereto. The principal amount of this Bond shall be reduced by the payment of principal thereof on the dates and amounts indicated on such Record of Principal Payments without the surrender of the Bond to the Paying Agent. Interest on this Bond shall be payable by wire transfer to an account located in the United States or check or draft mailed to the Registered Owner hereof at his address as it appears on the registration books of the Paying Agent, who shall also act as the Registrar for the Issuer, or at such other address as is furnished to the

Paying Agent in writing by such Registered Owner. Interest hereon shall be deemed to be paid by the Paying Agent when wired or mailed by certified mail. Both principal and interest shall be payable in lawful money of the United States of America designated by the Registered Owner in written instructions furnished to the Trustee.

The Series 2026 Bonds (hereinafter defined) are dated as of the Original Issue Date shown above. Interest on the Series 2026 Bonds authenticated prior to the first Interest Payment Date shall accrue from and including the Original Issue Date. Interest on the Series 2026 Bonds authenticated on or subsequent to the first Interest Payment Date shall accrue from the Interest Payment Date next preceding their date of authentication, or if authenticated on an Interest Payment Date, from that date.

This Bond is one of an authorized issue of Lease Revenue Bonds, Series 2026, of the Authority limited in aggregate principal amount to $[__________] (the "Series 2026 Bonds") issued to (a) finance the acquisition and construction of a new fire station and related improvements (the "Series 2026 Project"), (b) fund any required deposits to a debt service reserve fund and (c) pay costs associated with the issuance of the Series 2026 Bonds. The Series 2026 Project has been leased by the Authority to the City under the terms of a Master Lease Agreement dated as of [______], 2026 (which agreement, as from time to time amended and supplemented, is hereinafter referred to as the "Master Lease"). The obligation of the City to make lease payments under the Master Lease is subject to the annual renewal of the Master Lease and to the right of the City to terminate its payment obligations with respect to the Series 2026 Project under the Master Lease in the event that the City fails to appropriate moneys to pay such rentals. In the event that the City's payment obligations under the Master Lease shall be terminated by reason of a failure to appropriate (referred to herein as "Event of Nonappropriation") or by reason of an Event of Default (as defined in the Master Lease), the principal amount of this Series 2026 Bond and interest hereon will be payable from such moneys, if any, as may be available under the Indenture for such purpose, including any moneys received by the Trustee from a liquidation or other disposition of the Authority's interest in the Series 2026 Project including a foreclosure of the lien of the Indenture (hereinafter defined) and the Security Documents (as defined in the Indenture), subject to the limitations contained in the Indenture. Under certain circumstances, this Series 2026 Bond and the interest hereon may also be payable from Net Proceeds (as defined in the Master Lease) of insurance policies, performance bonds, condemnation awards and liquidation proceeds with respect to the Series 2026 Project.

The Series 2026 Bonds are issued pursuant to the authority contained in the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (collectively, the "Act"), and under and are equally and ratably secured by and entitled to the protection of a General Indenture of Trust dated as of [______], 2026 (the "General Indenture") and a First Supplemental Indenture of Trust dated as of [______], 2026 (the "First Supplemental Indenture," and together with the General Indenture, the "Indenture"), each by and between the Authority and the Trustee, duly executed and delivered by the Authority to the Trustee and pursuant to which the Base Rentals (as defined in the Master Lease) payable by the City, under the Master Lease and, if paid by the City, the Purchase Option Price (as defined in the Master Lease), are assigned to the Trustee to secure the payment of principal of, premium, if any, and interest on the Series 2026 Bonds. Additionally, the Authority has granted a security interest in the Series

2026 Project, pursuant to certain Security Documents to the Trustee to further secure its obligations under the Indenture.

The Indenture provides that, upon the conditions and restrictions therein, the Authority may hereafter issue Refunding Bonds or Additional Bonds (each as defined in the Indenture) from time to time to finance or refinance the costs of the Series 2026 Project or other facilities and improvements under certain terms and conditions contained in the Indenture and in the Master Lease and, if issued, the Refunding Bonds and/or the Additional Bonds will rank pari passu with the Series 2026 Bonds then Outstanding (as defined in the Indenture) and be equally and ratably secured and entitled to the protection of the Indenture and the Security Documents (the Series 2026 Bonds, the Refunding Bonds and the Additional Bonds are collectively referred to herein as the "Bonds"). Reference is hereby made to the Master Lease, the Security Documents and the Indenture for a description of the property pledged and assigned, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the City, the Authority, the Trustee and the holders of the Series 2026 Bonds, the issuance of Refunding Bonds or Additional Bonds, the terms upon which the Series 2026 Bonds are issued and secured, the terms and conditions upon which the Series 2026 Bonds will be deemed to have been paid, at or prior to maturity or redemption of the Series 2026 Bonds, and the rights of the holders of the Series 2026 Bonds upon the occurrence of an Event of Default or an Event of Nonappropriation.

The Series 2026 Bonds and the interest thereon constitute special, limited obligations of the Authority. Except to the extent payable from the proceeds of the Series 2026 Bonds and the income from the investment thereof, the proceeds of certain funds held by the Trustee, the Net Proceeds of certain insurance policies, performance bonds and condemnation awards or the proceeds, if any, from a liquidation or other disposition of the Authority's interest in the Series 2026 Project subsequent to foreclosure of the lien of the Indenture and the Security Documents, the Series 2026 Bonds and the interest thereon are payable solely from Base Rentals, and, if paid, the Purchase Option Price paid by the City under the Master Lease. Payments under the Master Lease may be made only from City Funds (as defined in the Master Lease) which are legally available for such purpose.

Neither the Master Lease, the Series 2026 Bonds, nor the interest thereon shall constitute or give rise to a general obligation indebtedness of the City, or a charge against the City or its general credit or the taxing power of the City. Neither the City nor the Authority on its behalf, has pledged the credit of the City to the payment of the Series 2026 Bonds, the interest thereon or amounts due or to become due under the Master Lease. The Authority has no taxing power.

THE CITY IS NOT OBLIGATED TO APPROPRIATE CITY FUNDS FOR THE PURPOSE OF PAYING BASE RENTALS, ADDITIONAL RENTALS OR THE PURCHASE OPTION PRICE UNDER THE MASTER LEASE, AND NO JUDGMENT MAY BE ENTERED AGAINST THE CITY IN THE EVENT OF AN INSUFFICIENCY OF MONEYS TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2026 BONDS. THE MASTER LEASE IS SUBJECT TO ANNUAL RENEWAL AND THE CITY'S PAYMENT OBLIGATIONS UNDER THE MASTER LEASE WILL BE TERMINATED UPON THE OCCURRENCE OF AN EVENT OF DEFAULT. IN SUCH EVENT, ALL PAYMENTS FROM THE CITY UNDER THE MASTER LEASE WILL TERMINATE AND THE SERIES 2026 BONDS AND THE INTEREST THEREON WILL BE PAYABLE SOLELY FROM AND TO

THE EXTENT OF SUCH MONEYS, IF ANY, AS MAY BE HELD BY THE TRUSTEE UNDER THE INDENTURE AND ANY MONEYS MADE AVAILABLE FROM A LIQUIDATION OR OTHER DISPOSITION OF THE AUTHORITY'S INTEREST IN THE SERIES 2026 PROJECT SUBSEQUENT TO FORECLOSURE OF THE LIEN OF THE INDENTURE AND THE SECURITY DOCUMENTS, SUBJECT TO THE LIMITATIONS SET FORTH IN THE INDENTURE. A BONDHOLDER SHOULD NOT ANTICIPATE THAT IT WILL BE POSSIBLE TO FORECLOSE THE AUTHORITY'S INTEREST IN THE SERIES 2026 PROJECT AND LIQUIDATE, RELET OR SELL SUCH INTEREST AFTER THE OCCURRENCE OF AN EVENT OF DEFAULT FOR AN AMOUNT EQUAL TO THE AGGREGATE PRINCIPAL AMOUNT OF THE SERIES 2026 BONDS THEN OUTSTANDING PLUS ACCRUED INTEREST THEREON.

No deficiency judgment upon foreclosure may be entered against the City or the Authority and no breach of any provision of the Master Lease, the Security Documents, the Series 2026 Bonds or the Indenture shall impose any general obligation or liability upon or a charge against the City, the Authority, or the general credit or taxing powers of the City.

This Series 2026 Bond is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal corporate trust office of the Trustee in Salt Lake City, Utah, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Series 2026 Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Authority, the Paying Agent and the Trustee may deem and treat the Registered Owner hereof as the absolute owner hereof (whether or not this Series 2026 Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and premium, if any, and interest due hereon and for all other purposes and the Authority, the Paying Agent and the Trustee shall not be affected by any notice to the contrary.

The Series 2026 Bonds are subject to redemption prior to maturity at the times, upon the occurrence of the events and with notice all as found in the Indenture.

In the event of a redemption, acceleration, or any other similar transaction necessitating a reduction in aggregate principal amount of the Series 2026 Bonds, including any mandatory sinking fund redemption, a Bondholder shall make an appropriate notation on the Series 2026 Bonds certificate indicating the date and amounts of such reduction in principal, except in the case of final maturity in which case the certificate must be presented to the Paying Agent prior to payment. In the case of a discrepancy between the record of payments on the Series 2026 Bonds and the Bond Registrar's records, the Bond Registrar's records shall govern.

The Registered Owner of this Series 2026 Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Master Lease or any Event of Default under the Indenture or the Security Documents, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Authority and the rights of the holders of the Series 2026 Bonds at any time by the Authority with the consent of the City (if an Event of Default does not then exist under the Master Lease) and the Registered Owners of not less than 66 2/3% in aggregate principal amount of the Series 2026 Bonds at the time Outstanding. The Indenture also permits waiver of compliance by the Authority with any terms of the Indenture with the consent of the City (if an Event of Default does not then exist under the Master Lease) and the Registered Owners of not less than 66 2/3% in aggregate principal amount of the Series 2026 Bonds at the time Outstanding. Any such consent or waiver by the Registered Owner of this Series 2026 Bond shall be conclusive and binding upon such Owner and upon all future holders of this Series 2026 Bond and of any Bond issued upon the transfer or exchange of this Series 2026 Bond whether or not notation of such consent or waiver is made upon this Series 2026 Bond. The Indenture also contains provisions permitting the Trustee to waive certain Events of Default under the Indenture and their consequences. The Indenture requires the written consent of the Trustee to any waiver or amendment of any provision of the Indenture or any supplemental indenture which modifies the rights, duties or immunities of the Trustee.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Series 2026 Bond do exist, have happened and have been performed in due time, form and manner as required by law; that the issuance of this Series 2026 Bond and the issue of which it forms a part, together with all other obligations of the Authority, do not exceed or violate any constitutional or statutory debt limitation. As required by the Act, the City has by resolution authorized the Authority to issue the Series 2026 Bonds and to execute and deliver the Master Lease, the Security Documents and the Indenture.

This Series 2026 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 WITNESS WHEREOF, the Authority has caused this Series 2026 Bond to be executed in its name by the facsimile or manual signature of its Chair/President and its corporate seal to be hereunto impressed or imprinted hereon and attested by the manual or facsimile signature of its Secretary-Treasurer, and said officials do by the execution hereof adopt as and for the respective proper signatures their respective facsimile or manual signatures appearing hereon.

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

(SEAL)

By: ________________________________
Chair/President

ATTEST AND COUNTERSIGN:

By: ________________________________
Secretary-Treasurer

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2026 Bonds of the issue described in the within- mentioned First Supplemental Indenture of Trust.

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

By: ________________________________
Authorized Officer

Date of Authentication: __________________

ASSIGNMENT

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

____
(Social Security or Other Identifying Number of Assignee)

____
(Please Print or Typewrite Name and Address of Assignee)

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

DATED: _______________________

Signature ___________________________

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

Signature Guaranteed:

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

EXHIBIT B

COST OF ISSUANCE DISBURSEMENT REQUEST

U.S. Bank Trust Company, National Association
170 South Main Street, SUITE 600
Salt Lake City, Utah 84101

Pursuant to Section 3.3 of the First Supplemental Indenture of Trust dated as of [______], 2026, you are hereby authorized to pay the following costs of issuance from the Series 2026 Costs of Issuance Account:

[See Attached Schedule]

MUNICIPAL BUILDING AUTHORITY OF
THE CITY OF SOUTH JORDAN, UTAH

By: ________________________________
Chair/President

COSTS OF ISSUANCE

Payee	Purpose	Amount

EXHIBIT E

MASTER LEASE

MASTER LEASE AGREEMENT

Dated as of [________, 2026]

between

MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH,
as Lessor

A Nonprofit Corporation Organized Under the Laws of the State of Utah

and

THE CITY OF SOUTH JORDAN,
as Lessee

A Political Subdivision and Body Politic Under the Laws of the State of Utah

Various interests of the Municipal Building Authority of the City of South Jordan, Utah, in this Master Lease Agreement have been assigned to U.S. Bank Trust Company, National Association, as Trustee under the General Indenture of Trust, as amended and supplemented by a First Supplemental Indenture of Trust, each dated as of the date hereof and by and between the Municipal Building Authority of the City of South Jordan, Utah, and U.S. Bank Trust Company, National Association, as Trustee, and is subject to the security interest of U.S. Bank Trust Company, National Association, as Trustee under said Indenture.

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MASTER LEASE AGREEMENT

THIS MASTER LEASE AGREEMENT (the "Master Lease") dated as of [________, 2026], entered into by and between the MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH (the "Authority"), as lessor hereunder, a nonprofit corporation duly organized, existing and in good standing under the laws of the State of Utah, and also acting as grantor under a General Indenture of Trust of even date herewith (the "General Indenture"), and THE CITY OF SOUTH JORDAN, UTAH (the "City"), as lessee hereunder, a political subdivision body politic under the laws of the State of Utah:

W I TN E S S E T H:

WHEREAS, the City is a political subdivision and body politic under the laws of the State of Utah; and

WHEREAS, the City has previously authorized and directed the creation of the Authority pursuant to the provisions of a resolution (the "Creating Resolution") by the City; and

WHEREAS, the Authority has been duly and regularly created, established and is organized and existing as a nonprofit corporation under and by virtue of the provisions of the laws of the State of Utah, including, in particular, the provisions of the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the "Building Authority Act"), and the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended (the "Nonprofit Corporation Act"); and

WHEREAS, under the articles of incorporation of the Authority (the "Articles") and the Building Authority Act, the objects and purposes for which the Authority has been founded and incorporated are to acquire, construct, improve or extend any improvements, facilities or properties (whether real or personal) and appurtenances to them which the City is authorized or permitted by law to acquire, including, but not limited to, public buildings or other structures of every nature or any joint or partial interest in the same, which improvements, facilities, properties and appurtenances need not be situated within the boundaries of the City (collectively, the "Projects") and to finance or refinance the costs thereof on behalf of the City in accordance with the procedures and subject to the limitations of the Building Authority Act, the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and the Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (collectively, the "Act") in order to accomplish the public purposes for which the City exists; and

WHEREAS, the Authority is possessed under the Articles and the Act of all powers set forth in the Act, the Constitution and other laws of the State of Utah, including, without limitation, the power to acquire, own, hold, lease and improve real and personal property and to enter into agreements providing for a lease, mortgage or other conveyance of real and personal property; and

WHEREAS, the Authority desires to issue its Lease Revenue Bonds, Series 2026, in the aggregate principal amount of $__________ (the "Series 2026 Bonds") to (a) finance the acquisition and construction of a fire station and related improvements (the "Series 2026 Project"),

(b) fund any required deposits to a debt service reserve fund and (c) pay costs associated with the issuance of the Series 2026 Bonds; and

WHEREAS, the City has reviewed and approved (i) the estimated costs of the Series 2026 Project and (ii) the plans and specifications for the Series 2026 Project; and

WHEREAS, the City is the owner of the fee simple title to the sites wherein the Series 2026 Project will be located (the "Project Sites") and has agreed to lease the Project Sites to the Authority pursuant to a Ground Lease Agreement dated as of [________, 2026] (the "Ground Lease"); and

WHEREAS, the City desires to lease, as lessee, on an annually renewable basis, the Series 2026 Project and any other Projects hereafter acquired by the Authority for lease to the City and the Authority desires to lease, as lessor, the Series 2026 Project and any other Projects hereafter acquired under the terms and provisions set forth in this Master Lease; and

WHEREAS, under the provisions of a resolution adopted on September 15, 2026 (the "City Resolution"), the City has authorized and approved the execution of this Master Lease, the General Indenture and a First Supplemental Indenture of Trust of even date herewith (together with the General Indenture, the "Indenture") between the Authority and U.S. Bank Trust Company, National Association, as trustee, and the issuance of the Series 2026 Bonds; and

WHEREAS, pursuant to the provisions of a resolution adopted on September 15, 2026 (the "Authority Resolution"), the governing board of the Authority (the "Governing Board") has authorized, approved and directed the execution of this Master Lease and the Indenture and the issuance of the Series 2026 Bonds; and

WHEREAS, pursuant to and in accordance with the provisions of the Act and the Articles, the Authority proposes to undertake the financing or refinancing of Projects (including the financing of the Series 2026 Project) and the leasing of such Projects to the City under the terms and provisions of this Master Lease; and

WHEREAS, the Authority may finance or refinance all or a portion of the Costs of Acquisition and Construction of other Projects through the issuance of its Bonds under the General Indenture; and

WHEREAS, all Bonds issued under the General Indenture will be secured as provided in the General Indenture including by means of the Security Documents and a pledge and assignment of this Master Lease and certain revenues and receipts derived by the Authority from the Projects, all as more fully set forth in the Indenture.

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

ARTICLE I

DEFINITIONS

All terms defined in Article I of the General Indenture and Article I of the First Supplemental Indenture, unless the context otherwise requires, shall have the same meaning in this Master Lease. In addition, unless the context otherwise requires, the terms defined in this Article I shall, for all purposes of this Master Lease and the Indenture, have the meaning herein specified.

"Act" means collectively, the Building Authority Act, the Local Government Bonding Act, the Nonprofit Corporation Act and, to the extent applicable, the Refunding Bond Act.

"Additional Rentals" means the cost of all taxes, insurance premiums and expenses payable by, and fees and expenses of, the Trustee and its counsel with respect to the Bonds and other charges and costs which the City assumes or agrees to pay exclusively from City Funds under Section 6.3 of this Master Lease, together with all interest and penalties that may accrue thereon in the event that the City shall fail to pay the same, as specifically set forth herein, including all Security Instrument Repayment Obligations, Security Instrument Costs, Reserve Instrument Repayment Obligations and Reserve Instrument Costs.

"Amendment to Master Lease" means any amendment to this Master Lease between the Authority, as lessor, and the City, as lessee, entered into pursuant to and in compliance with the provisions of Section 15.6 of this Master Lease and Article XII of the General Indenture.

"Authority" means the Municipal Building Authority of the City of South Jordan, Utah, a nonprofit corporation organized under the laws of the State, acting in the capacity of lessor under this Master Lease and as grantor under the Indenture, and any successor to the duties and functions of the Authority.

"Authority Representative" means the Chair/President, Vice President, Secretary-Treasurer and any other person or persons at any time designated to act on behalf of the Authority for purposes of performing any act on behalf of the Authority with respect to a Project by a written certificate furnished to the City and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Authority by any duly authorized officer of the Authority. Such certificate may designate an alternate or alternates. The Authority Representative may be an officer or employee of the Authority or the City.

"Base Rentals" means the payments payable by the City exclusively from City Funds pursuant to Section 6.2 hereof during the Lease Term hereof, which constitute the payments payable by the City for and in consideration of the right of use of the Projects during such Lease Term and the purchase option granted herein.

"Building Authority Act" means the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended.

"Business Day" means a legal business day on which banking business is transacted in the cities in which the Trustee or Paying Agent has its principal corporate trust offices.

"City" means the City of South Jordan, a political subdivision and body politic under the laws of the State of Utah, and any entity succeeding to its rights and obligations under this Master Lease. Any reference herein to the "governing body" of the City shall refer to the City Council and to any successor governing body as authorized by applicable law.

"City Funds" means all revenues and receipts derived by the City from the operation of the Projects, including, without limitation, funds of the City legally available therefor, all to the extent the same are budgeted and appropriated by the governing body of the City for the purpose of paying Base Rentals, Additional Rentals or the Purchase Option Price hereunder during the Lease Term in which this Master Lease may be in effect.

"City Representative" means the Mayor, [City Manager] and City Recorder of the City and any other person at any time designated to act on behalf of the City for purposes of performing any act with respect to a Project by a written certificate furnished to the Authority and the Trustee containing the specimen signature of such person and signed on behalf of the City or any duly authorized officer thereof. Such certificate may designate an alternate or alternates. The City Representative may be an officer or employee of the Authority or the City.

"Completion Date" means the date of completion of acquisition and/or construction of a Project, within the meaning of Section 17D-2-401(2) of the Building Authority Act, and of final acceptance by the City of such Project.

"Construction Contract" means any contract or agreement relating to the acquisition, development or construction of a Project or portion thereof.

"Contractor" means that party to a Construction Contract or Design Contract providing services related to a Project or portion thereof.

"Costs of Acquisition and Construction" means:

(1) obligations of the City or the Authority incurred for labor, materials and equipment in connection with a Project or the cost of acquiring a Project;

(2) the cost of payment, performance or other bonds and any and all types of insurance (including but not limited to title insurance) that may be necessary or appropriate to have in effect during the course of a Project;

(3) all costs of planning and designing a Project, including architectural, planning, engineering, legal and fiscal advisors' fees and the costs incurred by the City or the Authority for test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction, as well as for the performance of all other duties required by or consequent to the proper and timely completion of such Project;

(4) payment of expenses incurred in seeking to enforce any remedy against any contractor or subcontractor in respect of any default under a contract relating to the acquisition and construction of a Project;

(5) the cost of equipment and furnishings for a Project, the cost of acquiring a site for a Project (or any interest therein) and all other costs authorized by the Building Authority Act which are considered to be a part of the costs of a Project in accordance with generally accepted accounting principles, including but not limited to interest accruing on the Bonds during the period required to complete the acquisition and construction of such Project and for not more than twelve (12) months after the Completion Date;

(6) any sums required to reimburse the Authority or the City for advances by either of them for any of the above items or for any other costs incurred and for work done by either of them which are properly chargeable to a capital account in respect of a Project;

(7) such amounts as the governing body of the Authority shall find to be necessary to provide necessary working capital in connection with a Project; and

(8) all expenses connected with the authorization, sale and issuance of a series of Bonds and the refunding of any Bonds, including the initial fees of the Trustee, escrow agent, rating agency fees, bond insurance premiums, fees for outside attorneys or accountants, whose opinions are required to obtain the issuance of the Bonds, municipal advisors' fees and commissions and printing costs, those amounts as the Authority shall find necessary to establish reserves and maintenance, repair, replacement, and contingency funds and accounts, and the interest on Bonds for a reasonable time prior to, during, and for a reasonable period of time after completion of a Project.

"Design Contract" means any contract or agreement relating to the architecture, design, engineering or planning of a Project or portion thereof.

"Event of Default" means one or more events of default as defined in Section 14.1 herein.

"Event of Nonappropriation" means a failure by the City to renew this Master Lease by failing or refusing to budget and appropriate sufficient City Funds for the payment of all or any part of the Base Rentals and Additional Rentals for any Renewal Term hereof as set forth in Section 4.1 and Section 6.6 hereof. The existence or nonexistence of an Event of Nonappropriation shall be determined as of the date on which the governing body of the City fails or refuses to adopt a final budget in accordance with applicable law which appropriates sufficient moneys to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term as contemplated by Section 4.1 hereof or on any earlier or later date on which the Trustee receives written notice from the City that the governing body of the City has failed or refused to make such appropriations and the term of this Master Lease will not be renewed; provided, however, that the Trustee, with the consent of any Security Instrument Issuer, may waive any Event of Nonappropriation which is cured by the City within a reasonable time if, in the Trustee's judgment, such waiver is in the best interests of the Bondholders, except as otherwise provided in Section 4.1 hereof or as otherwise provided by Supplemental Indenture. Notwithstanding anything herein to the contrary, the City's failure or refusal to adopt a final budget in accordance with applicable law within the time provided by Section 4.1 hereof which appropriates sufficient moneys to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term shall constitute an Event of Nonappropriation.

"Fiscal Year" means the twelve-month period used from time to time by the City for its financial accounting purposes (currently January 1 to December 31).

"Force Majeure" means, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies and terrorists; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; storms; droughts; floods; explosions; breakage or accidents to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of the City and not due to its negligence.

"Ground Lease" means the Ground Lease Agreement dated as of [________, 2026], by and between the City and the Authority.

"Ground Lease Term" means the duration of the leasehold estate created in the Project Sites as provided in Article IV of the Ground Lease.

"Independent Counsel" means an attorney duly admitted to the practice of law before the highest court of the State and who is not a full-time employee of the Authority, the City or the Trustee.

"Lease Term" means the duration of the leasehold estate created in the Projects as provided in Article IV of this Master Lease.

"Local Government Bonding Act" means the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended.

"Net Proceeds," when used with respect to (i) proceeds from policies of insurance required hereby (including any self-insurance), (ii) any condemnation award, (iii) proceeds resulting from a default under a contract relating to the acquisition and construction of a Project (including liquidated damages, if any), or (iv) the proceeds of any liquidation of all or portions of a Project, means the amount remaining after deducting all expenses (including, without limitation, attorneys' fees and costs) incurred in the collection of such proceeds or award from the gross proceeds thereof.

"Nonprofit Corporation Act" means the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended.

"Original Term" means the initial portion of the Lease Term which terminates on June 30, 2026.

"Permitted Encumbrances" means, as of any particular time, (i) liens for taxes and assessments not then delinquent, or which the City may, pursuant to the provisions of Article IX of this Master Lease, permit to remain unpaid; (ii) this Master Lease, including any security interests granted herein or therein; (iii) utility access and other easements and rights of way, restrictions and exceptions which the City Representative and the Authority Representative certify in writing to the Trustee will not interfere with the operation of the Projects or impair the marketability of title to the Projects or the general security provided for the Bondholders of the

Bonds; (iv) the Indenture, the Security Documents and related financing statements; (v) the ownership interests of the City in any real or personal property which is the subject of any lease between the City, as lessor and the Authority, as lessee that is entered into in furtherance of any Project; (vi) any mechanic's, laborer's, materialmen's, supplier's or vendor's lien or right in respect thereof if payment is not yet due under the contract in question; (vii) such minor defects, irregularities, encumbrances and clouds on title as normally exist with respect to property of the general character of the Projects and as do not materially impair the operation or marketability of title to the Projects; and (viii) any items contained in a Title Insurance Policy delivered in accordance with Sections 2.4, 2.13 or 2.14 of the General Indenture.

"Project or Projects" has the meaning ascribed to that term in the Indenture and includes the Series 2026 Project.

"Project Sites" means the real property, as more fully described in Exhibit B hereof, where the Project is to be constructed.

"Purchase Option Price" means an amount payable, at the option of the City, at any time for the purpose of terminating the payment obligation of the City under this Master Lease with respect to a Project and purchasing the Authority's interest in such Project, which amount, when added to the amounts then on deposit in the Bond Fund and the subaccount within the Debt Service Reserve Fund with respect to such Project (other than moneys held by the Trustee for the payment of the Bonds under the Indenture not deemed Outstanding), shall be sufficient (i) to pay, defease, retire and/or redeem all the Outstanding Bonds of the Series of Bonds issued to finance or refinance the particular Project in accordance with the provisions of the Indenture (including, without limiting the generality of the foregoing, the principal of and interest to maturity or earliest applicable redemption date of the relevant Bonds and premium, if any, thereon, the expenses of defeasance and/or redemption, including escrow agent fees, if any, and fee and expenses of the City, the Authority and the Trustee and all Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations); (ii) in case of redemption, to make arrangements satisfactory to the Trustee for the giving of the required notice of redemption; and (iii) to make any necessary payment of rebate with respect to any Bonds to be paid, defeased, retired and/or redeemed.

"Refunding Bond Act" means the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended.

"Renewal Terms" means the optional Renewal Terms of the Lease Term as provided in Article IV of this Master Lease.

"Rentals" means all Base Rentals and Additional Rentals payable during the Lease Term under this Master Lease.

"Series 2026 Bonds" means the Authority's Lease Revenue Bonds, Series 2026, issued in an aggregate principal amount of $__________ herein authorized.

"Series 2026 Project" means, collectively, the acquisition and construction of a fire station and related improvements (as more fully described in Exhibit A hereto).

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of the City. The City represents, covenants, and warrants for the benefit of the Authority and the Trustee as follows:

(a) The City is a political subdivision and body politic under the laws of the State of Utah. Under the provisions of the Constitution and laws of the State, the City is authorized to enter into the transactions contemplated by this Master Lease and to carry out its obligations hereunder. The City has duly authorized and approved the execution and delivery of this Master Lease. The City agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

(b) The Authority has by this Master Lease leased the Project and may pursuant to this Master Lease lease other Projects to the City as hereinafter provided. It is understood by the parties hereto that the Authority has all rights, title and interest in the Project, subject to Permitted Encumbrances.

(c) During the Lease Term, the Project will at all times be used for purposes which are within and consistent with the legal rights, powers and authority of the Authority and the City under the Constitution and laws of the State.

(d) The City is not in default under any of the provisions of the laws of the State which default would affect its existence or its powers referred to in Section 2.l(a) hereof. Neither the execution and delivery of this Master Lease nor the issuance and sale by the Authority of its Bonds, nor the performance by the City of its obligations under this Master Lease will constitute on the part of the City a breach of or a default under, any existing law, court or administrative regulation, decree, order or any material agreement, indenture, mortgage, lease or any other instrument to which the City is subject or by which it is or may be bound.

(e) There is no action, suit or proceeding pending or, to the best knowledge of the City, threatened, or any basis therefor, before any court or administrative agency which may adversely affect the City or ability of the City to perform its obligations under this Master Lease. All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by the City of this Master Lease or in connection with the carrying out by the City of its obligations under this Master Lease have been obtained.

(f) The Project (including the Series 2026 Project) constitutes a "project" within the meaning of the Building Authority Act.

(g) The acquisition and construction of the Project will be accomplished in accordance with all applicable laws and the construction and financing of the Project is necessary and appropriate for accomplishing one or more of the authorized functions or public purposes of the City and is suitable for such purpose and in furtherance of the purposes of the City and the best interests of the citizens of the City.

(h) To the extent allowed by law, if an Event of Nonappropriation has occurred, the City shall not purchase, lease or rent substantially equivalent buildings or building space for the City's or Authority's use for functions that are substantially the same as those functions the Series 2026 Project has been used for until all of the principal and interest on the Series 2026 Bonds has been paid in full.

(i) No voter approval was sought on the question of whether general obligation bonds of the City should be issued to finance the Project.

Section 2.2. Representations, Covenants and Warranties of the Authority. The Authority represents, covenants, and warrants for the benefit of the City and the Trustee as follows:

(a) The Authority is a nonprofit corporation duly incorporated and in good standing under the laws of the State and is duly qualified to transact business in the State, is not in violation of any provision of its articles of incorporation or its bylaws, has the corporate power and authority to enter into this Master Lease and has duly authorized and approved the execution and delivery of this Master Lease by proper corporate action.

(b) The Authority agrees that, so long as this Master Lease has not been terminated, it will maintain its corporate existence, will continue to be a corporation in good standing under the laws of the State, will not dissolve or otherwise dispose of all or substantially all of its assets, except as provided in this Master Lease (or similar leases), and will not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it.

(c) The Authority will cause the Project to be acquired and constructed (subject to Permitted Encumbrances) and will complete or cause to be completed the acquisition and construction of the Project in accordance with the plans and specifications therefor. The Authority will lease the Project to the City as hereinafter provided. It is understood by the parties hereto that the Authority shall have all rights, title and interest in the Project, subject to Permitted Encumbrances.

(d) The Authority will not pledge the Base Rentals, the Additional Rentals, Purchase Option Price or any of its other rights under this Master Lease and will not assign its interest in or encumber the Project except as provided hereunder or under the Indenture and the Security Documents. All property and moneys received by the Authority from the City will, so long as no Event of Nonappropriation or no Event of Default shall occur, be applied for the benefit of the City, and all property and moneys received by the Authority under this Master Lease with respect to the Project and under the Indenture for the Bondholders of the Bonds will be applied for the proportionate benefit of said Bondholders.

(e) Neither the execution and delivery hereof, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Authority is now a party or by which the Authority is bound, or constitutes a default under any of the foregoing or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Authority except Permitted Encumbrances.

(f) Except as otherwise provided in this Master Lease, the Indenture and the Security Documents, the Authority will not assign this Master Lease, its rights to payments from the City or its duties and obligations under this Master Lease to any other person, firm or corporation so as to impair or violate the representations, covenants and warranties contained in this Section 2.2.

(g) The Authority will not use any of the proceeds of the sale of the Series 2026 Bonds in a manner not authorized by the terms of this Master Lease, the Indenture or the exhibits hereto and thereto.

(h) There is no action, suit or proceeding pending or, to the best knowledge of the Authority, threatened, or any basis therefor, before any court or administrative agency which might adversely affect the Authority or the ability of the Authority to perform its obligations under this Master Lease, the Indenture and the Security Documents. All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by the Authority of this Master Lease, the Indenture, the Security Documents or in connection with the carrying out by the Authority of its obligations under this Master Lease, the Indenture and the Security Documents have been obtained.

(i) The Authority gave notice of its intent to issue the Series 2026 Bonds and no petition meeting the requirements of Section 17D-2-602 or 17D-2-502 of the Building Authority Act was submitted during the 30-day period following publication of such notice. The Authority gave notice of a public hearing and held such public hearing with respect to the issuance of the Series 2026 Bonds all in accordance with the provisions of Section 11-14-318 of the Act.

ARTICLE III

DEMISING CLAUSE

The Authority hereby demises and leases the Project, and the City leases the same from the Authority, subject only to Permitted Encumbrances in accordance with the provisions of this Master Lease, to have and to hold under this Master Lease unless sooner terminated as expressly provided herein. Nothing in this Master Lease shall be construed to require the City to operate the Project other than as the lessee hereunder or to exercise its right to purchase any or all of the Project or any portion thereof as provided in Article XII of this Master Lease.

The Trustee shall be empowered, after an Event of Nonappropriation or an Event of Default and the foreclosure of the security afforded under this Master Lease, the Indenture or the Security Documents, to collect the amount of the Base Rentals and Additional Rentals allocable to any sublease from any and all sublessees, and apply the net amount collected to the Base Rentals and Additional Rentals required herein, but no such collection shall be deemed a waiver of any agreement, term, covenant or condition hereof, or the acceptance of any sublessee as lessee hereunder.

The Authority warrants and covenants that it will acquire the Projects for the exclusive use of the City (subject to the occurrence of an Event of Default or an Event of Nonappropriation), subject to Permitted Encumbrances. The Authority will cause to be furnished to the Trustee a commitment for title insurance policy which meets the requirements of Section 2.4 of the General Indenture.

ARTICLE IV

LEASE TERM

Section 4.1. Commencement of Lease Term. The Lease Term shall commence as of the date of delivery of the Series 2026 Bonds and shall terminate at midnight on June 30, 2027. The Lease Term may be continued, solely at the option of the City, beyond the expiration of the Original Term for an additional one year, (the first "Renewal Term") and for additional Renewal Terms thereafter each of one year in duration (except that the final Renewal Term shall commence [July 1, 20__] and end on [___________]), upon the City having adopted a final budget in accordance with applicable law prior to the end of the then-current Original Term or Renewal Term, as the case may be, that appropriates specifically with respect to this Master Lease sufficient City Funds for the payment of Base Rentals and reasonably estimated Additional Rentals to become due during the next following Renewal Term, it being understood that by budgeting and appropriating such amounts, the City shall have elected to continue the Lease Term for the next following Renewal Term and shall have given adequate notice thereof as contemplated by Section l7D-2-402(1)(b) of the Building Authority Act. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Base Rentals shall be as otherwise specified in Exhibit D attached hereto, for each such Renewal Term, as such Schedule may be revised as provided in Section 6.2 hereof.

Within five (5) days after the adoption of such final budget, the City shall deliver written notice to the Trustee stating that the City has extended the term of this Master Lease for the succeeding Renewal Term, describing in reasonable detail the actions taken by the governing body of the City (if such actions are then required to pay any Rentals hereunder or, if no such actions are then required, explaining the reasons therefor) to appropriate funds sufficient for the purpose of paying the Base Rentals and reasonably estimated Additional Rentals (as provided in Sections 6.2 and 6.3 hereof) to become due during such succeeding Renewal Term. Unless the Trustee shall have previously received the foregoing notice applicable to the next succeeding Renewal Term, the Trustee shall, at least 20 days prior to the last day of each Fiscal Year, make written inquiry of the City as to whether the City has extended the term of this Master Lease and whether the governing body of the City shall have made the appropriation necessary to pay the Base Rentals and reasonably estimated Additional Rentals to become due during such succeeding Renewal Term. The City shall deliver written notice to the Trustee as soon as practicable, but in no event later than the expiration of the Original Term or the then current Renewal Term, stating (as the case may be) that: (i) the governing body of the City has failed or refused to appropriate, specifically with respect to this Master Lease, moneys sufficient to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term and stating what actions the City and its officials propose to take with respect to this Master Lease, the Projects and any budgetary procedures for any Base Rentals and Additional Rentals that may thereafter accrue; or (ii) that the City is precluded from adopting its final budget for the fiscal year in question due to the procedural requirements of State law described below.

In the event the governing body of the City is precluded, solely as a result of notice, hearing or other procedural requirements imposed by State law in connection with the adoption of a final budget, from adopting a final budget on or prior to the last day of any Fiscal Year, no Event of Nonappropriation shall be deemed to have occurred as a result of the failure to so adopt a final budget, provided that: (i) prior to the last day of such Fiscal Year, the governing body of the City shall have adopted a tentative budget which includes a tentative appropriation of City Funds sufficient to pay the Base Rentals and reasonably estimated Additional Rentals to become due during the succeeding Renewal Term; (ii) prior to the last day of such Fiscal Year, the City shall have delivered to the Trustee and any Security Instrument Issuer, a copy of the tentative budget adopted by its governing body and a notice stating that it is the intention of the governing body to renew the Lease Term upon the adoption of the final budget; (iii) any Base Rentals or Additional Rentals described in the preceding paragraph and provided further that any Rentals which become due and payable pursuant to the terms of this Master Lease prior to the adoption of such final budget shall be paid by the City in accordance with the tentative budget adopted by the governing body of the City; and (iv) the governing body of the City shall adopt a final budget on or before the last date allowable under applicable law that includes the appropriation of City Funds required under this Section 4.1 to renew the Lease Term. The City shall promptly file a copy of the final budget so adopted by its governing body with the Trustee.

Section 4.2. <u>Termination of Lease Term.</u> The Lease Term shall terminate upon the first to occur of the following events:

(a) the exercise by the City of its option to purchase the Authority's interest in all of the Projects, granted under the provisions of this Master Lease;

(b) an Event of Default and the election of the Authority or the Trustee to terminate this Master Lease under Article XIV hereof;

(c) the discharge of the lien of the Indenture under Article VIII thereof;

(d) the expiration or termination of the Lease Term pursuant to an Event of Nonappropriation or Section 10.3 of this Master Lease under the conditions provided therein; or

(e) the last day of the Lease Term of this Master Lease, upon payment of all Base Rentals and Additional Rentals required hereunder.

Section 4.3. <u>Effect on the City of Expiration or Termination of the Term of this Master Lease.</u> The expiration or termination of the term of this Master Lease as to the City's right of possession and use of the Projects pursuant to Section 4.2(b) or (d) hereof shall terminate all obligations of the City under this Master Lease (except to the extent of legally available City Funds from the Project) and shall terminate the City's rights of use, occupancy and operation of the Projects; provided, however, that all other terms of this Master Lease and the Indenture, including all obligations of the Trustee with respect to the Bondholders and the receipt and disbursement of funds, shall be continuing until the lien of the Indenture is discharged or foreclosed, as provided in the Indenture, except that all obligations of the City to pay any amounts to the Bondholders and the Trustee hereunder shall thereafter be satisfied only as provided in the Indenture. The termination or expiration of the term of this Master Lease as to the City's right of possession and use pursuant to Section 4.2(b) or (d) hereof, in and of itself, shall not discharge the lien of the Indenture.

Section 4.4. Revised Schedule of Base Rentals and Option Price. Upon partial redemption of any Series of Bonds pursuant to the Indenture, or the issuance of Additional Bonds or Refunding Bonds pursuant to the Indenture, the Authority shall provide the City and the Trustee with a revised schedule of Base Rentals which schedule shall take into account such redemption or issuance and shall be and become for all purposes thereafter Exhibit D to this Master Lease setting forth the Base Rentals.

ARTICLE V

ENJOYMENT OF PROJECTS

The Authority hereby covenants to provide the City during the Lease Term with quiet use and enjoyment of the Projects, and the City shall, by keeping and performing the agreements and covenants on its part contained in this Master Lease, during the Lease Term peaceably and quietly have and hold and enjoy the Projects, without suit, trouble or hindrance from the Authority, the Trustee or the Bondholders, except as expressly set forth herein and in the Indenture and the Security Documents. Neither the Authority, the Trustee nor any Bondholder shall interfere with such quiet use and enjoyment during the Lease Term so long as no Event of Default or Event of Nonappropriation shall have occurred. The Authority shall, at the request of the City and at the cost of the City, join in any legal action in which the City asserts its right to such possession and enjoyment, to the extent that the Authority may lawfully do so. In addition, the City may at its own expense join in any legal action affecting its possession and enjoyment of the Projects and shall be joined as a party in any action affecting its liabilities hereunder.

The Authority, the Bondholder and the Trustee and their respective designated representatives shall have the right at all reasonable times during business hours (and in emergencies at all times) to enter into and upon the Projects for the purpose of inspecting the same, for any purpose related to the Authority's obligations or rights under this Master Lease or for any other lawful purpose.

ARTICLE VI

PAYMENTS BY THE CITY

Section 6.1. Payments to Constitute Current Expenses of the City. The City and the Authority acknowledge and agree that the obligation of the City to pay Base Rentals and Additional Rentals under this Master Lease constitutes current expenses of the City payable exclusively from City Funds and shall not in any way be construed to be an obligation or indebtedness of the City within the meaning of Sections 3 or 4 of Article XIV of the Utah Constitution, or any other constitutional or statutory limitation or requirement applicable to the City concerning the creation of indebtedness. No provision of this Master Lease shall be construed or interpreted (i) to require the governing body of the City to appropriate any money to pay the Base Rentals, the Additional Rentals or the Purchase Option Price, or (ii) as a lending of the credit of the City within the meaning of Section 29 of Article VI of the Utah Constitution. Neither the City, nor the Authority on its behalf, has pledged the credit of the City to the payment of the Base Rentals, the Additional Rentals, the Purchase Option Price, the Bonds or the interest thereon, and neither this Master Lease, the Indenture nor the Bonds shall directly or contingently obligate the City to apply money, or to levy or pledge any form of taxation, to the payment of the Base Rentals, the Additional Rentals, the Purchase Option Price or the Bonds or any interest thereon except as expressly provided herein. If the City fails to pay any Base Rentals or Additional Rentals due under this Master Lease it shall immediately quit and vacate the Projects and its obligation to pay Base Rentals or Additional Rentals hereunder shall terminate.

Section 6.2. Payment of Base Rentals.

(a) The City shall pay Base Rentals exclusively from City Funds. The City shall pay Base Rentals during the Lease Term in such amounts as shall be sufficient to pay principal and interest when due on the Bonds. The Base Rentals shall be payable directly to the Trustee in periodic payments at the times and manner and in the amounts as specified in the schedule of Base Rental payments attached as Exhibit D hereto as shall equal the interest payments falling due on the Bonds on the next succeeding Interest Payment Date and the principal payments falling due on the Bonds either by regularly scheduled maturities or by mandatory sinking fund installment or redemption, on the next succeeding principal payment date, such that there shall be on deposit with the Trustee at least fifteen days prior to each principal and/or interest payment date on the Bonds an amount sufficient to make such payment. At the time of execution of this Master Lease, Base Rental payments for each payment date will equal the amounts set forth in Exhibit D hereto (however, in the event the City does not ensure payments in Exhibit D are paid in full, it shall be deemed an Event of Nonappropriation or an Event of Default, as applicable). The City understands that the Base Rental Payment Schedule attached as Exhibit D may be revised from time to time based on the redemption of Bonds (other than mandatory sinking fund redemptions), or the issuance of any Additional Bonds or Refunding Bonds allowed under the Indenture. The City hereby agrees to pay the Base Rentals in accordance with the Base Rental Payment Schedule attached hereto as Exhibit D hereto as it may be revised from time to time by such amounts as are necessary to reflect the redemption of the principal of certain Bonds or to pay the principal of the Additional Bonds or Refunding Bonds and interest on such Additional Bonds or Refunding Bonds.

In addition, in the event the market value of the amount on deposit in the Debt Service Reserve Fund is, for any reason, reduced below the Debt Service Reserve Requirement, the City shall, in the event it elects to renew this Master Lease during the following Renewal Term, and as a condition of renewal (but solely from City Funds), pay to the Trustee in two substantially equal semiannual payments additional Base Rentals during the Lease Term, in an amount sufficient to replenish the Debt Service Reserve Fund to the Debt Service Reserve Requirement. Notwithstanding anything contained herein to the contrary, no payment of Base Rentals or

Additional Rentals shall be required to be paid prior to the Completion Date of any one Project with respect to which such Rentals are being paid.

(b) In the event that (1)(A) a portion of a Project (the "Completed Portion of the Project") financed with a separate Series of Bonds is accepted by the City for use and occupancy under this Master Lease, and (B) the acquisition and construction of additional portions of the Project (the "Uncompleted Portion of the Project") financed with one or more Series of Bonds (other than the Series of Bonds described in (A) above) have yet to be completed, and (2) an Event of Default (as defined in the Indenture) occurs under the Indenture due to the failure to complete the Uncompleted Portion of the Project, the City and the Authority hereby agree, as follows:

(i) The City consents to the provisions of Section 9.15 of the General Indenture governing such an Event of Default; and

(ii) The City shall, subject to the occurrence of an Event of Nonappropriation, continue to pay Base Rentals and Additional Rentals with respect to the Completed Portion of the Project and this Master Lease shall remain in full force and effect with respect to the Completed Portion of the Project.

(c) In the event that less than all of any one Project is initially made available for use, occupancy and operation and the City accepts a portion of any one Project for its use, occupancy and operation pending final completion of the remainder of any one such Project, any Base Rentals paid by the City with respect to any one such Project shall be prorated in a manner so as to reflect the fair rental value of that portion of the Project then available for use, occupancy or operation by the City and so used, occupied or operated.

(d) The amount of the Base Rentals otherwise payable by the City hereunder shall be reduced by an amount equal to (i) any earnings on the investment of the Bond Fund, (ii) any moneys transferred to the Bond Fund from the Debt Service Reserve Fund pursuant to paragraph (b) of Section 5.10 of the General Indenture (other than from draws on a Reserve Instrument), and (iii) any Direct Payments on deposit with the Trustee in the Bond Fund. In the event that Direct Payments are deposited with the Trustee after the City has made the related payment of Base Rentals, the City may elect to have the Trustee return to the City an amount equal to such Direct Payments (so long as the amount remaining on deposit in the Bond Fund continues to be sufficient to pay principal and interest next due on the Bonds, if such payment is requested prior to the related Interest Payment Date) or to have the Trustee retain the Direct Payments in the Bond Fund and take the credit with respect to the next required Base Rentals payment. Each payment of Base Rentals shall be in consideration for the use of the Projects by the City during the applicable period commencing on the Bond Payment Date next preceding the Bond Payment Date to which such Base Rental payment is attributable and for the option to purchase the Projects granted herein.

(e) The payments of Base Rentals and Additional Rentals under this Master Lease for each Renewal Term during the term of this Master Lease shall constitute the total Rentals which are payable for said Renewal Term and shall be paid by the City for and in consideration of the right of use, occupancy and operation of the Projects and the continued quiet use and enjoyment of the Projects for and during said Renewal Term. The parties hereto agree that such total Rentals will represent the fair rental value of the Projects. In making such determination, the parties will give consideration to the costs of financing the Costs of Acquisition and Construction of the Projects, the uses and purposes of the Projects and the benefits therefrom which will accrue to the parties to this Master Lease and the general public by reason of the Projects.

(f) Notwithstanding the foregoing, the City may not elect to renew this Master Lease in part and in the event it desires to renew this Master Lease must continue to pay City Funds in an amount sufficient to pay Base Rentals attributable to all of the Projects which have been delivered for occupancy or use (or any portion thereof, in proportion to such available portion).

(g) It is understood and agreed by the City that, subject to the terms of this Master Lease and the Indenture, all Base Rentals payable under this Section 6.2 by the City, as well as the Purchase Option Price, if paid with respect to any or all of the Projects, are assigned by the Authority to the Trustee for the benefit of the Bondholders as set forth in the Indenture. The City assents to such assignment. The Authority hereby directs the City, and the City hereby agrees, to pay to the Trustee at its principal office in Salt Lake City, Utah or such other office as designated by the Trustee, all Base Rentals payable by the City pursuant to this Section 6.2 and, if paid, the Purchase Option Price.

(h) The amount of the Base Rentals and Purchase Option Price otherwise payable shall be reduced as appropriate to reflect any redemption of Bonds and/or the purchase of Bonds and the cancellation thereof in advance of their maturity. If at any time the amounts held by the Trustee in the Bond Fund and the Debt Service Reserve Fund (other than moneys held for the payment of Bonds not deemed Outstanding) shall be sufficient to pay at the times required the principal of and interest and premium, if any, on all of the Bonds then Outstanding, the City shall not be obligated to pay any further Base Rentals hereunder.

(i) As provided in Section 17D-2-401(2)(b)(i) of the Building Authority Act, the City is not required to make any payment of Base Rentals or Additional Rentals hereunder until construction of the related Project or Projects are complete. In the event that a Project is not completed by the time that amounts set aside for payment of capitalized interest are expended, the City and the Authority shall (i) reallocate proceeds of the related Series of Bonds to make funds available for additional capitalized interest, (ii) seek other legally available funds for such purpose or (iii) issue Additional Bonds to finance additional capitalized interest; provided, however, the City may commence making payments of Base Rentals with respect to individual completed projects constituting a Project.

Section 6.3. Payment of Additional Rentals with Respect to the Projects. In addition to the Base Rentals and as part of the total consideration for the use of the Projects and the option to purchase any or all of the Projects, and commencing upon the execution and delivery of this Master Lease and continuing throughout the period that the City pays Base Rentals, the City shall pay or shall cause to be paid the following Additional Rentals, exclusively from City Funds, during the Lease Term thereof as hereinafter provided:

(a) the annual fee of the Trustee for the ordinary services of the Trustee rendered and its ordinary expenses incurred under the Indenture;

(b) the reasonable fees and expenses of the Trustee and any paying agent appointed under the Indenture with respect to the Bonds for acting as paying agent as provided in the Indenture;

(c) the reasonable fees and expenses of the Trustee for extraordinary services rendered by it and extraordinary expenses, including the fees and expenses of its counsel, incurred as Trustee under the Indenture;

(d) the reasonable out-of-pocket expenses of the Authority relating to the Projects not otherwise required to be paid by the City under the terms of this Master Lease;

(e) the costs of maintenance and repair of the Projects as required under Section 9.1 hereof;

(f) the costs of taxes, governmental charges, utility charges, management and operations expenses, liens and encumbrances with respect to the Projects as required under Section 9.3 hereof;

(g) the costs of casualty, public liability and property damage and worker's compensation insurance with respect to the Projects as required under Sections 9.4, 9.5 and 9.6 hereof;

(h) the amount of any tax or excise on the Base Rentals, Additional Rentals, Purchase Option Price or any other tax, however described, levied, assessed or imposed by the United States Government, the State or any political subdivision or any taxing authority thereof against the Authority;

(i) an amount equal to any franchise, succession, capital levy or transfer tax or any income, excess profits or revenue tax, or any other tax, assessment, charge or levy upon the Base Rentals, Additional Rentals or the Purchase Option Price payable by the City pursuant to this Master Lease;

(j) any amounts required to be deposited to the Rebate Fund established with respect to a Series of Bonds;

(k) Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations; and

(l) during the Original Term or any Renewal Term in which there is an insufficiency of Net Proceeds as described in Section 10.2 hereof, an amount equal to the insufficiency of Net Proceeds required to repair, replace, restore or modify the affected Project or Projects.

The Additional Rentals specified in subsections (a), (b), (c) and (k) shall be payable to the Trustee and shall be due and payable within ten days after notice in writing from said Trustee to the City stating the amount of Additional Rentals then due and payable and the purpose thereof. Except as otherwise provided herein or in the Indenture, the Additional Rentals specified in subsections (d), (e), (f), (g), (h), and (i), shall be payable to the Authority or directly to the person or entity with respect to which such costs or fees were incurred and shall be due and payable at such time as the Authority or such person or entity shall require. Additional Rentals specified in subsection (j) shall be determined by, or at the direction of, the City and deposited with the Trustee as required by Section 148 of the Code.

Section 6.4. Manner of Payment. The Base Rentals, Additional Rentals and, if paid, the Purchase Option Price, shall be paid exclusively from City Funds and in lawful money of the United States of America. The obligation of the City to make payment of the Base Rentals and Additional Rentals required under this Article VI and other sections hereof and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events except as expressly provided hereunder. Notwithstanding any dispute between the City and the Authority, the Trustee, any Bondholder, any contractor or subcontractor retained with respect to the construction and equipping of a Project, any supplier of labor or materials in connection therewith or any other person, the City shall pay all payments of Base Rentals and Additional Rentals, from and to the extent of available City Funds, when due, and shall not withhold any Base Rentals or Additional Rentals pending final resolution of such dispute, nor shall the City assert any right of set-off or counterclaim against its obligation to make such payments required hereunder. The obligation of the City to pay Base Rentals and Additional Rentals during the Original Term or any Renewal Term shall be absolute and unconditional in all events, except as expressly provided herein, and payment of the Base Rentals and Additional Rentals shall not be abated through accident or unforeseen circumstances.

Section 6.5. Expression of Need for the Project by the City; Determination of Purchase Price.

(a) The City hereby finds as of the date of this Master Lease, that it has an essential need for the Project to carry out and give effect to the public purposes of the City. The City and the Authority hereby agree and determine that the Base Rentals and items of Additional Rentals with respect to the Project are reasonable and that the Purchase Option Price with respect to the Project represents, as of the end of the Lease Term, a reasonable purchase price for the Project. In making such determination the City and the Authority have given consideration to the costs of the Project, the cost of financing the Project, the uses and purposes for which the Project will be employed by the City and the benefit to the citizens of the City by reason of the City's use and occupancy of the Project pursuant to the provisions of this Master Lease.

(b) The City must find that, as of the date of the execution of an Amendment to this Master Lease relating to a Project, the City then has an essential need for such Project which is the subject of the Amendment to Master Lease to carry out and give effect to the public purposes of the City. At the time of execution of such Amendment to Master Lease, the City and the Authority must agree and determine that the Base Rentals and Additional Rentals payable with respect to such Project that is the subject of such Amendment to

Master Lease are reasonable and that the Purchase Option Price represents, as of the end of the Lease Term, a reasonable purchase price for such Project. In making such determination the City and the Authority will give consideration to the costs of such Project, the cost of financing such Project, the uses and purposes for which such Project will be employed by the City and the benefit to the citizens of the City by reason of the City's use and occupancy of such Project pursuant to the provisions of this Master Lease.

Section 6.6. Nonappropriation. In the event that sufficient City Funds shall not be budgeted and appropriated by the City, in a final budget adopted within the time permitted by Section 4.1 hereof, for the payment of the (i) Base Rentals becoming due during such Renewal Term and (ii) such Additional Rentals becoming due during such Renewal Term which can be determined with reasonable accuracy, then an Event of Nonappropriation shall be deemed to have occurred as of the first day of such Renewal Term and the City shall not be obligated to make payment of the Base Rentals or Additional Rentals provided for herein beyond the last day of the Renewal Term preceding such Event of Nonappropriation. Subject to the provisions of the next succeeding sentence, once the City has elected to continue this Master Lease for a Renewal Term by budgeting and appropriating sufficient City Funds for the payment of Base Rentals and Additional Rentals hereunder the City shall, as of the first day of such Renewal Term, be obligated to pay such Base Rentals and Additional Rentals during such Renewal Term. If the City fails to pay any Base Rentals or Additional Rentals due under this Master Lease, or upon an Event of Nonappropriation, the City shall immediately quit and vacate the Projects and its obligation to pay Base Rentals or Additional Rentals hereunder shall terminate. The Trustee shall, upon the occurrence of an Event of Nonappropriation, have all rights and remedies to take possession of the Project as trustee for the benefit of the Bondholders of the Bonds and the Trustee shall be further entitled to all moneys then on hand and being held in all funds created under the Indenture, less any moneys then due and owing to the Trustee for services performed as trustee thereunder. All property, funds and rights acquired by the Trustee by reason of an Event of Nonappropriation as provided herein shall be held by the Trustee under the Indenture for the benefit of the Bondholders as set forth in said Indenture until the principal of, premium, if any, and interest on the Bonds are paid in full and other amounts payable under the Indenture are paid in full and any excess shall thereafter be paid to the City.

Section 6.7. Application of Base Rentals, Additional Rentals and Purchase Option Price. All Base Rentals, the Additional Rentals specified in subsections (a), (b), (c) and (k) of Section 6.3 hereof, and, if paid by the City, the Purchase Option Price shall be paid to the Trustee for application in accordance with the Indenture.

Section 6.8. Request for Appropriation. During the Lease Term, the City covenants and agrees as follows:

(a) to include in its annual tentative budget prepared by the appropriate officials acting on behalf of the City in accordance with applicable law an item for expenditure of an amount necessary (after taking into account any and all City Funds then legally available for such purpose), to pay the Base Rentals and reasonably estimated Additional Rentals (calculated pursuant to Section 6.3 hereof) for the Projects during the next succeeding Renewal Term; and

(b) to take such further action (or cause the same to be taken) as may be necessary or desirable to assure that the final budget submitted to the governing body of the City for its consideration seeks an appropriation of City Funds sufficient to pay such Base Rentals and Additional Rentals for each such Renewal Term, including all such actions for such purpose as may be required under State law.

The next inclusion in the City's annual tentative budget shall be made under applicable law prior to the Fiscal year commencing January 1, 2026, so that the Base Rentals and the reasonably estimated Additional Rentals payable during such Renewal Term will have been appropriated for such purpose, and subsequent inclusions in each respective tentative budget for appropriations by the City shall be made in each Fiscal Year thereafter so that the Base Rentals and Additional Rentals to be paid during the succeeding Renewal Term will be available for such purposes as long as the governing body of the City determines to approve such amount in the final budget as adopted. To effect the covenants set forth in (a) above, the City hereby directs its budget officer, or any other officer at the time charged with the responsibility of formulating budget proposals, to include in the tentative budget prepared annually by such budget officer or other officer and submitted to the governing body of the City, in any year in which this Master Lease is in effect, items for all payments required for the ensuing Renewal Term under this Master Lease. It is hereby expressed as the intention of the City that the decision to renew or not to renew the term of this Master Lease is to be made solely by the governing body of the City at the time it considers for adoption of the final budget for each of its fiscal years and corresponding Renewal Terms hereunder, and not by any official of the City, acting in his or her individual capacity as such. In this connection, the City hereby covenants and agrees that such budget officer or other officer shall not amend, modify or otherwise change the appropriations made in any finally adopted budget for the payment of any Base Rentals or Additional Rentals without the express prior approval of the governing body of the City.

ARTICLE VII

ACQUISITION AND CONSTRUCTION OF PROJECTS

Section 7.1. Agreement to Acquire and Construct the Projects. The City and the Authority agree that the Authority shall cause the Projects to be acquired and constructed as herein provided, all of which construction, shall be made in accordance with the plans and specifications for such Projects as approved by the City. The City hereby agrees that in order to effectuate the purposes of this Master Lease, it authorizes the City Representative or the Authority Representative, on behalf of the Authority, to make, execute, acknowledge and transmit any other contracts, orders, receipts, writings and instructions with any other persons, firms or corporations and in general do all things which may be requisite or proper, all for the carrying out and furtherance of the acquisition and construction of the Projects.

The Authority agrees to carry out or to cause to be carried out the acquisition, construction and equipping of any Project through the application of moneys to be disbursed from the Construction Fund by the Trustee utilizing a requisition request complying with the requirements of Section 7.3 herein.

The Authority agrees to cause all Projects to be constructed with all reasonable dispatch, subject only to delays caused by Force Majeure excepted.

The City hereby covenants, to the extent permitted by applicable law, to use other legally available funds and to seek additional legally available funds to the extent necessary to complete the acquisition, construction and equipping of any Project as herein required, or to make certain design changes in such Projects to the extent necessary to complete the acquisition, construction and equipping of such Projects with moneys then available for such purposes in the Construction Fund.

Section 7.2. Application of Proceeds of Series 2026 Bonds. The proceeds from the sale of the Series 2026 Bonds shall be applied as set forth in the First Supplemental Indenture.

Section 7.3. Disbursements from the Construction Fund. The Authority has, in the Indenture, authorized and directed the Trustee to make payments from the Construction Fund (if any) under the Indenture to pay the Costs of Acquisition and Construction of the Projects. So long as the Trustee has not received notice nor is deemed to have received notice pursuant to Section 10.l(h) of the General Indenture that an Event of Nonappropriation or Event of Default has occurred and is continuing, the Trustee is hereby authorized to disburse the amounts on deposit in the Construction Fund, as provided herein and therein.

Other than for payment of capitalized interest on the Bonds, which shall be paid by the Trustee without further direction (as prescribed in the First Supplemental Indenture), such payments shall be made upon receipt by the Trustee of a requisition in substantially the form attached hereto as Exhibit C and signed by the City Representative on which requisition the Trustee is entitled to conclusively rely.

Section 7.4. Establishment of Completion Date; Disbursement of Balance of Construction Fund. The Completion Date with respect to any one Project shall be evidenced to the Trustee by a certificate signed by the City Representative and the Authority Representative stating that, except for amounts retained by the Trustee at the direction of the Authority for any Costs of Acquisition and Construction not then due and payable, (i) the acquisition, construction, installation and improvement of such Project has been completed in accordance with the plans and specifications and all labor, services, materials and supplies used in such acquisition, construction, installation and improvement have been paid for; (ii) all other facilities necessary in connection with such Project have been constructed, acquired and installed to their satisfaction; (iii) such Project is suitable and sufficient for its intended purposes; and (iv) all costs and expenses incurred in the acquisition, construction and equipping of such Project have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being. Upon receipt of such certificate, the Trustee shall retain in the applicable Construction Fund account an aggregate sum equal to the amount estimated by the City Representative and the Authority Representative to be necessary for payment of the Cost of Acquisition and Construction not then due and payable. All moneys then on hand in such Construction Fund account in excess of the amount to be retained shall be transferred by the Trustee, as set forth in a written direction of the Authority and the City, to the Bond Fund to be used by the Trustee as provided in the related Supplemental Indenture.

Section 7.5. <u>Investment of Construction Fund, Bond Fund, Rebate Fund and Debt Service Reserve Fund Moneys.</u> Subject to the provisions of Article VI of the General Indenture, any moneys held as a part of the Construction Fund, the Bond Fund, the Debt Service Reserve Fund or the Rebate Fund or any other fund created under the Indenture shall be invested and reinvested by the Trustee upon the written direction of the City in Investment Obligations (as defined in the Indenture) unless otherwise provided by Supplemental Indenture; provided, however that in the absence of such written direction, the Trustee shall hold such moneys in cash, uninvested.

Section 7.6. <u>Design Contracts and Construction Contracts.</u>

(a) The City agrees that upon the occurrence of an Event of Nonappropriation or an Event of Default and upon receipt of a written request from the Trustee, it will assign to the Trustee all of its right, title and interest in and to all Design Contracts and other Project documents. The City shall have and keep on file and available for inspection by the Authority and the Trustee copies of the Design Contracts as soon after the commencement of the Lease Term as such Design Contracts shall become available to the City and throughout the Lease Term.

(a) Each Construction Contract executed in connection with a Project must provide that, upon an Event of Nonappropriation or Event of Default, the Construction Contract will be fully and freely assignable to the Trustee without the consent of any other person; and that, if the Construction Contract is assumed by the Trustee, the Contractor will perform the agreements contained in the Construction Contract for the Trustee. Each Construction Contract must also provide that, upon an Event of Nonappropriation, an Event of Default or damage to, or destruction or condemnation of, the Project as described in Section 10.1 hereof, the Trustee may terminate such Contract, and the contractor shall then be entitled to payment only from amounts available therefor in the Construction Fund and only for work done prior to such termination. The City agrees that upon the occurrence of an Event of Nonappropriation or an Event of Default and upon receipt of a written request from the Trustee, it will assign to the Trustee all of its right, title and interest in and to all Construction Contracts and other Project documents. Each Construction Contract shall be for a fixed price and shall require the contractor to provide 100% payment and performance bonds as provided in Section 7.8 hereof. In the event of any change order resulting in the performance of additional work in connection with the construction of the Project, the amount of such bonds pertaining thereto shall be increased to include the cost of such additional work or materials or fixtures to be incorporated in the Project. The City shall have and keep on file and available for inspection by the Authority and the Trustee copies of the Project documents as soon after the commencement of the Lease Term as such Project documents shall become available to the City and throughout the Lease Term.

Section 7.7. <u>Defaults Under Design Contracts or Construction Contracts.</u> In the event of any material default under any Design Contract or Construction Contract, or in the event of a material breach of warranty thereunder with respect to any materials, workmanship or performance, the City and the Authority shall promptly proceed, either separately or in conjunction with others, to pursue diligently their remedies against the Contractor in default and/or against each surety on any bond securing the performance of such contracts. The Net Proceeds of any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, after deduction of expenses incurred in such recovery (including, without limitation, attorneys' fees and costs) and, after reimbursement to the City or the Authority of any amounts theretofore paid by the City or the Authority and not previously reimbursed to the City or the Authority for correcting or remedying the default which gave rise to the proceedings against the contractor or surety, shall be paid into the applicable Construction Fund account if received before the Completion Date, and shall be used for Costs of Acquisition and Construction of the related Project, or, at the direction of the Authority, shall be transferred by the Trustee into the Bond Fund created under the Indenture to pay principal and/or interest next coming due on the related Series of Bonds.

Section 7.8. Contractor's Performance and Payment Bonds. Each Contractor retained by the City or the Authority in connection with a Construction Contract shall be required to furnish a performance bond and a labor and material payment bond on forms acceptable to the City. Such bond shall be made payable to the Trustee and shall be executed by a corporate surety licensed to transact business in the State and shall be in the full amount of the contract price for such contractor's portion of such Project. If, at any time during the construction of a Project, the surety on such bond shall be disqualified from doing business in the State, an alternate surety shall be selected by the Authority.

Section 7.9. Contractor's General Public Liability and Property Damage Insurance. Each Contractor and subcontractor retained by the City or the Authority in connection with a Construction Contract shall be required to procure and maintain comprehensive general public liability and property damage insurance as applicable, at his own cost and expense, in an amount that is consistent with prudent practice during the duration of such Construction Contract. Such policies shall carry loss payable endorsements in favor of the Trustee under the Indenture. Such insurance shall include a provision prohibiting cancellation or amendment without ten (10) days' prior notice by certified mail to the Trustee. Such insurance shall provide protection from all claims for bodily injury, including death, and all claims for destruction of or damage to the respective Project arising out of or in connection with such contractor's performance of his contract, whether such operations be by himself or by any subcontractor under him or anyone directly or indirectly employed by the contractor or such subcontractor. All limitations of liability contained in such insurance policy or policies and set forth on such certificate of insurance, and any exclusions provided therein, shall be approved by the City.

Section 7.10. Contractor's Builder's Risk Completed Value Insurance. Unless otherwise obtained by the City or the Authority, each Contractor and subcontractor retained by the City or the Authority in connection with a Construction Contract shall be required to procure and maintain during the term of his contract and until such Project is accepted and insured by the Authority and the City, builder's risk completed value insurance upon the building, facilities or improvements constructed or to be constructed, in whole or in part, by such contractor or subcontractor, insuring against loss or damage caused by fire, malicious mischief, vandalism and such other hazards as may be insured against in the standard extended coverage provisions of such policies used in the State. Such policies shall contain a waiver of subrogation by the issuer of each such policy with respect to the Trustee under the Indenture. Such policies may contain deductible amounts of not more than the amount that is then customary for such policies. Such insurance coverage shall be in an amount at least equal to the contract price for such contractor's or subcontractor's work. In the event of any change order resulting in the performance of additional work in connection with a Project, the amount of such insurance shall be increased to include the cost of such additional work, as well as materials and fixtures to be incorporated in such Project.

Such builder's risk completed value insurance policies shall carry loss payable endorsements in favor of the Trustee under the Indenture. No agency or employee of the City or the Authority shall have the power to adjust or settle any loss with respect to a Project without the prior written consent of the Trustee. Such insurance shall contain provisions prohibiting cancellation or amendment without ten (10) days' prior written notice to the Authority and the Trustee.

Section 7.11. Contractor's Worker's Compensation Insurance. Each contractor and subcontractor retained in connection with a Construction Contract shall be required to procure and maintain worker's compensation insurance during the term of his contract as required by the laws of the State, covering his employees working thereunder, which coverage shall also include occupational disease. Such insurance, if issued by a private carrier, shall contain a provision that such coverage shall not be canceled or amended without ten (10) days' prior written notice to the City. Each Construction Contract shall also provide that each subcontractor of any contractor who is a party to such contract shall be required to furnish similar worker's compensation insurance, including occupational disease coverage.

Section 7.12. Proceeds of Certain Insurance Policies and Performance Bonds. The Net Proceeds of any performance or payment bond or insurance policy required by Section 7.8, Section 7.9, and Section 7.10 of this Master Lease shall be deposited with the Trustee and applied as provided in Section 10.2 of this Master Lease and Section 5.16 of the General Indenture.

ARTICLE VIII

TITLE TO THE PROJECTS; SECURITY INTEREST

Section 8.1. Title to the Projects. A fee simple interest or leasehold interest, as applicable, in the site of the Projects and title to the Projects and any and all additions, repairs, replacements or modifications thereto, shall be held in the name of the Authority, subject to Permitted Encumbrances, at all times until conveyed to the City as provided in Section 12.1 of this Master Lease. The City shall not have any right, title or interest in a Project or any additions, repairs, replacements, modifications or fixtures thereto except as expressly set forth herein.

Section 8.2. Security Interest. To secure the payment of all of the obligations of the Authority under the Indenture, the Authority shall grant to the Trustee a security interest in the Projects and the Base Rentals received by the Authority under this Master Lease. Upon execution of this Master Lease, the City and the Authority agree that the Authority shall execute the Security Documents and the Indenture. The Authority agrees that the Authority Representative shall, on its behalf, execute such additional documents, including affidavits, notices and similar instruments, in form satisfactory to the Authority or the Trustee, which the Authority or the Trustee reasonably deems necessary or advisable to establish and maintain the security interests to be granted pursuant to this Section 8.2. The Authority, the City and the Trustee, when directed by the Authority in writing, shall execute from time to time such continuation statements as will be necessary to preserve and protect the security interest granted under the provisions in this Section 8.2

ARTICLE IX

MAINTENANCE; TAXES; INSURANCE AND OTHER CHARGES

Section 9.1. Maintenance of the Projects by the City. The City shall, at its own expense from available City Funds, operate, manage, keep and maintain the Projects (or cause the Projects to be operated, managed, kept and maintained) in good working order, condition and repair, including replacements of a capital nature when necessary, and including periodic painting as reasonably determined by the Authority and in accordance with all operating and maintenance manuals and all applicable laws, rules, ordinances, orders and regulations as shall be in effect from time to time of: (1) any federal, state, county, municipal, or other governmental or quasi-governmental agencies and bodies having or claiming jurisdiction thereof and all their respective departments, bureaus, and officials; (2) the insurance underwriting board or insurance inspection bureau having or claiming jurisdiction thereof; and (3) all insurance companies insuring all or any part of the Projects. The foregoing shall not be construed to prohibit the City from challenging the validity or applicability of such laws, rules, ordinances, orders and regulations and to defer compliance until the challenge has been completed.

It is understood and agreed that in consideration of the payment by the City of the Base Rentals and Additional Rentals herein provided for, the Authority is only obligated to provide the Projects in the manner, at the times and to the extent herein provided, and neither the Authority, the Trustee nor any owner of any Bond shall have any obligation to incur any expense of any kind or character in connection with the management, operation or maintenance of the Projects during the term of this Master Lease.

Without limiting the generality of the foregoing, the City shall, as if the City were the absolute owner thereof, assume all responsibility for the Projects (including all surfaces of the buildings and entrances thereto, foundations, ceilings, roof, all glass and show window moldings and all partitions, doors, fixtures, equipment, and appurtenances thereto, including lighting and plumbing systems and fixtures, sewage facilities, electric motors and heating, ventilating and air-conditioning systems, and all landscaping, parking lots, driveways, fences and signs located on the sites where the Projects are located and all sidewalks and parkways located adjacent to the sites where the Projects are located) and pay all costs or cause the payment of all costs of any kind (including operating costs and costs of repair, whether of a capital nature or otherwise) associated therewith.

Section 9.2. Modification of the Projects. The City shall have the privilege of remodeling any Project or making substitutions, additions, modifications and improvements thereto, at its own cost and expense, and the same shall be subject to this Master Lease, the Indenture and the Security Documents, and shall also be included under the terms hereof and thereof; provided, however, that such remodeling, substitutions, additions, modifications and improvements shall not in any way damage such Projects or cause it to be used for purposes other than those authorized under the provisions of this Master Lease, and the Constitution and laws of the State; and provided, however, that such Projects, as remodeled, improved or altered upon completion of such remodeling, substitutions, additions, modifications and improvements made pursuant to this Article IX shall be of a fair rental value not less than the fair rental value of such Projects immediately prior to the remodeling or the making of substitutions, additions, modifications and improvements. The City shall not permit any mechanic's or other lien to be established or remain against the Projects for labor or materials furnished in connection with any remodeling, substitutions, additions, modifications, improvements, repairs, renewals or replacements so made by the City; provided, however, that if the City shall first notify the Trustee of the intention of the City so to do, the City may in good faith contest any mechanic's or other lien filed or established against the Projects, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom unless the Trustee shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such items the security afforded pursuant to the terms hereof and pursuant to the Indenture and the Security Documents will be materially endangered or the Projects or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay and cause to be satisfied and discharged all such unpaid items. The Trustee will cooperate fully with the City in any such contest, upon the request and at the expense of the City. Any property for which a substitution or replacement is made pursuant to this Section 9.2 may be disposed of by the City in any manner and in the sole discretion of the City.

Section 9.3. Taxes; Other Governmental Charges and Utility Charges. In the event that a Project or any portion thereof shall, for any reason, be deemed subject to taxation, assessments or charges lawfully made by any governmental body which may be secured by a lien against such Project, an Additional Rental, from and to the extent of City Funds, shall be paid, or cause to be paid, by the City equal to the amount of all such taxes, assessments and governmental charges then due. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the City shall be obligated to provide for Additional Rentals only for such installments as are required to be paid during that period that the City is obligated to pay Base Rentals. The City shall not allow any liens for taxes, assessments or governmental charges to exist (including, without limitation, any taxes levied which, if not paid, will become a charge on the rentals and receipts prior to or on a parity with the charge thereon and the pledge and assignment thereof to be created and made in the Indenture), or any interest therein (including the interest of the Authority) on the rentals and revenues derived therefrom or hereunder. The City shall also pay, or shall cause to be paid, as Additional Rentals, from and to the extent of available City Funds, as the same respectively become due, all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Projects.

As long as the City is in possession of the Projects and except as otherwise provided herein, it shall keep it free and clear of all liens, charges and encumbrances (except Permitted Encumbrances and any encumbrances arising through the Authority) and shall have the responsibility for all management, operations, maintenance and repair of the Projects. The City in its discretion may discharge its responsibility hereunder by: (1) using its own employees; or (2) contracting for services; or (3) subleasing all or portions of the Projects, subject to the provisions of this Master Lease and the Indenture; or (4) any combination of such methods. No such contract or sublease shall place a greater burden on the Authority than provided herein, nor infringe upon rights granted to or retained by the Authority hereunder, nor violate or in any way impair the Authority's obligations under the Indenture or any other instrument, if any, securing any debt or borrowings by the Authority, all or substantially all the proceeds of which are to be used to finance Projects.

The City may, at the expense and in the name of the City, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom provided the City shall first deposit with the Trustee, or in court, a bond or other security satisfactory to the Trustee pursuant to the Security Documents unless the Trustee shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such items the security afforded pursuant to the terms hereof and pursuant to the Indenture and the Security Documents will be materially endangered or the Projects or any portion thereof will be subject to loss or forfeiture, in which event such taxes, assessments or charges shall be paid forthwith. In the event that the City shall fail to pay any of the foregoing items required by this Section 9.3 to be paid by the City, the Trustee may (but shall be under no obligation to) pay the same, which amounts, together with interest thereon at a rate per annum equal to the one-month U.S. Federal Treasury Rate, but in no event less than a rate of 3.5% per annum, the City agrees to pay from and to the extent of available City Funds.

Section 9.4. Provisions Respecting Insurance. The City agrees to insure or cause to be insured, with the Trustee listed as a Loss Payee, the Projects against loss or damage of the kinds usually insured against by public bodies similarly situated, including, without limitation, policies of casualty and property damage, by means of policies issued by reputable insurance companies duly qualified to do such business in the State with a uniform standard coverage endorsement limited only as may be provided in the standard form of extended coverage endorsement at that time in use in the State, in amounts that are not less than full insurable value of the Projects. The term “full insurable value” as used herein shall mean the actual replacement value, or at the option of the City any lesser amount which is equal to or greater than the principal amount of all of the Bonds then Outstanding of the Series which financed said Projects (or applicable portions thereof in case said Series of Bonds financed more than one Project). Alternatively, the City may insure or cause to be insured under a blanket insurance policy or policies which cover not only the Projects but other properties in the amounts required by the previous sentence.

Any insurance policy issued pursuant to the preceding paragraph of this Section 9.4 shall be so written or endorsed as to make losses, if any, payable to the Trustee. The Net Proceeds of the insurance required in this Section 9.4 shall be applied as provided in Section 10.2 hereof or, at the option of the City, Section 10.3 hereof. Each insurance policy provided for in Section 9.4 hereof shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interest of the City, the Authority or the Trustee without first giving written notice thereof to the City, the Authority and the Trustee at least thirty days in advance of such cancellation or modification. Certificates evidencing all insurance policies issued pursuant to this Section 9.4 or Section 9.5 hereof shall be deposited with Trustee.

Section 9.5. Public Liability Insurance. The City agrees self-insure or to carry or cause to be carried public liability insurance with one or more reputable insurance companies in amounts that are typically carried by governmental entities of the same size as the City for property damage for any occurrence. In the event that the limits on governmental liability established by Title 63G, Chapter 7, Utah Code Annotated 1953, as amended, are increased, the amounts required by this Section 9.5 shall be deemed to be increased to such higher amounts. If self-insurance is not utilized, the Authority and the Trustee shall be made additional insureds under such policies. The insurance required by this Section 9.5 may be by blanket insurance policy or policies or self-insurance meeting the following requirements: (i) such program must provide for disbursements therefrom without action (other than a ministerial action) of the governing body of the City and (ii) such program shall be reviewed at least annually by an actuarial consultant (including professional staff of the City), to insure that the reserves established are sufficient for the risks intended to be covered by such program. If self-insurance is not utilized, the policies may have a deductible clause in such amount as shall be approved by the Authority and the Trustee. The City may not self-insure for property/casualty insurance without the prior consent of any Security Instrument Issuer.

Section 9.6. Worker's Compensation Coverage. At all times from the date hereof until the end of the Lease Term, the City shall, either by a policy of insurance or by self-insurance, maintain or cause to be maintained worker's compensation coverage with respect to officers, agents and employees of the City working in, on or about the Projects, including coverage for occupational diseases.

Section 9.7. Advances. In the event the City shall fail to maintain the full insurance coverage required by this Master Lease or to keep the Projects in good repair and operating condition, the Trustee may take out the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; which amounts, together with interest thereon at a rate per annum equal to the one-month U.S. Federal Treasury Rate, but in no event less than a rate of 3.5% per annum, the City agrees to pay, from and to the extent of available City Funds.

Section 9.8. Failure to Provide Insurance. In the event the Authority is required under Security Documents to reimburse the Trustee for any insurance policies required by this Article, the City will promptly pay directly to the Trustee all premiums for said insurance, and until payment is made by the City therefor, the amount of all such premiums which have been paid by the Trustee shall bear interest at the one-month U.S. Federal Treasury Rate, but in no event less than a rate of 3.5% per annum. The City shall, upon the Authority's reasonable request, deposit with the Trustee on the first of each month, monthly installments each in an amount equal to one-twelfth of the estimated aggregate annual insurance premiums on all policies of insurance required by this Article. The City further agrees, upon the Authority's request, to cause all bills, statements or other documents relating to the foregoing insurance premiums to be sent or mailed directly to the Trustee. If at any time and for any reason the funds deposited with the Trustee are or will be insufficient to pay such amounts as may then or subsequently be due, the Authority shall notify the City and the City shall immediately deposit an amount equal to such deficiency with the Trustee. The City shall pay to the Trustee, all reasonable fees for extraordinary services rendered by the Trustee pursuant to this Section 9.8.

ARTICLE X

DAMAGE, DESTRUCTION AND CONDEMNATION; USE OF NET PROCEEDS

Section 10.1. <u>Damage. Destruction and Condemnation.</u> If, prior to the termination of the Lease Term and the payment in full of the Bonds (or the making of provisions for the payment thereof in accordance with the Indenture) (i) the Projects or any material portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty; or (ii) title to, or the temporary or permanent use of the Projects or any material portion thereof or the Projects or any material portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority; or (iii) a material defect in construction of a Project shall become apparent; or (iv) title to or the use of all or any material portion of the Projects shall be lost by reason of a defect in title thereto, the City shall be obligated, from and to the extent of City Funds and subject to the provisions of Section 10.3 of this Master Lease, to continue to pay the amounts specified in Sections 10.2, 6.2 and 6.3 of this Master Lease regardless of whether said Projects shall have been accepted.

Section 10.2. <u>Obligation of the City to Repair and Replace a Project.</u> Subject to the provisions of Section 10.3 of this Master Lease, the City, the Authority, and the Trustee shall cause the Net Proceeds of any insurance policies, performance bonds or condemnation awards with respect to a Project or Projects to be deposited in the applicable Construction Fund accounts if received before the Completion Date and in a separate trust fund under the Indenture if received thereafter. All Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification or improvement of said Project or Projects by the City upon receipt of a requisition acceptable to the Trustee signed by the City Representative, stating with respect to each payment to be made: (i) the requisition number; (ii) the name and address of the person, firm or corporation to whom payment is due; (iii) the amount to be paid; (iv) that each obligation mentioned therein has been properly incurred, is a proper charge against the applicable Construction Fund accounts or separate trust fund, and has not been the basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation; and (v) such other documents and information as the Trustee requires. The balance of any such Net Proceeds remaining after such repair, restoration, modification or improvement has been completed shall be transferred to the Bond Fund to be applied to the payment of the principal of, premium, if any, and interest on the applicable Series of Bonds, or if said Bonds shall have been fully paid (or provision for payment thereof has been made in accordance with the provisions of the Indenture), any balance remaining in such Construction Fund account(s) or separate trust fund shall be paid to the City. If the Net Proceeds shall be insufficient to pay in full the cost of any repair, restoration, modification or improvement, the City shall, from and to the extent of available City Funds, complete the work and pay any cost in excess of the amount of the Net Proceeds. The City agrees that, if by reason of any such insufficiency of the Net Proceeds, the City shall make any payments pursuant to the provisions of this Section 10.2, the City shall not be entitled to any reimbursement therefor from the Authority, the Trustee or the Bondholders of the Bonds nor shall the City be entitled to any diminution of the Base Rentals and Additional Rentals payable under Section 6.2 and Section 6.3 of this Master Lease. The City further agrees that any repair, restoration, modification or improvement paid for in whole or in part from such Net Proceeds shall be subject to the security afforded by the Indenture, this Master Lease and the Security Documents, and shall be included under the terms hereof.

Section 10.3. <u>Covenant to Seek Appropriation of Insufficiency of Net Proceeds; Discharge of the Obligation of the City to Repair and Replace the Projects.</u> In the event that the Net Proceeds of any insurance policy, performance bond or condemnation award shall be insufficient to pay in full the cost of any repair, restoration, or modification of a Project or Projects required under Section 10.2 of this Master Lease, the appropriate budget officers of the City shall, within 15 days of notice of such insufficiency, seek an appropriation from the City for an amount equal to any such insufficiency. In the event that the City shall fail to appropriate, by the first day of the next Renewal Term following such request for an appropriation, an amount at least equal to such insufficiency for such purpose, the obligation to repair and replace said Project or Projects under Section 10.2 of this Master Lease may be discharged by depositing the Net Proceeds of the insurance policies, performance bonds or condemnation awards made available by reason of such occurrence into the Bond Fund. Upon the deposit of such Net Proceeds in said Bond Fund, the City shall have no further obligation for the payment of Base Rentals and Additional Rentals hereunder with respect to said Project or Projects, and possession of said Project or Projects as well as all rights created pursuant to this Master Lease and the interest of the City and the Authority therein and in any funds or accounts created under the Indenture with respect to said Project or Projects (except for moneys held in the Rebate Fund and for the payment of Bonds not then deemed Outstanding), shall be surrendered to the Trustee, as trustee for the Bondholders of the applicable Series of Bonds. Thereafter, the Authority's interest in said Project or Projects may be liquidated pursuant to the provisions of and subject to the limitations set forth in the Indenture, Security Documents and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Indenture with respect to said Project or Projects (except moneys held in the Rebate Fund or for the payment of Bonds not then deemed Outstanding), shall be applied to the redemption of the applicable Series of Bonds on the next succeeding redemption date. Such redemption of the applicable Series of Bonds shall be made upon full or partial payment of the principal amount of said Bonds then Outstanding and accrued interest thereon all in accordance with the Indenture.

Section 10.4. Cooperation of the Authority and the Trustee. The Authority and the Trustee shall cooperate fully with the City at the expense of the City in filing any proof of loss with respect to any insurance policy or performance bond covering the events described in Section 10.1 of this Master Lease and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to a Project or Projects or any portion thereof or any property of the City in connection with which a Project is used and will, to the extent it may lawfully do so, and shall permit the City to litigate in any proceeding resulting therefrom in the name and behalf of the Authority and the Trustee. In no event will the Authority or the Trustee voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim or any prospective or pending condemnation proceeding or any part thereof without the written consent of the City Representative.

Section 10.5. Condemnation of Property Owned by the City. The City shall be entitled to the Net Proceeds of any condemnation award or portion thereof made for destruction of, damage to or taking of its property not included in the Projects.

ARTICLE XI

DISCLAIMER OF WARRANTIES; COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 11.1. Disclaimer or Warranties. NEITHER THE AUTHORITY NOR THE TRUSTEE MAKE ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR FITNESS FOR USE OF THE PROJECTS OR ANY OF THE EQUIPMENT OR FIXTURES THEREIN OR ANY OTHER REPRESENTATION OR WARRANTY. In no event shall the Authority or the Trustee be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Master Lease or the existence, furnishing, functioning or the use by the City of any item, product or service provided for herein.

Section 11.2. Further Assurances and Corrective Instruments. The City and the Authority agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Projects hereby leased or intended so to be or for carrying out the intention hereof.

Section 11.3. City and Authority Representatives. Whenever under the provisions hereof the approval of the City or the Authority is required, or the City or the Authority is required to take some action at the request of the other, such approval or such request shall be given for the City by the City Representative and for the Authority by the Authority Representative, and any party hereto and the Trustee shall be authorized to act on any such approval or request.

Section 11.4. Requirements of Law. During the Lease Term, the City and the Authority shall observe and comply promptly with all current and future laws, ordinances, orders, rules and regulations as the same become effective, of the federal, state, county and city governments and of all courts or other governmental authorities having jurisdiction over the Projects or any portion thereof and of all their respective departments, bureaus and officials, and of the insurance regulatory agencies having jurisdiction over the Projects, or any portion thereof, or any other body exercising similar functions, and of all insurance companies writing policies covering the Projects or any portion thereof, whether the same are in force at the commencement of the Lease Term or may in the future be passed, enacted or directed.

Section 11.5. Inspection of the Projects. The City and the Authority agree that the Trustee and the Bondholder and their duly authorized agents shall have the right at all reasonable times to enter upon the Projects and to examine and inspect the same. The Trustee and their duly authorized agents shall also be permitted, at all reasonable times, to examine the books, records, reports and other papers of the City and the Authority with respect to the Projects.

Section 11.6. Granting of Easements and Releases. As long as no Event of Default with respect to the Projects shall have happened and be continuing, the City may at any time or times grant easements, licenses, rights of way and other rights or privileges in the nature of easements with respect to any property or rights included in this Master Lease and the Indenture, free from the security interest afforded by or under this Master Lease, the Indenture and the Security Documents or the City may release portions of the sites on which a Project or Projects is located or existing easements, licenses, rights of way and other rights and privileges with or without consideration, and the Authority agrees that it shall execute and deliver and will cause and direct the Trustee to execute and deliver, any instrument necessary or appropriate to confirm and grant or release such portion of the Project Sites or any such easement, license, right of way or other grant or privilege upon receipt of: (i) a copy of the instrument of grant or release; (ii) a written application signed by the City Representative requesting such instrument and stating that such grant or release will not impair the effective use or interfere with the operation of such Projects or any material portion thereof; and (iii) an opinion of counsel to the City that such grant or release will not materially weaken, diminish or impair the security granted to the Bondholders and contemplated hereby or under this Master Lease, the Indenture or the Security Documents.

Section 11.7. Issuance of Refunding Bonds. Refunding Bonds may be issued by the Authority in accordance with the provisions of Section 2.13 of the General Indenture and with a corresponding effect on the Base Rentals and Additional Rentals due under this Master Lease as provided in Section 4.4 hereof.

Section 11.8. Issuance of Additional Bonds. Additional Bonds may be issued by the Authority in accordance with the provisions of Section 2.14 of the General Indenture and with a corresponding effect on the Base Rentals and Additional Rentals due under this Master Lease as provided in Section 4.4 hereof.

ARTICLE XII

CONVEYANCE OF THE PROJECTS

Section 12.1. Conveyance of the Projects.

(a) The Authority's right and interest in and to all of the Projects shall be transferred, conveyed and assigned by the Authority to the City:

(i) Upon payment by the City to the Trustee of the then applicable Purchase Option Price and upon giving not less than thirty days prior written notice to the Authority and the Trustee; or

(ii) Upon payment by the City to the Trustee of all Base Rentals and Additional Rentals required to be paid under this Master Lease during the Lease Term; or

(iii) Upon the discharge of the lien of the Indenture under Article VIII thereof.

Under the Indenture, the Trustee shall agree to execute such documents and instruments as shall be necessary to effect a release of the security interest granted by said Indenture or the Security Documents upon the payment in full of all of the Bonds.

(b) The City understands that the Purchase Option Price may be revised from time to time based on certain redemptions of Bonds (other than mandatory sinking fund redemptions) or the issuance of any Additional Bonds or Refunding Bonds authorized under the Indenture. In the event the City so elects to purchase all of the Projects as provided herein, the City hereby agrees to pay such applicable Purchase Option Price (together with the other amounts constituting the purchase price for the Projects as provided herein) as it may be revised from time to time by such amounts as are necessary to reflect the redemption of the Bonds or the issuance of Additional Bonds or Refunding Bonds. Nothing herein shall be construed to create any obligation of the City to purchase the Projects.

(c) The City understands that, with respect to the Series 2026 Project, it may only exercise its option to purchase the Series 2026 Project only if the purchase option is exercised with respect to all of the various projects that comprise the Series 2026 Project.

Section 12.2. Release of a Project Upon Payment of Related Series of Bonds. In addition to the purchase option set forth above, the City is hereby granted the option of purchasing a Project in advance of the final maturity of the related Series of Bonds. So long as no Event of Default shall have occurred and be continuing under the Indenture and so long as no Event of Default or Event of Nonappropriation shall have occurred and be continuing under this Master Lease and the Security Instrument Issuer for the related Series of Bonds shall have consented thereto (which consent shall not be unreasonably withheld) unless the related Series of Bonds have been legally defeased or refunded, a Project may be released from the lien created with respect to the Bonds and the Indenture and this Master Lease and transferred to the City (subject to Permitted Encumbrances and liens and encumbrances resulting from the failure of the City to perform or observe the agreements on its part contained in this Master Lease or otherwise consented to by the City), if (i) the City shall deposit with the Trustee the Purchase Option Price for such Projects; and (ii) there shall have been delivered to the Trustee an opinion of nationally recognized bond counsel to the effect that the release of such Projects will not adversely affect the excludability of interest on the Tax-Exempt Bonds from federal gross income of the owners thereof or the status of the Bonds as Tax Credit Bonds, if applicable. The City shall be obligated to pay all costs of the Trustee and the Authority in providing for the transfer and release of any Project or portion thereof.

Section 12.3. Conveyance on Purchase of Projects. At the closing of any purchase of any or all of the Projects pursuant to the option to purchase granted in this Master Lease, the Authority shall, upon receipt by the Trustee of the Purchase Option Price, or upon the payment by the City of all Base Rentals and Additional Rentals required, or upon discharge of the lien of the Indenture as the case may be, deliver to the City the following:

(a) If necessary, a release by the Trustee of the lien under the Indenture and Security Documents, together with any other instrument necessary or appropriate to release any security interest granted by this Master Lease with respect to the Project or Projects to be released, the Indenture and the Security Documents.

(b) All necessary documents conveying to the City good and marketable title to the Project or Projects to be released as it then exists subject to the following: (i) the right, title and interest of the City in such Project; (ii) those liens and encumbrances created by the City or to the creation or suffering of which the City consented; (iii) those liens and encumbrances resulting from the failure of the City to perform or observe any of the agreements on its part contained in this Master Lease; and (iv) Permitted Encumbrances, other than the Indenture, this Master Lease, the Security Documents and any financing statements filed by the Authority pursuant to this Master Lease with respect to the Project or Projects to be released or the Indenture.

Section 12.4. Relative Position of Option and Indenture. The purchase option granted to the City in Section 12.1 hereof with respect to all of the Projects shall be and remain prior and superior to the Indenture and may be exercised whether or not an Event of Nonappropriation or Event of Default shall have occurred and be continuing hereunder or under the Indenture; provided, however, that such option must be exercised before the later of (i) ninety days after notification in writing by the Trustee to the City of the occurrence of an Event of Default under the Indenture, or (ii) the ultimate disposition of the Projects upon exercise of any available foreclosure remedy, and further provided that, as a condition of the exercise of such option, the City must pay, in addition to the Purchase Option Price, any interest payment deficiencies accruing from the date of the Event of Default and all Security Instrument Costs, Security Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations.

ARTICLE XIII

ASSIGNMENT, SUBLEASING, INDEMNIFICATION AND SELLING

Section 13.1. The Authority to Grant Security Interest to Trustee. The parties hereto agree that pursuant to the Indenture, the Authority shall assign to the Trustee, in order to secure payment of the Bonds, all of the Authority's right, title and interest in the Master Lease, except the Authority's rights to compensation from the City for expenses of the Authority under Section 6.3(d) of this Master Lease, the Authority's rights to indemnification from the City under Section 13.3 of this Master Lease and the obligation of the City to pay any attorneys' fees and expenses incurred by the Authority under Section 14.5 of this Master Lease.

Section 13.2. Assignment and Subleasing by the City. This Master Lease may not be assigned by the City for any reason. All or portions of a Project may be subleased by the City without the necessity of obtaining the consent of the Authority or any Bondholder; subject, however, to each of the following conditions:

(a) a Project may only be subleased to a municipality, school district, agency or other political subdivision of the City or the State, or to a private party if the Authority or the City intends to own such Project through the useful life of such Project, and the Authority or the City determines that such ownership of such Project furthers a legitimate public purpose;

(b) this Master Lease and the obligations of the City to make payment of Base Rentals and Additional Rentals under this Master Lease shall at all times during the Lease Term remain obligations of the City notwithstanding any sublease;

(c) the City shall, prior to the execution of a sublease, furnish or cause to be furnished to the Authority and the Trustee a true and complete copy of each sublease;

(d) any such sublease shall be expressly subordinate to the rights of the Trustee and the Bondholders under the Indenture, this Master Lease and the Security Documents;

(e) receipt by the Trustee of an opinion of bond counsel to the effect that such sublease will not in and of itself cause interest on the Bonds issued to finance such Project to be included in gross income of the owners thereof (if such Bonds were issued as Tax-

Exempt Bonds) or will not adversely affect the status of the Bonds as Tax Credit Bonds; and

(f) receipt by the City of the Trustee's and the Security Instrument Issuer's written consent to such sublease, which consent shall not be unreasonably withheld.

After an Event of Default or an Event of Nonappropriation and the foreclosure of the security afforded under this Master Lease, the Indenture or the Security Documents, the Trustee may collect the amount of the Base Rentals and Additional Rentals allocable to any sublease from any and all sublessees.

Section 13.3. Release and Indemnification Covenants. To the extent of the Net Proceeds of the insurance coverage of the City, the City shall and hereby agrees to indemnify and save the Authority and the Trustee harmless against and from all claims by or on behalf of any person, firm, corporation or other legal entity arising from any work or thing done on the Projects during the Lease Term from: (i) any condition of the Projects; and (ii) any act or negligence of the City or of any of its agents, sublessees, contractors or employees or any violation of law or the breach of any covenant or warranty hereunder. The City shall indemnify and save the Authority and the Trustee harmless, from and to the extent of available moneys as set forth above, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the Authority or the Trustee, shall defend them or either of them in any action or proceeding.

In exchange for the City's agreement to indemnify the Trustee and the Authority as provided in this Section 13.3, the Authority and Trustee hereby agree to cooperate with the City in asserting any cause of action that they might individually or as a group have against any third parties with respect to the Projects. Furthermore, in no event will the Authority or Trustee voluntarily settle or consent to the settlement of any proceeding arising out of any claim applicable to the Projects without the written consent of the City Representative and any Security Instrument Issuer, which consent shall not be unreasonably withheld.

Section 13.4. References to Bonds Ineffective After Bonds Paid. Upon payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture) and all fees and charges of Trustee, all references in this Master Lease to said Bonds and Trustee shall be ineffective and neither the Trustee nor the Bondholders shall thereafter have any rights hereunder, saving and excepting those that shall have theretofore vested.

Section 13.5. Installation of the Furnishings and Machinery of the City. The City or any sublessee of the City may, from time to time in its sole discretion and at its own expense, install machinery, equipment and other tangible property in a Project. All such machinery, equipment and other tangible property, except any machinery, equipment and other tangible property substituted for machinery, equipment and tangible property purchased with proceeds of the Bonds as provided in Section 13.6 hereof, shall remain the sole property of the City or sublessee of the City, as applicable, in which neither the Authority nor the Trustee shall have any interest and may be removed by the City or sublessee of the City, as applicable, at any time; provided, however, that the City or sublessee of the City, as applicable, shall be obligated to repair any damage to the Projects, at its own cost and expense, resulting from any such removal.

Section 13.6. Equipment Purchased with Proceeds of the Bonds. Any item of equipment shall be labeled, to the extent practicable, to indicate that it is owned by the Authority, subject to the Indenture, the Security Documents and this Master Lease. Equipment financed with proceeds of the Bonds may not be relocated by the City from the Projects. Any item of such equipment which shall be determined by the City to be no longer usable in connection with the operation of the Projects may be sold by the City after written notice to the Trustee and upon (i) substitution of equipment of comparable or greater value or (ii) deposit of the proceeds thereof in the Bond Fund. Upon any such sale, the equipment so sold shall be released from the Indenture, this Master Lease, the Security Documents and the security interest created thereunder and hereunder. The parties hereto recognize a $50,000 aggregate de minimis exception to this Section 13.6 for equipment making up a portion of the Projects.

ARTICLE XIV

EVENTS OF DEFAULT AND REMEDIES

Section 14.1. Events of Default Defined. Any one of the following shall be an "Event of Default" under this Master Lease:

(a) Failure by the City to pay any Base Rentals or Additional Rentals required to be paid under Sections 6.2 and 6.3 of this Master Lease at the time specified therein, in the absence of an Event of Nonappropriation; or

(b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in (a), for a period of thirty days after written notice, specifying such failure and requesting that it be remedied, given to the City by the Trustee, unless the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the Trustee shall not unreasonably withhold their consent to an extension of such time if corrective action shall be instituted by the City within the applicable period and diligently pursued until the default is corrected; or

(c) The City shall abandon any material portion of a Project; or

(d) The City's interest in this Master Lease or any part thereof shall be assigned or transferred without the written consent of the Authority, either voluntarily or by operation of law, except as permitted hereunder; or

(e) The City shall file any petition or institute any proceedings wherein or whereby the City seeks to be adjudicated a bankrupt, or to be discharged from any and all of its debts or obligations, or offers to the City's creditors to effect a composition or extension of time to pay the City's debts, or seeks a reorganization or a readjustment of the City's debts, or for any other similar release, or any such petition or any such proceedings of the same or similar kind or character shall be filed, or instituted or taken against the City and the same shall not have been dismissed or otherwise resolved in favor of the City within sixty days from the filing or institution thereof; or

(f) Dissolution of the Authority prior to the full repayment of the Series 2026 Bonds.

The foregoing provisions of this Section 14.1 are subject to the following limitations: (i) the obligations of the City to make payments of the Base Rentals and Additional Rentals as provided in Section 6.2 and Section 6.3 of this Master Lease shall be subject to the occurrence of an Event of Nonappropriation; and (ii) if, by reason of Force Majeure, the City shall be unable, in whole or in part, to carry out any agreement on its part herein contained, other than the obligations on the part of the City contained in Article VI hereof, the City shall not be deemed in default during the continuance of such inability. The City agrees, however, to remedy with all reasonable dispatch the cause or causes preventing the City from carrying out its agreement; provided, however, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the City, and the City shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the City, unfavorable to the City.

Section 14.2. Remedies on Default. Whenever any Event of Default referred to in Section 14.1 of this Master Lease shall have happened and be continuing, subject to the limitations contained in the Indenture and the rights of any Security Instrument Issuer (so long as the Security Instrument Issuer is not in default under its Security Instrument), the Trustee or the Authority with the written consent of the Trustee, shall have the right, at their or its option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) Immediately reenter and take possession of the Projects;

(b) Exercise any rights or remedies the Trustee may have under the Indenture or the Security Documents; or

(c) Take whatever action at law or in equity may appear necessary or desirable to enforce their or its rights in and to the Projects, including, without limitation, the right to terminate the Lease Term.

Upon the occurrence of an Event of Default, the City shall immediately quit and vacate the Projects and its obligation to pay Base Rentals or Additional Rentals hereunder shall terminate. Any moneys collected pursuant to action taken under this Section 14.2 shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture.

Section 14.3. Limitations on Remedies. No judgment requiring a payment of money may be entered against the City by reason of an Event of Default under this Master Lease, except as expressly provided herein. In the event the security interest created under the Indenture, this Master Lease or the Security Documents shall be foreclosed subsequent to the occurrence of an Event of Default, no deficiency judgment may be entered against the City or the Authority.

Section 14.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority and the Trustee is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority and the Trustee to exercise any remedy reserved in this Article XIV, it shall not be necessary to give any notice, other than such notice as may be required in this Article XIV.

Section 14.5. Agreement to Pay Attorneys' Fees and Expenses. In the event that either party hereto shall default under any of the provisions hereof and the non-defaulting party shall employ attorneys or incur other expenses for the collection of Base Rentals and Additional Rentals, or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it shall on demand therefor pay to the non-defaulting party the fees of such attorneys and such other expenses so incurred by the non-defaulting party, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the City under this Section 14.5 shall be subject to the availability of City Funds and the obligation of the Authority shall be limited to amounts legally available therefor.

Section 14.6. No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE XV

MISCELLANEOUS

Section 15.1. Lease Term. This Master Lease shall remain in effect from the date hereof until the termination of the Lease Term as provided in Section 4.2 of this Master Lease.

Section 15.2. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows: if to the Authority, the Municipal Building Authority of the City of South Jordan, Utah, 1600 W. Towne Center Drive, Utah 84095, Attention: Chair/President; if to the City, 1600 W. Towne Center Drive, Utah 84095, Attention: Mayor; if to the Trustee, U.S. Bank Trust Company, National Association, [__________________, Salt Lake City, Utah 84___], Attention: Corporate Trust Department Attention: Corporate Trust Department. A duplicate copy of each notice, certificate or other communication given hereunder by the Authority and the City shall also be given to the Trustee. The Authority, the City and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 15.3. Binding Effect. This Master Lease shall inure to the benefit of and shall be binding upon the Authority, the City and their respective successors and assigns, subject, however, to the limitations contained in Sections 2.2(f) and 13.2 of this Master Lease.

Section 15.4. Severability. In the event any provision of this Master Lease (other than the obligation of the City to pay Base Rentals or Additional Rentals) shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof and in the event any provision of this Master Lease were to invalidate the Bonds, such provision shall be rendered invalid and unenforceable, but shall not invalidate or render unenforceable any other provision hereof.

Section 15.5. Amounts Remaining in the Bond Fund and Debt Service Reserve Fund; Dissolution. It is agreed by the parties hereto that any amounts remaining in the Bond Fund and the Debt Service Reserve Fund upon expiration or sooner termination of the Lease Term, as provided in this Master Lease, after payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture) and the fees and expenses of Trustee and any paying agents in accordance with the Indenture and all other amounts due under the Indenture and payment of all Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations, shall belong to and be paid to the City by the Trustee as an overpayment of Base Rentals and Additional Rentals. Upon dissolution of the Authority, after payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture) and payment in full of other obligations of the Authority, Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations any assets and net earnings of the Authority shall be paid to the City in accordance with the Building Authority Act.

Section 15.6. Amendments, Changes and Modifications. Subsequent to the issuance of the Bonds and prior to their payment in full (or provision for the payment thereof having been made in accordance with the provisions of the Indenture), and except as otherwise herein expressly provided, this Master Lease may not be effectively amended, changed, modified, altered or terminated without the written consent of the Trustee and any Security Instrument Issuer in accordance with provisions of the Indenture.

Section 15.7. Execution in Counterparts. This Master Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 15.8. Net Lease. This Master Lease shall be deemed and construed to be a "net lease," and the City shall pay absolutely net during the Lease Term the Base Rentals, Additional Rentals and all other payments required hereunder, free of any deductions, and without abatement, deduction or setoff, other than those herein expressly provided.

Section 15.9. Applicable Law. This Master Lease shall be governed by and construed in accordance with the laws of the State.

Section 15.10. Captions. The captions or headings in this Master Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Master Lease.

Section 15.11. No Personal Liability. No person executing this Master Lease or any of the Bonds, the Indenture or the Security Documents shall be subject to personal liability or accountability by reason of such action or the issuance of the Bonds.

IN WITNESS WHEREOF, the Authority has caused this Master Lease to be executed in its corporate name with its corporate seal hereunto affixed and attested by a duly authorized officer. The City has executed this Master Lease in its name with its seal hereunto affixed and attested by a duly authorized officer. All of the above occurred as of the date first above written.

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

(SEAL)

By: Dawn Ramsey
Its: Chair/President

ATTEST AND COUNTERSIGN:

By: Anna Crookston
Its: Secretary-Treasurer

THE CITY OF SOUTH JORDAN

By: Dawn Ramsey
Its: Mayor

(SEAL)

ATTEST AND COUNTERSIGN:

By: Anna Crookston
Its: City Recorder

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

On _____________, 2026, Dawn Ramsey and Anna Crookston, the Chair/President and Secretary-Treasurer, respectively, of the Municipal Building Authority of the City of South Jordan, Utah, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to on this instrument, and acknowledged that they executed the same.

____
NOTARY PUBLIC

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

On _____________, 2026, Dawn Ramsey and Anna Crookston, the Mayor and City Recorder, respectively, of the City of South Jordan, Utah, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to on this instrument, and acknowledged that they executed the same.

____
NOTARY PUBLIC

EXHIBIT A

PROJECT DESCRIPTION

The acquisition and construction of a fire station and related improvements.

EXHIBIT B

PROJECT SITES

All real property located or the land located in Salt Lake County, Utah, described as follows:

EXHIBIT C

FORM OF REQUISITION

RE: The Municipal Building Authority of the City of South Jordan, Utah Lease Revenue [Refunding] Bonds, Series __________ in the sum or $______________

U.S. Bank Trust Company, National Association
[____________________
Salt Lake City, UT 84___]

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

REQUISITION NUMBER: _________________________

NAME AND ADDRESS OF PAYEE:

____

____

____

AMOUNT: $____________________

PURPOSE FOR WHICH EXPENSE HAS BEEN INCURRED (bill or statement of account or summary of expenses to be reimbursed to City attached; partial release from all contractors, subcontractors and suppliers who have provided services or materials to the Series ____ Project on file with the City):

____

____

____

Each obligation, item of cost, or expense mentioned herein has been properly incurred, is a proper charge against [the __________ Subaccount of] the Series ____ Construction Account of the Construction Fund, has not been the basis for a previous withdrawal, constitutes a Cost of Acquisition and Construction of the Series ____ Project and will be used to acquire, purchase, construct, install or improve the Series ____ Project.

There has not been filed or served upon the Authority or the City, notice of any lien, right to lien, attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons named in this Requisition, which has not been released or will not be released simultaneously with such payment, other than materialmen's or mechanics' liens accruing by operation of law which will not be released until final payment is made.

Performance, labor, materials and other bonds as required in the Master Lease have been obtained by each contractor or subcontractor to whom payment is to be made pursuant to this Requisition.

DATED ___________________________

THE CITY OF SOUTH JORDAN, UTAH

By: _________________________________

Its: _________________________________

EXHIBIT D

BASE RENTAL PAYMENT SCHEDULE

Date	Principal	Interest	Total

EXHIBIT F

SECURITY DOCUMENTS

WHEN RECORDED, RETURN TO:

Randall M. Larsen
Gilmore & Bell, P.C.
15 W. South Temple, Suite 1400
Salt Lake City, Utah 84101

Tax Parcel ID[s]:
[___________]
[___________]

LEASEHOLD DEED OF TRUST,
ASSIGNMENT OF RENTS
AND
SECURITY AGREEMENT

THIS LEASEHOLD DEED OF TRUST, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT ("Deed of Trust") is made as of [________, 2026], by and among the Municipal Building Authority of the City of South Jordan, Utah, a nonprofit corporation duly organized under the laws of the State of Utah ("Trustor") whose address for purposes of this agreement is 1600 W. Towne Center Drive, South Jordan, Utah 84095; and [Title Company], whose place of business is [Title Company Address] ("Trustee") as trustee under this Deed of Trust, and U.S. Bank Trust Company, National Association, whose place of business is [__________________, Salt Lake City, Utah 84___] (the "Beneficiary"), as trustee under a General Indenture of Trust dated as of [________, 2026] (the "General Indenture") as supplemented by a First Supplemental Indenture of Trust dated as of [________, 2026] (the "First Supplemental Indenture" and together with the General Indenture, the "Indenture") executed in connection with the issuance of the [$__________] Municipal Building Authority of the City of South Jordan, Utah, Lease Revenue Bonds, Series 2026 (the "Series 2026 Bonds").

W I T N E S S E T H:

FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited and the trust herein created, the receipt of which is hereby acknowledged, Trustor hereby irrevocably grants, transfers, assigns, conveys and warrants to Trustee for the benefit of the Beneficiary, IN TRUST, WITH POWER OF SALE, under and subject to the terms and conditions hereinafter set forth, that estate created by and all right, title and interest of the Trustor as lessee under that certain Ground Lease Agreement dated as of [________, 2026] (the "Ground Lease"), by and between the City of South Jordan, (the "City") as lessor and Trustor as lessee, which Ground Lease demises and leases that property situated in Salt Lake County, Utah described in Exhibit A attached hereto (the "Property"), including, but not limited to, all of Trustor's right, title and interest in and to all the improvements on said Property and appurtenances. The interests of Trustor in the Property as described in the attached Exhibit A and all of the improvements and appurtenances relating thereto are collectively referred to hereinafter as the "Project";

TOGETHER WITH all rents, issues, profits, privileges, licenses, royalties, income and other benefits derived from the Project (collectively the “rents”);

TOGETHER WITH all right, title and interest of Trustor in and to all leases or subleases covering the Project or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Trustor thereunder, including, without limitation, all cash or security deposits, advance rentals, and deposits and payments of similar nature;

TOGETHER WITH all right, title and interest of Trustor in and to all options to purchase or lease the Project or any portion thereof or interest thereon, and any greater estate in the Project owned or hereafter acquired;

TOGETHER WITH all interests, estate or other claims, both in law and in equity, which Trustor now has or may hereafter acquire in the Project;

TOGETHER WITH all right, title and interest of Trustor in and to all easements, rights-of-way and rights used in connection with or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto;

TOGETHER WITH all right, title and interest of Trustor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Project, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Project;

TOGETHER WITH all right, title and interest of Trustor in and to any and all buildings and improvements now or hereafter erected on the Property, including, but not limited to, the fixtures, fittings, and other articles attached to said buildings and improvements financed or refinanced with proceeds of the Series 2026 Bonds or any Additional Bonds or Refunding Bonds (these and all terms herein commencing with initial capital letters and not otherwise defined herein shall have meanings as defined in the Indenture), including but not limited to all machinery, equipment, material, appliances and fixtures now or hereafter installed or placed in said buildings or on the Property, together with all substitutions, replacements and renewals thereof, for the generation or distribution of air, water, heat, electricity, light, fuel or refrigeration or for ventilating or air conditioning purposes or for sanitary or drainage purposes, for the removal of dust, refuse or garbage, and including stoves, ranges, cabinets, laundry equipment, all elevators, awnings, window shades, venetian blinds, drapery rods and brackets, screens, floor coverings, including all rugs and carpets attached to floors, lobby furnishings and incinerators and all other similar items and things; all of the items and things so specified and all other similar items or things, whether now or hereafter placed on the Property, being hereby declared to be, and in all circumstances, shall be construed to be, for and in connection with the purposes and powers of this Deed of Trust, things affixed to and a part of the Project described herein; the specific enumerations herein not excluding the general (the “Improvements”); excepting any personal property or fixtures of any tenant which are not financed or refinanced with proceeds of the Series 2026 Bonds or any Additional Bonds or Refunding Bonds (the Series 2026 Bonds and Additional Bonds and Refunding Bonds are collectively referred to herein as the “Bonds”); and

TOGETHER WITH all the estate, interest, right, title and other claim or demand, including claims or demands with respect to the proceeds of insurance in effect with respect thereof, which Trustor now has or may hereafter acquire in the Project, and any and all awards made for the taking from the Trustor by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Project, including without limitation any awards resulting from a change of grade of streets and awards for severance damages; and

TOGETHER WITH all right, title and interest of Trustor in and to all tangible personal property financed or refinanced with proceeds of the Series 2026 Bonds or any Additional Bonds or Refunding Bonds (the "Personal Property") owned by Trustor and now or at any time hereafter located on or at the Project or used in connection therewith, including, but not limited to: furnishings, machinery and equipment, together with all substitutions, replacements and renewals thereof.

The entire estate, Property and interest hereby conveyed to Trustee as described above may hereafter be referred to as the "Trust Estate." Notwithstanding the breadth of the foregoing, the property covered by this Deed of Trust shall not include: (i) personal property which may be owned by lessees or other occupants of any portion of the Project, rather than by Trustor, or which may be leased by such lessees or other occupants from a party other than Trustor; or (ii) material, equipment, tools, machinery or other personal property which has been brought upon the Project only for use in construction, maintenance or repair and which is not intended to remain after the completion of such construction, maintenance or repair, and which is not necessary for occupancy, maintenance or use of the Project or the improvements thereon, provided, however, that this provision shall not limit Trustor's right to assert a landlord's lien against a defaulting tenant.

FOR THE PURPOSES OF SECURING:

(A) (1) Payment of the principal, interest and premium, if any, of the Series 2026 Bonds of Trustor, issued pursuant to the Indenture, and payable at the times, in the manner and with interest and premium, if any, as therein set forth, and any extensions and/or renewals or modifications thereof; (2) payment of the principal, interest and premium, if any, on any Additional Bonds or Refunding Bonds issued pursuant to the Indenture, and payable at the times, in the manner and with interest and premium as therein set forth, and any extensions and/or renewals or modifications thereof; (3) the performance of each agreement of Trustor contained in the Bonds, the Indenture, the Master Lease with respect to the Project and this Deed of Trust and any other instrument securing payment of the Bonds; and (4) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms of this Deed of Trust (including, but not limited to the payments outlined in Sections 1.11 and 1.18 of this Deed of Trust), any other instrument securing payment of the Bonds, the Indenture or the Master Lease, together with interest thereon as provided in the Indenture.

(B) Performance of all obligations of Trustor under the Indenture and each agreement of Trustor incorporated by reference therein or herein, or contained therein or herein.

(C) Performance of all obligations of Trustor contained in this Deed of Trust, the Bonds, the Indenture and any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby.

This Deed of Trust, the Bonds, the Indenture, the Ground Lease, the Master Lease and any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby may hereafter be referred to as the "Loan Instruments."

TO PROTECT THE SECURITY OF THE LOAN INSTRUMENTS TRUSTOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

ARTICLE I

COVENANTS AND AGREEMENTS OF TRUSTOR

Section 1.1 Payment of Secured Obligations. Trustor hereby covenants and agrees to pay when due the principal of, premium, if any, and the interest on, the indebtedness evidenced by the Bonds (as set forth therein), all charges, fees and all other sums as provided in the Loan Instruments, and the principal of, and interest on, any future advances secured by this Deed of Trust.

Section 1.2 Maintenance, Repair. Alterations. Trustor hereby covenants and agrees to keep the Trust Estate or cause the Trust Estate to be kept in good condition and repair; not to remove, demolish or materially alter (except such alterations as may be required by laws, ordinances or regulations) any buildings or fixtures constituting part of the Improvements in such a manner as to in any way damage the Improvements or in any way reduce the fair rental value of the Improvements to less than the fair rental value of the Improvements immediately prior to such alteration; to complete promptly and in good and workmanlike manner any improvement which may be constructed on the Project and, to the extent provided in the Indenture and in the Master Lease, promptly restore in like manner any Improvements which may be damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Trust Estate or any part thereof or requiring any alterations or improvements; not to commit or permit any waste or deterioration of the Trust Estate, to keep and maintain or cause to be kept and maintained, grounds, sidewalks, roads, parking and landscaped areas in good and neat order and repair; not to commit, suffer or permit any act to be done in or upon the Trust Estate in violation of any law, ordinance or regulation. Trustee, upon presentation to it of an affidavit signed by Beneficiary, setting forth facts showing a default by Trustor under this Section 1.2, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

Section 1.3 Required Insurance. Trustor hereby covenants and agrees to at all times provide, maintain and keep in force or cause to be kept in force such insurance as is set forth in Article IX of the Master Lease with respect to the Improvements.

Section 1.4 Payment of Premiums. In the event Trustor fails to provide (as may be evidenced by certificate), maintain, keep in force or deliver and furnish to Beneficiary policies of insurance required by Article IX of the Master Lease, Beneficiary, in addition to all other rights it may have hereunder, including, without limitation, those set forth in Article III hereof, may, but shall not be required to, procure such insurance or single interest insurance for such risks covering Beneficiary's interest, and Trustor will pay, or cause to be paid, all premiums thereon promptly upon demand by Beneficiary, and until such payment is made by Trustor therefor the amount of all such premiums which have been paid by Beneficiary shall bear interest at a rate per annum provided in Article IX of the Master Lease. Trustor shall, upon Beneficiary's reasonable request, deposit, or cause to be deposited, with Beneficiary in monthly installments, an amount equal to one-twelfth of the estimated aggregate annual insurance premiums on all policies of insurance required by this Deed of Trust. Trustor further agrees, upon Beneficiary's request, to cause all bills, statements or other documents relating to the foregoing insurance premiums to be sent or mailed directly to Beneficiary. Upon receipt of such bills, statements or other documents, and provided Trustor has deposited sufficient funds with Beneficiary pursuant to this Section 1.4, Beneficiary shall pay such amounts as may be due thereunder out of the funds so deposited with Beneficiary. If at any time and for any reason the funds deposited with Beneficiary are or will be insufficient to pay such amounts as may then or subsequently be due, Beneficiary shall notify Trustor and Trustor shall immediately deposit, or cause to be deposited, an amount equal to such deficiency with Beneficiary. Notwithstanding the foregoing, nothing contained herein shall cause Beneficiary to be deemed a trustee of said funds or to be obligated to pay any amounts in excess of the amount of funds deposited with Beneficiary pursuant to this Section 1.4.

Section 1.5 Insurance Proceeds. After the happening of any casualty to the Trust Estate or any part thereof, Trustor shall give prompt written notice thereof to Beneficiary.

(a) In the event of any damage or destruction of the Project, Trustor shall apply the insurance proceeds in the manner set forth in Article X of the Master Lease.

(b) In the event of such loss or damage, all proceeds of insurance shall be payable pursuant to subparagraph (a) above. Except as otherwise provided in the Master Lease, Trustor may settle, adjust or compromise any claims for loss, damage or destruction under any policy or policies of insurance only with written approval of Beneficiary, but subject to the rights of Bondholders under the Indenture.

(c) Except to the extent that insurance proceeds are received by Trustor and applied to the indebtedness secured hereby, pursuant to the Indenture and the Master Lease, nothing herein contained shall be deemed to excuse Trustor from repairing or maintaining the Trust Estate as provided in Section 1.2 hereof or restoring all damage or destruction to the Trust Estate, regardless of whether or not there are insurance proceeds available or whether any such proceeds are sufficient in amount, and the application or release by Beneficiary of any insurance proceeds shall not cure or waive any default or notice of default under this Deed of Trust or invalidate any act done pursuant to such notice.

Section 1.6 Assignment of Policies Upon Foreclosure. In the event of foreclosure of this Deed of Trust or other transfer of title or assignment of the Trust Estate in extinguishment, in whole or in part, of the debt secured hereby, all right, title and interest of Trustor in and to all policies of insurance required by this Deed of Trust shall inure to the benefit of and pass to the successor in interest to Trustor or the purchaser or grantee of the Trust Estate.

Section 1.7 Indemnification; Subrogation; Waiver of Offset.

(a) If Beneficiary is made a party defendant to any litigation, commenced by anyone other than Trustor, concerning this Deed of Trust or the Trust Estate or any part thereof or interest therein, or the occupancy thereof by Trustor, except in cases of fraud, gross negligence or willful misconduct on the part of Beneficiary, then Trustor shall, to the extent permitted by law, indemnify, defend and hold Beneficiary harmless from and against all liability by reason of said litigation (including any appeals), including reasonable attorneys' fees and expenses incurred by Beneficiary in any such litigation, whether or not any such litigation is prosecuted to judgment. If Beneficiary commences an action against Trustor to enforce any of the terms hereof or because of the breach by Trustor of any of the terms hereof, or for the recovery of any sum secured hereby, Trustor shall pay to Beneficiary reasonable attorneys' fees and expenses actually incurred (including Beneficiary's attorney's fees and costs associated with all appeals), and the right to such attorney's fees and expenses shall be deemed to have accrued on the commencement of such action, and shall be enforceable whether or not such action is prosecuted to judgment. If Trustor breaches any term of this Deed of Trust, Beneficiary may employ an attorney or attorneys to protect its rights hereunder, and in the event of such employment following any breach by Trustor, Trustor shall pay Beneficiary reasonable attorney's fees and expenses incurred by Beneficiary (including those associated with any appeal), whether or not an action is actually commenced against Trustor by reason of breach.

(b) Trustor waives any and all right to claim or recover against Beneficiary, its officers, employees, agents and representatives, for loss or damage to Trustor, the Trust Estate, Trustor's property or the property of others under Trustor's control from any cause insured against or required to be insured against by the provisions of this Deed of Trust.

(c) All sums payable by Trustor hereunder shall be paid without notice, demand, counterclaim, setoff, recoupment, deduction or defense (except payment) and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Trustor hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Trust Estate or any part thereof; (ii) any restriction or prevention of or interference with any use of the Trust Estate or any part thereof; (iii) any title defect or encumbrance or any eviction from the Project or any part thereof by title paramount or otherwise; or (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Beneficiary, or any action taken with respect to this Deed of Trust by any trustee or receiver of Beneficiary, or by any court, in any such proceeding; whether or not Trustor shall have notice or knowledge of any of the foregoing.

Section 1.8 Taxes and Impositions.

(a) Trustor agrees to pay, prior to delinquency, all real property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, including without limitation non-governmental levies or assessments such as maintenance charges, association dues or charges or fees, and levies or charges resulting from covenants, conditions and restrictions affecting the Trust Estate, which are assessed or imposed upon the Trust Estate or become due and payable, and which create or may create a lien upon the Trust Estate, or any part thereof, or upon any equipment or other facility used by Trustor in the operation or maintenance thereof (all of which taxes, assessments and other governmental charges of like nature are hereinafter referred to as "Impositions"); provided, however, that if, by law, any such Imposition is payable, or may at the option of the taxpayer be paid, in installments, Trustor may pay the same together with any accrued interest on the unpaid balance of such Imposition in installments as the same become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest.

(b) If any time after the date hereof there shall be assessed or imposed (i) a tax or assessment on the Trust Estate in lieu of or in addition to the Impositions payable by Trustor pursuant to subparagraph (a) hereof, or (ii) a license fee, tax or assessment imposed on Beneficiary and measured by or based in whole or in part upon the amount of the outstanding obligations secured hereby, then all such taxes, assessments, or fees shall be deemed to be included within the term "Impositions" as defined in subparagraph (a) hereof, and Trustor shall pay and discharge the same as herein provided with respect to the payment of Impositions. Anything to the contrary notwithstanding, Trustor shall have no obligation to pay any franchise, estate, inheritance, income, excess profits or similar tax levied on Beneficiary or on the obligations secured hereby.

(c) Trustor covenants to furnish Beneficiary within thirty (30) days after the date upon which any such Imposition is due and payable by Trustor, official receipts of the appropriate taxing authority or other proof satisfactory to Beneficiary, evidencing the payment thereof.

(d) Trustor covenants and agrees not to suffer, permit or initiate the joint assessment of the real and personal property, or any other procedure whereby the lien of the real property taxes and the lien of the personal property taxes shall be assessed, levied or charged to the Trust Estate as a single lien.

(e) If requested by Beneficiary, Trustor shall cause to be furnished to Beneficiary a tax reporting service covering the Trust Estate of the type, duration and with a company satisfactory to Beneficiary.

(f) Trustor has the right to contest Impositions to the extent permitted by Section 9.3 of the Master Lease.

Section 1.9 Utilities. Trustor hereby covenants and agrees to pay when due all utility charges which are incurred by Trustor for the benefit of the Trust Estate or which may become a charge or lien against the Trust Estate for gas, electricity, water or sewer services furnished to the Trust Estate and all other assessments or charges of a similar nature, whether public or private, affecting the Trust Estate or any portion thereof, whether or not such taxes, assessments or charges are liens thereon.

Section 1.10 Actions Affecting Trust Estate. Trustor hereby covenants and agrees to appear in and contest any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence title and attorney's fees, in any such action or proceeding in which Beneficiary or Trustee may appear.

Section 1.11 Actions by Trustee and/or Beneficiary to Preserve Trust Estate. Should Trustor fail to make any payment or to do any act as and in the manner provided in any of the Loan Instruments, Beneficiary and/or Trustee, each in its own discretion, without obligation so to do but without releasing Trustor from any obligations, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof. In connection therewith (without limiting their general powers), Beneficiary and/or Trustee shall have and are hereby given the right, but not the obligation (i) to enter upon and take possession of the Trust Estate; (ii) to make additions, alterations, repairs and improvements to the Trust Estate which they or either of them may consider necessary or proper to keep the Trust Estate in good condition and repair; (iii) to appear and participate in any action or proceeding affecting or which may affect or appears to affect the security of this Deed of Trust (including condemnation or eminent domain proceedings) or which may result in the creation of any lien (except the lien created by the Indenture) against the Trust Estate; and (iv) in exercising such powers, to pay necessary expenses, including employment of counsel or other necessary or desirable consultants. Trustor shall, immediately upon demand therefor by Beneficiary, pay all costs and expenses incurred by Beneficiary in connection with the exercise by Beneficiary of the foregoing rights, including without limitation, costs of evidence of title, court costs, appraisals, surveys and attorney's fees, together with interest thereon accruing at the rate set forth in the Indenture.

Section 1.12 Survival of Warranties. Subject to the limitations set forth in Section 5.9 herein, Trustor hereby covenants and agrees to fully and faithfully satisfy and perform the obligations of Trustor contained in the Loan Instruments and each agreement of Trustor incorporated by reference therein or herein, and any modification or amendment thereof. All representations, warranties and covenants of Trustor contained therein or incorporated by reference shall survive funding of the loan evidenced by the Bonds and shall remain continuing obligations, warranties and representations of Trustor during any time when any portion of the obligations secured by this Deed of Trust remain outstanding.

Section 1.13 Eminent Domain. Should the Trust Estate, or any material part thereof or interest therein, be taken from Trustor or damaged by reason of any public improvement or condemnation proceeding, or in any other manner ("Condemnation"), or should Trustor receive any notice or other information regarding such proceeding, Trustor shall give prompt written notice thereof to Beneficiary and all proceeds payable therefrom shall be utilized in the manner set forth in Article X of the Master Lease.

Section 1.14 Additional Security. In the event Beneficiary at any time holds additional security for any of the obligations secured hereby, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before or concurrently herewith or after a sale is made hereunder.

Section 1.15 Appointment of Successor Trustee. Beneficiary may, from time to time, by complying with the provisions of the applicable law of the State of Utah substitute a successor or successors to the Trustee named herein or acting hereunder.

Section 1.16 Successors and Assigns. This Deed of Trust applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Beneficiary" shall be deemed to include the Registered Owners of the Bonds and any trustee therefor, whether or not named as Beneficiary herein.

Section 1.17 Inspections. Beneficiary, or his agents, representatives or workmen, are authorized to enter at any reasonable time upon or in any part of the Trust Estate for the purpose of inspecting the Trust Estate and performing any of the acts it is authorized to perform under the terms of any of the Loan Instruments.

Section 1.18 Liens. Trustor hereby covenants and agrees to pay and promptly discharge in accordance with the terms thereof or of the indebtedness secured thereby, at Trustor's cost and expense, all liens, encumbrances and charges upon the Trust Estate, or any part thereof or interest therein; provided that the existence of any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right thereto shall not constitute a violation of this Section 1.18 if payment is not yet due under the contract which is the foundation thereof and if such contract does not postpone payment for more than 60 days after the performance thereof. Trustor shall have the right to contest in good faith the validity of any such lien, encumbrance or charge. In the event of any such contest, the Trustor may permit the lien, encumbrance or charge so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Trustee or Beneficiary shall notify the Trustor that, in the opinion of Independent Counsel, by nonpayment of any such items the security afforded pursuant to the Indenture and the Master Lease or this Deed of Trust will be materially endangered or the Trust Estate or any portion thereof will be subject to loss or forfeiture, in which event such lien, encumbrance or charge shall be paid forthwith. Prior to commencing such contest, Trustor shall first deposit, or cause to be deposited, with Beneficiary, or in court, a bond or other security satisfactory to Beneficiary, at Beneficiary's election, in such amounts as Beneficiary shall reasonably require, but not more than one hundred ten percent (110%) of the amount of the claim, and provided further that Trustor shall thereafter diligently proceed to cause such lien, encumbrance or charge to be removed and discharged. If Trustor shall fail to discharge any such lien, encumbrance or charge, then, in addition to any other right or remedy of Beneficiary, Beneficiary may, but shall not be obligated to, discharge or purchase the same, either by paying the amount claimed to be due, or by procuring the discharge of such lien by depositing in court a bond or the amount claimed or otherwise giving security for such claim, or in such manner as is or may be prescribed by law.

Section 1.19 Trustee's Powers. At any time, or from time to time, without liability therefor, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust, and without affecting the personal liability of any person for payment of the indebtedness secured hereby or the effect of this Deed of Trust upon the remainder of said Trust Estate, Trustee may, (i) reconvey any part of said Trust Estate; (ii) consent in writing to the making of any map or plat thereof; or (iii) join in granting any easement or creating any restriction affecting this Deed of Trust or any agreement subordinating the lien or charge hereof, subject to the rights of Bondholders under the Indenture.

Section 1.20 Beneficiary's Powers. Without affecting the liability of any other person liable for the payment of any obligation herein mentioned, and without affecting the lien or charge of this Deed of Trust upon any portion of the Trust Estate not then or theretofore released as security for the full amount of all unpaid obligations, Beneficiary may, from time to time and without notice (i) release any person so liable, (ii) extend the maturity or alter any of the terms of any such obligation, (iii) grant other indulgences, (iv) release or reconvey, or cause to be released or reconveyed at any time at Beneficiary's option any parcel, portion or all of the Trust Estate, (v) take or release any other or additional security for any obligation herein mentioned, or (vi) make compositions or other arrangements with debtors in relation thereto. Trustor hereby consents to the foregoing powers and rights of Beneficiary, and, to the extent permitted by law, waives any right to assert that such actions by the Beneficiary shall constitute a breach by the Beneficiary under this Deed of Trust, under any of the Loan Instruments or under applicable law.

ARTICLE II

ASSIGNMENT OF RENTS, ISSUES AND PROFITS

Section 2.1 Assignment of Rents. Trustor hereby assigns and transfers to Beneficiary all the rents, issues and profits of the Trust Estate, and hereby gives to and confers upon Beneficiary the right, power and authority to collect such rents, issues and profits. Trustor irrevocably appoints Beneficiary its true and lawful attorney-in-fact, at the option of Beneficiary at any time and from time to time, to demand, receive and enforce payment, to endorse instruments payable to Trustor, and to give receipts, releases and satisfactions for all such rents, issues and profits and apply the same to the indebtedness secured hereby. The assignment of the rents, issues and profits of the Trust Estate in this Article II is intended to be an absolute assignment from Trustor to Beneficiary and not merely the passing of a security interest.

Section 2.2 Collection Upon Default. Upon any event of default under any of the Loan Instruments, and after the passage of any applicable grace period, Beneficiary may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Trust Estate, or any part thereof, and in its own name sue for or otherwise collect such rents, issues and profits of the Trust Estate, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine, subject to the rights of Bondholders under the Indenture. The collection of rents, issues and profits, or the entering upon and taking possession of the Trust Estate, or the application thereof as aforesaid, shall not cure or waive any default, notice of default, or notice of sale hereunder or invalidate any act done in response to such default or pursuant to such notice of default. Failure or discontinuance by Beneficiary at any time or from time to time to collect any such rents, issues or profits shall not in any manner affect the subsequent enforcement by Beneficiary of the right, power and authority to collect the same.

ARTICLE III

SECURITY AGREEMENT

Section 3.1 Creation of Security Interest. Trustor hereby grants to Beneficiary a security interest in the Personal Property for the purpose of securing all obligations of Trustor contained in any of the Loan Instruments or herein. This Deed of Trust shall be deemed the

Security Agreement as defined in the Uniform Commercial Code of Utah and the remedies for any violation of the covenants, terms and conditions of the agreements herein contained shall be (i) as prescribed herein, or (ii) as provided by general law, or (iii) as to such part of the security which is also reflected in any financing statement or statements (the "Financing Statement") as provided by the specific statutory consequences now or hereafter enacted and specified in the Uniform Commercial Code of Utah, all at Beneficiary's sole election, subject to the rights of Bondholders, under the Indenture. The mention in any such Financing Statement of (1) the rights in or the proceeds of any fire and/or hazard insurance, (2) any award in eminent domain proceedings for a taking or for loss of value, or (3) the Trustor' s interest as lessor in any present or future lease or rights to income growing out of the use and/or occupancy of the premises shall never be construed as in any wise altering any of the rights of Beneficiary as determined by this Deed of Trust or impugning the priority of the Beneficiary's lien granted hereby or by any other recorded document, but such mention in the Financing Statement is declared to be for the protection of Beneficiary in the event any court or judge shall at any time with respect to (1), (2) or (3) rule that notice of Beneficiary's priority of interest to be effective against a particular class of persons, divisions or entity of the Federal Government, must be filed in the Uniform Commercial Code records.

Section 3.2 Warranties, Representations and Covenants of Trustor. Trustor hereby warrants, represents and covenants as follows:

Trustor is, and as to portions of the Personal Property to be acquired after the date hereof will be, the sole owner of the Personal Property, free from any adverse lien, security interest, encumbrance or adverse claims thereon of any kind whatsoever except for the Permitted Encumbrances defined in the Master Lease and except for the security interest granted hereby. Trustor will notify Beneficiary of, and will defend the Personal Property against, all claims and demands of all persons at any time claiming the same or any interest therein.

Trustor will not sell the Personal Property without the prior written consent of Beneficiary unless said personal property is promptly replaced by personal property of like quality and value.

The Personal Property is not used or bought for personal, family or household purposes.

The Personal Property (with the exception of funds held by Beneficiary) will be kept on or at the Project and, except as otherwise provided in the Master Lease, Trustor will not remove the Personal Property from the Project without the prior written consent of Beneficiary, except such portions or items of Personal Property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Trustor.

Trustor maintains a place of business in the State of Utah and Trustor will immediately notify Beneficiary in writing of any change in its place of business as set forth in the beginning of this Deed of Trust.

At the request of Beneficiary, Trustor will join Beneficiary in executing one or more financing statements, continuation statements and renewals and amendments thereof pursuant to the Uniform Commercial Code of Utah in form satisfactory to Beneficiary, and will pay the cost of filing the same in all public offices wherever filing is deemed by Beneficiary to be necessary or desirable.

All covenants and obligations of Trustor contained herein relating to the Trust Estate shall be deemed to apply to the Personal Property whether or not expressly referred to herein.

ARTICLE IV

REMEDIES UPON DEFAULT

Section 4.1 Events of Default. Any of the following events shall be deemed an event of default hereunder.

(a) Default shall be made in the payment of any installment of principal or interest or any other sum secured hereby; or

(b) There shall occur an Event of Default set forth in Section 9.1 of the Indenture, or 14.1 of the Master Lease or any other default under any of the Loan Instruments, including but not limited to any breach in the due observance or performance of any covenant, condition or agreement contained therein.

Section 4.2 Acceleration Upon Default, Additional Remedies. Time is of the essence hereof. In the event of any event of default hereunder, Beneficiary may declare all indebtedness secured hereby to be due and payable by written notice to the Trustor as outlined in Section 9.2 of the General Indenture and the same shall thereupon become due and payable without presentment, demand, protest or notice of any kind. Thereafter Beneficiary may exercise any or all of the following remedies, or any other remedies which Beneficiary is entitled to under any of the Loan Instruments or applicable law:

(a) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court and without regard to the adequacy of its security, enter upon and take possession of the Trust Estate, or any part thereof, in its own name or in the name of Trustee, and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Trust Estate, or a part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Trust Estate, sue for or otherwise collect the rents, issues and profits thereof, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including attorney's fees, upon any indebtedness secured hereby, all in such order as Beneficiary may determine, subject to the rights of the Bondholders under the Indenture. The entering upon and taking possession of the Trust Estate, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession of the Trust Estate or the collection, receipt and application of rents, issues or profits, Trustee and/or Beneficiary shall be entitled to exercise every right provided for in any of the Loan Instruments or by law upon occurrence of any event of default, including the right to exercise the power of sale;

(b) Commence an action to foreclose this Deed of Trust as a mortgage, appoint a receiver, or specifically enforce any of the covenants hereof; and/or

(c) Cause Trustor' s interest in the Trust Estate to be sold by the Trustee under the power of sale set forth herein.

Section 4.3 Foreclosure by Power of Sale. Should Beneficiary elect to foreclose by exercise of the power of sale herein contained, Beneficiary shall notify Trustee and shall deposit with Trustee this Deed of Trust and such receipts and evidence of expenditures made and secured hereby as Trustee may require; provided, however, that the Trustee shall also notify the City of the Event of Default and of the City's right, within 90 days following its receipt of such notice, to exercise its option and purchase the Project as more fully outlined in Section 9.2 of the General Indenture and Article XII of the Master Lease. If the City fails to exercise such option and purchase the Project on or prior to the expiration of such 90-day period, the Trustee shall proceed as follows:

(a) Trustee shall exercise on behalf of Beneficiary the power of sale granted herein by complying with all requirements of applicable law. Trustee shall execute and deliver to the purchaser or purchasers of the Trust Estate its good and sufficient deed or deeds conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including without limitation, Trustor, Trustee or Beneficiary, may purchase at such sale and Trustor hereby covenants to warrant and defend the title of such purchaser or purchasers from claims arising by, through or under Trustor.

(b) After deducting all costs, fees and expenses of Trustee and of this trust, including, but not limited to, attorney fees and costs, and costs of evidence of title in connection with the sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest per annum as set forth in the Indenture; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto, or the Trustee, in its discretion, may deposit the balance of such proceeds with the county clerk of the county in which the sale took place.

(c) The person conducting the sale may, for any cause such person deems expedient, postpone the sale in accordance with Utah law and, in every case, notice of such postponement shall be given by public declaration by such person at the time and place last appointed for the sale.

Section 4.4 Foreclosure as Mortgage. Should Beneficiary elect to foreclose this Deed of Trust in the manner provided by law for the foreclosure of mortgages on real property, Beneficiary shall be entitled to recover in such proceeding all costs and expenses incident thereto, including a reasonable attorney's fee in such amount as shall be fixed by the court, including all appeals. To the extent permitted by law, Beneficiary shall be entitled to possession of the Project during any redemption period allowed under the laws of the State of Utah.

Section 4.5 Appointment of Receiver. If any event of default described in Section 4.1 of this Deed of Trust shall have occurred and be continuing, Beneficiary, as a matter of right and without notice to Trustor or anyone claiming under Trustor, and without regard to the then value of the Trust Estate or the interest of Trustor therein, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Trust Estate, and Trustor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all powers and duties of Beneficiary in case of entry as provided in Section 4.2(a) and shall continue as such and exercise all such powers until the date of confirmation of sale of the Trust Estate unless such receivership is sooner terminated. Beneficiary's rights under this Section 4.5 shall be in addition to, and not a limitation of, Beneficiary's rights under Section 2.2 and 4.2(a) of this Deed of Trust.

Section 4.6 Remedies Not Exclusive. Trustee and Beneficiary, and each of them, shall be entitled to enforce payment and performance of any indebtedness or obligations secured hereby and to exercise all rights and powers under this Deed of Trust, under any Loan Instrument or other agreement, and under any laws now or hereafter in force, notwithstanding that some or all of the said indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Deed of Trust nor its enforcement whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Trustee's or Beneficiary's right to realize upon or enforce any other security now or hereafter held by Trustee or Beneficiary, it being agreed that Trustee and Beneficiary, and each of them, shall be entitled to enforce this Deed of Trust and any other security now or hereafter held by Beneficiary or Trustee in such order and manner as they or either of them in their absolute discretion determine. No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by any of the Loan Instruments to Trustee or Beneficiary or to which either of them may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Trustee or Beneficiary and either of them may pursue inconsistent remedies.

Section 4.7 Request for Notice. Trustor hereby requests a copy of any Notice of Default or Notice of Sale hereunder be mailed to it at the address set forth in the first paragraph of this Deed of Trust.

ARTICLE V

MISCELLANEOUS

Section 5.1 Governing Law; Severability of Provisions of Loan Instruments; Waivers, etc. This Deed of Trust shall be governed by the laws of the State of Utah. In the event that any provision of any of the Loan Instruments conflicts with applicable laws, such conflicts shall not affect other provisions of such Loan Instruments which can be given effect without the conflicting provision, and to this end the provisions of the Loan Instruments are declared to be severable. This instrument cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing signed by the parties against whom enforcement of any waiver, change, discharge or termination is sought.

Section 5.2 Limitation of Interest. It is the intent of Trustor and Beneficiary in the execution of this Deed of Trust and the Bonds and all other instruments securing the Bonds to contract in strict compliance with the laws of the State of Utah governing the loan evidenced by the Bonds. In furtherance thereof, Trustor stipulates and agrees that none of the terms and provisions contained in the Loan Instruments shall ever be construed to create a contract for the use, forbearance or detention of money requiring payment of interest at a rate in excess of the maximum interest rate permitted to be charged by the laws of the State of Utah governing the loan evidenced by the Bonds. Trustor or any guarantor, endorser or other party now or hereafter becoming liable for the payment of the Bonds shall never be liable for unearned interest on the Bonds and shall never be required to pay interest on the Bonds at a rate in excess of the maximum interest that may be lawfully charged under the laws of the State of Utah and the provisions of this Section shall control over all other provisions of the Bonds and any other instrument executed in connection herewith which may be in apparent conflict herewith. In the event any holder of the Bonds shall collect monies which are deemed to constitute interest which would otherwise increase the effective interest rate on the Bonds to a rate in excess of that permitted to be charged by the laws of the State of Utah, all such sums deemed to constitute interest in excess of the legal rate shall be immediately returned to the Trustor upon such determination.

Section 5.3 Statements by Trustor. Trustor, within ten (10) days after receiving a request from the Beneficiary, will furnish to Beneficiary a written statement stating the unpaid principal and any interest on the Bonds and any other amounts secured by this Deed of Trust and stating whether any offset or defense exists against such principal and interest.

Section 5.4 Reconveyance by Trustee. Portions of the Property may be released by the Trustee upon compliance with the provisions of Section 11.6 of the Master Lease. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust to Trustee for cancellation and retention and upon payment by Trustor of Trustee's fees, Trustee shall reconvey to the person or persons legally entitled thereto, without warranty, any portion of the Trust Estate then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in any reconveyance may be described as "the person or persons legally entitled thereto."

Section 5.5 Notices. Whenever Beneficiary, Trustor or Trustee shall desire to give or serve any notice, demand, request or other communication with respect to this Deed of Trust, each such notice, demand, request or other communication shall be in writing and shall be effective only if the same is delivered by personal service or four (4) days after being mailed by registered or certified mail, postage prepaid, return receipt requested, addressed to the address set forth at the beginning of this Deed of Trust. Any party may at any time change its address for such notices by delivering or mailing to the other parties hereto, as aforesaid, a notice of such change.

Section 5.6 Acceptance by Trustee. Trustee shall be deemed to have accepted this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.

Section 5.7 Captions. The captions or headings at the beginning of each Section hereof are for convenience of the parties and are not a part of this Deed of Trust.

Section 5.8 No Merger. If both the Trustor's and Beneficiary's estates in any portion of the Trust Estate shall at any time become vested in one owner, this Deed of Trust and the lien created hereby shall not be destroyed or terminated by application of the doctrine of merger, and in such event, Beneficiary shall continue to have and enjoy all of the rights and privileges of Beneficiary as to the separate estates. In addition, upon the foreclosure of the lien created by this Deed of Trust on the Trust Estate pursuant to the provisions hereof, any leases or subleases then existing and created by Trustor shall not be destroyed or terminated by application of the law of merger or as a matter of law or as a result of such foreclosure unless Beneficiary or any purchaser at any such foreclosure sale shall so elect. No act by or on behalf of Beneficiary or any such purchaser shall constitute a termination of any lease or sublease unless Beneficiary or such purchaser shall give written notice thereof to such tenant or subtenant.

Section 5.9 Limited Right of Bondholders Against the Trustor. Notwithstanding anything else contained herein to the contrary, the rights of the Trustee, Beneficiary and the Bondholders to exercise remedies against the Trustor in accordance with this Deed of Trust are subject to the terms and provisions of the Indenture and the Master Lease, in particular but not limited to Article XIV of the Master Lease and Article IX of the General Indenture. Additionally, no deficiency judgment upon foreclosure may be entered against the City of South Jordan, Utah, the State of Utah or any of its political subdivisions.

Section 5.10 No Waiver. Failure on the part of Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Beneficiary of any default or acceptance of payment of any sum secured hereby after its due date shall not constitute a waiver of any other subsequent default.

Section 5.11 Severability. The terms and provisions of this Deed of Trust are intended to be performed in accordance with, and only to the extent permitted by, applicable law. If any provision hereof, or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this instrument nor the application of such provision to other persons or circumstances shall be affected thereby, but rather, the same shall be enforced to the greatest extent permitted by law.

Section 5.12 Substitution of Property. The property relating to the Ground Lease and that is the subject of this Deed of Trust may be substituted upon (i) delivery of a new Exhibit A hereto, (ii) delivery of any amendment hereto required by any such substitution and (iii) satisfaction of the conditions set forth in Section 14.4(b) of the Ground Lease.

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the day and year first above written.

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

(SEAL)

____
By: Dawn Ramsey
Its: Chair/President

ATTEST AND COUNTERSIGN:

____
By: Anna Crookston
Its: Secretary-Treasurer

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

On _____________, 2026, Dawn Ramsey and Anna Crookston, the Chair/President and Secretary-Treasurer, respectively, of the Municipal Building Authority of the City of South Jordan, Utah, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to on this instrument, and acknowledged that they executed the same.

____
Notary Public

EXHIBIT A

PROPERTY

The real property located in Salt Lake County, Utah, described as follows:

WHEN RECORDED, RETURN TO:

Randall Larsen
Gilmore & Bell, P.C.
15 W. South Temple, Suite 1400
Salt Lake City, Utah 84101

Tax Parcel ID[s]:
[____________]
[____________]

ASSIGNMENT OF GROUND LEASE AGREEMENT

THIS ASSIGNMENT, made and entered into this [________, 2026], by the MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH a Utah nonprofit corporation, whose address is 1600 W. Towne Center Drive, South Jordan, Utah 84095 (the "Assignor"), to and in favor of U.S. Bank Trust Company, National Association, a national banking association, having its principal office in Salt Lake City, Utah ("Trustee"), as Trustee under a General Indenture of Trust dated as of [________, 2026], by and between the Assignor and the Trustee (the "General Indenture''), as further supplemented by a First Supplemental Indenture, dated as of [________, 2026] (the "First Supplemental Indenture," and together with the General Indenture, the "Indenture").

WITNESSETH:

FOR VALUE RECEIVED, Assignor hereby grants, transfers and assigns to Trustee all the right, title and interest of Assignor in and to that certain Ground Lease Agreement (the "Ground Lease") dated as of [________, 2026], between Assignor, as lessee, and the City of South Jordan, Utah, as lessor, which Ground Lease demises the real property located in Salt Lake County, State of Utah, more particularly described in Exhibit A attached hereto and by this reference made a part hereof

FOR THE PURPOSE OF SECURING:

(A) The payment and performance of each and every obligation of Assignor contained in the Indenture and in Assignor's Lease Revenue Bonds, Series 2026, and any Additional Bonds or Refunding Bonds (as defined in the Indenture) (collectively, the "Bonds"); and

(B) The payment of all sums expended or advanced by Trustee pursuant to the terms of this Assignment and the Indenture, or any instrument further evidencing or securing any obligation secured hereby, together with interest thereon as therein provided.

TO PROTECT THE SECURITY OF THIS ASSIGNMENT, ASSIGNOR AGREES:

(1) To faithfully abide by, perform and discharge every obligation, covenant and agreement of the Ground Lease to be performed by the lessee thereunder; at the sole cost and expense of Assignor, to enforce or secure the performance of every obligation, covenant, condition and agreement of the Ground Lease to be performed by the lessor thereunder; not to modify, extend or in any way alter the terms of the Ground Lease without the prior written consent of Trustee. Assignor also agrees not to waive or in any manner release or discharge the lessor thereunder of or from the obligations, covenants, conditions and agreements to be performed by lessor.

(2) Not to declare the Ground Lease terminated nor to exercise any other right available to it upon breach by the lessor thereunder, without the prior written consent of Trustee.

(3) At Assignor's sole cost and expense, to appear in and defend any action or proceedings arising under, growing out of or in any manner connected with the Ground Lease or the obligations, duties or liabilities of lessor and lessee thereunder.

(4) That should the Assignor fail to make any payment or to do any act as herein provided, then Trustee, but without obligation so to do and without notice to or demand on Assignor, and without releasing Assignor from any obligation hereof, may make or do the same in such manner and to such extent as Trustee may deem necessary to protect the security hereof, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Trustee, and also the right to perform and discharge each and every obligation, covenant and agreement of Assignor contained in the Ground Lease.

IT IS MUTUALLY AGREED THAT:

(1) Upon or any time after default by Assignor in the payment of any indebtedness secured hereby or in the performance of any obligation, covenant or agreement herein or in said Indenture, Trustee may declare all sums secured hereby immediately due and payable, and may, at its option, without notice, either in person or by agent with or without bringing any action or proceedings, or by a receiver to be appointed by a court, enter upon, take possession of, manage and operate said demised premises or any part thereof; make, cancel, enforce or modify leases; do any acts which Trustee deems proper to protect the security hereof, and either with or without taking possession of said property, in its own name sue for or otherwise collect and receive such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including reasonable attorneys' fees, upon any indebtedness secured hereby, and in the order set forth in the Indenture. The entering upon and taking possession of said property, the collection of such rents, issues, and profits, and the application thereof as aforesaid shall not cure or waive any default or waive, modify, or effect notice of default under any instrument secured hereby or invalidate any act done pursuant to such notice. The remedies of the Trustee herein shall be subject to the limitations set forth in Article IX of the General Indenture.

Any default by Assignor in the performance of any obligation, covenant or agreement herein contained and the acceleration of the indebtedness secured hereby shall constitute and be deemed to be a default under the terms of the Indenture.

(2) Trustee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under the Ground Lease, or under or by reason of this Assignment.

(3) Until the indebtedness secured hereby shall have been paid in full, Assignor covenants and agrees to transfer and assign to Trustee any and all subleases upon all or any part of said demised premises upon the same or substantially the same terms and conditions as are herein contained, and to make, execute and deliver to Trustee, upon demand, any and all instruments that may be necessary therefor.

(4) Upon the payment in full of all indebtedness secured hereby, this Assignment shall become and be void and of no effect.

(5) This Assignment applies to, inures to the benefit of, and binds the parties hereto, their successors, and assigns.

(6) All notices, demands, or documents of any kind which Trustee may be required or may desire to serve upon Assignor hereunder, may be served by delivering the same to Assignor personally or by leaving a copy of such notice, demand or document addressed to Assignor at the address set forth in the beginning of this Assignment, or by depositing a copy of such notice, demand or document in the United States mail, postage prepaid, and addressed to Assignor at Assignor’s address.

(7) Notwithstanding anything to the contrary contained herein, no deficiency judgment upon any foreclosure may be entered against the Assignor, the City of South Jordan, Utah, the State of Utah or any of its political subdivisions.

EXECUTED as of the day and year first above written.

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

(SEAL)

____
By: Dawn Ramsey
Its: Chair/President

ATTEST AND COUNTERSIGN:

____
By: Anna Crookston
Its: Secretary-Treasurer

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION

____
By: ________________________________
Its: ________________________________

CONSENT TO ASSIGNMENT

The City of South Jordan, Utah, as lessor under the Ground Lease hereby consents to the assignment by the Municipal Building Authority of the City of South Jordan, Utah, of its interest in the Ground Lease to the within mentioned Trustee to secure the within described Indenture and Bonds.

Executed as of the day and year first above written.

THE CITY OF SOUTH JORDAN, UTAH

____

By: Dawn Ramsey
Its: Mayor

(SEAL)

ATTEST AND COUNTERSIGN:

____

By: Anna Crookston
Its: City Recorder

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

On _____________, 2026, Dawn Ramsey and Anna Crookston, the Chair/President and Secretary-Treasurer, respectively, of the Municipal Building Authority of the City of South Jordan, Utah, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to on this instrument, and acknowledged that they executed the same.

____
Notary Public

(SEAL)

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

On ________________, 2026, __________________________________, the __________________________________ of U.S. Bank Trust Company, National Association, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to on this instrument, and acknowledged that he/she executed the same.

____
Notary Public

(SEAL)

EXHIBIT A

All real property or the land located in Salt Lake County, Utah, described as follows:

EXHIBIT G

GROUND LEASE

WHEN RECORDED, RETURN TO:

Randall M. Larsen
Gilmore & Bell, P.C.
15 W. South Temple, Suite 1400
Salt Lake City, Utah 84101

Tax Parcel ID[s]:
[____________]
[____________]

GROUND LEASE AGREEMENT

Dated as of [_______, 2026]

between

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH, AS LESSEE

A Nonprofit Corporation Organized Under the Laws
of the State of Utah

and

THE CITY OF SOUTH JORDAN, AS LESSOR

A Body Corporate and Politic
of the State of Utah

THIS GROUND LEASE AGREEMENT (this "Ground Lease") dated as of [_______, 2026], entered into by and between the MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH (the "Authority"), as lessee hereunder, a nonprofit corporation duly organized, existing and in good standing under the laws of the State of Utah, and also acting as grantor under a certain General Indenture of Trust of even date herewith, and the CITY OF SOUTH JORDAN (the "City"), as lessor hereunder, a body corporate and politic duly existing under the laws of the State of Utah;

WITNESSETH:

WHEREAS, the City is the owner in fee simple of the real property described in the attached Exhibit A (the "Property"); and

WHEREAS, at the request of the City, the Authority desires to issue its Lease Revenue Bonds, Series 2026, in the aggregate principal amount of [$__________] (the "Series 2026 Bonds") for the purpose of (a) financing the acquisition and construction of a new fire station and related improvements (the "Series 2026 Project"), (b) funding any required deposits to a debt service reserve fund and (c) paying costs associated with the issuance of the Series 2026 Bonds; and

WHEREAS, the Authority desires to lease, as ground lessee, from the City, the Property upon which the Series 2026 Project will be located; and

WHEREAS, the City desires to lease the Property, as ground lessor, to the Authority under the terms and provisions set forth in this Ground Lease; and

WHEREAS, under the provisions of a resolution dated September 15, 2026, the City has authorized and approved (i) the execution of this Ground Lease, (ii) a Master Lease Agreement dated as of [_______, 2026] (the "Master Lease") between the City and the Authority, wherein the Authority will lease to the City the Series 2026 Project and (iii) certain actions to be taken by the Authority in connection with the financing of the Series 2026 Project, including the issuance by the Authority of the Series 2026 Bonds under a General Indenture of Trust and a First Supplemental Indenture of Trust each dated as of [_______, 2026] (together, the "Indenture"), each between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"); and

WHEREAS, pursuant to the provisions of a resolution dated September 15, 2026, the Authority has authorized, approved and directed the execution of this Ground Lease, has authorized and approved the execution of the Master Lease, the Indenture and the other Security Documents (as defined in the Indenture) and has authorized, approved and directed certain actions to be taken by the Authority in connection with the financing of the Series 2026 Project, including the issuance of the Series 2026 Bonds;

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

ARTICLE I

DEFINITIONS

Terms defined in the above recitals shall have the same meaning when used herein. Unless the context otherwise requires or unless otherwise specified herein, all terms defined in Article I of the General Indenture, Article I of the First Supplemental Indenture and Article I of the Master Lease shall have the same meaning where used in this Ground Lease. In addition, unless the context otherwise requires, the terms defined in this Article I shall, for purposes of this Ground Lease, have the meaning herein specified.

"Event of Default" means one or more events of default as defined in Section 12.1 of this Ground Lease.

"Ground Lease Term" means the duration of the leasehold estate created in the Property as provided in Article IV of this Ground Lease.

"Property" has the meaning ascribed thereto in the recitals to this Ground Lease.

"Rentals" means the rental payments payable by the Authority hereunder.

"State" means the State of Utah.

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1 Representations, Covenants and Warranties of the City. The City represents, covenants and warrants for the benefit of the Authority and the Trustee as follows:

(a) The City is a duly existing political subdivision and body corporate and politic within the State under the Constitution and laws of the State. Under the provisions of the Constitution and laws of the State, the City is authorized to enter into the transactions contemplated by this Ground Lease and to carry out its obligations hereunder. The City has duly authorized and approved the execution and delivery of this Ground Lease.

(b) The City warrants that it holds the fee simple interest in the Property and that all the Property is free from any encumbrances other than Permitted Encumbrances.

Section 2.2 Representations, Covenants and Warranties of the Authority. The Authority represents, covenants and warrants for the benefit of the City and the Trustee as follows:

(a) The Authority is a nonprofit corporation duly incorporated and in good standing in the State of Utah and is duly qualified to transact business in the State of Utah, is not in violation of any provision of its Articles of Incorporation or its Bylaws, has the corporate power and authority to enter into this Ground Lease and has duly authorized and approved the execution and delivery of this Ground Lease by proper corporate action.

(b) The Authority will take no action or fail to take any action, which action or failure to act would constitute a default under the Master Lease or this Ground Lease.

ARTICLE III

DEMISING CLAUSE

The City hereby demises and leases the Property to the Authority and the Authority leases the Property from the City, subject only to Permitted Encumbrances, in accordance with the provisions of this Ground Lease, to have and to hold for the Ground Lease Term unless sooner terminated as expressly provided herein.

ARTICLE IV

GROUND LEASE TERM

Section 4.1 Commencement of Ground Lease Term. The Ground Lease Term shall commence as of the date of issuance of the Series 2026 Bonds, and shall terminate on [___________], unless sooner terminated in accordance with the provisions of Section 4.2 hereof.

Section 4.2 Section 4.2 Termination of Ground Lease Term. The Ground Lease Term shall terminate upon the first to occur of any of the following events:

(a) The expiration of the Ground Lease Term as provided in Section 4.1 hereof; or

(b) The conveyance of the Series 2026 Project to the City under the provisions of Section 12.1 of the Master Lease.

Section 4.3 Option to Renew Ground Lease. Notwithstanding anything contained elsewhere herein to the contrary, in the event the capital actually invested (as defined in the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated, 1953 as amended) by the Authority in improvements constructed upon the Property has not been fully repaid by the City at the expiration of the term of this Ground Lease, or upon an Event of Nonappropriation or Event of Default as described in Sections 6.6 and 14.1 respectively of the Master Lease, the Ground Lease shall automatically be renewed on the same terms and conditions as set forth herein, for an additional term sufficient to repay said capital, which term, when added to the number of years for which this Ground Lease has theretofore been in effect, shall not exceed twenty five (25) years.

ARTICLE V

ENJOYMENT OF PROPERTY

Subject to the provisions of the Master Lease, the City hereby covenants to provide the Authority during the Ground Lease Term with quiet use and enjoyment of the Property and the Authority shall during the Ground Lease Term peaceably and quietly have and hold and enjoy the Property, without suit, trouble or hindrance from the City, except as expressly set forth herein. The City shall not interfere with such quiet use and enjoyment during the Ground Lease Term so long as no Event of Default shall have occurred. The City shall at the request of the Authority join in any legal action in which the Authority asserts its right to such possession and enjoyment, to the extent that the City may lawfully do so. In addition, the Authority may at its own expense join in any legal action affecting its possession and enjoyment of the Property and shall be joined in any action affecting its liabilities hereunder.

The City shall have the right at all reasonable times during business hours to enter into and upon the Property for the purpose of inspecting the same.

ARTICLE VI

PAYMENTS BY THE AUTHORITY

The Authority shall pay Rental Payments to the City in the sum of twenty five Dollars ($25.00) (being one dollar ($1) per year for a maximum of (25 years), which amount represents the total Rental Payments due hereunder during the Ground Lease Term (including all renewal option periods). The parties hereto hereby acknowledge that said Rental Payments have been paid in full on the date hereof in lawful money of the United States of America at the principal office of the Board of Trustees of the City. The City and the Authority hereby determine and agree that the Rental Payments payable hereunder during the Ground Lease Term, together with other good and valuable consideration received by the City under and pursuant to the Master Lease, represent reasonable rental for the use of the Property. In making such determination, the City and the Authority have given consideration to the current value of the Property, the execution by the City and the Authority of the Master Lease and the rentals payable thereunder, the financing by the Authority of the Series 2026 Project, the uses and purposes for which the Series 2026 Project will be employed by the City, the benefit to the citizens of the City by reason of the improvement of the Series 2026 Project and the use and occupancy of such facilities pursuant to the terms and provisions of the Master Lease.

ARTICLE VII

NONSUBORDINATION OF THE CITY'S INTEREST

The Authority intends to finance the Series 2026 Project by the issuance of the Series 2026 Bonds in accordance with the provisions of the Master Lease and Indenture; however, it is understood and agreed that only the Authority's leasehold interest in the Property will be used as security for the payment of the principal, premium, if any, and interest on such Series 2026 Bonds. Consequently, it is understood and agreed by and between the City and the Authority that the City has not subordinated, and shall not be required to subordinate, its interest in and to the Property to secure such financing. However, it is hereby acknowledged that improvements constructed on the Property, including but not limited to the Series 2026 Project, will or may be used as security for the Series 2026 Bonds. In addition, it is understood that the Authority intends to assign its interest, as lessee, in and to this Ground Lease to the Trustee to secure the Series 2026 Bonds. The City hereby consents to such assignment.

ARTICLE VIII

TITLE; LIMITATIONS ON ENCUMBRANCES

Section 8.1 Title to the Property and the Series 2026 Project. Subject to the leasehold interest created hereby, title to the Property shall at all times be held in the name of the City. Except personal property purchased by the City at its own expense, title to the Series 2026 Project and any and all additions and modifications thereto and replacements thereof shall be held in the name of the Authority. The City shall have no right, title or interest in the Series 2026 Project or any additions and modifications thereto or replacements thereof, except its reversionary rights by law as lessor and except as expressly set forth herein and in the Master Lease. On termination of this Ground Lease, the City shall become the title owner of all improvements affixed to the Property, including the Series 2026 Project. The Authority agrees to execute such documents on termination of this Ground Lease as are required to convey said improvements to the City as herein provided.

Section 8.2 No Encumbrance, Mortgage or Pledge. Neither the Authority nor the City shall directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Property, except for Permitted Encumbrances as defined in the Master Lease.

Section 8.3 Encumbrance of Leasehold Interest. The Authority may encumber by mortgage or deed of trust, and may convey, assign or sublease, its leasehold interest and estate in the Property, alone or together with its interests in the Series 2026 Project as a whole, for the benefit of the holders of the Series 2026 Bonds. The execution of any such mortgage, deed of trust, assignment or other instrument or the foreclosure thereof or any sale thereunder, either by judicial proceeding or by virtue of any power reserved in such mortgage, deed of trust, assignment or conveyance by the Authority for the benefit of the holders of the Series 2026 Bonds, or the exercising of any right, power or privilege set forth therein, shall not be held as a violation of any of the terms or conditions hereof. The assignee or grantee of any conveyance or assignment of the Authority may, at its option, at any time before the rights of the Authority have been terminated as provided herein, pay any of the Rentals due hereunder or pay any taxes and assessments, or do any other act or thing required of the Authority by the terms hereof, or do any act or thing which may be necessary or proper to be done in the observance of the covenants and conditions thereof, or to prevent the termination hereof; all payments so made, and all things so done and performed by such party or entity shall be effective to prevent a forfeiture of the rights of the Authority hereunder as the same would have been if done and performed by said Authority.

ARTICLE IX

MAINTENANCE, TAXES AND OTHER CHARGES

Section 9.1 Maintenance of the Property by the Authority. In the event that the Ground Lease Term extends beyond the date of termination of the Master Lease, the Authority agrees that at all times during the Ground Lease Term the Authority will maintain, preserve and keep the Property or cause the Property to be maintained, preserved and kept with the appurtenances and every part and parcel thereof, in good repair, working order and condition and that the Authority will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals with respect to the Property, so that it will continue to be suitable for use as contemplated by the Master Lease.

Section 9.2 Other Governmental Charges and Utility Charges. In the event that the Ground Lease Term extends beyond the date of termination of the Master Lease and in the event that the Property or any portion thereof shall, for any reason, be deemed subject to taxation, assessments or charges lawfully made by any governmental body which may be secured by a lien against the Property, the Authority shall pay an amount equal to the amount of all such taxes, assessments and governmental charges then due. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the Authority shall be obligated to pay such amounts only for such installments as are required to be paid during the Ground Lease Term. In the event that the Ground Lease Term extends beyond the date of termination of the Master Lease, the Authority shall also pay as the same respectively become due, all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Property.

The Authority may, at the expense and in the name of the Authority, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom. In the event that the Authority shall fail to pay any of the foregoing items required by this Section 9.2 to be paid by the Authority, the City may (but shall be under no obligation to) pay the same, which amounts, together with interest thereon at the rate of ten percent (10%) per annum, the Authority agrees to pay.

ARTICLE X

CONDEMNATION; DESTRUCTION

If during the Ground Lease Term, title to, or the temporary or permanent use of the Property or any portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, the Authority and the City shall cooperate in the collection and disposition of the proceeds of condemnation such that the net proceeds of such condemnation allocable to the Property and to the Authority's leasehold interest in the Property created hereunder shall be deposited and utilized by the Trustee in accordance with the provisions of the Master Lease and the Indenture and the net proceeds of such condemnation allocable solely to the City's reversionary interest in the Property will be payable to the City. Except as otherwise provided in the Master Lease, if during the Ground Lease Term, the Series 2026 Project or any material portion thereof, shall be destroyed (in whole or in part), or damaged by fire or other casualty, the Net Proceeds of any insurance policy shall be deposited and utilized by the Trustee in accordance with the provisions of the Master Lease and the Indenture.

ARTICLE XI

DISCLAIMER OF WARRANTIES; COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 11.1 Further Assurances and Corrective Instruments. The City and the Authority agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property hereby leased or intended so to be, or for carrying out the intention hereof.

Section 11.2 City and Authority Representatives. Whenever under the provisions hereof the approval of the City or the Authority is required, or the City or the Authority is required to take some action at the request of the other, such approval or such request shall be given for the City by the City Representative and for the Authority by the Authority Representative, and any party hereto and the Trustee shall be authorized to act on any such approval or request.

Section 11.3 Requirements of Law. During the Ground Lease Term, the City and the Authority shall observe and comply promptly with all laws, ordinances, orders, rules and regulations of the federal, state, county and city governments and of all courts or other governmental authorities having jurisdiction over the Series 2026 Project or any portion thereof and of all their respective departments, bureaus and officials, and of the insurance regulatory agencies having jurisdiction over the Series 2026 Project, or any portion thereof, or any other body exercising similar functions, and of all insurance companies writing policies covering the Series 2026 Project or any portion thereof, whether the same are in force at the commencement of the Ground Lease Term or may in the future be passed, enacted or directed.

ARTICLE XII

EVENTS OF DEFAULT AND REMEDIES

Section 12.1 Events of Default Defined. The following shall be an "Event of Default" under this Ground Lease: failure by the Authority to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, for a period of ninety (90) days after written notice, specifying such failure and requesting that it be remedied, has been given to the Authority and the Trustee by the City, unless the City shall agree in writing to an extension of time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the City shall not unreasonably withhold its consent to an extension of such time if corrective action shall be instituted by the Authority or the Trustee within the applicable period and diligently pursued until the default is corrected.

The foregoing provisions of this Section are subject to the following limitations: if, by reason of force majeure, the Authority shall be unable in whole or in part to carry out any agreement on its part herein contained, the Authority shall not be deemed in default during the continuance of such inability. The Authority agrees, however, to remedy with all reasonable dispatch the cause or causes preventing the Authority from carrying out its agreement; provided, however, that the settlement of strikes, lockout and other industrial disturbances shall be entirely within the discretion of the Authority, and the Authority shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the Authority unfavorable to the Authority. A copy of any notice required by this Section shall also be provided to the Trustee.

Section 12.2 Remedies on Default. Whenever any Event of Default referred to in Section 12.1 of this Ground Lease shall have happened and be continuing, the City, shall have the right, at its option without any further demand or notice, to take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Ground Lease.

Section 12.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City to exercise any remedy reserved in this Article XII, it shall not be necessary to give any notice, other than such notice as may be required in this Article XII.

Section 12.4 Agreement to Pay Attorney's Fees and Expenses. In the event that either party hereto shall default under any of the provisions hereof and the nondefaulting party shall employ attorneys or incur other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it shall on demand therefor pay to the nondefaulting party the fees of such attorneys and such other expenses so incurred by the nondefaulting party, to the extent that such attorney's fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the City under this Section 12.4 shall be subject to the availability of City Funds and the obligation of the Authority shall be subject to the legal availability of such funds.

Section 12.5 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 12.6 No Termination of Ground Lease Term. Notwithstanding the remedies provided above, the Ground Lease Term of this Ground Lease may not be terminated prior to the end of the Ground Lease Term described in Article IV hereof by reason of an Event of Default hereunder.

ARTICLE XIII

INSURANCE, INDEMNIFICATION AND ENVIRONMENTAL MATTERS

Section 13.1 Insurance. The Authority hereby covenants and agrees to at all times provide, maintain and keep in force or cause to be kept in force such insurance as set forth in Article IX of the Master Lease with respect to the Series 2026 Project.

Section 13.2 Public Liability Insurance. Unless the City is otherwise required to carry the insurance required by Section 9.5 of the Master Lease, the Authority agrees to carry, or cause to be carried public liability insurance with one or more reputable insurance companies in minimum amounts of the limits on governmental liability established by Title 63G, Chapter 7, Utah Code Annotated 1953, as amended. In the event that such limits on governmental liability are increased, the amounts required by this Section 13.2 shall be deemed to be increased to such higher amounts. The insurance required by this Section may be by blanket insurance policy or policies or self-insurance. If self-insurance is not utilized, the policies may have a deductible clause in such amount as shall be approved by the Authority, the City, and the Trustee or absent.

Section 13.3 Workers' Compensation Coverage. Unless the City is otherwise required to carry such insurance pursuant to the Master Lease, at all times from the date hereof until the end of the Master Lease Term, the Authority shall maintain, or cause to be maintained, workers' compensation coverage with respect to officers, agents and employees of the Authority working in, on or about the Series 2026 Project, including coverage for occupational diseases.

Section 13.4 Indemnification Covenants. To the extent of the net proceeds of the insurance coverage of the Authority, the Authority shall and hereby agrees to indemnify and save the City harmless against and from all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the conduct or management of, or from any work or thing done on, the Series 2026 Project during the Lease Term from: (i) any condition of the Series 2026 Project and (ii) any act or negligence of the Authority or of any of its agents, contractors or employees or any violation of law or the breach of any covenant or warranty hereunder. To the extent of available moneys as set forth above, or in the event the Authority is self-insured, or the insurance coverage has a deductible amount, then from moneys to be appropriated under budget proceedings for future years, if such appropriations are then made, the Authority shall indemnify and save the City harmless, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the City, shall defend it in any action or proceeding.

In exchange for the Authority's agreement to indemnify the City as provided in this Section, the City hereby agrees to assert any cause of action that it might individually have against any third parties for the benefit of the Authority. Furthermore, in no event will the City voluntarily settle or consent to the settlement of any proceeding arising out of any claim applicable to the Series 2026 Project without the written consent of the Authority.

Section 13.5 Environmental Matters. The City hereby makes the following covenants, warranties, representations and promises with respect to the Property for the benefit of the Authority, the Trustee and the owner of the Bonds:

(a) The City will comply with any and all applicable federal, State, and local laws, rules, regulations or orders with respect to the discharge and remediations of any hazardous or toxic wastes, and shall pay, to the extent permitted by law and solely from and to the extent of City Funds (as defined in the Master Lease) at its sole cost and expense when due, the cost of any future reasonable and appropriate remediations of any such wastes, and shall take appropriate steps to keep the Property free of any lien imposed pursuant to such laws, rules, regulations or orders.

(b) In the event that the Environmental Protection Agency, any agency of the State, or any other federal, State or local governmental agency should rightfully initiate any action for the remediation of any "hazardous substance," as that term is defined in Title 42 of the United States Code, Section 960 1(14), from the Property, the City hereby agrees, to the extent permitted by law and solely from and to the extent of City Funds, to indemnify and hold harmless the Authority, the Trustee and the owners of the Bonds from any liability, costs and expenses, including reasonable attorney's fees, incurred in such action.

(c) To the best knowledge of the City and after reasonable investigation, the Property does not contain any hazardous or toxic substances, wastes or materials as defined in any applicable federal, State or local laws or regulations.

ARTICLE XIV

MISCELLANEOUS

Section 14.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, addressed as follows: if to the Authority, Municipal Building Authority of the City of South Jordan, Utah, 1600 W. Towne Center Drive, South Jordan, Utah 84095, Attention: Chair/President; if to the City, 1600 W. Towne Center Drive, South Jordan, Utah 84095, Attention: Mayor; and if to the Trustee, as provided in the Master Lease. The Authority, the City and the Trustee, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 14.2 Binding Effect. This Ground Lease shall inure to the benefit of and shall be binding upon the Authority, the City and their respective successors and assigns.

Section 14.3 Severability. In the event any provision of this Ground Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14.4 Amendments, Changes and Modifications. (a) Except as provided in subsection (b) below, subsequent to the issuance of the Series 2026 Bonds and prior to their payment in full (or provision for the payment thereof having been made in accordance with the provisions of the Indenture), and except as otherwise herein expressly provided, this Ground Lease may not be effectively amended, changed, modified, altered or terminated without the written consent of Trustee.

(b) Other real property (the "Substitute Property") may be substituted for the real property that is the subject to this Ground Lease, the description of which is contained on Exhibit A hereto, as long as the following conditions are satisfied:

(i) a property description of the Substitute Property shall be delivered to the Authority and the Trustee and a new Exhibit A containing a legal description of the Substitute Property shall be attached hereto;

(ii) a title insurance policy satisfying the requirements of Section 2.4(c)(v)(A) of the General Indenture shall be delivered to the Trustee;

(iii) a certificate signed by a City Representative to the effect that the Substitute Property is suitable for use as a fire station or training center and that the Substitute Property has all means of ingress and egress so that the fire stations, training tower or training facility may be accessed;

(iv) an opinion of the City Attorney of the City addressed to the Trustee and the City to the effect that the provisions of this Section 14.(4)(b) have been satisfied and that any exceptions appearing in the Title Report to the Substitute Property will not interfere with the operation of the Series 2026 Project or impair the marketability of the title to Series 2026 Project or the general security provided for holders of the Series 2026 Bonds issued under the Indenture; and

(v) and all documents relating to the substitution of property shall be properly recorded with the Salt Lake County Recorder.

Section 14.5 Execution in Counterparts. This Ground Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.6 Applicable Law. This Ground Lease shall be governed by and construed in accordance with the laws of the State.

Section 14.7 Captions. The captions or headings in this Ground Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Ground Lease.

Section 14.8 Assignment. This Ground Lease may be assigned and reassigned by the Authority and the Authority's interest in the Property transferred in accordance with the terms hereof and of the Master Lease. This Ground Lease may not be assigned by the City for any reason.

Section 14.9 No Merger. The parties hereto agree that the doctrine of merger shall not operate to destroy or terminate the leasehold interest granted to the Authority under this Ground Lease.

IN WITNESS WHEREOF, the Authority has caused this Ground Lease to be executed with its corporate seal hereunto affixed and attested by its duly authorized officers. The City has executed this Ground Lease in its name with its seal hereunto affixed and attested by its duly authorized officers. All of the above occurred as of the date first above written.

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

(SEAL)

____

By: Dawn Ramsey
Its: Chair/President

ATTEST AND COUNTERSIGN:

____

By: Anna Crookston
Its: Secretary-Treasurer

THE CITY OF SOUTH JORDAN, UTAH

____
By: Dawn Ramsey
Its: Mayor

(SEAL)

ATTEST AND COUNTERSIGN:

____
By: Anna Crookston
Its: City Recorder

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

On _____________, 2026, Dawn Ramsey and Anna Crookston, the Chair/President and Secretary-Treasurer, respectively, of the Municipal Building Authority of the City of South Jordan, Utah, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to on this instrument, and acknowledged that they executed the same.

____
NOTARY PUBLIC

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

On _____________, 2026, Dawn Ramsey and Anna Crookston, the Mayor and City Recorder, respectively, of the City of South Jordan, Utah, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to on this instrument, and acknowledged that they executed the same.

____
NOTARY PUBLIC

EXHIBIT A

DESCRIPTION OF PROPERTY

A description of that certain real property located in Salt Lake County, Utah, to wit:

EXHIBIT H

BOND PURCHASE CONTRACT

BOND PURCHASE CONTRACT

$[PAR]
Municipal Building Authority of
the City of South Jordan, Utah
Lease Revenue Bonds, Series 2026

[October/November], 2026

Municipal Building Authority of
the City of South Jordan, Utah
1600 West Towne Center Drive
South Jordan, Utah

City of South Jordan
1600 West Towne Center Drive
South Jordan, Utah

The undersigned, [Underwriter] (the "Underwriter"), on behalf of itself and not as fiduciary or agent for you, offers to enter into this Bond Purchase Contract (the "Purchase Contract") with the Municipal Building Authority of the City of South Jordan, Utah (the "Issuer") and the City of South Jordan, Utah (the "City") which, upon the acceptance by the Issuer and the City of this offer, shall be in full force and effect in accordance with its terms and shall be binding upon each of you and the Underwriter.

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

ARTICLE I

SALE, PURCHASE AND DELIVERY

Section 1.1. (a) On the basis of the representations, warranties and agreements contained herein and upon the terms and conditions herein set forth, the Underwriter hereby agrees to purchase, and the Issuer hereby agrees to sell to the Underwriter, all, but not less than all, of the Issuer's $[PAR] aggregate principal amount of Lease Revenue Bonds, Series 2026 (the "Series 2026 Bonds"), at a purchase price of $[__________] (representing the principal amount of the Series 2026 Bonds, plus a [net] reoffering premium of $[__________] and less an Underwriter's discount of $[__________]). The Series 2026 Bonds will mature on the dates and in the amounts and bear interest at the rates per annum as set forth in Exhibit A hereto.

(b) The Series 2026 Bonds shall be as described in the Official Statement dated [October/November], 2026 of the Issuer relating to the Series 2026 Bonds (together with all appendices thereto, the "Official Statement"), shall be issued and secured under and pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code

Annotated 1953, as amended, and the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the "Building Authority Act"), and (ii) a General Indenture of Trust dated as of November 1, 2026 (the "General Indenture"), as supplemented by a First Supplemental Indenture of Trust dated as of November 1, 2026 (the "First Supplemental Indenture," and together with the General Indenture, the "Indenture"), each between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). The Series 2026 Bonds are secured under the Indenture and the Security Documents (as defined in the Indenture). The Series 2026 Bonds are authorized pursuant to a resolution of the Issuer adopted on September 15, 2026 (the "Resolution") by the Governing Board of the Issuer (the "Board") which provides for the issuance of the Series 2026 Bonds and approved pursuant to a resolution of the City (the "Approval Resolution") adopted by its City Council on September 15, 2026.

(c) The Series 2026 Bonds are being issued for the purpose of (i) financing all or a portion of the costs of the acquisition and construction of a new fire station and related improvements (the "Project"); [(ii) providing for a debt service reserve fund;] and (iii) paying costs associated with the issuance of the Series 2026 Bonds. Pursuant to an annually renewable Master Lease Agreement dated as of November 1, 2026 (the "Lease"), the Project will be leased by the City from the Issuer in consideration of the payment of Rentals (as defined in the Lease).

(d) The Indenture, the Lease, the Security Documents, and the Ground Lease (as such terms are defined in the Official Statement), the Series 2026 Bonds, the Resolution, and the Continuing Disclosure Undertaking (defined below) and this Purchase Contract are sometimes referred to collectively herein as the "Transaction Documents."

(e) The Underwriter agrees to make an initial public offering of the Series 2026 Bonds at the offering prices or yields set forth on the inside front cover page of the Official Statement. Subject to Section 1.2 below, the Underwriter may, however, change such initial offering prices or yields as it may deem necessary, in its discretion, in connection with the marketing of the Series 2026 Bonds and offer and sell the Series 2026 Bonds to certain dealers (including dealers depositing the Series 2026 Bonds into investment trusts) and others at prices lower than the initial offering prices or yields set forth in the Official Statement. The Underwriter also reserves the right (i) to engage in transactions that stabilize, maintain or otherwise affect the market prices of the Series 2026 Bonds and (ii) to discontinue such transactions, if commenced, at any time without prior notice.

Section 1.2. (a) The Underwriter agrees to assist the Issuer in establishing the issue price of the Series 2026 Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2026 Bonds. All actions to be taken by the Issuer under this section to establish the issue price of the Series 2026 Bonds may be taken on behalf of the Issuer by the Issuer's municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer's municipal advisor.

(b) Except as otherwise set forth in Exhibit A attached hereto, the Issuer will treat the first price at which 10% of each maturity of the Series 2026 Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of Series 2026 Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2026 Bonds, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Series 2026 Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date (as defined herein) has occurred, until either (i) the Underwriter has sold all Series 2026 Bonds of that maturity or (ii) the 10% test has been satisfied as to the Series 2026 Bonds of that maturity; provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. For purposes of this Section, if Series 2026 Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2026 Bonds.

(c) The Underwriter confirms that it has offered the Series 2026 Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Series 2026 Bonds for which the 10% test has not been satisfied and for which the Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2026 Bonds, the Underwriter will neither offer nor sell unsold Series 2026 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2026 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Issuer promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Series 2026 Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Series 2026 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A) (i) to report the prices at which it sells to the public the unsold Series 2026 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2026 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Series 2026 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Series 2026 Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2026 Bonds to the public (each such term being used as defined below), and

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

(ii) any selling group agreement relating to the initial sale of the Series 2026 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2026 Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2026 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2026 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Series 2026 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The Issuer acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2026 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2026 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2026 Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Series 2026 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2026 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2026 Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2026 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2026 Bonds.

(f) The Underwriter acknowledges that sales of any Series 2026 Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2026 Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

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

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2026 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2026 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2026 Bonds to the public),

(iii) a purchaser of any of the Series 2026 Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date of execution of this Purchase Contract by all parties.

Section 1.3. (a) By acceptance and approval of this Purchase Contract, the Issuer and the City hereby authorize the use of copies of the Official Statement. The Issuer and the City hereby agree to provide to the Underwriter within seven (7) business days of the date hereof an electronic copy of the Official Statement in form sufficient to enable the Underwriter to comply with the requirements of paragraph (b)(4) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board. The City has heretofore "deemed final" the Preliminary Official Statement for purposes of paragraph (b)(1) of Rule 15c2-12 and the Issuer and the City acknowledge and ratify the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Series 2026 Bonds.

(b) In order to assist the Underwriter in complying with paragraph (b)(5) of Rule 15c2-12, the City will undertake, pursuant to a Continuing Disclosure Undertaking (the "Continuing Disclosure Undertaking"), to be dated as of the Closing Date to provide annual reports and notices of certain events. A form of the Continuing Disclosure

Undertaking is set forth as APPENDIX D to the Preliminary Official Statement and will also be set forth as APPENDIX D to the Official Statement.

Section 1.4. At approximately 9:30 a.m., Utah time, on [November 12], 2026, or on such later date as shall be agreed upon in writing by the Issuer, the City, and the Underwriter, the Issuer and the City will cause the Series 2026 Bonds to be delivered to or for the account of the Underwriter in definitive form, duly executed and authenticated, at such place designated by the Underwriter and will deliver to the Underwriter the other documents herein mentioned at the offices of Gilmore & Bell, P.C., 15 West South Temple, Suite 1400, Salt Lake City, Utah, or such other location as may be mutually agreed upon by the Issuer, the City, and the Underwriter. The closing date of [November 12], 2026, is herein referred to as the "Closing Date." The Underwriter will accept such delivery and pay the purchase price of the Series 2026 Bonds as set forth in Section 1.1(a) hereof by wire transfer, payable in federal funds or other immediately available funds to the order of the Trustee (such delivery and payment are herein called the "Closing"). The Series 2026 Bonds shall be initially issued in the form of one fully registered Bond for each maturity of the Series 2026 Bonds, shall be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), and shall be made available to DTC or its agent for the account of the Underwriter in New York, New York (or such other place designated by the Underwriter).

ARTICLE II

REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF ISSUER

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

Section 2.1. The Issuer shall provide such information, access to its properties and appropriate records and other cooperation, as may be reasonably requested until 25 days after the "end of the underwriting period" (as defined in Rule 15c2-12) (which underwriting period the Issuer may assume to have ended on the Closing Date unless notified to the contrary by the Underwriter) as, in the opinion of the Underwriter, may be required in connection with the offering of the Series 2026 Bonds.

Section 2.2. The Issuer is a nonprofit corporation created by the City Council of the City pursuant to the Building Authority Act and the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended (the "Nonprofit Corporation Act"). The Issuer has full power and authority (a) to adopt the Resolution; (b) to execute, deliver and perform its obligations under each of the Transaction Documents to which it is a party; (c) to execute, issue, sell and deliver the Series 2026 Bonds to the Underwriter for the purposes contemplated by the Preliminary Official Statement and as provided herein; (d) to own the Project and to lease the Project to the City pursuant to the Lease; and (e) to carry out and to consummate the transactions on its part contained in the Transaction Documents and the Official Statement, to pledge and assign to the Trustee the Trust Estate (as defined in the Indenture), and to create a security interest in the Project to secure the payment of the Series 2026 Bonds and all Additional Bonds and Refunding Bonds pursuant to the Indenture.

Section 2.3. The Board of the Issuer has duly adopted the Resolution, has duly authorized and approved the use and distribution of the Preliminary Official Statement and the Official Statement and has duly authorized and approved the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in the Transaction Documents and the Purchase Contract.

Section 2.4. The adoption of the Resolution, the execution and delivery of the Transaction Documents, the compliance by the Issuer with the provisions of any or all of the foregoing documents, and the application of the proceeds of the Series 2026 Bonds for the purposes described in the Official Statement do not and will not conflict with or result in the material breach of any of the terms, conditions or provisions of, or constitute a default under, any existing law, court or administrative regulation, decree or order, agreement, indenture, mortgage, lease or instrument to which the Issuer is a party or by which the Issuer or any of its property is or may be bound.

Section 2.5. The Issuer has duly authorized all necessary action to be taken by it for the adoption of the Resolution; the issuance and sale of the Series 2026 Bonds by the Issuer upon the terms and conditions set forth herein and in the Official Statement and the Transaction Documents; and the execution, delivery and receipt of the Transaction Documents, and any and all such agreements, certificates and documents as may be required to be executed, delivered and received by the Issuer in order to carry out, effectuate and consummate the transactions contemplated hereby and by the Official Statement, including but not limited to such certifications as may be necessary to establish and preserve the excludability from gross income for federal income tax purposes of interest on the Series 2026 Bonds.

Section 2.6. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against the Issuer or others (a) affecting the existence of the Issuer or the titles of its officers to their respective offices; (b) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2026 Bonds or the revenues or assets of the Issuer mortgaged, appropriated, encumbered or pledged pursuant to the Indenture; (c) in any way contesting or affecting the validity or enforceability of the Series 2026 Bonds or any of the Transaction Documents or the transactions contemplated thereby; (d) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (e) contesting the powers of the Issuer or any authority for the issuance of the Series 2026 Bonds or the execution and delivery of any of the Transaction Documents to which the Issuer is a party.

Section 2.7. When delivered to and paid by the Underwriter at the Closing in accordance with the provisions of this Purchase Contract, the Series 2026 Bonds will have been duly authorized, executed, issued and delivered and will constitute valid and binding special limited obligations of the Issuer in conformity with, and entitled to the benefit and security of the Indenture.

Section 2.8. The Issuer is not in breach of or in default under any material existing law, court or administrative regulation, decree or order, ordinance, resolution, agreement, indenture, mortgage, lease, sublease or other instrument to which the Issuer is a party or by which the Issuer or its property is bound; and the execution and delivery of the Series 2026 Bonds and the

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

Section 2.9. No event has occurred or is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under the Transaction Documents, or which could have a material adverse effect on the financial condition of the Issuer, receipt by the Issuer of the Base Rentals or the transactions contemplated by the Transaction Documents, or have a material adverse effect on the validity or enforceability in accordance with their respective terms of the Transaction Documents or this Purchase Contract or in any way adversely affect the existence or any powers of the Issuer or the titles of its officers to their respective positions or the excludability from gross income for federal income tax purposes of interest on the Series 2026 Bonds.

Section 2.10. The information contained in the Preliminary Official Statement was as of its date, and is, as of the date hereof, true and correct in all material respects. The Preliminary Official Statement does not contain, and the Official Statement, as of its date and as of the Closing Date, will not contain any untrue statement of a material fact, and the Preliminary Official Statement does not omit and the Official Statement, as of its date and as of the Closing Date, will not omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not be deemed to cover or apply to (x) information provided to the Issuer in writing by the Underwriter and included on the inside front cover page of the Preliminary Official Statement or the Official Statement regarding the principal amount, interest rates, maturities and initial public offering prices of the Series 2026 Bonds or (y) statements in the Preliminary Official Statement or the Official Statement under the captions "THE SERIES 2026 BONDS—Book-Entry Only System," "UNDERWRITING," APPENDIX B, APPENDIX C, APPENDIX E, or APPENDIX F.

Section 2.11. The Issuer has full power and authority to receive and utilize the Base Rentals in accordance with the Indenture.

Section 2.12. The Issuer will not take or omit to take any action which will in any way cause the proceeds from the sale of the Series 2026 Bonds to be applied or result in such proceeds being applied in a manner inconsistent with the Transaction Documents.

Section 2.13. The Issuer hereby authorizes the use and distribution of the Official Statement, including all amendments and supplements thereto, by the Underwriter in connection with the public offering and sale of the Series 2026 Bonds and consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering and sale of the Series 2026 Bonds.

Section 2.14. The Issuer agrees to reasonably cooperate with the Underwriter in any endeavor to qualify the Series 2026 Bonds for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the Issuer shall not be required with respect to the offer or sale of the Series 2026 Bonds to file written consent to suit or to file written consent to service of process in any jurisdiction. The Issuer hereby consents to the use of the Official Statement by the Underwriter in obtaining such qualification.

Section 2.15. If, between the date of this Purchase Contract and 25 days following the "end of the underwriting period" (which the Issuer can assume is the Closing Date unless otherwise notified in writing by the Underwriter), any event shall occur which might or would cause the Official Statement to contain any untrue statement of a material fact or to omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstance under which they were made, not misleading, the Issuer shall notify the Underwriter and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer will supplement or amend the Official Statement in a form and in a manner approved by the Underwriter. If the Official Statement is amended or supplemented subsequent to the date hereof and prior to the Closing, the Underwriter may terminate this Purchase Contract by notification to the Issuer and the City at any time prior to the Closing if, in the reasonable judgment of the Underwriter, such amendment or supplement has or will have a material adverse effect on the marketability of the Series 2026 Bonds.

Section 2.16. The Issuer has duly adopted the Resolution and approved the execution of the Transaction Documents to which it is a party and, as of the Closing Date, each will be in full force and effect and, as of the Closing Date, neither the Resolution nor any of the Transaction Documents to which it is a party will have been amended, supplemented, rescinded, repealed or otherwise modified except with the approval of the Underwriter.

Section 2.17. When executed by the respective parties thereto, this Purchase Contract and the Transaction Documents will constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms except that the rights and obligations under the Transaction Documents, and this Purchase Contract are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of Utah.

Section 2.18. The Issuer has complied, and will at the Closing for the Series 2026 Bonds be in compliance in all respects, with the obligations on its part contained in the Transaction Documents and this Purchase Contract and any and all other agreements relating thereto.

Section 2.19. Each representation, warranty or agreement stated in any certificate signed by any officer of the Issuer and delivered to the Underwriter at or before the Closing for the Series 2026 Bonds shall constitute a representation, warranty, or agreement by the Issuer upon which the Underwriter shall be entitled to rely.

Section 2.20. The Issuer has not otherwise pledged or assigned or granted a security interest in the Trust Estate to the payment of any obligations of the Issuer.

ARTICLE III

REPRESENTATIONS, WARRANTIES AND
AGREEMENTS OF THE CITY

In order to induce the Underwriter to enter into this Purchase Contract, with full realization and appreciation of the fact that the investment value of the Series 2026 Bonds and the ability of the Issuer to sell and the Underwriter to resell the Series 2026 Bonds are dependent upon the credit standing of the City and in consideration of the foregoing and execution and delivery of this Purchase Contract, the City represents and warrants to and covenants with the Underwriter as follows:

Section 3.1. The City is and will be at the Closing Date a validly organized and existing municipal corporation under the laws of the State of Utah with full power and authority to execute, deliver and perform its obligations under the Transaction Documents to which it is a party, including the execution, delivery and/or approval of all documents and agreements referred to herein or therein;

Section 3.2. The execution and delivery of each of the Transaction Documents to which the City is a party, the approval by the City of this Purchase Contract and adoption of the Approval Resolution, and compliance by the City with the provisions of any or all of the foregoing documents and the application of the proceeds of the Series 2026 Bonds for the purposes described in the Preliminary Official Statement do not and will not conflict with or result in the breach of any of the terms, conditions or provisions of, or constitute a default under, any existing law, court or administrative regulation, decree or order, agreement, indenture, mortgage, lease or instrument to which the City is a party or by which the City or any of its property is or may be bound;

Section 3.3. The City has duly authorized all necessary action to be taken by it for: (a) the issuance and sale of the Series 2026 Bonds by the Issuer upon the terms and conditions set forth herein, in the Official Statement and in the Indenture and the approval of this Purchase Contract; and (b) the execution, delivery and receipt of each of the Transaction Documents to which the City is a party, and any and all such agreements, certificates and documents as may be required to be executed, delivered and received by the City in order to carry out, effectuate and consummate the transactions contemplated hereby and by the Official Statement;

Section 3.4. When executed by the respective parties thereto, the Transaction Documents to which the City is a party will constitute legal, valid and binding obligations of the City enforceable in accordance with their respective terms;

Section 3.5. The City has complied, and will at the Closing be in compliance in all respects, with the obligations on its part contained in the Transaction Documents to which the City is a party and any and all other agreements relating thereto;

Section 3.6. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against the City or others (a) affecting the existence of the City or the titles of its officers to their respective offices, (b) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2026 Bonds or the revenues or assets of the City appropriated or pledged or to be appropriated or pledged to pay the Base Rentals payable under the Lease or the pledge or appropriation thereof, (c) the validity or enforceability of the Series 2026 Bonds or any of the Transaction Documents, (d) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or (e) contesting the powers of the City or any authority for the issuance of the Series 2026 Bonds, or the execution and delivery of any of the Transaction Documents or the transactions contemplated thereby;

Section 3.7. The City is not in breach of or default under any applicable law or administrative regulation of the State of Utah or the United States or any applicable judgment or decree or any loan agreement, note, resolution, agreement, indenture, mortgage, lease, sublease or other instrument to which the City is a party or to which it or any of its property is otherwise subject; and the execution and delivery of the Series 2026 Bonds and the Transaction Documents to which the City is a party, and compliance with the provisions of each thereof, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, note, resolution, agreement or other instrument to which the City is a party or to which it or any of its property is otherwise subject;

Section 3.8. No event has occurred or is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any of the Transaction Documents in any manner or to any extent which could have a material adverse effect on the financial condition of the City, the operation of the City, the due performance by the City of its obligations in connection with the issuance, sale and delivery of the Series 2026 Bonds, or the ability of the City to carry out the transactions contemplated by this Purchase Contract and the Preliminary Official Statement, or have an adverse effect on the validity or enforceability, in accordance with their respective terms, of the Series 2026 Bonds or any of the Transaction Documents or in any way adversely affect the existence or powers of the City;

Section 3.9. The City has never failed to pay principal and interest when due on any of its bonded indebtedness or other obligations nor has the City ever failed to appropriate sufficient amounts to timely pay any of its lease obligations;

Section 3.10. The City's audited financial statements as of and for the year ended June 30, 2025, a copy of which has heretofore been delivered to the Underwriter, present fairly the financial position of the City at June 30, 2025 and the results of its operations and changes in financial position for the year then ended; any other statements and data submitted in writing by the City to the Underwriter in connection with the Lease and this Purchase Contract are true and correct in all material respects as of their respective dates; except as described in the Official Statement, since June 30, 2025 there has been no material adverse change in the condition, financial or otherwise, of the City from that set forth in the audited financial statements as of and for the year ended that date, and the City has not since June 30, 2025 incurred any material liabilities, directly or indirectly, whether or not arising in the ordinary course of its operations;

Section 3.11. The information contained in the Preliminary Official Statement relating to the City, the application of the proceeds of sale of the Series 2026 Bonds, and the participation by the City in the transactions contemplated by the Transaction Documents and the Preliminary Official Statement was, as of its date, and is, as of the hereof, true and correct in all material respects. The Preliminary Official Statement does not contain, and the Official Statement, as of its date and as of the Closing Date, will not contain any untrue statement of a material fact, and the Preliminary Official Statement does not omit and the Official Statement, as of its date and as of the Closing Date, will not omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not be deemed to cover or apply to (x) information provided in writing by the Underwriter and included on the inside front cover page of the Official Statement regarding the principal amount, interest rates, maturities and initial public offering prices of the Series 2026 Bonds or (y) statements in or omissions in the Preliminary Official Statement or the Official Statement under the captions "THE SERIES 2026 BONDS—Book-Entry Only System," "UNDERWRITING," APPENDIX B, APPENDIX C, APPENDIX E, or APPENDIX F.

Section 3.12. The City will not take or omit to take any action that will in any way cause the proceeds from the sale of the Series 2026 Bonds to be applied or result in such proceeds being applied in a manner inconsistent with the Lease and the Indenture;

Section 3.13. The City hereby authorizes the use and distribution of the Official Statement, including all amendments and supplements thereto, by the Underwriter in connection with the public offering and sale of the Series 2026 Bonds and consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering and sale of the Series 2026 Bonds;

Section 3.14. The City agrees reasonably to cooperate with the Underwriter in any endeavor to qualify the Series 2026 Bonds for offering and sale under the securities or "blue sky" laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the City shall not be required with respect to the offer or sale of the Series 2026 Bonds to file written consent to suit or to file written consent to service of process in any jurisdiction. The City hereby consents to the use of the Official Statement and the Transaction Documents by the Underwriter in obtaining such qualification;

Section 3.15. If at any time from the date of this Purchase Contract through twenty five (25) days following the "end of the underwriting period" (as defined in Rule 15c2-12) any event shall occur that might or would cause the Official Statement to contain any untrue statement of a material fact or to omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the City shall notify the Underwriter and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will request that the Issuer supplement or amend the Official Statement in a form and in a manner approved by the Underwriter. If the Official Statement is so supplemented or amended prior to the Closing, such approval by the Underwriter of a supplement or amendment to the Official Statement shall not preclude the Underwriter from thereafter terminating this Purchase Contract, and if the Official Statement is amended or supplemented subsequent to the date hereof and prior to the Closing, the Underwriter may terminate this Purchase Contract by notification to the City and the Issuer at any time prior to the Closing if, in the reasonable judgment of the Underwriter, such amendment or supplement has or will have a material adverse effect on the marketability of the Series 2026 Bonds;

Section 3.16. Each representation, warranty or agreement stated in any certificate signed by any officer of the City and delivered to the Underwriter or the Trustee at or before the Closing shall constitute a representation, warranty or agreement by the City upon which the Underwriter and the Trustee shall be entitled to rely.

Section 3.17. Any instances of non-compliance by the City within the last five years with each undertaking it has entered into pursuant to Rule 15c2-12, have been properly disclosed by the City in the Preliminary Official Statement and the Official Statement.

ARTICLE IV

UNDERWRITER'S CONDITIONS

Section 4.1. The Underwriter has entered into this Purchase Contract in reliance upon the performance by the Issuer of its obligations hereunder. The Underwriter's obligations under this Purchase Contract are and shall be subject to the following further conditions:

(a) At the time of Closing for the Series 2026 Bonds, (1) the Transaction Documents shall be in full force and effect and shall not have been revoked, rescinded, repealed, amended, modified or supplemented, except as therein permitted or as may have been agreed to in writing by the Underwriter, and (2) the Issuer shall have duly adopted and there shall be in full force and effect such resolutions and ordinances as, in the opinion of Gilmore & Bell, P.C., bond counsel to the Issuer ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby.

(b) The Underwriter may terminate its obligations hereunder by written notice to the Issuer if, at any time subsequent to the date hereof and on or prior to the Closing Date for the Series 2026 Bonds:

(i) (A) Legislation shall have been enacted by the Congress, introduced in the Congress, or recommended to the Congress for passage by the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration, or (B) a decision shall have been rendered by a court established under Article III of the Constitution of the United States, or the United States Tax Court, or (C) an order, ruling, regulation, or communication (including a press release) shall have been issued by the Treasury Department of the United States or the Internal Revenue Service or (D) any action shall be taken or statement made by or on behalf of the President of the United States or the Department of Treasury or the Internal Revenue Service or any member of the United States Congress which indicates or implies that legislation will be introduced in the current or next scheduled session of the United States Congress, with the purpose or effect, directly or indirectly, of requiring the inclusion in gross income for federal income tax purposes of interest to be received by any owners of the Series 2026 Bonds or financial instruments similar in nature to the Series 2026 Bonds; or

(ii) Legislation shall be enacted or any action shall be taken by the Securities and Exchange Commission which, in the opinion of the Underwriter, has the effect of requiring the offer or sale of the Series 2026 Bonds or financial instruments similar in nature to the Series 2026 Bonds to be registered under the Securities Act or any other "security," as defined in the Securities Act, issued in connection with or as part of the issuance of the Series 2026 Bonds to be so registered or the Indenture to be qualified as an indenture under the Trust Indenture Act of 1939, as amended; or any event shall have occurred or shall exist which, in the reasonable judgment of the Underwriter, makes or has made untrue or incorrect in any respect any statement or information contained in the Official Statement or is not or was not reflected in the Official Statement but should be or should have been reflected therein in order to make the statements or information contained therein not misleading in any material respect; or

(iii) In the reasonable judgment of the Underwriter, it is impractical or inadvisable for the Underwriter to market or sell or enforce agreements to sell Series 2026 Bonds because (A) trading in securities generally shall have been suspended on the New York Stock Exchange, Inc., or a general banking moratorium shall have been established by federal or the State of Utah authorities or a material disruption in commercial banking or securities settlement or clearance services shall have occurred, or (B) the State of Utah shall have taken any action, whether administrative, legislative, judicial or otherwise, which would have a material adverse effect on the marketing or sale of the Series 2026 Bonds, including any action relating to (i) the tax status of the Series 2026 Bonds under federal or Utah law as set forth in the opinion of Bond Counsel attached as APPENDIX E to the Official Statement, or (ii) a limitation on the ability of the Issuer to receive the Base Rentals, or (C) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency or there shall have occurred any other outbreak or escalation of hostilities or a national or international calamity or crisis, financial or otherwise; or (D) a war involving the United States of America shall have been declared or any other conflict involving the armed forces of the United States of America has escalated, in either case to such a magnitude as to materially adversely affect the Underwriter's ability to market the Series 2026 Bonds; (E) there shall have occurred the declaration of a general banking moratorium by any authority of the United States or the States of New York or Utah or if any material disruption in commercial banking or securities settlement or clearance services shall have occurred; or

(iv) Any financial rating assigned to the Series 2026 Bonds or any other obligations of the Issuer by S&P Global Ratings ("S&P"), Fitch Ratings ("Fitch"), or Moody's Investors Service ("Moody's"), as the case may be, shall have been downgraded, withdrawn, or any other action taken, and such action, in the opinion of the Underwriter, has a material adverse effect on the marketability of the Series 2026 Bonds; or

(v) Any litigation shall be instituted, pending or threatened (A) to restrain or enjoin the issuance, sale or delivery of the Series 2026 Bonds, (B) to restrain or enjoin, or otherwise seek recovery of damages with respect to the receipt by the Issuer of the Base Rentals, (C) in any way contesting or affecting any authority for or the validity of the Series 2026 Bonds, any of the proceedings of the Issuer, the City, or the Trustee taken with respect to the issuance or sale thereof, the pledge, appropriation or application of any moneys or securities provided for the payment of the Series 2026 Bonds, or (D) in any way contesting or affecting the existence or powers of the Issuer or the Trustee or the titles of their officers to their respective offices; or

(vi) Any other event or circumstances shall have occurred which shall be beyond the reasonable control of the Underwriter and, in the opinion of the Underwriter, might in any way have a material adverse effect on the marketability of the Series 2026 Bonds.

(c) At or prior to the Closing for the Series 2026 Bonds, the Underwriter shall receive the following:

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

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

(iii) Opinions of the office of the City Attorney of the City, as counsel for the Issuer and the City, in standard form for similar transactions and satisfactory to Bond Counsel and the Underwriter;

(iv) The opinion of [UW Counsel], counsel to the Underwriter;

(v) The Issuer's certificate, dated the Closing Date, signed by the President of the Issuer and the Secretary-Treasurer of the Issuer and in form and substance satisfactory to the Underwriter and Bond Counsel, to the effect that (A) the representations of the Issuer herein are true and correct in all material respects as of the Closing Date as if made on the Closing Date; (B) except as disclosed in the Official Statement, no litigation is pending or, to the best of their knowledge, threatened against the Issuer (i) to restrain or enjoin the issuance or delivery of any of the Series 2026 Bonds or the collection of moneys pledged under the Indenture, (ii) in any way contesting or affecting the authority for the issuance of the Series 2026 Bonds or the adoption of the Resolution or the execution and delivery of the Transaction Documents to which the Issuer is a party, the validity or enforceability of the Series 2026 Bonds, or the excludability from gross income for federal income tax purposes of interest on the Series 2026 Bonds, (iii) in any way contesting the organization, existence or powers of the Issuer or the titles of its officers to their respective offices, or (iv) contesting or attempting to restrain or enjoining the application of the proceeds thereof or the payment, collection or application of the moneys pledged under the Indenture or the pledge of the moneys pledged under the Indenture, or of other moneys, rights and interests pledged pursuant to the Indenture or the adoption of the Resolution; (C) the descriptions and information contained in the Official Statement relating to the Issuer, its organization and financial and other affairs, the Project and the application of the proceeds of sale of the Series 2026 Bonds are correct in all material respects, as of the date of the Official Statement and as of said Closing Date; (D) such descriptions and information, as of the date of the Official Statement did not, and as of said Closing Date do not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; (E) no event affecting the Issuer has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purpose for which it is to be used or that is necessary to be disclosed therein in order to make the statements and information therein not misleading in any material respect; (F) the Transaction Documents to which the Issuer is a party have been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the other parties thereto, the Transaction Documents to which the Issuer is a party constitute legal, valid and binding agreements of the Issuer enforceable in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights and by the availability of equitable remedies; (G) the Resolution authorizing the execution and delivery of the Transaction Documents to which the Issuer is a party has been duly adopted and has not been modified, amended or repealed; and (H) the execution and delivery of the Transaction Documents to which the Issuer is a party, and this Purchase Contract and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under any indenture, mortgage, deed of trust, agreement or other instrument to which the Issuer is a party or any law, public administrative rule or regulation, court order or consent decree to which the Issuer is subject;

(vi) The City's certificate, dated the Closing Date, signed by the Mayor of the City and the City Recorder of the City and in form and substance satisfactory to the Underwriter and Bond Counsel, to the effect that (A) the representations of the City herein are true and correct in all material respects as of the Closing Date as if made on the Closing Date; (B) except as disclosed in the Official Statement, no litigation is pending or, to the best of their knowledge, threatened against the City (i) to restrain or enjoin the issuance or delivery of any of the Series 2026 Bonds or the collection of moneys pledged under the Indenture, (ii) in any way contesting or affecting the authority for the issuance of the Series 2026 Bonds or the adoption of the Approval Resolution or the execution and delivery of the Transaction Documents to which the City is a party, the validity or enforceability of the Series 2026 Bonds, or the excludability from gross income for federal income tax purposes of interest on the Series 2026 Bonds, (iii) questioning or challenging any power of the City, including its ability to levy taxes, or (iv) in any way contesting the organization, existence or powers of the City or the titles of its officers to their respective offices, or (v) contesting or attempting to restrain or enjoining the application of the proceeds thereof or the payment, collection or application of the moneys pledged under the Indenture or the pledge of the moneys pledged under the Indenture, or of other moneys, rights and interests pledged pursuant to the Indenture or the adoption of the Approval Resolution; (C) the descriptions and information contained in the Official Statement relating to the City, its organization and financial and other affairs, the Project, and the application of the proceeds of sale of the Series 2026 Bonds are correct in all material respects, as of the date of the Official Statement and as of said Closing Date; (D) such descriptions and information, as of the date of the Official Statement did not, and as of said Closing Date do not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; (E) no event affecting the City has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purpose for which it is to be used or that is necessary to be disclosed therein in order to make the statements and information therein not misleading in any material respect; (F) the Transaction Documents to which the City is a party have been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery by the other parties thereto, the Transaction Documents to which the City is a party constitute legal, valid and binding agreements of the City enforceable in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights and by the availability of equitable remedies; (G) the Approval Resolution authorizing the execution and delivery of the Transaction Documents to which the City is a party has been duly adopted and has not been modified, amended or repealed; and (H) the execution and delivery of the Transaction Documents to which the City is a party, and this Purchase Contract and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any indenture, mortgage, deed of trust, agreement or other instrument to which the City is a party or any law, public administrative rule or regulation, court order or consent decree to which the City is subject;

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

(viii) A copy of the Tax Certificate of the Issuer and the City, relating to matters affecting the excludability from gross income for federal income tax purposes of interest on the Series 2026 Bonds, including the use of proceeds of sale of the Series 2026 Bonds and matters relating to arbitrage rebate pursuant to Section 148 of the Internal Revenue Code and the applicable regulations thereunder, in form and substance satisfactory to Bond Counsel;

(ix) Evidence that the federal tax information form 8038-G has been prepared for filing;

(x) A copy of each of the Preliminary Official Statement and copies of the Official Statement;

(xi) Evidence satisfactory to the Underwriter that the Series 2026 Bonds have received a rating of [“[___]” from S&P and “[___]” from Fitch];

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

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

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

ARTICLE V

EXPENSES

All expenses and costs in connection with the authorization, issuance and sale of the Series 2026 Bonds to the Underwriter, including rating agency fees, the costs of printing of the Series 2026 Bonds, the costs of printing the Official Statement and the Preliminary Official Statement, advertising costs, the initial fees of the Trustee in connection with the issuance of the Series 2026 Bonds, the fees and expenses of Bond and Disclosure Counsel, the fees and expenses of counsel to the Issuer, LRB Public Finance Advisors, Inc. as the municipal advisor to the Issuer, the premiums relating to title policies for the Project, and travel and other expenses shall be costs and expenses of the Issuer and shall be paid by the Issuer.

ARTICLE VI

GENERAL

Section 6.1. Any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to [Underwriter], [address], Attention: [__________]. Any notice or other communication to be given to the Issuer under this Purchase Contract may be given by delivering the same in writing to Municipal Building Authority of the City of South Jordan, 1600 West Towne Center Drive, South Jordan, Utah 84095, Attention: Chair/President, with a copy thereof to the City Attorney. Any notice or other communication to be given to the City under this Purchase Contract may be given by delivering the same in writing to the to City of South Jordan, 1600 West Towne Center Drive, South Jordan, Utah 84095, Attention: Mayor, with a copy thereof to the City Attorney.

Section 6.2. This Purchase Contract is made solely for the benefit of the Issuer and the Underwriter (including its successors or assigns) and no other person shall acquire or have any right hereunder or by virtue hereof. All the representations, warranties, covenants and agreements contained herein shall remain operative and in full force and effect and shall survive delivery of and payment of the Series 2026 Bonds hereunder and regardless of any investigation made by the Underwriter or on its behalf.

Section 6.3. This Purchase Contract shall be governed by the laws of the State of Utah.

Section 6.4. The Issuer and the City acknowledge and agree that (i) the purchase and sale of the Series 2026 Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction among the Issuer, the City and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, advisor or fiduciary of the Issuer or the City, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Issuer or the City with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer or the City on other matters) and the Underwriter has no obligation to the Issuer or the City with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Contract, (iv) the Underwriter is not acting as municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended), and (v) the Issuer and the City consulted their own legal, financial and other advisors to the extent they deemed appropriate in connection with the offering of the Series 2026 Bonds.

Section 6.5. The Underwriter represents and warrants that it is not currently engaged in a boycott of the State of Israel or an economic boycott of a boycotted company, as such terms are defined in the immediately succeeding two sentences. As currently defined in Section 63G-27-102(5) of the Utah Code, "economic boycott" means an action targeting a "boycotted company" with the intention of penalizing or inflicting economic harm to such company. Furthermore, as currently defined in Section 63G-27-102(3) of the Utah Code "boycotted company" means a company that (1) engages in the exploration, production, utilization, transportation, sale, or manufacture of fossil fuel-based energy, timber, mining, or agriculture, (2) engages in, facilitates, or supports the manufacture, distribution, sale, or use of firearms, (3) does not meet or commit to meet environmental standards, including standards for eliminating, reducing, offsetting, or disclosing greenhouse gas-emissions, beyond applicable state and federal law requirements or (4) does not facilitate or commit to facilitate access to abortion or sex characteristic surgical procedures. The Underwriter covenants and agrees not to engage in a boycott of the State of Israel or an economic boycott of a boycotted company for the duration of any contractual arrangement with the City, including this Purchase Contract.

Section 6.6. This Purchase Contract and all documents necessary or required to complete the sale of the Series 2026 Bonds may be executed in multiple counterparts, all of which taken together will constitute one and the same instrument. Pursuant to the Uniform Electronic Transactions Act, Title 46, Chapter 4 Utah Code Annotated 1953, as amended, the Underwriter and the City hereby agree and consent to the use of electronic signatures and electronic records in connection with the Bond transaction; provided, however, that such consent and agreement only permits the use of, but does not require, electronic signatures or electronic records, including on documents delivered in counterparts.

Section 6.7. This Purchase Contract contains the entire agreement between the parties relating to the subject matter hereof, and all previous representations, endorsements, promises, agreements or understandings, oral, written or inferred, between the parties relating to the subject matter hereof are superseded hereby.

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

Very truly yours,

[UNDERWRITER]

By: ________________________________

Title:________________________________

MUNICIPAL BUILDING AUTHORITY OF
THE CITY OF SOUTH JORDAN, UTAH

By:________________________________
Chair/President

(AUTHORITY SEAL)

ATTEST:

By:________________________________
Secretary-Treasurer

CITY OF SOUTH JORDAN, UTAH

By:________________________________
Mayor

(CITY SEAL)

ATTEST:

By:________________________________
City Recorder

EXHIBIT A

$[PAR]
MUNICIPAL BUILDING AUTHORITY OF
THE CITY OF SOUTH JORDAN, UTAH
LEASE REVENUE BONDS,
SERIES 2026

Maturity Date (October 15)	Principal Amount	Interest Rate	Yield	Price	Pricing Rule

____

[c Yield to optional call on __________.]
[* General Rule Maturities.]
[*** Hold-the-Offering-Price maturities.]

EXHIBIT B

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

$[PAR]
Municipal Building Authority of the City of South Jordan, Utah
Lease Revenue Bonds, Series 2026

The undersigned, on behalf of [Underwriter] (the "Original Purchaser"), as the Original Purchaser of the above-described bonds (the "Bonds"), being issued on the date of this Certificate by the Municipal Building Authority of the City of South Jordan, Utah (the "Issuer"), certifies and represents as follows:

1. Receipt of the Bonds. The Original Purchaser hereby acknowledges receipt of the Bonds pursuant to the Bond Purchase Contract (the "Purchase Contract") by and between the Original Purchaser, the Issuer, and the City of South Jordan, Utah, dated [October/November], 2026 (the "Sale Date"). The Bonds are issued as fully registered bonds, and are dated, mature on the dates, bear interest at the rates per annum, and are numbered as set forth in the Indenture (as defined in the Purchase Contract.).

2. [Series 2026 Debt Service Reserve Account. The funding of the Series 2026 Debt Service Reserve Account in an amount equal to the required balance therein was reasonably required and was an essential factor in marketing the Bonds and facilitated the marketing of the Bonds at interest rates comparable to that of similar bond issues. The amount of Bond proceeds to be deposited into the Series 2026 Debt Service Reserve Account does not exceed the least of (i) 10% of the aggregate original principal amount of the Bonds, (ii) the maximum annual principal and interest requirements on the Bonds, or (iii) 125% of the average annual principal and interest requirements on the Bonds.]

3. Issue Price. For purposes of this section the following definitions apply:

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

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

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

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

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

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

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

"Purchaser" means [Underwriter], on its own behalf and as representative of each Underwriting Firm.

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

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

The Purchaser represents as follows:

1. Attached as Attachment 1 is a copy of the pricing wire or similar communication used to communicate the Initial Offering Price of each Maturity to the Public.

2. As of the Effective Time all the Bonds were the subject of an initial offering to the Public.

3. As of the Effective Time none of the Bonds were sold to any person at a price higher than the Initial Offering Price for that Maturity.

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

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

[UNDERWRITER]

By: ___________________________________

Its: ___________________________________

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

EXHIBIT I

PRELIMINARY OFFICIAL STATEMENT

PRELIMINARY OFFICIAL STATEMENT DATED [OCTOBER ___], 2026

NEW ISSUE | **Ratings: S&P "[___]"**
Fitch "[___]"

Book-Entry Only Form | **(See "BOND RATINGS" herein.)**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Authority, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The Series 2026 Bonds are not "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Series 2026 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Series 2026 Bonds is exempt from State of Utah individual income taxes. See "TAX MATTERS" in this Official Statement.

$[PAR]*
MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH
LEASE REVENUE BONDS, SERIES 2026
Payable from Base Rentals to be Made by
CITY OF SOUTH JORDAN, UTAH
Pursuant to an Annually Renewable Lease

Dated: Date of Delivery | **Due: October 15, as shown below**

The Lease Revenue Bonds, Series 2026 (the "Series 2026 Bonds") of the Municipal Building Authority of the City of South Jordan, Utah (the "Authority") are issuable as fully registered bonds and when initially issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2026 Bonds. Purchases of Series 2026 Bonds will be made in book-entry form only, in the principal amount of $5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC participants. Owners of the Series 2026 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2026 Bonds. Interest on the Series 2026 Bonds is payable on April 15 and October 15 of each year, commencing April 15, 2027, all as more fully described herein. Payment of the principal of and interest on such Series 2026 Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See "THE SERIES 2026 BONDS—Book-Entry Only System" herein.

The Series 2026 Bonds are subject to optional [, sinking fund,] and extraordinary redemption prior to maturity. See "THE SERIES 2026 BONDS—Redemption" herein.

The proceeds of the Series 2026 Bonds will be used to (i) finance the acquisition and construction of a new fire station and related improvements (the "Series 2026 Project") and other purposes of the Authority; (ii) provide for a debt service reserve fund; and (iii) pay costs of issuance of the Series 2026 Bonds.

The Series 2026 Bonds are issued under and are equally and ratably secured by the herein described Indenture. Pursuant to the Indenture, the Authority has pledged and assigned to the Trustee, among other things, its right, title and interest in and to the Lease, including its right to receive the Base Rentals under the Lease as security for the payment of the principal of, premium, if any, and interest on the Series 2026 Bonds. In addition, the Authority will grant a security interest in the Series 2026 Project for the equal and proportionate benefit of the owners of the Series 2026 Bonds. The Series 2026 Bonds are limited obligations of the Authority payable solely from the revenues and receipts received pursuant to the Lease and other funds or amounts held by the Trustee under the Indenture as security for the Series 2026 Bonds.

Under the herein described Lease, the City of South Jordan, Utah (the "City") has agreed to make payments in stated amounts which are sufficient to pay the principal of and the interest on the Series 2026 Bonds coming due in each year but only if and to the extent that the City Council of the City annually appropriates funds sufficient to pay the Base Rentals coming due during each succeeding Renewal Term under the Lease plus such additional amounts as are necessary to operate and maintain the Series 2026 Project during such period. The Lease specifically provides that nothing therein shall be construed to require the municipal council to appropriate any money to pay any Base Rentals or Additional Rentals thereunder and that the City shall not be obligated to pay such Rentals except to the extent appropriated.

THE OBLIGATION OF THE CITY TO PAY ANY RENTALS IS ANNUALLY RENEWABLE AS PROVIDED IN THE LEASE. NEITHER THE OBLIGATION OF THE CITY TO PAY RENTALS NOR THE OBLIGATION OF THE AUTHORITY TO PAY THE SERIES 2026 BONDS WILL CONSTITUTE A DEBT OF THE CITY OR THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. THE ISSUANCE OF THE SERIES 2026 BONDS DOES NOT DIRECTLY OR CONTINGENTLY OBLIGATE THE CITY TO PAY ANY RENTALS BEYOND THOSE APPROPRIATED FOR THE CITY'S THEN CURRENT FISCAL YEAR. THE SERIES 2026 BONDS ARE NOT AN INDEBTEDNESS OR A LIABILITY OF THE CITY OR THE STATE. THE AUTHORITY HAS NO TAXING POWER.

The Series 2026 Bonds are offered when, as and if issued by the Authority and subject to the approval of their legality by Gilmore & Bell, P.C., Bond Counsel to the Authority. Certain legal matters will be passed upon for the Authority and the City by Ryan W. Loose, Esq., City Attorney. Certain matters will be passed upon for the Authority by Gilmore & Bell, P.C., as disclosure counsel to the Authority. Certain legal matters will be passed upon for the Underwriter by its counsel, Farnsworth Johnson PLLC, Provo, Utah. It is expected that the Series 2026 Bonds, in book-entry only form, will be available for delivery to DTC or its agent on or about [November 12], 2026.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. This Official Statement is dated __________, 2026, and the information contained herein speaks only as of that date.

STIFEL

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

* Preliminary; subject to change.

$[PAR]*

**MUNICIPAL BUILDING AUTHORITY OF
CITY OF SOUTH JORDAN, UTAH**

LEASE REVENUE BONDS, SERIES 2026

MATURITY SCHEDULE

Due (October 15)	Principal Amount*	Interest Rate	Yield	Price	CUSIP No.**

[$__________ _____% Term Bond due October 15, 20___; Price _____%; CUSIP No. _____**]

____
* Preliminary; subject to change.

** The above-referenced CUSIP numbers have been assigned by an independent company not affiliated with the parties to this transaction and are included solely for the convenience of the holders of the Series 2026 Bonds. None of the Authority, the City, the Trustee or the Underwriter is responsible for the selection or use of such CUSIP numbers, and no representation is made as to their correctness on the Series 2026 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2026 Bonds as a result of various subsequent actions including but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities.

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

No dealer, broker, salesman or any other person has been authorized by the Authority, the City, or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering contained herein, and, if given or made, such information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy nor shall there be any sale of the Series 2026 Bonds by any person in any jurisdiction in which it is unlawful for such offer, solicitation or sale.

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

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

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

The yields at which the Series 2026 Bonds are offered to the public may vary from the initial reoffering yields on the front cover page of this Official Statement. In connection with this offering, the Underwriter may engage in transactions that stabilize, maintain or otherwise affect market prices of the Series 2026 Bonds. Such transactions, if commenced, may be discontinued at any time.

The City maintains a website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2026 Bonds.

THE SERIES 2026 BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. THE SERIES 2026 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

$[PAR][*]
MUNICIPAL BUILDING AUTHORITY OF
CITY OF SOUTH JORDAN, UTAH

LEASE REVENUE BONDS, SERIES 2026

1600 West Towne Center Drive
South Jordan, Utah 84095
(801) 254-3742

GOVERNING BOARD OF THE AUTHORITY

Dawn Ramsey .... President and Chair
Patrick Harris .... Boardmember
Kathie Johnson .... Boardmember
Jason T. McGuire .... Boardmember
Donald Shelton .... Boardmember
Tamara Zander .... Boardmember

CITY ADMINISTRATION

Dustin Lewis .... City Manager
Sunil K. Naidu .... Chief Financial Officer
Ryan W. Loose .... City Attorney
Anna Crookston .... City Recorder
Krista Purser .... City Treasurer

TRUSTEE, PAYING AGENT & REGISTRAR
U.S. Bank Trust Company, National Association
170 South Main Street, Suite 200
Salt Lake City, Utah 84101
(801) 534-6051

MUNICIPAL ADVISOR
LRB Public Finance Advisors, Inc.
41 North Rio Grande, Suite 101
Salt Lake City, Utah 84101
(801) 596-0700

UNDERWRITER
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Salt Lake City, Utah 84101
(801) 364-5080

[*] Preliminary; subject to change.

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OFFICIAL STATEMENT

RELATING TO

$[PAR]*
MUNICIPAL BUILDING AUTHORITY OF
CITY OF SOUTH JORDAN, UTAH

LEASE REVENUE BONDS, SERIES 2026

INTRODUCTION

This Official Statement, including the cover page, introduction, and appendices, provides information in connection with the issuance and sale by the Municipal Building Authority of the City of South Jordan, Utah (the "Authority") of its $[PAR]* Lease Revenue Bonds, Series 2026 (the "Series 2026 Bonds"), initially issued in book-entry form only. This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Series 2026 Bonds to potential investors is made only by means of the entire Official Statement. Capitalized terms used herein and not otherwise defined are defined in "APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE AND MASTER LEASE."

See also the following appendices attached hereto: APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025; APPENDIX B—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE; APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY; APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING; APPENDIX E—FORM OF OPINION OF BOND COUNSEL; APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM.

The Authority

The Authority is a nonprofit corporation created by the city council of City of South Jordan, Utah (the "City") pursuant to the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the "Building Authority Act") and the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended (the "Nonprofit Corporation Act"). The Authority was created by the City for the purpose of financing projects on behalf of the City as provided in the Building Authority Act. For more complete information, see "THE AUTHORITY" herein.

The City

The City, incorporated in 1935, covers an area of approximately 25.74 square miles and is located in the southwest portion of Salt Lake County, Utah (the "County"). The U.S. Census Bureau estimated the City's 2025 population as 87,614.

For additional information regarding the City, see "THE CITY"; "FINANCIAL INFORMATION REGARDING THE CITY"; "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025"; and "APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY" herein.

Authorization and Purpose of the Series 2026 Bonds

The Series 2026 Bonds are being issued pursuant to (i) the Building Authority Act; (ii) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Local Government Bonding Act");

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* Preliminary; subject to change.

(iii) a General Indenture of Trust dated as of November 1, 2026 (the "General Indenture"), as supplemented by a First Supplemental Indenture of Trust dated as of November 1, 2026 (the "First Supplemental Indenture," and together with the General Indenture, the "Indenture"), each by and between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"); and (iv) the authorizing resolution of the Authority adopted on September 15, 2026. The issuance of the Series 2026 Bonds and the execution and delivery of the hereinafter defined Lease and the Indenture were approved by the City pursuant to a resolution adopted by the city council of the City (the "City Council"), on September 15, 2026.

The Series 2026 Bonds are being issued to (a) finance the acquisition and construction of a new fire station and related improvements (the "Series 2026 Project"), and other purposes of the Authority; (b) fund a deposit to a debt service reserve fund; and (c) pay costs of issuance of the Series 2026 Bonds.

The Series 2026 Project will be leased by the Authority to the City pursuant to an annually renewable Master Lease Agreement dated as of November 1, 2026 (the "Lease"), between the Authority, as lessor, and the City, as lessee.

The Authority will use a portion of the proceeds of the Series 2026 Bonds to acquire the Series 2026 Project. The Property on which the Series 2026 Project will be located is owned by the City (the "Project Site"). The City will execute a ground lease to provide a leasehold interest in the Project Site to the Authority pursuant to a Ground Lease Agreement dated as of November 1, 2026 (the "Ground Lease"), between the Authority, as lessee, and the City, as lessor.

The term of the Ground Lease will expire on October 15, 20[___]*; provided that the Ground Lease is subject to extension until October 15, 20[___]*, in the event of non-appropriation by the City or failure by the City to pay in full the cost of the improvements to the Project Site as provided in the Ground Lease. See "SECURITY FOR THE BONDS—Security Documents" herein.

To provide additional security to the Bondholders, the Authority will assign all its rights and interest in the Ground Lease to the Trustee pursuant to an Assignment of Ground Lease Agreements dated as of November 1, 2026 (the "Assignment of Ground Lease"). See "THE SERIES 2026 PROJECT" herein.

Initial Bonds; Additional Bonds

The Series 2026 Bonds are the initial Series of Bonds to be issued under the General Indenture. The Indenture permits the issuance of Additional Bonds secured on a parity with the Series 2026 Bonds, subject to certain conditions. The Series 2026 Bonds and any Additional Bonds issued under the Indenture are referred to collectively herein as the "Bonds." See "SECURITY FOR THE BONDS—Additional Bonds and Refunding Bonds" and APPENDIX B—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE herein.

Security for and Sources of Payment of the Bonds; Limited Obligations

The Series 2026 Bonds are issued under and are equally and ratably secured by the Indenture. Pursuant to the Indenture, the Authority has pledged and assigned to the Trustee, among other things, its right, title and interest in and to the Lease, including its right to receive the Base Rentals (as defined below) under the Lease as security for the payment of the principal of, premium, if any, and interest on the Bonds (as hereinafter defined). In addition, the Authority has granted a security interest in the Series 2026 Project under a Leasehold Deed of Trust, Assignment of Rents and Security Agreement, dated as of November 1, 2026 ("Leasehold Deed of Trust"). The Leasehold Deed of Trust, the Assignment of Ground Lease, and any financing statements filed in connection therewith are sometimes collectively referred to herein as the "Security Documents." The Security Documents are being executed for the equal and proportionate benefit of the Bondowners. The Bonds are limited obligations of the Authority payable solely from the revenues and receipts received pursuant to the Lease and other funds or amounts held by the Trustee under the Indenture as security for the Bonds.

Under the Lease, the City has agreed to make payments in stated amounts which are sufficient to pay the principal of and the interest on the Bonds coming due in each year (collectively, the "Base Rentals") but only if and to the extent that the City Council annually appropriates funds sufficient to pay the Base Rentals coming due during each succeeding Renewal Term (as described herein) under the Lease plus such additional amounts (the "Additional Rentals") as are necessary to operate and maintain the Series 2026 Project during such period. The Lease specifically provides that nothing therein shall be construed to require the City Council to appropriate any money to pay any Base Rentals or Additional Rentals (collectively, the "Rentals") thereunder and that the City shall not be obligated to pay such Rentals except to the extent appropriated.

THE OBLIGATION OF THE CITY TO PAY ANY RENTALS IS ANNUALLY RENEWABLE AS PROVIDED IN THE LEASE. NEITHER THE OBLIGATIONS OF THE CITY TO PAY RENTALS NOR THE OBLIGATION OF THE AUTHORITY TO PAY THE BONDS WILL CONSTITUTE A DEBT OF THE CITY OR THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. THE ISSUANCE OF THE SERIES 2026 BONDS DOES NOT DIRECTLY OR CONTINGENTLY OBLIGATE THE CITY TO PAY ANY RENTALS BEYOND THOSE APPROPRIATED FOR THE CITY'S THEN CURRENT FISCAL YEAR. THE SERIES 2026 BONDS ARE NOT AN INDEBTEDNESS OR A LIABILITY OF THE CITY OR THE STATE. THE AUTHORITY HAS NO TAXING POWER.

The Indenture and Security Documents create a lien on and a security interest in the Series 2026 Project for the benefit of the Registered Owners (as defined herein) of the Series 2026 Bonds.

Redemption

The Series 2026 Bonds are subject to optional [sinking fund,] and extraordinary redemption prior to maturity as described herein. See "THE SERIES 2026 BONDS—Redemption" herein.

Registration, Denominations and Manner of Payment

The Series 2026 Bonds are issuable only as fully registered bonds without coupons and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Series 2026 Bonds. Purchases of Series 2026 Bonds will be made in book-entry form only, in the principal amount of $5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC participants. Beneficial Owners of the Series 2026 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2026 Bonds.

Principal of and interest on the Series 2026 Bonds (interest payable October 15 and April 15 of each year, commencing April 15, 2027) are payable by U.S. Bank Trust Company, National Association, as paying agent (the "Paying Agent"), to the registered owners of the Series 2026 Bonds. So long as DTC is the registered owner, it will, in turn, remit such principal and interest payments to its Participants, for subsequent disbursements to the Beneficial Owners of the Series 2026 Bonds, as described under "THE SERIES 2026 BONDS—Book-Entry Only System" herein.

Tax Status

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Authority, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel notes that interest on the Series 2026 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Series 2026 Bonds is exempt from State of Utah individual income taxes. See "TAX MATTERS" in this Official Statement. Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the Series 2026 Bonds.

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

The Series 2026 Bonds are offered, subject to prior sale, when, as and if issued and received by the Underwriter subject to approval of legality by Gilmore & Bell, P.C., Bond Counsel to the Authority, and certain other conditions. Certain legal matters will be passed upon for the Authority and the City by Ryan W. Loose, Esq., City Attorney. Certain matters will be passed upon for the Authority by Gilmore & Bell, P.C., as disclosure counsel to the Authority. Certain legal matters will be passed upon for the Underwriter by its counsel, Farnsworth Johnson PLLC, Provo, Utah. It is expected that the Series 2026 Bonds, in book entry only form, will be available for delivery to DTC or its agent on or about [November 12], 2026.

Continuing Disclosure

The City will execute a Continuing Disclosure Undertaking for the benefit of the beneficial owners of the Series 2026 Bonds to enable the Underwriter to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. See "CONTINUING DISCLOSURE" and "APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING."

Basic Documentation

The "basic documentation," which includes the Indenture, the Lease, the Ground Lease, the Security Documents, and other documentation, authorizing the issuance of the Series 2026 Bonds and establishing the rights and responsibilities of the City, the Authority, and other parties to the transaction, may be obtained from the "contact persons" as indicated below.

Contact Persons

The chief contact person for the Authority and the City concerning the Series 2026 Bonds is:

Sunil K. Naidu, Chief Financial Officer
City of South Jordan
1600 West Towne Center Drive
South Jordan, Utah 84095
(801) 254-3742
snaidu@sjc.utah.gov

The chief contact persons for the Municipal Advisor concerning the Series 2026 Bonds are:

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

THE SERIES 2026 BONDS

General

The Series 2026 Bonds are dated as of the date of their initial delivery, and except as otherwise provided in the Indenture, shall bear interest from said date. Interest on the Series 2026 Bonds will be payable semiannually on October 15 and April 15 of each year commencing April 15, 2027. The Series 2026 Bonds are issued as fully registered bonds in denominations of $5,000 or any integral multiple thereof.

The Series 2026 Bonds shall bear interest at the rates and shall mature on the dates as described on the cover page hereof. Interest on the Series 2026 Bonds will be calculated on the basis of a 360-day year consisting of twelve

30-day months. Interest on the Series 2026 Bonds will be payable by check or draft mailed by the Trustee to the registered owner thereof (initially DTC) as of the Record Date.

Redemption

Optional Redemption. The Series 2026 Bonds maturing on or prior to October 15, 20___, are not subject to redemption prior to maturity. The Series 2026 Bonds maturing on or after October 15, 20___, are subject to redemption prior to maturity at the option of the Authority in whole or in part on any date on and after October 15, 20___, and if in part, in such order of maturity as may be directed by the Authority at a redemption price equal to 100% of the principal amount of the Series 2026 Bonds to be redeemed plus accrued interest to the date of redemption.

[Mandatory Sinking Fund Redemption. The Series 2026 Bonds maturing on October 15, 20___, are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the redemption date on the dates and in the principal amounts as follows:

Mandatory Sinking Fund Date (October 15)	Principal Amount

____
* Final maturity date.

Upon redemption of any Series 2026 Bonds maturing on October 15, 20___, other than by application of such mandatory sinking fund redemption, an amount equal to the principal amount so redeemed will be credited toward a part or all of any one or more of such mandatory sinking fund redemption amounts for the related Series 2026 Bonds, in such order as shall be directed by the Authority.]

Extraordinary Redemption. The Series 2026 Bonds shall be callable for redemption prior to maturity in whole on any date, if (i) the Series 2026 Project or a material portion thereof is damaged or destroyed or taken in a condemnation proceeding, or a material defect in the construction of the Series 2026 Project shall become apparent, or title to or the use of all or any material portion of the Series 2026 Project shall be lost by reason of a defect in title thereto, (ii) the Net Proceeds of any insurance policy, performance bond or condemnation award made available by reason of one or more such occurrences shall be insufficient to pay in full the cost of repairing or replacing such portion of the Series 2026 Project, and (iii) the City elects to discharge its obligation to repair and replace such portion of the Series 2026 Project by depositing such Net Proceeds into the Bond Fund. Upon the deposit of such Net Proceeds in the Bond Fund, the payment obligations of the City with respect to the Series 2026 Project under the Lease shall terminate and the City shall have no further obligation for the payment of Base Rentals and Additional Rentals thereunder with respect to the Series 2026 Project, and possession of the Series 2026 Project, as well as all right, title and interest of the City and the Authority in any funds or accounts created under the Indenture with respect to the Series 2026 Project shall be surrendered to the Trustee, as trustee for the Bondholders. Thereafter, the Indenture and the Security Documents for the Series 2026 Project may, subject to the limitations of the Indenture, be foreclosed and the Authority's interest in the Series 2026 Project liquidated and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Indenture with respect to the Series 2026 Project (except moneys held in the Rebate Fund or for the payment of Series 2026 Bonds not then deemed outstanding), shall be applied by the Trustee to the redemption of the Series 2026 Bonds at the earliest date practicable. Any such redemption of the Series 2026 Bonds shall be made upon payment of all or a prorated portion of the principal amount thereof plus accrued interest thereon to the redemption date. IN THE EVENT THE SERIES 2026 BONDS ARE TO BE REDEEMED BY PAYMENT OF AN AMOUNT LESS THAN THE OUTSTANDING PRINCIPAL AMOUNT THEREOF, AND ACCRUED INTEREST TO THE REDEMPTION DATE, NO FURTHER CLAIM FOR PAYMENT MAY BE HAD BY THE BONDHOLDERS AGAINST THE AUTHORITY, THE CITY OR THE TRUSTEE WITH RESPECT TO SAID SERIES 2026 BONDS. In the event there are moneys remaining in the Bond Fund after payment in full of all Series 2026 Bonds, the Trustee is authorized and directed to transfer said moneys to the City.

Notice and Effect of Redemption. Notice of redemption shall be mailed by first class mail, postage prepaid, to all Registered Owners of Series 2026 Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar at least 30 days but not more than 60 days prior to the date fixed for redemption. Such notice shall contain certain information set forth in the Indenture.

If at the time of mailing of any notice of optional redemption there shall not be on deposit with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that such redemption is subject to the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date and that such notice shall be of no effect unless such moneys are so deposited and transmitted to the Registered Owners of said Bonds on the redemption date.

Partially Redeemed Series 2026 Bonds. In case any registered Series 2026 Bond shall be redeemed in part only, upon the presentation of such Series 2026 Bond for such partial redemption, the Authority shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Authority, a Series 2026 Bond or Series 2026 Bonds of the same interest rate and maturity, in aggregate principal amount equal to the unredeemed portion of such registered Series 2026 Bond. A portion of any Bond of the authorized denomination of more than the authorized denomination to be redeemed will be in the principal amount of the authorized denomination or an integral multiple thereof and in selecting portions of such Bonds for redemption, the Trustee will treat each such Bond as representing that number of Bonds of the authorized denomination which is obtained by dividing the principal amount of such Bonds by the authorized denomination.

Book-Entry Only System

The Series 2026 Bonds are issuable as fully registered bonds and when initially issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2026 Bonds. So long as such Series 2026 Bonds are held in the Book-Entry Only system, DTC or its nominee will be the registered owner or Holder of such Series 2026 Bonds for all purposes of the Indenture, the Series 2026 Bonds and this Official Statement. Purchases of beneficial ownership interests in the Series 2026 Bonds may be made in the denominations described above. For a description of the book-entry system for the Series 2026 Bonds, see "APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM."

Registration, Transfer and Exchange

In the event that the book-entry only system has been terminated, the Series 2026 Bonds, upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the Bondowner or his duly authorized attorney, may be exchanged for an equal aggregate principal amount of Series 2026 Bonds of the same series, designation, interest rate, and maturity and of any other authorized denominations.

The Trustee shall require the payment by the Bondholder requesting exchange or transfer of Series 2026 Bonds of any tax or other governmental charge which are required to be paid with respect to such exchange or transfer.

The Trustee shall not be required to transfer or exchange any Series 2026 Bonds (i) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date, (ii) during the period from and including the day fifteen days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto, (iii) during the period from and including the day fifteen days prior to the mailing of notice calling any Series 2026 Bonds for redemption, to and including the date of such mailing, or (iv) at any time following the mailing of notice calling such Series 2026 Bond for redemption.

SECURITY FOR THE BONDS

General

The Bonds are not general obligations but are special, limited obligations of the Authority. The Bonds and the interest thereon are payable solely from, and are secured by a pledge of the Base Rentals, the Purchase Option Price, if paid by the City, and any other amounts derived by the Authority under the Lease and the Indenture, except to the extent payable from certain moneys held under the Indenture (excluding the Rebate Fund) and from the investment thereof, the proceeds of certain insurance policies, performance bonds, condemnation awards and liquidation proceeds, if any. The Bonds and the interest thereon shall not constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitation and shall not constitute or give rise to a pecuniary liability of the City, nor shall any of the Bonds or interest thereon be a charge against the general credit or taxing powers of the City. Neither the City, nor the Authority on its behalf, has pledged the credit of the City to the payment of the Bonds, the interest thereon or amounts due, or to become due, under the Lease. The Authority has no taxing power.

Under the Lease, the City has agreed to pay Base Rentals in amounts and at times that are sufficient to pay principal of and interest on the Bonds coming due in each fiscal year, but only if and to the extent that the City Council annually appropriates funds sufficient to pay the Base Rentals coming due during each succeeding Renewal Term plus such Additional Rentals as are payable under the Master Lease during such period. The Lease specifically provides that nothing therein shall be construed to require the City to appropriate any moneys to pay the Base Rentals or Additional Rentals thereunder and the City shall not be obligated to pay such Rentals with respect to a Project unless such Project is substantially completed and only to the extent appropriated. Neither the issuance of the Series 2026 Bonds nor the execution and the delivery of the Lease directly or contingently obligates the City to pay any Base Rentals or Additional Rentals beyond those appropriated for the City's then current fiscal year. See "RISK FACTORS" herein.

Under the Lease, the City is entitled not to appropriate Rentals for the next succeeding Renewal Term with respect to all of the Projects, but it is not entitled to elect to appropriate with respect to less than all of the Projects. In other words, the City Council's decision under the Lease whether to appropriate Rentals for each succeeding Renewal Term is "all or nothing."

Debt Service Reserve Fund

The Indenture creates a Debt Service Reserve Fund and provides that a separate account for each Series of Bonds shall be established within the Debt Service Reserve Fund. The Indenture provides that moneys in the Debt Service Reserve Fund shall at all times be maintained in a total aggregate principal amount of not less than the Debt Service Reserve Requirement for all Outstanding Series of Bonds.

The Debt Service Reserve Requirement for the Series 2026 Bonds is $[_____] and such amount will be deposited into a Series 2026 Debt Service Reserve Account in the Debt Service Reserve Fund upon issuance of the Series 2026 Bonds.

For additional information, see APPENDIX B—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE.

Security Documents

In addition to a pledge of the Base Rentals, the Purchase Option Price, if paid by the City, and any other amounts derived by the Authority under the Lease and the Indenture, the Bonds will be secured by the Security Documents. The Security Documents consist of the Leasehold Deed of Trust, the Assignment of Ground Lease, and any financing statements filed in connection therewith.

The Project Site is owned by the City and will be ground-leased to the Authority pursuant to the Ground Lease.

The term of the Ground Lease will expire on October 15, 20[___]* provided that the Ground Lease is subject to extension until October 15, 20[___]*, in the event of non-appropriation by the City or failure by the City to pay in full the cost of the improvements to the Project Site as provided in the Ground Lease. To provide additional security to the Bondholders, the Authority will assign all its rights and interest in the Ground Lease to the Trustee pursuant to the Assignment of Ground Lease. In addition, the Authority will encumber its leasehold interest in the Series 2026 Project to the Trustee pursuant to the Leasehold Deed of Trust.

Reference is hereby made to the actual Security Documents for a complete recital of their terms. During the period of the offering of the Series 2026 Bonds, copies of the Security Documents or their preliminary forms will be available at the office of the Municipal Advisor. Subsequent to the initial offering of the Series 2026 Bonds, copies of the Security Documents may be obtained from the Trustee. Under the Leasehold Deed of Trust, the Authority will irrevocably warrant, grant, transfer, convey and assign to the Trustee, in trust with power of sale, all of its right or leasehold right, title and interest in the Series 2026 Project, including, but not limited to real property, rents, issues, profits, royalties, income, interest in the leases or subleases, options to purchase, easements, rights of way, proceeds of insurance or condemnation and tangible personal property in order to provide additional security for the Authority's payment obligations with respect to the Bonds and the Indenture. The Leasehold Deed of Trust generally provides for the procedure by which the Trustee can foreclose the lien on the Series 2026 Project or sell the Authority's interest or leasehold interest in the Series 2026 Project to pay the Authority's payment obligations under the Bonds and the Indenture.

No deficiency judgment upon foreclosure of the lien of the Indenture or of the Security Documents may be entered against the City or the Authority, and no judgment requiring a payment of money may be entered against the City under the Lease.

Cross-Collateralization

Pursuant to the Indenture and the Master Lease, the Authority has granted to the Trustee for the benefit of the owner of all of the Bonds issued and outstanding under the Indenture a mortgage lien on, and security interest in, all of the Authority's right, title and interest in and to each Project financed under the Indenture to the extent provided in the Indenture. The occurrence of an Event of Default under the Indenture (including and Event of Nonappropriation under the Master Lease) will entitle the Trustee to exercise its rights and remedies to the extent provided in the Indenture against any or all of such Projects in such manner and order as the Trustee determines to be in the best interests of the owners of the Bonds then outstanding. The Series 2026 Bonds are the initial series of Bonds under the Indenture and the Series 2026 Project is the only Project currently being financed under the Indenture.

Release of Portions of the Projects upon Payment of Related Series of Bonds

Pursuant to the Lease, the City has been granted the option of purchasing all or any of the Projects in advance of the final maturity of the Bonds. So long as no Event of Default shall have occurred and be continuing under the Indenture and so long as no Event of Default or Event of Nonappropriation shall have occurred and be continuing under the Lease, a Project may be released from the lien created with respect to the related Series of Bonds and the Indenture and the Lease and transferred to the City if (i) the City shall deposit with the Trustee the Purchase Option Price for the related Project and (ii) if the interest payable on the related Series of Bonds is excludable from gross income for federal income tax purposes, there shall have been delivered to the Trustee an opinion of nationally recognized bond counsel to the effect that the release of the related Project will not adversely affect the excludability of interest on said Bonds from the federal gross income of the owners thereof.

Additional Bonds and Refunding Bonds

General. Pursuant to the Indenture, the Authority may issue additional Series of Bonds under the Indenture which shall be equally and ratably secured under the Indenture with the Series 2026 Bonds. Prior to the authentication by the Trustee of each Series of Bonds there shall have been filed with the Trustee certain documents, certificates and opinions.

Refunding Bonds. So long as the Master Lease is in effect and no Event of Default under the Indenture or the Master Lease has occurred and is continuing and so long as no Event of Nonappropriation has occurred and is continuing, one or more Series of Refunding Bonds may be issued, authenticated and delivered for the purpose of refunding Bonds or other obligations of the Authority. The Refunding Bonds may be issued in one or more Series, shall be authenticated by the Trustee and, upon payment to the Trustee of the proceeds of said sale of Refunding Bonds, they shall be delivered by the Trustee to or upon the order of the purchasers thereof, but only upon satisfaction of the general conditions specified by the Indenture for authentication and delivery of Bonds and upon there being filed with the Trustee:

(a) Original executed counterparts of a Supplemental Indenture, a supplement or amendment (if necessary) to the Security Documents and the Master Lease providing for the issuance of such Refunding Bonds, and further providing for a revision to the Base Rentals to be paid by the City under the Master Lease to such amount as shall be necessary to pay, assuming that no Event of Default or Event of Nonappropriation shall occur, the principal of, premium, if any, and interest on the Bonds (including the Refunding Bonds being issued and any Bonds theretofore issued and to remain Outstanding), and to extend the Lease Term if the maturity of any of the Refunding Bonds would otherwise occur after the expiration of the then current Lease Term. The date or dates of the Refunding Bonds, the rate or rates of interest on the Refunding Bonds, and the redemption provisions (if any) with respect thereto all shall be as provided in the Supplemental Indenture;

(b) If any of the Bonds being refunded were intended to bear interest which is excludable from gross income, a written opinion of nationally recognized bond counsel, to the effect that the excludability from gross income of the interest on the Bonds being refunded, for federal income tax purposes, will not be adversely affected by the issuance of the Refunding Bonds being issued;

(c) A date down endorsement to the ALTA mortgagee title insurance policy issued in connection with the issuance of the Bonds being refunded or commitment therefor (or if the bonds or other obligations being refunded were not issued pursuant to this Indenture, an ALTA Mortgagee title insurance policy or commitment therefor), which endorsement or policy shall insure to the date of issuance of such Refunding Bonds and the recording of any supplement or amendment to the Security Documents the continuing validity of the lien thereof, as modified by any supplement or amendment to the Security Documents, as a first and prior lien on the premises thereby secured, subject only to Permitted Encumbrances, and which endorsement or policy shall increase the amount of title insurance coverage thereunder, if necessary, to an amount, which when added to the coverage provided under any other title policies delivered with respect to other Bonds then Outstanding and issued with respect to the Project financed by the Bonds or other obligations to be refunded, is at least equal to the aggregate principal amount of all Bonds to be Outstanding with respect to such Project following said refunding and naming the Trustee as an insured; alternatively, the Authority may reasonably expect to be able to deliver the required mortgage title insurance following delivery of the related Series of Bonds, provided that no proceeds of such Bonds shall be drawn out of the Construction Fund until such mortgage title insurance is delivered (except for costs of issuance related to such Bonds);

(d) A report of an independent firm of certified public accountants to the effect that, upon the issuance of the Refunding Bonds, moneys and Direct Obligations will be deposited with the Trustee or an escrow agent sufficient to cause the Bonds (or other obligations) being refunded to be deemed paid (or a comparable provision of the documents authorizing the obligations to be refunded); or in the event that the Bonds (or other obligations) to be refunded are to be redeemed on the date of issuance of the Refunding Bonds or within 90 days thereafter, there shall be delivered to the Trustee evidence satisfactory to it that upon the issuance of the Refunding Bonds moneys and Direct Obligations will be deposited with the Trustee or an escrow agent sufficient, without taking into account investment earnings thereon, to redeem the Bonds (or other obligations); and

(e) A certificate of the Authority, stating that, as of the date of such delivery, no event or condition has happened or exists and is continuing, or is happening or existing, which constitutes, or which, with notice or lapse of time or both, would constitute, an Event of Default under the Indenture or the Lease and there has not occurred and is then continuing an Event of Nonappropriation; provided however that the existence of an Event of Default shall not preclude the issuance of any Refunding Bonds if: (i) the issuance of such Refunding Bonds otherwise complies with the provisions hereof and (ii) any Event of Default will cease to continue upon the issuance of such Refunding Bonds and the application of the proceeds thereof.

Each Series of Refunding Bonds issued pursuant to the Indenture shall be equally and ratably secured under the Indenture with the Series 2026 Bonds, the Outstanding Parity Bonds, and all other Series of Refunding Bonds and Additional Bonds, if any, theretofore issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

Additional Bonds. So long as the Lease is in effect and no Event of Default under the Indenture or the Lease has occurred and is continuing and so long as no Event of Nonappropriation has occurred and is continuing, one or more Series of Additional Bonds may be issued, authenticated and delivered for the purpose of financing Costs of Acquisition and Construction of a Project or Projects. The Additional Bonds may be issued in one or more Series, shall be authenticated and registered by the Trustee and, upon payment to the Trustee of the proceeds of said sale of Additional Bonds, they shall be delivered by the Trustee to or upon the order of the purchasers thereof, but only upon satisfaction of the general conditions specified by the Indenture for authentication and delivery of Bonds and upon there being filed with the Trustee:

(a) Original executed counterparts of a Supplemental Indenture, additional Security Documents or a supplement or amendment (if necessary) to the Security Documents and Master Lease providing for the financing of a Project and for the issuance of the Additional Bonds and further providing for an increase in the Base Rentals to be paid by the City under the Master Lease in such amount as shall be necessary to pay, assuming that no Event of Default or Event of Nonappropriation shall occur, the principal of, premium, if any, and interest on the Bonds (including the Additional Bonds being issued and Bonds theretofore issued and Outstanding), and to extend the Lease Term if the maturity of any of the Additional Bonds would otherwise occur after the expiration of the then current Lease Term. The date or dates of the Additional Bonds, the rate or rates of interest on the Additional Bonds, and the redemption provisions (if any) with respect thereto all shall be as provided in the Supplemental Indenture;

(b) A date down endorsement to the ALTA mortgagee title insurance policy issued in connection with the issuance of the Initial Bonds (or other Bonds) or commitment therefor or an additional ALTA mortgagee title insurance policy or commitment therefor, which endorsement or policy shall insure to the date of issuance of such Additional Bonds and the recording of any additional Security Documents or supplement to the Security Documents, if required, the continuing validity of the lien thereof, as modified by any supplement to the Security Documents, as a first and prior lien on the premises thereby secured, subject only to Permitted Encumbrances, and which endorsement or additional policy shall increase the amount of title insurance coverage thereunder to an amount at least equal to the aggregate principal amount of the Additional Bonds to be issued (or in the case of Additional Bonds issued to complete or extend a Project previously financed hereunder the endorsement to the original policy for such Project shall increase the coverage to at least the aggregate principal amount of Bonds issued for such Project to be Outstanding following the issuance of such Additional Bonds) and naming the Trustee as an insured. In the event that the property upon which additional projects are to be located has not been acquired at or prior to the time of issuance of the Additional Bonds, the amendment to the Master Lease relating to such Additional Bonds shall require that such endorsement or additional title policy with respect to such property be delivered at the time of or prior to any disbursements being made from the Construction Fund with respect to such portion of the Project (except for costs of issuance relating to such Bonds);

(c) If such Series of Additional Bonds is being issued in whole or in part for construction purposes, (i) a copy, duly certified by the Secretary-Treasurer of the Authority, of the project contract and architect's agreement with respect to such construction and the performance and payment bond covering such contract or, in the alternative, a requirement that a copy of such documents be delivered to the Trustee prior to the time that moneys are withdrawn from the Construction Fund with respect to such portions of the Project, and (ii) a certificate of the architect or engineer responsible for planning and designing any such construction which sets forth the estimated useful life of the Project or Projects, as so improved and extended, in compliance with Section 17D-2-301 of the Building Authority Act; and

(d) A certificate of the Authority, stating that as of the date of such delivery no event or condition has happened or exists and is continuing, or is happening or existing, which constitutes, or which, with notice or lapse of time or both, would constitute, an Event of Default under the Indenture or the Master Lease and there has not occurred and is then continuing an Event of Nonappropriation; provided however that the existence of an Event of Default shall not preclude the issuance of any Additional Bonds if: (i) the issuance of such Additional Bonds otherwise complies with the provisions hereof and (ii) any Event of Default will cease to continue upon the issuance of such Additional Bonds and the application of the proceeds thereof.

Each Series of Additional Bonds issued pursuant to the Indenture shall be equally and ratably secured under the Indenture with the Series 2026 Bonds and all other Series of Additional Bonds and Refunding Bonds, if any, theretofore issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

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ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds for the Series 2026 Bonds are shown below:

Sources of Funds

Par Amount of the Series 2026 Bonds	$__________
[Net] Reoffering Premium	__________
TOTAL	__________

Uses of Funds

Deposit to Construction Fund	$__________
Deposit to Series 2026 Debt Service Reserve Account	__________
Costs of Issuance[1]	__________
TOTAL	$__________

(1) Costs of issuance include Underwriter's discount, Municipal Advisor, legal, rating agency, and Trustee fees and other costs and expenses related to the issuance of the Series 2026 Bonds.

THE SERIES 2026 PROJECT

Proceeds of the Series 2026 Bonds will be used to finance all or portion of the costs of the acquisition and construction of a new fire station and related improvements. The new fire station, tentatively named "Fire Station 65," is planned to be 23,000 square feet and will provide fire, paramedic, and administrative support primarily for residents living within the City's west boundaries.

The estimated total cost of the Series 2026 Project is approximately $24 million. The Series 2026 Project is currently in the design phase and construction is expected to begin in April 2027 and to be completed in October 2028.

DEBT SERVICE SCHEDULE ON THE SERIES 2026 BONDS

The following table sets forth the fiscal year debt service schedule for the Series 2026 Bonds.

Year	Principal*	Interest	Fiscal Year Total
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
TOTAL	$[PAR]*		

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

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THE AUTHORITY

Establishment

The City Council authorized and directed the creation of the Authority on August 13, 1993, as a non-profit corporation under the provisions of the Nonprofit Corporation Act and Building Authority Act.

The Authority is to be of perpetual duration as set forth in its articles of incorporation. The Authority has no full-time employees or other personnel other than its Board of Trustees. The Authority has no property, money or other assets, except for those which are to be acquired with the proceeds of, and pledged to the payment of, its bonds. The principal place of business and office of the Authority is located at 1600 West Towne Center Drive, South Jordan, Utah, 84095.

Corporate Powers

The Authority has been incorporated for the purpose of acquiring, improving or extending one or more "projects" (as defined in the Building Authority Act) and financing their costs on behalf of the City in accordance with the procedures and subject to the limitations of the Building Authority Act, in order to accomplish the public purposes for which the City exists.

The Authority has all of the powers provided for in the Building Authority Act and in the Constitution and other laws of the State of Utah. The Authority may not, however, undertake any of the activities provided for in its articles of incorporation without prior authorization therefor by the City Council. The Authority has been organized as a non-profit corporation and its articles of incorporation expressly require that it remain a nonprofit corporation.

The Authority may not be dissolved unless all of its outstanding bonds and other obligations are paid in full as to principal, interest and redemption premiums, if any, or unless provisions for the payment of the same when due has been made. Whenever bonds, notes or other evidences of indebtedness issued by the Authority are satisfied, discharged and retired, title to all real and personal property financed with the proceeds of such bonds, notes or other evidences of indebtedness is required to be forthwith transferred to the City.

Statutory Powers

Under the Building Authority Act, the Authority has the power to: (i) acquire one or more projects, which, by definition, means that it may obtain or gain property of every kind or nature which a public body is authorized or permitted by law to own, possess or hold or which has or may come into its possession or ownership by any lawful means, including, but not limited to purchase, lease, rental, sale, contract, exchange, devise, bequest, gift, condemnation, donation, construction or operation of law, and it may otherwise improve or extend such a project or projects and finance their costs on behalf of the public body which created the Authority in order to accomplish the public purposes for which the public body exists; (ii) enter into leasing contracts with the City with respect to projects which the Authority has acquired, improved or extended or will acquire, improve or extend on behalf of the City; (iii) issue and sell its bonds for the purpose of paying the cost of acquiring, improving or extending a project; and (iv) perform such other acts as enumerated in the Act; all in accordance with and subject to the specific requirements of the Building Authority Act with respect to such powers.

Organization

According to the bylaws of the Authority, the affairs of the Authority are managed by a board of trustees (the "Board"). The Board consists of all members (the "Boardmembers") of the City Council as may from time to time serve. Each Boardmember serves on the Board until death, incapacity or removal from the City Council. Whenever a member of the City Council ceases to be a member of the City Council, such member's successor, upon election and qualifying for office, thereupon becomes a member of the Board.

The bylaws further provide for election of officers by the Board. The current members of the Board and the officers are set forth at the front of this Official Statement. For additional information regarding the Boardmembers and the officers, see "THE CITY—Form of Government" below.

THE CITY

General Information

The City, incorporated in 1935, covers an area of approximately 25.74 square miles and is located in the southwest portion of the County. According to the U.S. Census Bureau, the City had an estimated 2025 population of 87,614 residents. The City reports that it is approximately 54% "built out" based upon land use and that based upon current land use and amount of land area, the City will be able to accommodate a population of more than 166,400 persons.

The City is a suburb of metropolitan Salt Lake City within the County and is the fifth city in a line of eight cities located directly south of Salt Lake City along Interstate Highway I-15. These cities constitute a portion of a continuous area of development from the north end of the County through the City. The City is located approximately 15 miles south of metropolitan Salt Lake City and can best be characterized as residential/suburban with a mix of commercial, retail and light industrial businesses. Persons living within the boundaries of the City have the advantages of a smaller community in close proximity to the goods, services and educational, professional, and cultural opportunities of the larger metropolitan areas.

Form of Government

The City is currently governed by a Mayor and City Council consisting of five persons, elected by district by voters in the City. A measure of continuity is provided in the City Council by the election of the council members to four-year overlapping terms. Duties of the council members include the responsibility for all City affairs in general. The City Council must approve and may revise the budget of any City department or elected official. The City Council serves as the legislative body of the City and appropriates funds for the various City functions. The City Council is the tax levying body, determining the necessary City property tax levy each year. The City Council also licenses and regulates businesses, exhibitions, and recreation within the City area. Other appointed officials are the City Manager, Chief Financial Officer, City Attorney, and City Recorder.

Current members of the City Council and other officers of the City and their respective terms in office are as follows:

Office	Person	Years of Service	Expiration of Term
Mayor	Dawn R. Ramsey	9	January 2030
Council Member	Patrick Harris	10	January 2028
Council Member	Kathie Johnson	7	January 2028
Council Member	Jason T. McGuire	9	January 2030
Council Member	Donald Shelton	13	January 2030
Council Member	Tamara Zander	10	January 2028
City Manager	Dustin Lewis (1)	3	Appointed
City Attorney	Ryan W. Loose (2)	11	Appointed
Chief Financial Officer	Sunil K. Naidu (3)	16	Appointed
City Recorder	Anna Crookston (4)	6	Appointed
City Treasurer	Krista Purser(5)	>1	Appointed

(1) Mr. Lewis has a total of 20 years of service with the City in various positions.
(2) Mr. Loose has a total of 20 years of service with the City in various positions.
(3) Mr. Naidu has a total of 26 years of service with the City in various positions.
(4) Ms. Crookston has a total of 20 years of service with the City in various positions.
(5) Ms. Purser has a total of 8 years of service with the City in various positions.

Employee Workforce and Retirement Plan

The City currently employs approximately 460 full-time employees and approximately 169 part-time employees for a total employment of approximately 629 employees. The City is a member of the Utah State Retirement Systems and participates in a deferred compensation plan. See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025—Notes to the Financial Statements—Note 11 - Retirement Plan" herein. The City does not have any other post-employment benefits liabilities.

Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City pays the first $500,000 of each claim as its liability or high deductible. The Travelers' package liability policy takes over additional covered loss up to an aggregate per year of $10,000,000 when considering both Primary and Umbrella policies. The City also purchases commercial insurance for risks or maintains the risk at the City level. Various additional policies are purchased through an insurance broker to cover theft, damages, and other exposures. A deductible applies to costs that the City pays in the event of any loss. The City also has a workers compensation policy. The City has not incurred a claim in excess of its coverage for any of the past four fiscal years.

Investment of Funds

Investment of Operating Funds: *The Utah Money Management Act*. The Utah Money Management Act, Title 51, Chapter 7, Utah Code (the "MM Act") governs the investment of all public funds held by public treasurers in the State. It establishes criteria for investment of public funds with an emphasis on safety, liquidity, yield, matching strategy to fund objectives, and matching the term of investments to the availability of funds. The MM Act provides a limited list of approved investments, including qualified in-state and permitted out-of-state financial institutions, approved government agency securities and investments in corporate securities carrying "top credit ratings." The MM Act also provides for pre-qualification of broker dealers requiring that broker dealers must agree in writing to comply with the MM Act and certify that they have read and understand the MM Act. The MM Act establishes the Money Management Council (the "MM Council") to exercise oversight of public deposits and investments. The law requires all securities to be delivered via payment to the treasurer's safekeeping bank. It requires diversification of investments, especially in securities of corporate issuers. The MM Act limits investments in a single issuer of commercial paper and corporate obligations to between 5% and 10% of an investment portfolio depending on the amount in such portfolio. Investments in mortgage pools and mortgage derivatives or any security making unscheduled periodic principal payments are prohibited. The MM Act also defines the State's prudent investor rules. The MM Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The City is currently complying with all of the provisions of the MM Act for all City operating funds. Approximately 96% of City funds are invested in the Utah Public Treasurers' Investment Fund ("PTIF"), as discussed below.

The Utah Public Treasurers' Investment Fund. The PTIF is a public treasurers' investment fund, established in 1981, and managed by the State Treasurer. The PTIF invests to ensure safety of principal, liquidity and a competitive rate of return on short-term investments. All moneys transferred to the PTIF are promptly invested in securities authorized by the MM Act. Safe-keeping and audit controls for all investments owned by the PTIF must comply with the MM Act.

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

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

Securities in the PTIF include certificates of deposit, commercial paper, short-term corporate notes, obligations of the U.S. Treasury and securities of certain agencies of the U.S. Government. These short-term securities must be rated "first tier" ("A1," "P1," for short-term investments and "A" or better for long-term investments) by two nationally recognized statistical rating organizations, one of which must be Moody's or S&P. These securities represent limited risks to governmental institutions investing with the PTIF. Variable rate securities in the PTIF must have an index or rate formula that has a correlation of at least 94% of the effective Federal Funds rate. The PTIF itself is not rated.

Investment activity of the State Treasurer in the management of the PTIF is reviewed monthly by the MM Council and is audited by the State Auditor.

See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025—Notes to Financial Statements—Note 4. – Cash, Cash Equivalents and Investments."

DEBT STRUCTURE OF THE AUTHORITY AND THE CITY

Authority Obligations

OUTSTANDING LEASE REVENUE BONDS

Series	Purpose	Original Amount	Final Maturity Date	Principal Amount Outstanding
2026[(1)]	Fire Station 65	$[PAR]*	October 15, 20___*	$[PAR]*

(1) Assumes that the Series 2026 Bonds are issued and outstanding.
* Preliminary; subject to change.

City Obligations (as of October 1, 2026)

OUTSTANDING WATER REVENUE BONDS[(1)]

Series	Purpose	Original Amount	Final Maturity Date	Principal Balance Outstanding
2025	System Improvements	$41,135,000	November 1, 2045	$41,135,000

OUTSTANDING SALES TAX REVENUE BONDS

Series	Purpose	Original Amount	Final Maturity Date	Principal Balance Outstanding
2019	Refunding	$15,130,000	August 15, 2039	$10,405,000
2017	Public Structures/Refunding	21,155,000	August 15, 2039	14,190,000
Total Outstanding Sales Tax Bonds				$24,595,000

Note: The City also has a contingent obligation from a subordinate pledge of the City's sales and use taxes in connection with the $13,035,000 Redevelopment Agency of the City of South Jordan, Utah Subordinate Sales Tax and Tax Increment Revenue Bonds, Series 2015.

OUTSTANDING SPECIAL ASSESSMENT BONDS

Series	Purpose	Original Amount	Final Maturity Date	Principal Balance Outstanding
2016	Daybreak No. 1	$32,675,000	November 1, 2036	$14,740,000

No Defaulted Bonds

The City has never failed to pay principal and interest when due on any of its bonds, notes or other financial obligations.

Future Debt Plans

The City does not have any current plans to issue Additional Bonds on a parity with the Series 2026 Bonds within the next three years, but reserves the right to do so as its capital needs require. The City currently has no plans to issue other bonds for capital projects but reserves the right to do so as capital needs require and in conformity with existing debt service coverage requirements.

Other Financial Considerations

In fiscal year 2025, the City incurred a $128,595 note payable to the Utah Risk Management Association (URMA). This payable is a result of insurance claims against the City. This note bears no interest. The City made a payment of $56,908 in 2026 and plans to make a final payment of $71,687 in fiscal year 2028.

In fiscal year 2022, the City received a $9.7 million Utah State Infrastructure Bank loan from the Utah Department of Transportation (UDOT). The proceeds of the loan were used to finance transportation infrastructure projects within the City. The loan was issued with a 1.69% interest rate and a 15-year term. Debt service on the loan is paid from funds received by the City from appropriations from the State for local transportation improvements. As of June 30, 2025, the amount of principal outstanding is $7,935,528.

As of June 30, 2025, the City had six active leases. The leases have payments that range from $885 to $45,797 and interest rates that range from 0.8930% to 2.3120%. As of June 30, 2025, the total combined value of the lease liability is $119,490, the total combined value of the right-to-use asset is $212,794.

See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025—Notes to Financial Statements—Note 8 – Leases – Lease Payables" and "— Note 10 – Long-Term Debt" herein.

Outstanding General Obligation Bonds

The City has no general obligation bonds outstanding.

Debt Authorization and Limit

Pursuant to the provisions of Article XIV, Section 3, of the Utah Constitution, the City may incur general obligation indebtedness only upon the approval of a majority of the qualified electors within the City voting on a proposition to incur such indebtedness.

Under the Utah Constitution, the general obligation indebtedness of the City is limited to an amount not exceeding 4% of the value of taxable property in the City as shown in the last assessment for City purposes. As a City of the second class under Utah Code, the City may incur an additional amount of general obligation indebtedness, not exceeding 4% of the value of taxable property in the City, for water, sewer or electric purposes. Based upon the City's 2025 total estimated fair market value of $22,758,584,804 (total fair market value of property in the amount of

$22,700,547,406 plus the estimated motor vehicle values for 2025 of $58,037,398, as permitted by State law) the general obligation debt limits of the City are shown below:

	General (4%)	Water, Sewer and Electric (4%)	Total (8%)
Debt Limit	$910,343,392	$910,343,392	$1,820,686,784
Less Outstanding General Obligation Bonds	0	0	0
Debt Margin	$910,343,392	$910,343,392	$1,820,686,784

Computation of Overlapping General Obligation Debt

Name of Overlapping Governmental Unit[1]	GO Debt Outstanding	Approximate Percentage Applicable to the City	City's Share of GO Debt
Salt Lake County	$66,427,000	6.5%	$4,317,755
Jordan School District	126,355,000	27.5	34,747,625
CUWCD[2]	90,940,000	4.1	3,728,540
TOTAL:			$42,793,920

(1) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of its general obligation bonds.
(2) Central Utah Water Conservancy District ("CUWCD") encompasses all or a portion of eight State counties, including, among others, Salt Lake County. CUWCD's outstanding general obligation bonds are limited ad valorem tax bonds. By law, CUWCD may levy a tax rate of up to .0004 (subject to certain exceptions) to pay for operation and maintenance expenses and any outstanding general obligation indebtedness.
(Sources: Official statements and other continuing disclosure reports of the listed entities (as to outstanding debt).)

Debt Ratios

The State of Utah general obligation debt is not included in the debt ratios because the State currently levies no property tax for payment of general obligation bonds.

	To 2025 Taxable Value[2]	To Estimated Fair Market Value[3]	Per Capita[4]
Direct General Obligation Debt[1]	–	–	–
Direct and Overlapping General Obligation Debt	0.0030%	0.0019%	$488.44

(1) The City has no outstanding general obligation debt.
(2) Based on the City's total 2025 taxable value of $14,445,786,900.
(3) Based on the 2025 fair market value of $22,700,547,406.
(4) Based on population estimate of 87,614.

FINANCIAL INFORMATION REGARDING THE CITY

Fund Structure; Accounting Basis

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

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund or account group are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, net assets, revenues and expenditures or expenses. The various funds are grouped by type in the combined financial statements. See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025—Notes to Basic Financial Statements—Note A–Summary of Significant Accounting Policies" herein.

Revenues and expenditures are recognized using the modified accrual basis of accounting in all governmental funds. Revenues are recognized in the accounting period in which they become both measurable and available. "Measurable" means that amounts can be reasonably determined within the current period. "Available" means that amounts are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

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

Budget and Appropriation Process

The budget and appropriation process of the City is governed by the Uniform Fiscal Procedures Act for Utah Cities, Title 10, Chapter 6, Utah Code Annotated 1953, as amended (the "Fiscal Procedures Act"). Pursuant to the Fiscal Procedures Act, the budget officer of the City is required to prepare budgets for the general fund, special revenue funds, debt service funds and capital improvement funds. These budgets are to provide a complete financial plan for the budget (ensuing fiscal) year. Each budget is required to specify, in tabular form, estimates of anticipated revenues and appropriations for expenditures.

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

Prior to June 22 of each year, the final budgets for all funds are adopted by the City Council. The Fiscal Procedures Act prohibits the City Council from making any appropriation in the final budget of any fund in excess of the estimated expendable revenue of such fund. The adopted final budget is subject to amendment by the City Council during the fiscal year. However, in order to increase the budget total of any fund, public notice and hearing must be provided. Intra- and inter-department transfers of appropriation balances are permitted upon compliance with the Fiscal Procedures Act.

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

Sources of General Fund Revenues

Set forth below are brief descriptions of the various sources of revenues available to the City's general fund. The percentage of total general fund revenues represented by each source is based on the City's fiscal year period ended June 30, 2025.

Taxes—Approximately 69% of the general fund revenues are from taxes (consisting of 51% from sales and use taxes, 33% from general property taxes, 12% from franchise taxes, and 4% from miscellaneous taxes).

Charges for services—Approximately 14% of general fund revenues are from charges for services.

Interest on investments—Approximately 8% of the general fund revenues are from interest revenues.

Licenses, fees and permits—Approximately 5% of general fund revenues are from licenses and permits.

Miscellaneous—Approximately 3% of general fund revenues are from miscellaneous revenues.

Fines and forfeitures —Approximately 1% of the general fund revenues are from fines and forfeitures.

Intergovernmental—Less than 1% of general fund revenues are from intergovernmental revenues.

Five-Year Financial Summaries

The summaries contained herein were extracted from the City's audited basic financial statements fiscal years ended June 30, 2021 through June 30, 2025 statements and preliminary, unaudited results for the fiscal year ended June 30, 2026 in the "Statement of Revenues, Expenditures and Changes in Fund Balance." See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025" herein.

The City's audited financials for fiscal year 2026 are required to be completed 180 days after the end of the fiscal year. The City does not anticipate any material, adverse changes in its financial position for fiscal year 2026.

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CITY OF SOUTH JORDAN
Statement of Net Position– Government and Business-Type Activities
(This summary has not been audited.)

	Fiscal Year Ended June 30,				
	2025	2024	2023	2022	2021
ASSETS					
Current Assets:					
Cash, Cash Equivalents & Investments	$226,243,241	$202,857,540	$192,322,037	$163,693,584	$143,283,088
Restricted Cash	1,669,459	1,691,650	3,397,946	3,375,267	7,618,909
Receivables	58,053,095	59,560,008	59,792,084	62,310,464	55,325,414
Inventories	443,575	328,338	294,062	220,270	134,612
Other Assets	–	–	–	-	4,879,751
Noncurrent Assets:					
Investment in Joint Venture	26,307,543	25,419,201	24,321,812	8,746,257	–
Net Pension Asset	1,334,457	1,757,000	1,905,894	11,821,104	2,113,908
Capital Assets Net of Depreciation:					
Land	122,514,332	115,252,339	112,808,119	111,061,572	106,141,095
Water Shares	18,961,482	18,961,482	18,961,482	18,961,482	18,961,482
Buildings	31,789,594	33,061,895	34,334,290	37,829,447	26,675,218
Right-to-Use Building	–	43,324	101,089	158,855	–
Improvements	296,552,181	292,854,956	291,542,650	291,050,291	283,763,630
Machinery & Equipment	16,989,578	17,719,657	14,258,290	13,519,986	9,647,159
Right-to-Use Machinery & Equipment	117,017	139,100	233,723	104,363	–
Right-to-Use Subscription Asset	1,919,708	775,832	572,944	–	–
Construction in Progress	19,692,463	18,501,769	15,593,702	13,853,016	29,698,928
Right of Way	8,336,389	8,336,389	8,336,389	8,216,956	8,216,956
Total Assets	830,924,114	797,260,480	778,776,513	744,922,914	696,460,150
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Charge on Refunding	–	–	135,505	239,076	342,648
Resources Related to Pensions	10,777,946	10,424,324	7,107,008	4,973,484	3,919,175
LIABILITIES					
Current Liabilities					
Accounts payable	8,578,792	10,095,504	6,362,445	5,372,434	7,971,997
Other Liabilities	6,716,114	9,005,153	9,740,224	8,079,862	7,734,934
Accrued Interest Payable	696,764	787,742	790,559	826,407	881,694
Current Portion of Long-Term Obligations	8,852,979	9,008,636	9,493,837	9,010,853	8,364,301
Noncurrent Liabilities					
Noncurrent Portion of Long-Term Obligations	60,754,574	64,384,062	70,289,653	76,035,400	75,705,745
Net Pension Liability	7,522,095	6,115,558	4,404,445	–	2,156,559
Total Liabilities	93,121,318	99,396,655	101,081,163	99,324,956	102,815,230
DEFERRED INFLOWS OF RESOURCES					
Deferred Revenue - Property Taxes	27,875,316	28,695,768	29,278,000	28,396,441	23,555,757
Deferred Revenue - Leases	1,084,905	1,193,066	1,301,227	1,254,533	–
Resources Related to Pensions	234,941	217,753	199,242	15,181,224	7,561,879
Total Deferred Inflows	29,195,162	30,106,587	30,778,469	44,832,198	31,117,636
NET POSITION					
Net Investment in Capital Assets	449,722,360	434,273,191	429,174,630	421,808,528	399,815,578
Restricted - Capital Improvement	15,965,624	14,731,492	14,436,730	18,434,693	8,026,269
Restricted - Transportation	983,730	7,940,089	16,965,126	14,600,963	2,581,007
Restricted - Construction	–	–	213	337	3,975,045
Restricted - Debt Service	1,669,459	1,691,650	3,397,733	3,374,930	3,643,864
Restricted - Public Safety	353,807	343,866	293,027	230,101	309,159
Restricted - Pension Assets	1,334,457	1,757,000	1,905,894	–	–
Restricted - Water Facility	826,613	826,613	826,613	–	–
Unrestricted	248,529,531	216,617,660	187,159,428	147,528,768	148,438,185
Total Net Position	$719,385,581	$678,181,561	$654,159,394	$605,978,320	$566,789,107

(Source: Information extracted from the City's 2021-2025 audited basic financial statements. This summary itself is unaudited.)

CITY OF SOUTH JORDAN
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
(This summary has not been audited.)

	Fiscal Year Ended June 30,				
	2026*	2025	2024	2023	2022
REVENUES					
Taxes	51,248,149	$49,889,016	$48,123,744	$47,029,956	$42,892,662
Licenses & Permits	3,650,569	3,310,450	2,392,468	2,505,814	4,539,974
Intergovernmental	211,286	213,144	260,397	236,206	3,023,401
Charges for Services	10,801,793	10,386,370	9,099,286	9,076,544	10,573,852
Fines & Forfeitures	629,296	513,462	493,325	477,892	489,175
Interest	1,045,269	5,600,937	6,079,109	3,856,428	(449,612)
Miscellaneous	889,814	2,090,251	781,265	810,062	597,856
Total Revenues	68,476,176	72,003,630	67,229,593	63,992,902	61,667,308
EXPENDITURES					
Current					
General Government	9,039,494	9,057,217	7,557,971	7,470,026	6,994,892
Administrative Services	6,062,525	6,212,247	5,969,402	5,795,034	6,046,338
Development Services	6,100,914	5,855,367	5,861,196	5,407,435	5,015,677
Public Works	10,218,084	9,852,517	9,899,931	9,145,282	7,399,485
Recreation	2,925,290	2,756,915	2,231,428	2,007,652	1,605,412
Public Safety	27,929,081	26,827,356	24,809,568	22,300,798	19,453,079
Capital Outlay & Projects	38,305	38,389	32,322	462,297	232,404
Debt Service					
Principal	321,729	326,597	223,387	98,292	115,415
Interest	43,011	43,011	24,192	2,030	2,004
Total Expenditures	62,678,434	60,969,616	56,609,398	52,688,846	46,864,706
Excess Revenues Over Expenditures	5,797,743	11,034,014	10,620,195	11,304,056	14,802,602
OTHER FINANCING SOURCES (USES)					
Lease Financing	–	–	–	182,289	349,677
Sale of Capital Assets	176,684	105,198	233,301	116,377	146,951
Transfers In	1,375,000	1,458,536	1,039,705	789,915	1,466,443
Transfers Out	(8,549,426)	(11,549,917)	(9,166,944)	(10,413,753)	(13,407,260)
Total Other Financing Sources (Uses)	(6,997,742)	(9,986,183)	(7,893,938)	(9,325,172)	(11,444,189)
Net Change in Fund Balances	(1,200,000)	1,047,831	2,726,257	1,978,884	3,358,413
Fund Balance - July 1	21,686,774	20,638,942	17,912,685[(a)]	17,049,088	13,690,675
Fund Balance - June 30	$20,486,774	$21,686,773	$20,638,942	$19,027,972	$17,049,088

(Source: Information extracted from the City's 2022-2025 audited basic financial statements and preliminary, unaudited results from fiscal year 2026. This summary itself is unaudited.)

* Preliminary; subject to change.

(a) Restated due to the City's implementation of GASB 101.

Additional Information

For additional information with respect to the City and its finances see "DEBT STRUCTURE OF THE AUTHORITY AND THE CITY," "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025," and "APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY."

Certain Property Tax Matters

The following information with respect to certain property tax matters is included in this Official Statement to provide background information relating to a major source of general fund revenues of the City. As described herein, the Series 2026 Bonds are not secured by any pledge of property tax revenues and do not constitute a debt or indebtedness of the City or the Authority. See "RISK FACTORS" below.

The Property Tax Act, Title 59, Chapter 2, Utah Code Annotated 1953, as amended (the "Property Tax Act"), provides that all taxable property within the taxing entity is required to be assessed and taxed at a uniform and equal rate on the basis of 100% of its "fair market value" as of January 1 of each year, unless otherwise provided by law. "Fair market value" is defined in the Property Tax Act as "the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts." Determinations of "fair market value" shall take into account the current zoning laws applicable to the property in question. Section 2 of Article XIII of the Utah Constitution provides that the Utah Legislature may by law exempt from taxation up to 45% of the fair market value of residential property as defined by law. Pursuant to this provision, the Utah Legislature has provided that the "fair market value" of primary residential property shall be reduced by 45% for tax years 1995 and thereafter. No more than one acre of land per residential unit may qualify for the residential exemption.

The Property Tax Act provides that the State Tax Commission shall assess certain types of property ("centrally assessed property"), including (i) properties that operate as a unit across county lines that must be apportioned among more than one county or state, (ii) public utility (including railroad) properties, (iii) airline operating properties, (iv) geothermal properties and (v) mines, mining claims and appurtenant machinery, furnishings and improvements, including oil and gas properties. All other taxable property ("locally assessed property") is required to be assessed by the county assessor of the county in which such locally assessed property is located. Each county assessor must update property values annually based upon a systematic review of current market data. Each county assessor must also complete a detailed review of property characteristics for each parcel of property at least once every five years. The Property Tax Act requires that the State Tax Commission conduct an annual investigation in each county to determine whether all property subject to taxation is on the assessment rolls and whether the property is being assessed at its "fair market value."

The State Tax Commission and the county assessors utilize various valuation methods, as determined by statute, administrative regulation or accepted practice, to determine the "fair market value" of taxable property.

Many areas within the State have agricultural farmland devoted to the raising of useful plants and animals. For general property tax purposes, agricultural land is assessed based on statutory requirements and the value which the land has for agricultural use or on its agricultural value.

Uniform Fees

An annual statewide uniform fee is levied on tangible personal property in lieu of the ad valorem tax. The uniform fee is based on either the age or the value of motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State. The current uniform fee is established at 1.5% of the fair market value of motor vehicles that weigh 12,001 pounds or more, watercraft, recreational vehicles and all other tangible personal property required to be registered with the State, excluding exempt property such as aircraft and property subject to a fixed age-based fee. Motor vehicles weighing 12,000 pounds or less are subject to an age-based fee that is due each time the vehicle is registered. The age-based fee is for passenger-type vehicles and ranges from $10 to $150, depending on the age of the vehicle. Recreational vehicles, motorcycles, watercraft (except large watercraft), snowmobiles and certain small motor vehicles required to be registered with the State are also subject to an aged-based fee that ranges from $10 to $700, depending on the age of the vehicle. The revenues collected from the various uniform fees are distributed by the county to the taxing entity in which the property is located in the same proportion in which revenue collected from ad valorem real property tax is distributed.

Tax Levy and Collection

The State Tax Commission must assess all centrally-assessed property by May 1 of each year and shall immediately notify the owners or operators of such property, and the county assessors, of such assessment. County assessors must assess all taxable property other than centrally-assessed property before May 22 of each year. Before May 25 the State Tax Commission apportions the value of centrally-assessed property to the various taxing entities within each county and reports such values to county auditors before June 8. The governing body of each taxing entity must adopt a final tax rate before June 22, except as described below for rates in excess of the certified tax rate. County auditors must forward to the State Tax Commission a statement prepared by the governing body of each taxing entity showing the amount and purpose of each levy.

If the State Tax Commission determines that a tax levy established by a taxing entity exceeds the maximum levy permitted by law, the State Tax Commission must lower the levy to the maximum level permitted by law, must notify the taxing entity that the rate has been lowered, and must notify the county auditor of the county in which the taxing entity is located to implement the rate established by the State Tax Commission.

On or before July 22 of each year, the county auditors must mail to all owners of real estate shown on their assessment rolls notice of, among other things, the value of the property, itemized tax information for all taxing entities and the date their respective county boards of equalization will meet to hear complaints. Not later than 30 days following the mailing of the notice, taxpayers owning property assessed by the county assessors may file an application with the appropriate county board of equalization for the purpose of contesting the assessed valuation of their property. The county boards of equalization must render a decision on each appeal no later than October 1 (with extensions requiring State Tax Commission approval). Such decisions may be appealed to the State Tax Commission, which must decide all appeals by March 1 of the following year. Owners of centrally assessed property, on or before the later of June 1 or a day within 30 days of the date the notice of assessment is mailed by the State Tax Commission, may apply to the State Tax Commission for a hearing to contest the assessment of centrally-assessed property. A county may also contest the assessment under specified conditions. The State Tax Commission must render a written decision no later than 120 days following completion of the hearing and submission of all post-hearing briefs. The county auditors must make a record of all changes, corrections and orders and, before November 1, must deliver the corrected assessment rolls to their respective county treasurers. By November 1, the county treasurers are to furnish to each taxpayer a notice containing the kind and value of the property assessed to the taxpayer, the street address of the property, where applicable, the amount of the tax levied on the property and the year that the property is subject to a detailed review. Taxes are due November 30, or, if a Saturday, Sunday, or holiday, the next business day following.

Each county treasurer is responsible for collecting all taxes levied on real property within that county. There are no prior claims to such taxes. As taxes are collected, each county treasurer must pay the State and each taxing entity within the county its proportionate share of the taxes, on the tenth day of each month. Delinquent taxes are subject to a penalty of 2% of the amount of the taxes or $10.00, whichever is greater. Unless the delinquent taxes and penalty are paid before January 16 of the following year, the amount of delinquent taxes and penalty bears interest at the federal discount rate in effect on January 1, plus 6% from January 1 until paid. If after four years (March 15 of the fifth year after assessment) delinquent taxes have not been paid, the affected county may advertise and sell the property at a tax sale.

Public Hearing on Certain Tax Increases

Each taxing entity that proposes to levy a tax rate that exceeds the "certified tax rate" may do so, by ordinance, only after holding a public hearing. Notice of the public hearing must be mailed by July 22 to all owners of real estate and, in most cases, must be advertised by publication. Generally, the certified tax rate for a taxing entity is the rate necessary to generate the same property tax revenue that the taxing entity collected for the prior year, exclusive of collections from redemptions, interest and penalties. For purposes of calculating the certified tax rate, county auditors are to use the taxable value of property on the assessment rolls, exclusive of new growth. New growth is any increase in taxable value of the taxing entity from the previous calendar year to the current year, less the amount of increase to locally-assessed real property taxable values resulting from factoring, reappraisal or any other adjustments. After the public hearing is held, the taxing entity may adopt a resolution levying a tax in excess of the certified tax rate. If a resolution levying a tax in excess of the certified tax rate is not forwarded to the county auditor by August 17, the county auditor must forward the certified tax rate to the State Tax Commission. The final tax notice is then mailed by November 1.

Taxable and Fair Market Value of Property in the City

Year	Taxable Value[1]	% Change Over Prior Year	Fair Market Value[2]	% Change Over Prior Year
2025	$14,445,786,900	7.20%	$22,700,547,406	6.84%
2024	13,474,931,284	6.13	21,246,813,077	6.08
2023	12,696,701,596	4.58	20,028,568,946	4.02
2022	12,140,275,893	30.34	19,253,652,241	33.84
2021	9,314,329,736	10.81	14,385,322,023	12.27
2020	8,405,648,902	6.95	12,813,438,828	7.33
2019	7,859,765,391	10.56	11,938,464,128	11.08
2018	7,109,226,320	11.88	10,747,275,812	12.03
2017	6,354,606,189	7.32	9,593,305,831	8.17
2016	5,921,222,474	–	8,868,931,965	–

(1) Includes taxable value of all taxable real property (does not include motor vehicle values) in the City, less 45% "haircut" on primary residential property as permitted by State law. See "–Certain Property Tax Matters" above.

(2) Includes full market value of all taxable real property in the City (does not include motor vehicle values).

(Source: Utah State Tax Commission, Property Tax Division.)

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Historical Summaries of Taxable Values of Property in the City

	Calendar Year				
	2025	2024	2023	2022	2021
Locally Assessed					
Real Property - Land					
Primary Residential	$2,436,328,991	$2,283,870,168	$2,150,300,699	$2,048,642,806	$1,583,028,140
Secondary Residential	210,724,240	220,704,550	218,063,730	251,423,880	182,658,520
Commercial & Industrial	1,159,162,400	1,021,654,080	879,471,620	693,220,200	654,841,640
FAA	–	–	29,845,520	26,319,460	19,777,930
Unimproved Non FAA - Vacant	23,429,920	38,152,320	–	–	–
Total Real Property - Land	3,829,645,551	3,564,381,118	3,277,681,569	3,019,606,346	2,440,306,230
Real Property - Buildings					
Primary Residential	7,652,814,435	7,215,081,371	6,810,855,546	6,645,468,881	4,614,844,390
Secondary Residential	10,451,330	10,239,190	10,075,980	12,817,090	9,711,560
Commercial & Industrial	2,054,816,940	1,953,511,760	1,928,800,640	1,775,878,340	1,537,015,520
Agricultural	922,590	953,340	1,009,730	934,490	887,230
Total Real Property - Buildings	9,719,005,295	9,179,785,661	8,750,741,896	8,435,098,801	6,162,458,700
Total Real Property	13,548,650,846	12,744,166,779	12,028,423,465	11,454,705,147	8,602,764,930
Personal Property					
Primary Mobile Homes	8,303	15,097	14,960	14,960	6,932
Secondary Mobile Homes	968,487	250,998	317,762	38,295	127,176
Other Business Personal Property	662,212,960	574,163,928	551,804,415	460,774,235	518,073,796
Semiconductor Manuf. Equip.	2,085,000	2,738,268	2,467,273	2,297,041	2,669,658
Total Personal Property	665,274,750	577,168,291	554,604,410	463,124,531	520,877,562
Total Locally Assessed	14,213,925,596	13,321,335,070	12,583,027,875	11,917,829,678	9,123,642,492
Centrally Assessed	231,861,304	153,596,214	113,673,721	222,446,215	190,687,244
Total Taxable Value	$14,445,786,900	$13,474,931,284	$12,696,701,596	$12,140,275,893	$9,314,329,736

(Source: Utah State Tax Commission.)

Property Tax Levies and Collections

The following table provides a summary of the property tax levies and collections for the City's general fund for the years shown. The City's property tax levy for 2025 was 0.001313 and the property tax levy for 2026 is 0.001308.

Fiscal Year	Taxes Levied	Taxes Collected In Levy Year(1)	Percentage of Levy	Collections Subsequent Years(2)	Total Collections	Percent of Levy
2025	$18,482,205	$18,074,599	97.79%	–	$18,074,599	97.79%
2024	18,115,175	17,487,080	96.53	$111,034	17,598,114	97.15
2023	17,544,719	17,255,636	98.35	152,460	17,408,096	99.22
2022	15,211,153	14,964,513	98.38	155,693	15,120,206	99.40
2021	14,650,720	14,405,738	98.33	145,944	14,551,682	99.32
2020	14,180,819	13,919,275	98.16	128,319	14,047,594	99.06
2019	13,386,528	13,142,262	98.18	160,252	13,302,514	99.37
2018	12,144,354	11,897,337	97.97	164,341	12,061,678	99.32
2017	11,597,117	11,364,805	98.00	124,996	11,489,801	99.07
2016	11,225,475	10,979,400	97.81	119,678	11,099,078	98.87

(1) Includes taxes collected in the same year as the tax levy.
(2) Includes taxes due for that year collected in subsequent years.
(Source: The City's Supplemental Disclosure Report for the Fiscal Year Ended June 30, 2025.)

RISK FACTORS

THE PURCHASE OF THE SERIES 2026 BONDS BEING OFFERED HEREBY INVOLVES CERTAIN INVESTMENT RISKS THAT ARE DISCUSSED THROUGHOUT THIS OFFICIAL STATEMENT. ACCORDINGLY, EACH PROSPECTIVE PURCHASER OF THE SERIES 2026 BONDS SHOULD MAKE AN INDEPENDENT EVALUATION OF ALL OF THE INFORMATION PRESENTED IN THIS OFFICIAL STATEMENT IN ORDER TO MAKE AN INFORMED INVESTMENT DECISION. CERTAIN OF THESE RISKS ARE DESCRIBED BELOW.

Non-Appropriation

Base Rentals and Additional Rentals (sometimes collectively referred to herein as "Rentals") will be payable solely from City Funds (as defined in the Master Lease) which are annually budgeted and appropriated by the City Council of the City and which may be terminated by action of the City Council. There is no assurance that the Lease will be renewed for all of its anticipated Renewal Terms. The City Council is under no obligation to provide City Funds for such renewals. The City's obligation under the Lease does not constitute a general obligation or other indebtedness of the City or the State of Utah or any agency or political subdivision of the State of Utah within the meaning of any constitutional or statutory debt limitation. THE AUTHORITY HAS NO TAXING POWER.

Accordingly, the likelihood that the City will extend the term of the Lease for all Renewal Terms and continue to pay the Base Rentals to enable the Authority to timely pay the principal of, premium, if any, and interest on the Bonds in the future depends upon a number of factors which are beyond the control of the City, including, but not limited to, (a) the continuing need of the City for the Series 2026 Project, (b) the composition of the City Council and their respective views with respect to the leasing of the Series 2026 Project, (c) the economic and demographic conditions within the City, (d) the ability of the City to generate sufficient funds from property taxes and other taxes and other sources of revenue to pay obligations associated with the Lease and other obligations of the City (whether now existing or hereafter created), and (e) the value of the Series 2026 Project in the event of the termination of the term of the Lease as a result of the occurrence of certain events described below or the expiration of any Renewal Term if the City does not appropriate sufficient funds that extends the term of the Lease as provided in the Lease. Neither the Indenture nor the Lease limit the ability of the City to incur additional obligations against its revenues.

The City has covenanted in the Lease to include in its annual tentative budget prepared by the appropriate officials of the City an item for expenditure of an amount necessary (after taking into account any and all City Funds then legally available for such purpose), to pay the Base Rentals and reasonably estimated Additional Rentals during the next succeeding Renewal Term under the Lease. The decision to renew or not to renew the term of the Lease is to be made solely by the City Council at the time it considers for adoption the final budget relating to each Renewal Term and not by any official of the City acting in his or her individual capacity.

In the event the City Council fails to renew the Lease for all contemplated Renewal Terms, fails to budget and appropriate sufficient City Funds for the payment of Base and Additional Rentals or defaults under the Lease, the Lease, which is subject to annual renewal, will be terminated, and, in such event, the Bonds will be payable from any moneys held by the Trustee under the Indenture, and the proceeds, if any, from a liquidation or other disposition of the Series 2026 Project subsequent to foreclosure of the lien of the Indenture and the Security Documents. In such event, the City has agreed to immediately vacate the Series 2026 Project.

Changes in Makeup of City Council

The individuals elected to serve on the City Council may change during the period the Series 2026 Bonds are outstanding. There can be no assurance that the membership of the City Council will not change in a manner that will result in a future City Council ceasing to appropriate Rentals under the Lease for the Series 2026 Project. Under the Lease, the City is entitled not to appropriate Rentals for the next succeeding Renewal Term with respect to all of the components constituting the Series 2026 Project, but is not entitled to appropriate with respect to only a portion, but not all, of such components constituting the Series 2026 Project.

Expiration or Termination of Lease

The Lease will expire by its terms on each June 30 during the years 2026 through 2044*, unless the City, in its sole discretion exercises the option provided in the Lease to extend the term of the Lease for each next succeeding Renewal Term with a final lease expiration date of October 15, 2045* (the scheduled final maturity of the Series 2026 Bonds). In the event that the City does not extend in any year the term of the Lease, the City's obligation to pay Rentals will terminate on the June 30 occurring at the end of the then current Renewal Term. Upon (a) the expiration of any Renewal Term of the Lease during which an Event of Nonappropriation occurs or (b) a default under the Lease and an election by the Trustee to terminate the possessory interest of the City under the Lease, the City's rights of possession of the Series 2026 Project under the Lease will expire or be terminated, as appropriate.

In the event that the City's right of possession of the Series 2026 Project under the Lease expires or is terminated for either of the reasons described in the preceding paragraph, the obligation of the City to pay Rentals thereunder will terminate and the Series 2026 Bonds will be payable from, among other sources, such moneys, if any, as may be available under the Indenture. Should the Lease expire at the end of a Renewal Term without any extension for the next succeeding Renewal Term or if an event occurs pursuant to which the Trustee terminates the City's right of possession of the Series 2026 Project under the Lease, the Trustee may recover and relet or sell the Authority's interest in the Series 2026 Project as provided in the Indenture, subject to the Ground Lease. The Net Proceeds of any reletting or sale of the Series 2026 Project together with certain other moneys then held by the Trustee under the Indenture, are required to be used to pay the Series 2026 Bonds to the extent of such moneys. However, each separate public facility or property constituting the Series 2026 Project represents special purpose facilities or property for use in connection with providing particular governmental services. No assurance can be given that the Trustee could relet or sell the Series 2026 Project for the amount necessary to pay the principal of and the interest on the Series 2026 Bonds.

A potential purchaser of the Series 2026 Bonds should not assume that it will be possible to relet or sell the Series 2026 Project after the expiration or termination of the City's right to possess the Series 2026 Project under the Lease as described above for an amount equal to the aggregate principal amount of the Series 2026 Bonds then outstanding plus accrued interest thereon. In this regard, it should be noted that (a) the Series 2026 Project may be subject to ad valorem taxes and other property taxation if owned by someone other than the City or other governmental body, (b) the use of the Series 2026 Project by a non-governmental entity may affect the tax-exempt status of interest on the Series 2026 Bonds, (c) the Series 2026 Project may not be suitable for general commercial use, and (d) zoning restrictions could limit the use of the Series 2026 Project. Furthermore, no assurance can be given that the amount, if any, realized upon any reletting or sale of the Series 2026 Project will be available to provide for the payment of the Series 2026 Bonds on a timely basis. Furthermore, any subletting or sale of the Series 2026 Project is subject to the terms of the Ground Lease. Any portion of the Series 2026 Project on the Park Project Site will be subject to the lease from the School District to the City which lease is terminable by the School District after twenty (20) years for any reason at the sole discretion of the School District.

Because the Lease will terminate in the event that the City Council fails to budget and appropriate sufficient City Funds to continue making Base Rentals and Additional Rentals during any Renewal Term of the Lease, a potential purchaser of the Series 2026 Bonds should carefully consider the nature of the security for payment of the Series 2026 Bonds in the event of a termination of the Master Lease. Under the Indenture and the Security Documents, the Series 2026 Project is subject to a lien and security interest granted to the Trustee for the benefit of the holders of the Series 2026 Bonds. Upon the occurrence of an Event of Default under the Indenture (which is defined to include an Event of Default under the Master Lease), the Trustee may foreclose its lien on the Series 2026 Project and may, subject to the Ground Lease, take possession of the Series 2026 Project as trustee and fiduciary for the holders of the Series 2026 Bonds. In such event, the amount of payment on the Series 2026 Bonds will be dependent upon the ability of the Trustee to sell or lease the Series 2026 Project to a subsequent purchaser or lessee. The ability of the Trustee to sell or lease the Series 2026 Project may be limited to other governmental entities, since the use of the Series 2026 Project by a non-governmental entity may adversely affect the tax-exempt status of interest on the Series 2026 Bonds. A potential purchaser of the Series 2026 Bonds should carefully consider the information currently available and presented herein concerning the Series 2026 Project. A potential Bondholder should not assume that it will be possible to liquidate the Series 2026 Project after foreclosure of the lien of the Indenture for an amount equal to the aggregate principal amount of the Series 2026 Bonds then outstanding, plus accrued interest thereon.

Limited Remedies

A termination of the City's right of possession of the Series 2026 Project under the Lease as a result of an Event of Default or expiration of the term of the Lease at the end of any Renewal Term without an extension for the next succeeding Renewal Term will give the Trustee the right to possession of, and the right to relet the Series 2026 Project in accordance with the provisions of the Lease and the Indenture, subject to the Ground Lease. However, the enforceability of the Lease and the Indenture is subject to the applicable bankruptcy laws, equitable principles affecting the enforcement of creditors' rights generally and liens securing such rights, the police powers of the State of Utah, the exercise of judicial authority by state or Federal courts and the exercise by the United States of America of the powers delegated to it by the Federal Constitution. In addition, the Series 2026 Project may be used for limited purposes. In particular, the property leased to the City and underlying the Park Project is subject to the restriction that it can only be used for parks.

Due to the limited remedies available with respect to the Series 2026 Project, the limited uses of the Series 2026 Project and the delays inherent in obtaining foreclosure on real property and other judicial remedies, no assurance can be given that a court, in the exercise of judicial discretion, would enforce these remedies in a timely manner. Any delays in the ability of the Trustee to obtain possession of the Series 2026 Project, of necessity, will result in delays in any payment of principal of or interest on the Series 2026 Bonds. Nor can any assurance be given that any moneys realized by the Trustee upon an exercise of any remedies would be sufficient to pay the principal of and interest on the Series 2026 Bonds. In the event any such moneys recovered are in an amount less than the aggregate principal amount of all outstanding Series 2026 Bonds, plus accrued interest, the Series 2026 Bonds would be paid in part on a pro rata basis as described under the Indenture, and no holder of any Series 2026 Bond will have any further claim for payment upon the Authority or the City. See "APPENDIX B—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—The Indenture—Application of Moneys."

Destruction of Projects

The Lease requires that the Series 2026 Project be insured by policies of insurance. If, prior to the termination of the Lease Term and the payment in full of the Series 2026 Bonds (or the making of provisions for the payment thereof in accordance with the Indenture) (i) the Series 2026 Project or any material portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty; or (ii) title to, or the temporary or permanent use of the Series 2026 Project or any material portion thereof or the Series 2026 Project or any material portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority; or (iii) a material defect in construction of a Series 2026 Project shall become apparent; or (iv) title to or the use of all or any material portion of the Series 2026 Project shall be lost by reason of a defect in title thereto, the City shall be obligated, subject to the City's right to discharge its obligation to repair or replace the Series 2026 Project, to continue to pay Rentals regardless of whether the Series 2026 Project shall have been accepted.

Subject to the City's right to discharge its obligation to repair or replace the Series 2026 Project, the City, the Authority, and the Trustee shall cause the Net Proceeds of any insurance policies, performance bonds or condemnation awards with respect to the Series 2026 Project to be deposited in the Construction Fund if received before the Completion Date of the Series 2026 Project and in a separate trust fund under the Indenture if received thereafter. All Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification or improvement of said Series 2026 Project by the City. The balance of any such Net Proceeds remaining after such repair, restoration, modification or improvement has been completed shall be transferred to the Bond Fund to be applied to the payment of the principal of, premium, if any, and interest on the Series 2026 Bonds, or if said Bonds shall have been fully paid (or provision for payment thereof has been made in accordance with the provisions of the Indenture), any balance remaining in such Construction Fund or separate trust fund shall be paid to the City. If the Net Proceeds shall be insufficient to pay in full the cost of any repair, restoration, modification or improvement, the City shall, from and to the extent of available City Funds, complete the work and pay any cost in excess of the amount of the Net Proceeds.

In the event that the Net Proceeds of any insurance policy, performance bond or condemnation award shall be insufficient to pay in full the cost of any repair, restoration, or modification of the Series 2026 Project, the appropriate budget officers of the City shall, within 15 days of notice of such insufficiency, seek an appropriation from the City Council for an amount equal to any such insufficiency. In the event that the City shall fail to appropriate, by the first day of the next Renewal Term following such request for an appropriation, an amount at least equal to such insufficiency for such purpose, the obligation to repair and replace the Series 2026 Project may be discharged by depositing the Net Proceeds of the insurance policies, performance bonds or condemnation awards made available by reason of such occurrence into the Bond Fund. Upon the deposit of such Net Proceeds in said Bond Fund, the City shall have no further obligation for the payment of Base Rentals and Additional Rentals, and possession of the Series 2026 Project as well as all rights created pursuant to the Lease and the interest of the City and the Authority therein and in any funds or accounts created under the Indenture with respect to the Series 2026 Project (except for moneys held in the Rebate Fund or for the payment of Series 2026 Bonds not then deemed Outstanding), shall be surrendered to the Trustee, as trustee for the Bondholders of the Series 2026 Bonds. Thereafter, the Authority's interest in said Series 2026 Project may be liquidated pursuant to the provisions of and subject to the limitations set forth in the Indenture and Security Documents and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Indenture with respect to the Series 2026 Project (except moneys held in the Rebate Fund or for the payment of Series 2026 Bonds not then deemed Outstanding), shall be applied to the redemption of the Series 2026 Bonds on the next succeeding redemption date. Such redemption of the Series 2026 Bonds shall be made upon full or partial payment of the principal amount of said Bonds then Outstanding and accrued interest thereon all in accordance with the Indenture. See "APPENDIX B—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—The Master Lease—Damage, Destruction and Condemnation; Use of Net Proceeds" herein.

The City is required under the Lease to cause the Series 2026 Project to be insured by policies of casualty and property damage insurance in an amount not less than the full insurable value of the Series 2026 Project. The term "full insurable value" as used in the Lease means the actual replacement value, or at the option of the City any lesser amount which is equal to or greater than the principal amount of all of the Series 2026 Bonds then Outstanding. Alternatively, the City may insure or cause to be insured under a blanket insurance policy or policies which cover not only the Series 2026 Project but other properties in the amounts required by the previous sentence. However, there is no assurance that, in the event the Lease is terminated as a result of damage to or destruction or condemnation of the Series 2026 Project, moneys made available by reason of such an occurrence will be sufficient to redeem the Series 2026 Bonds at a price equal to the principal amount thereof outstanding plus accrued interest to the redemption date.

Depreciation and Obsolescence

Certain components of the Series 2026 Project may become obsolete, may depreciate in value or may wear out during the time that the Series 2026 Bonds are outstanding. In addition, components of the Series 2026 Project may be difficult or impossible to remove from their place of service or use. Consequently, following an Event of Nonappropriation or an Event of Default under the Lease of the Indenture or termination of the Lease for any reason, any amounts realized by the Trustee from a reletting or sale of the Series 2026 Project may not be sufficient to redeem or pay all outstanding Series 2026 Bonds in full.

Acquisition of the Project

The acquisition, construction, furnishing and equipping of the Series 2026 Project is expected to be completed in October 2028. The Authority and the City believe, but there can be no assurance, that the proceeds of sale of the Series 2026 Bonds, together with certain investment earnings thereon, will be sufficient to complete the acquisition, construction and equipping of the Series 2026 Project. In the event such proceeds are insufficient, the Authority is authorized, pursuant to the Lease, to complete the acquisition, construction and equipping of the Project from legally available funds, but only in connection with the issuance of Additional Bonds issued pursuant to the Indenture or from moneys otherwise legally available for that purpose. The Indenture provides that Additional Bonds may be issued for the purpose of completing the Series 2026 Project subject to satisfaction of certain conditions provided in the Indenture. There can be no assurance that such Additional Bonds will be permitted under then applicable law or that the City Council will agree to the issuance of Additional Bonds at that time. If issued, Additional Bonds will be secured under the Indenture on a parity with the Series 2026 Bonds. In the event that the Series 2026 Project is not completed on a timely basis and assuming that no Additional Bonds are issued to complete construction of the Series 2026 Project, the City may not be willing to appropriate Rentals and there will be no moneys to pay debt service on the Series 2026 Bonds. In such event, Bondholders and the Trustee may pursue remedies under the Indenture. See "APPENDIX B—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—The Indenture–Acceleration, Limitation on Remedies," and –Other Remedies; Rights of Bondholders."

Potential Environmental Risks

The ownership of real property or the grant of mortgages, deeds of trust or other encumbrances on real property creates a potential for environmental liability on the part of the owner of such real property and the party secured by such mortgages, deeds of trust or other encumbrances. If hazardous substances are discovered at a Project Site or discovered to be emanating from a Project Site, the owner or operator of the property may be held strictly liable for all costs and liabilities relating to the disposing of or dealing with such hazardous substances. This liability could greatly exceed the value of such Project. In the event that the Trustee or a Bondowner obtains title to the Authority's interest in a Project Site, becomes involved in the operation of the property or attempts to realize on its security, a court may hold the Trustee or the Bondowner liable for such costs and expenses, even if the Trustee or the Bondowner had no knowledge of the existence of such hazardous substances. The existence of environmental risks could prevent the Trustee from exercising certain of its remedies or rights under the Lease and the Indenture upon the occurrence of an Event of Default thereunder.

The Series 2026 Project is located on land [formerly owned by __________ and operated as __________]. [An environmental study has been done on the Project Site.] [The City is not aware of any environmental concerns with the Project Site.]

Tax Status

Failure by the Authority or the City to comply with certain covenants in the Indenture, the Lease and the tax matters certificate executed by the City and the Authority at the time of issuance of the Series 2026 Bonds, on a continuous basis, so long as any of the Series 2026 Bonds are outstanding under the Indenture and thereafter as required by such covenants and applicable law, could result in interest on the Series 2026 Bonds becoming includible in federal gross income, retroactive to the date of their original issuance. See "TAX MATTERS" herein. The Indenture and the Series 2026 Bonds do not provide for the payment of any additional interest or penalty in the event that interest on the Series 2026 Bonds becomes includible in federal gross income.

Additional Parity Debt

The Indenture provides that the Authority may issue Additional Bonds upon compliance with certain requirements. In the event the Authority were to issue Additional Bonds, such issuance of Additional Bonds could result in dilution of the collateral security pledged to secure the payment of the Series 2026 Bonds. The Authority currently does not have any plans to issue any Additional Bonds.

Cybersecurity

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

LEGAL MATTERS

General

The authorization and issuance of the Series 2026 Bonds is subject to the approval of legality by Gilmore & Bell, P.C., Bond Counsel to the Authority. Certain matters will be passed upon for the Authority by Gilmore & Bell, P.C., as disclosure counsel to the Authority. Certain legal matters will be passed upon for the Authority and the City by Ryan W. Loose, Esq., City Attorney. Certain legal matters will be passed upon for the Underwriter by its counsel, Farnsworth Johnson PLLC, Provo, Utah. The approving opinion of Bond Counsel will be delivered with the Series 2026 Bonds. A copy of the form of the opinion of Bond Counsel is set forth in APPENDIX E of this Official Statement.

Litigation

A non-litigation opinion issued by Ryan W. Loose, Esq., City Attorney, dated the date of closing, will be provided stating, among other things, that to the best of his knowledge, after due inquiry, no action, suit, proceeding, inquiry, or any other litigation or investigation at law or in equity, before or by any court, public board or body, has been served on the Authority or the City or is threatened, challenging the creation, organization, or existence of the Authority or the City or the titles of its officers to their respective offices or seeking to restrain or enjoin the issuance, sale, or delivery of the Series 2026 Bonds or for the purpose of restraining or enjoining the levy and collection of taxes or assessments by the City, or directly or indirectly contesting or affecting the proceedings or the authority by which the Series 2026 Bonds are issued or the validity of the Series 2026 Bonds or the issuance thereof.

TAX MATTERS

The following is a summary of the material federal and State of Utah income tax consequences of holding and disposing of the Series 2026 Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2026 Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Utah, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2026 Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2026 Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under the law currently existing as of the issue date of the Series 2026 Bonds:

Federal Tax Exemption. The interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. Interest on the Series 2026 Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bond Counsel's opinions are provided as of the date of the original issue of the Series 2026 Bonds, subject to the condition that the Authority and the City comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") that must be satisfied subsequent to the issuance of the Series 2026 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Authority and the City have covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2026 Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2026 Bonds.

State of Utah Tax Exemption. The interest on the Series 2026 Bonds is exempt from State of Utah individual income taxes.

Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2026 Bonds but has reviewed the discussion under the heading "TAX MATTERS."

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Series 2026 Bond over its issue price. The stated redemption price at maturity of a Series 2026 Bond is the sum of all payments on the Series 2026 Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2026 Bond is generally the first price at which a substantial amount of the Series 2026 Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Series 2026 Bond during any accrual period generally equals (1) the issue price of that Series 2026 Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Series 2026 Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Series 2026 Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Series 2026 Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Series 2026 Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Series 2026 Bond is the sum of all payments on the Series 2026 Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2026 Bond is generally the first price at which a substantial amount of the Series 2026 Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Series 2026 Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Series 2026 Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Series 2026 Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange, or Retirement of Series 2026 Bonds. Upon the sale, exchange, or retirement (including redemption) of a Series 2026 Bond, an owner of the Series 2026 Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange, or retirement of the Series 2026 Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Series 2026 Bond. To the extent a Series 2026 Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2026 Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Series 2026 Bonds, and to the proceeds paid on the sale of the Series 2026 Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2026 Bonds should be aware that ownership of the Series 2026 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or

Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2026 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2026 Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2026 Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Series 2026 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

MUNICIPAL ADVISOR

The City on behalf of the Authority has entered into an agreement with LRB Public Finance Advisors, Inc., Salt Lake City, Utah (the "Municipal Advisor"), whereunder the Municipal Advisor provides financial recommendations and guidance to the City and the Authority with respect to timing of sale, market conditions, costs of issuance and other factors relating to the sale of the Series 2026 Bonds. The Municipal Advisor has read and participated in the drafting of this Official Statement. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the City or the Authority, with respect to accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the Municipal Advisor respecting accuracy and completeness of the Official Statement or any other matters related to the Official Statement. Municipal Advisor fees are contingent upon the sale and delivery of the Series 2026 Bonds.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated, as underwriter of the Series 2026 Bonds (the "Underwriter"), has agreed, subject to certain conditions, to purchase all of the Series 2026 Bonds from the Authority at an aggregate price of $__________ (representing the aggregate principal amount of the Series 2026 Bonds, plus a [net] reoffering premium of $__________ and less an Underwriter's discount of $__________). The Underwriter has advised the City and the Authority that the Series 2026 Bonds may be offered and sold to certain dealers at prices lower than the initial public offering prices set forth on the cover of this Official Statement and that such public offering prices may be changed from time to time.

The Underwriter and its respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriter and its respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter and its respective affiliates may engage in transactions for its own accounts involving the securities and instruments made the subject of this securities offering or other offering of the Authority. The Underwriter and its respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriter and its respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the Authority.

Although the Underwriter expects to maintain a secondary market in the Series 2026 Bonds after the initial offering, no guarantee can be given concerning the future existence of such a secondary market or its maintenance by the Underwriter or others.

BOND RATINGS

S&P Global Ratings ("S&P") and Fitch Ratings ("Fitch") have assigned ratings of "[___]" and "[___]," respectively, to the Series 2026 Bonds. Any explanation of the significance of these ratings should be obtained from the rating agency furnishing the same. There is no assurance that the ratings given to outstanding obligations will be maintained for any period of time or that the ratings may not be lowered or withdrawn entirely by the rating agencies if, in their judgment, circumstances so warrant. Any such downward change or withdrawal of such ratings may have an adverse effect on the market price of the Series 2026 Bonds.

CONTINUING DISCLOSURE

The City, on behalf of the Authority, has undertaken for the benefit of the Bondholders and the beneficial owners of the Series 2026 Bonds to provide certain annual financial information and operating data to the Municipal Securities Rulemaking Board ("MSRB"), and to provide notice of certain material events to the MSRB all in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission. See APPENDIX D attached hereto and incorporated herein by reference for a form of the Continuing Disclosure Undertaking that will be executed and delivered by the City. [*Any defaults to report?*]

A failure by the City to comply with the Continuing Disclosure Undertaking will not constitute a default under the Indenture and beneficial owners of the Series 2026 Bonds are limited to the remedies described in the Continuing Disclosure Undertaking. See "APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING—Default." A failure by the City to comply with the Continuing Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2026 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2026 Bonds and their market price.

MISCELLANEOUS

Independent Accountants

The basic financial statements of the City as of June 30, 2025, and for the year then ended, contained in APPENDIX A to this Official Statement, have been audited by Gilbert & Stewart, CPA, PC ("Gilbert & Stewart"), independent accountants, as set forth in their report included in APPENDIX A to this Official Statement. Gilbert & Stewart has not been asked to consent to the use of its name and audited financial report of the City for fiscal year ended June 30, 2025 in this Official Statement.

Additional Information

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

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

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

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

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

MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH

CITY OF SOUTH JORDAN, UTAH

APPENDIX A

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025

APPENDIX B

EXTRACTS OF THE INDENTURE AND THE MASTER LEASE

The following extracts briefly outline certain provisions contained in the Indenture, the Master Lease and the Security Documents and are not to be considered as a full statement of the Indenture, the Master Lease and the Security Documents. Reference is made to the Indenture, the Master Lease and the Security Documents for full details of all of the terms of such documents, of the Series 2026 Bonds, the security provisions appertaining of the Indenture, the application of the Base Rentals and the definition of any terms used but not defined in this Official Statement.

THE INDENTURE

Definitions

"Additional Bonds" means all Bonds (other than the Initial Bonds) issued under the Indenture.

"Assignment of Ground Lease Agreement" means the agreement dated as of November 1, 2026, by and between the Authority and the Trustee.

"Authority Representative" means the Chair/President or Vice President and Secretary-Treasurer of the Authority, and any other person or persons at any time designated to act on behalf of the Authority for purposes of performing any act on behalf of the Authority with respect to a Project by a written certificate furnished to the City and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Authority by any duly authorized officer of the Authority. Such certificate may designate an alternate or alternates. The Authority Representative may be an officer or employee of the Authority or the City.

"Base Rentals" means that portion of the rentals payable under the Master Lease which is pledged to the payment of debt service on the Bonds and to the replenishment of the Debt Service Reserve Fund under the Indenture.

"Beneficial Owner" means with respect to the Bonds, the person owning the Beneficial Ownership Interest therein.

"Beneficial Owner Interest" means the right to receive payments and notices with respect to the Bonds held in a book-entry System.

"Bond Documents" means the Master Lease, the Security Documents and the Indenture.

"Bond Fund" means Municipal Building Authority of the City of South Jordan, Utah, Bond Fund established under the Indenture.

"Bond Registrar" means the Trustee (or other party designated as Registrar by Supplemental Indenture), appointed as the initial registrar for the Bonds pursuant to the Indenture, and any additional or successor registrar appointed pursuant hereto.

"Bondholder," "Holder," "Owner" or "Registered Owner" means the person or persons in whose name or names a Bond shall be registered on the books of the Bond Registrar kept for that purpose in accordance with provisions of the Indenture.

"Bonds" means (i) the Initial Bonds, (ii) any Refunding Bonds issued pursuant to the Indenture and (iii) any Additional Bonds issued pursuant to the Indenture.

"Chair/President" means the Chair/President (including any acting Chair/President) of the Authority.

"City Representative" means the Mayor, the Mayor Pro Tem and City Recorder of the City and any other person at any time designated to act on behalf of the City for purposes of performing any act with respect to a Project by a written certificate furnished to the Authority and the Trustee containing the specimen signature of such person and signed on behalf of the City or any duly authorized officer thereof. Such certificate may designate an alternate or alternates. The City Representative may be an officer or employee of the Authority or the City.

"Code" means the Internal Revenue Code of 1986, as amended.

"Construction Fund" means Municipal Building Authority of the City of South Jordan, Utah, Construction Fund established under the Indenture.

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

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

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

"Debt Service Reserve Fund" means the Municipal Building Authority of the City of South Jordan, Utah, Debt Service Reserve Fund established under the Indenture for the purpose of securing payment of Bonds issued under the Indenture.

"Debt Service Reserve Requirement" means with respect to each Series of Bonds issued pursuant to the Indenture, unless otherwise provided in the related Supplemental Indenture, an amount equal to the least of (i) 10% of the proceeds of such Series of Bonds determined on the basis of original principal amount (unless original issue premium or original issue discount exceeds 2% of original principal, then determined on the basis of initial purchase price to the public), (ii) the maximum annual debt service during any year for such Series of Bonds and (iii) 125% of the average annual debt service for such Series of Bonds; provided, however, that in the event any Series of Refunding Bonds is issued to refund only a portion and not all of the then Outstanding Bonds of any Series issued pursuant to the Indenture (the "Prior Bonds"), then the portion of such Series of Prior Bonds that remain Outstanding immediately after the issuance of such Refunding Bonds and the portion of such Refunding Bonds that is allocable to the refunding of such Series of Prior Bonds may be combined and treated as a single Series for purpose of determining the Debt Service Reserve Requirement relating to such combined Series and the resulting requirement shall be allocated among the two Series pro rata based upon the total principal amount remaining Outstanding for each Series. Each account of the Debt Service Reserve Fund shall only be used with respect to the related Series of Bonds.

"Direct Obligations" means direct noncallable obligations of (including obligations issued or held in book-entry form on the books of) the Department of the Treasury of the United States of America, obligations unconditionally guaranteed as to principal and interest by the United States of America and evidences of ownership interests in such direct or unconditionally guaranteed obligations.

"Direct Payments" means the interest subsidy payments received by the Authority from the Internal Revenue Service pursuant to Section 6431 and 1400U-2 of the Code or other similar programs (with respect to Bonds issued hereunder).

"Event of Default" means any occurrence or event specified in and defined by the Indenture.

"General Indenture" means the General Indenture of Trust, by and between the Authority and the Trustee.

"Indenture" means the General Indenture and any Supplemental Indentures entered into in compliance with the provisions of the Indenture.

"Initial Bonds" means the first Series of Bonds issued under the Indenture.

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

"Investment Obligations" means any of the following securities:

(i) Direct Obligations;

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

(iii) Money market funds rated at the time of purchase "AAAm" or "AAAm-G" or better by S&P, including money market funds from which the Trustee or its affiliates receive fees for investment, advisory or other services to the fund;

(iv) 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;

(v) Bonds, notes or other evidences of indebtedness rated at the time of purchase "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;

(vi) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks 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);

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

(viii) Any investments or securities permitted for investment of public funds under the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code Annotated 1953, as amended.

"Master Lease" means the Master Lease Agreement dated as of November 1, 2026, by and between the Authority, as lessor and the City, as lessee and any amendments and supplements thereto entered into in accordance with the Indenture.

"Moody's" means Moody's Investors Service, its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority.

"Outstanding" or "Bonds Outstanding" means all Bonds which have been authenticated, registered and delivered by the Trustee under the Indenture, except:

(a) Bonds delivered to the Trustee for cancellation, whether after purchase in the open market or because of payment at, or redemption prior to, maturity;

(b) Bonds in lieu of which others have been authenticated under the Indenture; and

(c) Bonds deemed paid under the General Indenture.

"Paying Agent" means the Trustee, appointed as the initial paying agent for the Bonds pursuant to the Indenture, and any additional or successor paying agent appointed pursuant hereto.

"Project" or "Projects" means collectively each Project identified in a Supplemental Indenture to be financed or refinanced with a Series of Bonds issued under the Indenture.

"Rebatable Arbitrage" shall mean with respect to any Series of Bonds the amount (determinable as of each Rebate Calculation Date) of rebatable arbitrage payable to the United States at the times and in the amounts specified in Section 148(f)(3) of the Code and Section 1.148-3 of the Regulations.

"Rebate Calculation Date" means, with respect to each Series of Tax-Exempt Bonds, the Interest Payment Date next preceding the fifth anniversary of the issue date of such Series of Bonds, each fifth anniversary of the initial Rebate Calculation Date for such Series of Bonds, and the date of retirement of the last Bond of such Series.

"Rebate Fund" means Municipal Building Authority of the City of South Jordan, Utah, Rebate Fund established by the Indenture.

"Recovery Zone Bonds" means interest subsidy bonds issuable by the Authority under Sections 1400U-2 and 6431 of the Code and a "qualified bond" under Section 1400U-2(a) of the Code or such other tax credit bonds of substantially similar nature which may be hereafter authorized.

"Refunding Bonds" means all Bonds (other than the Initial Bonds) issued pursuant to the Indenture.

"Regular Record Date" means the fifteenth day (whether or not a Business Day, as this term is defined in the Master Lease) next preceding each Interest Payment Date.

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

"Required Rebate Deposit" means, with respect to any Series of Bonds an amount determinable as of each Rebate Calculation Date, which when added to amounts then on deposit in the Rebate Fund with respect to such Series of Bonds, if any, equals the aggregate amount of Rebatable Arbitrage for such Series of Bonds less the amount of Rebatable Arbitrage theretofore paid to the United States with respect to such Series of Bonds, if any.

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

"Reserve Instrument Agreement" means any agreement entered into by the Authority and a Reserve Instrument Provider pursuant to a Supplemental Indenture and providing for the issuance by such Reserve Instrument Provider of a Reserve Instrument.

"Reserve Instrument Costs" means all fees, premiums, expenses and similar costs, other than Reserve Instrument Repayment Obligations, required to be paid to a Reserve Instrument Provider pursuant to a Reserve Instrument Agreement.

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

"Reserve Instrument Fund" means the Municipal Building Authority of the City of South Jordan, Utah Reserve Instrument Fund established by the General Indenture to be held by the Trustee and administered pursuant to the General Indenture.

"Reserve Instrument Limit" means, as of any date of calculation and with respect to any Reserve Instrument, the maximum aggregate amount available to be paid under such Reserve Instrument into an account in the Debt Service Reserve Fund assuming for purposes of such calculation that the amount initially available under each Reserve Instrument has not been reduced or that the amount initially available under each Reserve Instrument has only been reduced as a result of the reduction of the Debt Service Reserve Requirement.

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

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

"S&P" means S&P Global Ratings, its successors and assigns, and, if such entity shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority, with the approval of the Trustee.

"Secretary-Treasurer" means the Secretary-Treasurer (including any deputy or acting Secretary-Treasurer) of the Authority.

"Security Documents" means, collectively, the Deeds of Trust and the security documents described in each Supplemental Indenture.

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

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

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

"Security Instrument Issuer" means any bank or other financial institution, insurance company, Surety Company or other institution issuing a Security Instrument.

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

"Serial Bonds" means those Bonds other than Term Bonds.

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

"Sinking Fund Account" means Municipal Building Authority of the City of South Jordan, Utah, Sinking Fund Account of the Bond Fund established by the Indenture.

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

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

"State" means the State of Utah.

"Supplemental Indenture" means any indenture between the Authority and the Trustee entered into pursuant to and in compliance with the provisions of the Indenture.

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

"Tax-Exempt Bonds" means Bonds the interest on which is intended to be excludable from gross income for federal income tax purposes.

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

"Trust Estate" means the property conveyed to the Trustee pursuant to the Granting Clauses thereof.

"Trustee" means U.S. Bank Trust Company, National Association, a national banking association and its successors and any association resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at the time serving as successor trustee under the Indenture.

Indenture to Constitute Contract

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

Limited Obligation

The Bonds shall not be general obligations but shall be special, limited obligations of the Authority payable solely out of and to the extent available from the Base Rentals, and, if paid by the City, the Purchase Option Price under the Master Lease and other amounts derived from the leasing of the Projects (except to the extent paid out of moneys attributable to the proceeds derived from the sale of the Bonds or to income from the temporary investment thereof and, under certain circumstances, to moneys held in funds or accounts by the Trustee, to Net Proceeds from insurance policies, performance bonds, condemnation awards and liquidation proceeds with respect to the Projects and from Direct Payments) and shall be a valid claim of the respective Bondholders thereof only against the Bond Fund, the Debt Service Reserve Fund and other moneys held by the Trustee and the Base Rentals, and other amounts derived from the leasing of the Projects under the Master Lease, which Base Rentals and other amounts are hereby pledged, assigned and otherwise secured for the equal and ratable payment of the Bonds and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds (including any make whole interest payments or redemption premiums on any Bonds), except as may be otherwise expressly authorized in the Indenture or in the Master Lease. The Authority shall not be obligated to pay the principal of such Bonds or the interest thereon or other costs incident thereto except from the moneys pledged therefor under the Indenture. The Bonds and the interest thereon shall never constitute an indebtedness of the City within the meaning of any constitutional limitation or statutory provision and shall not constitute or give rise to a pecuniary liability of the City or a charge against the general credit or taxing power of the City. Neither the City, nor the Authority on its behalf, has pledged the credit of the City to the payment of the Bonds, the interest thereon or amounts due or to become due under the Master Lease. The City shall not be obligated to appropriate City Funds for the purpose of paying Base Rentals, Additional Rentals or the Purchase Option Price under the Master Lease, and no judgment may be entered against the City in the event of an insufficiency of moneys to pay the principal of, premium, if any, and interest on the Bonds. The payment obligations of the City under the Master Lease are subject to annual renewal and will be terminated upon the occurrence of an Event of Nonappropriation. In such event, all payments from the City under the Master Lease will terminate, and the Bonds and the interest thereon will be payable solely from and to the extent of such moneys, if any, as may be held by the Trustee under the Indenture (except amounts held for the payment of Bonds not deemed Outstanding) and, subject to the provisions of Article IX of the Indenture, any moneys made available from a liquidation of the Authority's interest in the Project financed with such Bonds subsequent to foreclosure of the lien of the Indenture and the Security Documents. No deficiency judgment subsequent to foreclosure of the lien of the Indenture and the Security Documents may be entered against the City or the Authority, and no breach of any provision of the Master Lease, the Security Documents or the Indenture shall impose any general obligation or liability upon or a charge against the City, the Authority or upon the general credit or taxing powers of the City. Except as expressly provided in the Master Lease, no judgment requiring a payment of money may be entered against the City under the Master Lease.

Subordination of Master Lease to Indenture

As provided in the Indenture, pursuant to the Master Lease, the City's interest in the Projects and its interest as lessee under the Master Lease shall at all times be subject to the lien of the Indenture; provided, however, that so long as no Event of Default under the Indenture or an Event of Nonappropriation has occurred and is then continuing, the Master Lease shall remain in full force and effect notwithstanding such subordination, and the City shall not be disturbed by the Authority or the Trustee in its possession, use and enjoyment of the Projects during the term of the Master Lease or in the enjoyment of its rights under the Master Lease; provided further that the Indenture and the rights and privileges thereunder of the Trustee and Bondholders are specifically made subject and subordinate to the rights and privileges of the City set forth in the Master Lease to exercise its option to purchase the Projects in the event of, and subsequent to, the occurrence of an Event of Default, but prior to the liquidation of the Authority's interest in the Projects. As a condition of the exercise of such option, the City under the Master Lease must pay, in addition to the Purchase Option Price, any interest payment deficiencies accruing from the date of the Event of Default or Event of Nonappropriation. The Trustee agrees that it shall execute and deliver any instrument necessary or appropriate at any time to confirm, evidence or enable the City to enjoy such rights and privileges, including without limitation, those referred to in the Indenture.

Nonpresentation of Bonds

Unless otherwise provided by Supplemental Indenture, in the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the Authority to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability to the

Registered Owner of such Bond for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part under the Indenture or on, or with respect to, said Bond. If any Bond shall not be presented for payment within four years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall, to the extent permitted by law, repay to the Authority the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Authority, and the Registered Owner thereof shall be entitled to look only to the Authority for payment, and then only to the extent of the amount so repaid, and the Authority shall not be liable for any interest thereon and shall not be regarded as a trustee of such money. The provisions of the Indenture with respect to the nonpresentation of bonds are subject to the provisions of Title 67, Chapter 4a, Utah Code Annotated 1953, as amended.

General Covenants

Payment of Principal and Premium, if any, and Interest. The Authority covenants that it will promptly pay the principal of and premium, if any, and interest on every Bond issued under the Indenture at the place, on the dates and in the manner provided therein and in the Bonds according to the true intent and meaning thereof, but solely from the Trust Estate created by the Indenture, including the Base Rentals and, if paid by the City under the Master Lease, the Purchase Option Price with respect to a Project or Projects, and other amounts pledged therefor which are from time to time held by the Trustee in the Bond Fund and the Debt Service Reserve Fund. The principal of and premium, if any, and interest on the Bonds are payable solely from the Trust Estate created by the Indenture, including the Base Rentals and, if paid by the City under the Master Lease, the Purchase Option Price with respect to a Project or Projects, and other amounts derived from the lease of the Projects and otherwise as provided in the Indenture, in the Security Documents, and in the Master Lease, which amounts are specifically pledged by the Indenture to the payment thereof in the manner and to the extent in the Indenture and in the Master Lease specified, and nothing in the Bonds or in the Indenture shall be construed as pledging any other funds or assets of the Authority or the City. The Authority shall in no event be liable for the payment of the principal of and premium, if any, or interest on any of the Bonds or for the performance of any pledge, obligation or agreement undertaken by the Authority except to the extent that the moneys, properties, interests and assets constituting the Trust Estate are sufficient therefor.

Further Assurances. The Authority will, at the City's expense, do, execute, acknowledge and deliver all and every act, deed, conveyance, transfer and assurance necessary or proper for the perfection of the lien and security interest being provided in the Indenture for in the Trust Estate, whether now owned or held or hereafter acquired, including, but not limited to, such financing statements and continuation statements as shall be necessary under applicable law to perfect and maintain the security interest being provided in the Indenture for in the Trust Estate.

Actions with Respect to the Trust Estate. The Authority will not:

(a) Declare a default or exercise the remedies of the seller or lessor, as the case may be, under, or terminate, modify or accept a surrender of, or offer or agree to any termination, waiver, modification or surrender of, the Master Lease (except as otherwise expressly provided in the Indenture) or by affirmative act consent to the creation or existence of any lien or encumbrance (other than the security interest and lien of the Indenture and the Security Documents) to secure the payment of indebtedness upon the leasehold or other estate created by the Master Lease or any part of any thereof; or

(b) Receive or collect or permit the receipt or collection of any payment under the Master Lease prior to the date for the payment thereof provided for by the Master Lease or assign, transfer or hypothecate (other than to the Trustee under the Indenture) any revenues or other payment then due or to accrue in the future under the Master Lease in respect of the Projects; or

(c) Sell, mortgage, transfer, assign or hypothecate (other than to the Trustee under the Indenture) its interest in the Projects or any part thereof or interest therein or in any amount to be received by it from the disposition of the Projects except as provided under the Indenture, and except as provided in the Master Lease and the Security Documents.

Power of Attorney in Respect of the Master Lease. The Authority irrevocably constitutes and appoints the Trustee its true and lawful attorney with an interest and full power of substitution, for it and in its name, place and stead (a) to ask, demand, collect, receive and receipt for any and all rents, income and other sums which are assigned under the Granting Clauses of the Indenture, and (b) without limiting the provisions of the foregoing clause (a) hereof, during the continuance of any Event of Default under the Indenture, to exercise any remedies available under the Master Lease and the Security Documents as fully as the Authority could itself do, and to perform all other necessary or appropriate acts with respect to any such remedies, and in its discretion to file any claim or take any other action or proceedings, either in its own name or in the name of the Authority or otherwise, which the Trustee may deem necessary or appropriate to protect and preserve the right, title and interest of the Trustee (but only to the extent specifically provided in the Indenture) in the Master Lease and to the Base Rentals, the Additional Rentals, the Purchase Option Price, the Net Proceeds and all other amounts payable under the Master Lease and other sums and the security intended to be afforded under the Indenture, whether or not the Authority is in default thereunder.

Use of Bond Fund

(a) There shall be deposited into the Bond Fund all accrued interest received, if any, at the time of the issuance, sale and delivery of the Bonds. In addition, there shall be deposited into the Bond Fund, as and when received, (i) any amount directed to be paid into the Bond Fund pursuant to the Master Lease or any amount in the Debt Service Reserve Fund directed to be paid into the Bond Fund in accordance with the provisions of the Indenture; (ii) any Net Proceeds of any insurance policy, performance bond or condemnation award to be deposited in the Bond Fund pursuant to the Master Lease; (iii) all Base Rentals, and, if paid by the City, that portion of the Purchase Option Price attributable to the retirement of the applicable Series of Bonds issued under the Indenture, as specified in the Master Lease; and (iv) any Direct Payments and all other moneys received by the Trustee under and pursuant to any of the provisions of the Indenture or of the Master Lease which are required or which are accompanied by directions that such moneys are to be paid into the Bond Fund. The Authority hereby covenants and agrees that so long as any of the Bonds issued under the Indenture are Outstanding it will deposit, or cause to be paid to the Trustee for deposit in the Bond Fund for its account, any moneys which are pledged under the Indenture for the payment of the principal of and premium, if any, and interest on the Bonds and which are required to be deposited into the Bond Fund.

(b) Except as provided in the Indenture, moneys in the Bond Fund shall be used solely for the payment of the principal of and premium, if any, and interest on the Bonds and for the redemption of the Bonds prior to maturity.

(c) The Bond Fund shall be in the custody of the Trustee but in the name of the Authority, and the Authority hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of and premium, if any, and interest on the Bonds as the same become due and payable, which authorization and direction the Trustee hereby accepts.

Use of Sinking Fund

(a) As required by Supplemental Indenture, the Trustee shall apply moneys in the Sinking Fund Account to the retirement of any Term Bonds required to be retired by operation of the Sinking Fund Account under the provisions of and in accordance with the Supplemental Indenture authorizing the issuance of such Term Bonds, either by redemption in accordance with such Supplemental Indenture or, at the direction of the Authority, purchase of such Term Bonds in the open market prior to the date on which notice of the redemption of such Term Bonds is given pursuant to the Indenture, at a price not to exceed the redemption price of such Term Bonds (plus accrued interest which will be paid from moneys in the Bond Fund other than those in the Sinking Fund Account). Sinking Fund Installments may also be collected in the Sinking Fund Account without redemption of Bonds prior to maturity.

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

Use of Debt Service Reserve Fund

(a) Except as otherwise provided in the Indenture, moneys in accounts within the Debt Service Reserve Fund shall at all times be maintained in an amount not less than the Debt Service Reserve Requirement. In calculating the amount on deposit in each account of the Debt Service Reserve Fund, the amount available under the Reserve Instrument Coverage will be treated as an amount on deposit therein. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify that the amount, if any, of the Debt Service Reserve Requirement applicable to such Series which shall be deposited immediately upon the issuance and delivery of such Series either from (a) proceeds from the sale thereof or from any other legally available source or may be built up over time as provided by the Supplemental Indenture, or (b) by a Reserve Instrument, or (c) any combination thereof. Funds on deposit in accounts within the Debt Service Reserve Fund shall be used only to make up any deficiencies in accounts within the Bond Fund with respect to the related Series of Bonds.

(b) If on any Interest Payment Date the moneys held in the Bond Fund are insufficient to pay all interest, premium, if any, and principal then becoming due on the Bonds of a Series for which an account of the Debt Service Reserve Fund has been established, the Trustee shall transfer, on or before such date, moneys from the applicable accounts within the Debt Service Reserve Fund to the Bond Fund to the extent necessary so that the amount of money so transferred plus all moneys then held in the Bond Fund for such Series of Bonds shall be sufficient to pay all interest, premium, if any, and principal payments then becoming due and payable on such date;

(c) In the event funds on deposit in the Debt Service Reserve Fund are needed to make up any deficiencies in the Bond Fund as aforementioned, and there is insufficient cash available in an account of the Debt Service Reserve Fund to make up such deficiency and a Reserve Instrument applicable to such Series of Bonds is in effect, the Trustee shall immediately make a demand for payment on such Reserve Instrument, to the maximum extent authorized by such Reserve Instrument, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof into the Bond Fund. Thereafter, the Authority shall be obligated to reinstate the Reserve Instrument from Base Rentals received from the City under the Master Lease, including any interest owing on any draws on the Reserve Instrument.

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

(e) In the event that the City shall exercise its option to purchase a Project or Projects and terminate its payment obligations under the Master Lease upon payment of the Purchase Option Price with respect to said Project or Projects, the Trustee shall transfer all moneys held in the Debt Service Reserve Fund (other than any amount drawn under any Reserve Instrument) applicable to said Project or Projects to the Bond Fund in accordance with the written direction of the City.

(f) In the event moneys are drawn from the related account of the Debt Service Reserve Fund to pay principal, premium or interest on the related Series of Bonds, such that there shall be remaining in said account an amount less than the Debt Service Reserve Requirement, the Trustee shall immediately give notice to the Authority and the City of such deficiency. Such account shall be replenished to the Debt Service Reserve Requirement upon the deposit by the Trustee of the additional Base Rental payment to be paid by the City pursuant to the Master Lease.

(g) Any moneys (other than any amount drawn under any Reserve Instrument) remaining in the related account of the Debt Service Reserve Fund with respect to a Series of Bonds on the final maturity of said Series of Bonds (whether at stated maturity or upon prior redemption) shall be transferred on such date into the Bond Fund.

(h) If, following the payment of principal and interest due on a Series of Bonds on each Interest Payment Date, the moneys (other than any amount drawn under any Reserve Instrument) held in the related account of the Debt Service Reserve Fund exceed the related Debt Service Reserve Requirement, all moneys in excess of said sum shall be immediately transferred to the Bond Fund. To the extent so paid, such excess shall reduce the amount of the succeeding Base Rental otherwise payable under the Master Lease.

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

Use of Construction Fund; Disbursements

The moneys in the Construction Fund shall be expended in accordance with the provisions of the Master Lease and the Supplemental Indenture authorizing such Series of Bonds.

Use of Rebate Fund and Arbitrage Rebate

(a) When directed in writing to do so by the Authority, the Trustee shall establish and thereafter maintain, so long as the Bonds are Outstanding, a Rebate Fund and an account therein for each such Series, which shall be held separate and apart from all other funds and accounts established under the Indenture and from all other moneys of the Trustee.

(b) All amounts in the Rebate Fund, including income earned from investment of the fund, shall be held by the Trustee free and clear of the lien of the Indenture. In the event the amount on deposit in the Rebate Fund exceeds the aggregate amount of Rebatable Arbitrage for all Series of Bonds, as verified in writing by an independent public accountant or other qualified professional at the time the Rebatable Arbitrage is determined, less amounts of Rebatable Arbitrage theretofore paid to the United States for all Series of Bonds, the Trustee shall, upon the Authority's request, withdraw from the Rebate Fund and pay to the Authority an amount not to exceed such excess.

(c) The Authority shall determine the amount of Rebatable Arbitrage and the corresponding Required Rebate Deposit with respect to each Series of Bonds on each applicable Rebate Calculation Date. The Authority shall deposit into the Rebate Fund the Required Rebate Deposit, if any, with respect to each Series of Bonds (or instruct the Trustee to transfer to the Rebate Fund moneys representing such Required Rebate Deposit from the Funds and Accounts held under the Indenture other than the Rebate Fund) within 30 days of each such Rebate Calculation Date. The Authority shall instruct the Trustee to withdraw from the Rebate Fund and pay over to the United States Government with respect to each Series of Bonds: (1) not less frequently than once each five years commencing no later than 60 days after the first Rebate Calculation Date for such Series of Bonds and upon each fifth anniversary of such date, an amount which when added to all previous rebate payments made with respect to such Series of Bonds equals 90% of the sum of the Rebatable Arbitrage pertaining to such Series of Bonds, and (2) not later than 60 days after the retirement of the last Bond of such Series, 100% of the Rebatable Arbitrage with respect to such Series. The determination of Rebatable Arbitrage made with respect to each such payment date and with respect to any withdrawal and payment to the Authority from the Rebate Fund pursuant to the Indenture must be verified in writing by an independent public accountant or other qualified professional.

Moneys to be Held in Trust

All moneys required to be deposited with or paid to the Trustee for account to any fund referred to in any provision of the Indenture or the Master Lease shall be held by the Trustee in trust, and except for moneys deposited with or paid to the Trustee for the payment of Bonds not then deemed Outstanding shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the lien or security interest created by the Indenture.

Investment of Funds

The City will direct the Trustee in investing amounts held in the funds created under the Indenture. Any moneys held as part of the Construction Fund, the Bond Fund, the Debt Service Reserve Fund, the Rebate Fund or any other fund shall be invested and reinvested by the Trustee in Investment Obligations at the written direction of the Authority in accordance with the provisions of the Indenture and of the Master Lease. Any such investments shall be held by or under the control of the Trustee. The Trustee shall sell and reduce to cash a sufficient amount of such investments within the Bond Fund whenever the cash balance therein is insufficient to pay the principal of and premium, if any, and interest on the Bonds when due. All income and earnings from the investment of amounts on deposit in any fund shall be retained therein; provided, however, that any moneys held in the Debt Service Reserve Fund in excess of the Debt Service Reserve Requirement shall be transferred to the Bond Fund at least annually.

Method of Valuation and Frequency of Valuation

In computing the amount in any Fund or account, Investment Obligations shall be valued at the fair market value of such Obligations, exclusive of accrued interest. All funds and accounts are to be valued on the basis of a market valuation conducted annually by the Trustee.

Additional Parity Bonds

Refunding Bonds. So long as the Master Lease is in effect and no Event of Default under the Indenture or the Master Lease has occurred and is continuing and so long as no Event of Nonappropriation has occurred and is continuing, one or more Series of Refunding Bonds may be issued, authenticated and delivered for the purpose of refunding Bonds or other obligations of the Authority (with accompanying security documentation and pledge of refinanced property). The Refunding Bonds may be issued in one or more Series, shall be authenticated and registered by the Trustee and, upon payment to the Trustee of the proceeds of said sale of Refunding Bonds, they shall be delivered by the Trustee to or upon the order of the purchasers thereof, but only upon satisfaction of the conditions specified in the Indenture and there being filed with the Trustee:

(a) Original executed counterparts of a Supplemental Indenture, a supplement or amendment (if necessary) to the Security Documents and the Master Lease providing for the issuance of such Refunding Bonds, and further providing for a revision to the Base Rentals to be paid by the City under the Master Lease to such amount as shall be necessary to pay, assuming that no Event of Default or Event of Nonappropriation shall occur, the principal of, premium, if any, and interest on the Bonds (including the Refunding Bonds being issued and any Bonds theretofore issued and to remain Outstanding), and to extend the Lease Term if the maturity of any of the Refunding Bonds would otherwise occur after the expiration of the then current Lease Term. The date or dates of the Refunding Bonds, the rate or rates of interest on the Refunding Bonds, and the redemption provisions (if any) with respect thereto all shall be as provided in the Supplemental Indenture;

(b) If any of the Bonds being refunded were Tax-Exempt Bonds or were designated as Tax Credit Bonds qualifying for Direct Payments, a written opinion of nationally recognized bond counsel, to the effect that the exclusion from gross income of the interest on the Tax-Exempt Bonds being refunded or the status of the Bonds as Tax Credit Bonds qualifying for Direct Payments, for federal income tax purposes, will not be adversely affected by the issuance of the Refunding Bonds being issued;

(c) A date-down endorsement to the ALTA mortgagee title insurance policy issued in connection with the issuance of the Bonds being refunded or commitment therefor (or if the bonds or other obligations being refunded were not issued pursuant to the Indenture, an ALTA Mortgagee title insurance policy or commitment therefor), which endorsement or policy shall insure to the date of issuance of such Refunding Bonds and the recording of any supplement or amendment to the Security Documents the continuing validity of the lien thereof, as modified by any supplement or amendment to the Security Documents, as a first and prior lien on the premises thereby secured, subject only to Permitted Encumbrances, and which endorsement or policy shall increase the amount of title insurance coverage thereunder, if necessary, to an amount, which when added to the coverage provided under any other title policies delivered with respect to other Bonds then Outstanding and issued with respect to the Project financed by the Bonds or other obligations to be refunded, is at least equal to the aggregate principal amount of all Bonds to be Outstanding with respect to such Project following said refunding and naming the Trustee as an insured; alternatively, the Authority may reasonably expect to be able to deliver the required mortgage title insurance following delivery of the related Series of Bonds, provided that no proceeds of such Bonds shall be drawn out of the Construction Fund until such mortgage title insurance is delivered (except for costs of issuance related to such Bonds);

(d) (i) A report of an independent firm of certified public accountants to the effect that, upon the issuance of the Refunding Bonds, moneys and Direct Obligations will be deposited with the Trustee or an escrow agent sufficient to cause the Bonds (or other obligations) being refunded to be deemed paid under the Indenture (or a comparable provision of the documents authorizing the obligations to be refunded even if not deemed paid for Cross-over Refunding Bonds); or (ii) in the event that the Bonds (or other obligations) to be refunded are to be redeemed on the date of issuance of the Refunding Bonds or within ninety (90) days thereafter, there shall be delivered to the Trustee evidence satisfactory to it that upon the issuance of the Refunding Bonds moneys and Direct Obligations will be deposited with the Trustee or an escrow agent sufficient, without taking into account investment earnings thereon, to redeem the Bonds (or other obligations); and

(e) A certificate of the Authority, stating that as of the date of such delivery no event or condition has happened or exists and is continuing, or is happening or existing, which constitutes, or which, with notice or lapse of time or both, would constitute, an Event of Default under the Indenture or the Master Lease and there has not occurred and is then continuing an Event of Nonappropriation; provided however that the existence of an Event of Default shall not preclude the issuance of any Additional Bonds if: (i) the issuance of such Additional Bonds otherwise complies with the provisions of the Indenture and (ii) any Event of Default will cease to continue upon the issuance of such Additional Bonds and the application of the proceeds thereof.

Each Series of Refunding Bonds issued pursuant to the Indenture shall be equally and ratably secured under the Indenture with the Initial Bonds and all other Series of Additional Bonds and Refunding Bonds, if any, theretofore issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

Additional Bonds. So long as the Master Lease is in effect and no Event of Default under the Indenture or the Master Lease has occurred and is continuing and so long as no Event of Nonappropriation has occurred and is continuing, one or more Series of Additional Bonds may be issued, authenticated and delivered for the purpose of financing Costs of Acquisition and Construction of a Project or Projects. Such Additional Bonds shall be payable solely from the Base Rentals and, if paid by the City, the Purchase Option Price and other amounts derived from the leasing of the Projects. The Additional Bonds may be issued in one or more Series, shall be authenticated and registered by the Trustee and, upon payment to the Trustee of the proceeds of said sale of Additional Bonds, they shall be delivered by the Trustee to or upon the order of the purchasers thereof, but only upon satisfaction of the conditions specified in the Indenture and there being filed with the Trustee:

(a) Original executed counterparts of a Supplemental Indenture, additional Security Documents or a supplement or amendment (if necessary) to the Security Documents and Master Lease providing for the financing of a Project and for the issuance of the Additional Bonds and further providing for an increase in the Base Rentals to be paid by the City under the Master Lease in such amount as shall be necessary to pay, assuming that no Event of Default or Event of Nonappropriation shall occur, the principal of, premium, if any, and interest on the Bonds (including the Additional Bonds being issued and any Bonds theretofore issued and Outstanding), and to extend the Lease Term if the maturity of any of the Additional Bonds would otherwise occur after the expiration of the then current Lease Term. The date or dates of the Additional Bonds, the rate or rates of interest on the Additional Bonds, and the redemption provisions (if any) with respect thereto all shall be as provided in the Supplemental Indenture;

(b) A date-down endorsement to the ALTA mortgagee title insurance policy issued in connection with the issuance of the Initial Bonds (or other Bonds) or commitment therefor or an additional ALTA mortgagee title insurance policy or commitment therefor, which endorsement or policy shall insure to the date of issuance of such Additional Bonds and the recording of any additional Security Documents or supplement to the Security Documents, if required, the continuing validity of the lien thereof, as modified by any supplement to the Security Documents, as a first and prior lien on the premises thereby secured, subject only to Permitted Encumbrances, and which endorsement or additional policy shall increase the amount of title insurance coverage thereunder to an amount at least equal to the aggregate principal amount of the Additional Bonds to be issued (or in the case of Additional Bonds issued to complete or extend a Project previously financed under the Indenture the endorsement to the original policy for such Project shall increase the coverage to at least the aggregate principal amount of Bonds issued for such Project to be Outstanding following the issuance of such Additional Bonds) and naming the Trustee as an insured. In the event that the property upon which additional projects are to be located has not been acquired at or prior to the time of issuance of the Additional Bonds, the amendment to Master Lease relating to such Additional Bonds shall require that such endorsement or additional title policy with respect to such property be delivered at the time of or prior to any disbursements being made from the Construction Fund with respect to such portion of the Project (except for costs of issuance related to such Bonds);

(c) if such Series of Additional Bonds is being issued in whole or in part for construction purposes, (i) a copy, duly certified by the Secretary-Treasurer of the Authority, of the project contract and architect's agreement with respect to such construction and the performance and payment bond covering such contract or, in the alternative, a requirement that a copy of such documents be delivered to the Trustee prior to the time that moneys are withdrawn from the Construction Fund with respect to such portions of the Project, and (ii) a certificate of the architect or engineer responsible for planning and designing any such construction which sets forth the estimated useful life of the Project or Projects, as so improved and extended, in compliance with Section 17D-2-301 of the Act; and

(e) a certificate of the Authority, stating that as of the date of such delivery no event or condition has happened or exists and is continuing, or is happening or existing, which constitutes, or which, with notice or lapse of time or both, would constitute, an Event of Default under the Indenture or the Master Lease and there has not occurred and is then continuing an Event of Nonappropriation; provided however that the existence of an Event of Default shall not preclude the issuance of any Additional Bonds if: (i) the issuance of such Additional Bonds otherwise complies with the provisions of the Indenture and (ii) any Event of Default will cease to continue upon the issuance of such Additional Bonds and the application of the proceeds thereof.

Each Series of Additional Bonds issued pursuant to the Indenture shall be equally and ratably secured under the Indenture with the Initial Bonds and all other Series of Additional Bonds and Refunding Bonds, if any, theretofore issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

Discharge of Lien

If the Authority shall pay or cause to be paid, or there shall be otherwise paid or unconditional provisions for payment made to or for the Bondholders, the principal of and premium, if any, and interest due or to become due on the Bonds at the times and in the manner stipulated therein, and shall pay or cause to be paid to the Trustee and any paying agents, all Security Instrument Issuers, and all Reserve Instrument Providers all sums of money due or to become due according to the provisions of the Indenture (including any make whole interest payment or redemption premiums), then these presents and the estate and rights hereby granted shall cease, terminate and be void, whereupon the Trustee shall cancel and discharge the lien of the Indenture, and release, assign and deliver unto the Authority and the City any and all the estate, right, title and interest in and to any and all rights assigned to the Trustee or otherwise subject to the lien of the Indenture, including amounts in the Bond Fund and the Debt Service Reserve Fund and all rights granted under the Security Documents, except moneys or securities held by the Trustee for the payment of the principal of and premium, if any, and interest on the Bonds.

Any Bond shall be deemed to be paid for all purposes of the Indenture when (a) payment of the principal of and the applicable redemption premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in the Indenture, or otherwise), either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided by irrevocably depositing with or for the benefit of the Trustee, in trust, and the Trustee shall have irrevocably set aside exclusively for such payment, (1) moneys sufficient to make such payment, and/or (2) Direct Obligations maturing as to principal and interest in such amount and at such times as will insure, without reinvestment, the availability of sufficient moneys to make such payment as verified by a Certified Public Accountant, and (b) all necessary and proper fees, compensation and expenses of the Trustee and any paying agents pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such time as a Bond shall be deemed to be paid under the Indenture, as aforesaid, it shall no longer be secured by or entitled to the benefits of the Indenture, except for the purposes of any such payment from such moneys or Direct Obligations.

Notwithstanding the foregoing, no deposit under clause (a)(ii) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until: (a) proper notice of redemption of such Bonds shall have been previously given in accordance with the Indenture, or in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty days, until the Authority shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions to notify, as soon as practicable, the Bondholders of the Bonds, in accordance with the redemption provisions of the Indenture, that the deposit required by (a)(ii) above has been made with or for the benefit of the Trustee and that said Bonds are deemed to have been paid in accordance with the general covenants of the Indenture, and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds and to call for redemption pursuant to the Indenture any Bonds to be redeemed prior to maturity; or (b) the maturity of such Bonds.

All moneys so deposited with or for the benefit of the Trustee as provided in the Indenture may at the direction of the Authority also be invested and reinvested in Direct Obligations, maturing in the amounts and at times as set forth in the Indenture, and all income from all Direct Obligations pursuant to the Indenture which is not required for the payment of the Bonds and interest and premium, if any, thereon with respect to which such moneys shall have been so deposited, shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund.

The Authority hereby covenants that no deposit will be made under the Indenture and no use made of any such deposit which would cause the Tax-Exempt Bonds to be treated as arbitrage bonds within the meaning of Section 148 of the Code.

Notwithstanding any other provision of the Indenture, all moneys or Direct Obligations set aside and held in trust pursuant to the provisions of the Indenture regarding the discharge of the lien for the payment of Bonds (including interest and premium thereon, if any) shall be applied to and used solely for the payment of the particular Bonds (including interest and premium thereof, if any) with respect to which such moneys and Direct Obligations have been so set aside in trust.

Events of Default

Any of the following events constitute an "Event of Default" under the Indenture:

(a) Failure to pay when due interest on any Bond;

(b) Failure to pay when due the principal of, or premium, if any, on any Bond, whether at the stated maturity thereof, or upon proceedings for redemption thereof (other than as specified in a conditional notice of redemption);

(c) Failure to perform or observe any other of the covenants, agreements or conditions on the part of the Authority contained in the Indenture or in the Bonds and failure to remedy the same after notice thereof pursuant to the Indenture;

(d) The occurrence of an event of default under the terms of any of the other Bond Documents on the part of either the Authority or the City;

(e) The Authority shall for any reason be rendered incapable of fulfilling its obligations under the Indenture;

(f) The Authority (1) is adjudged insolvent by a court of competent jurisdiction, (2) admits in writing its inability to pay its debts generally as they become due, (3) files a petition in bankruptcy, (4) makes an assignment for the benefit of creditors, or (5) consents to the appointment of a receiver of itself or property with respect to the Projects;

(g) An order, judgment or decree shall be entered by any court of competent jurisdiction appointing, without the consent of the Authority, a receiver of the Authority or of the property with respect to the Projects, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty days from the date of such appointment;

(h) A court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against the Authority under the provisions of any bankruptcy act and such order, judgment or decree shall not be vacated or set aside or stayed within sixty days from the date of entry of such order, judgment or decree;

(i) Under the provisions of any other law now or hereafter existing for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Authority or of the property with respect to the Projects or any part thereof, and such custody or control shall not be terminated within sixty days from the date of assumption of such custody or control; or

(j) Subject to the limitations contained in the Master Lease, the Authority shall unreasonably delay or fail to carry on with reasonable dispatch, or shall discontinue construction of any substantial part of a Project.

Acceleration, Limitation on Remedies

Upon the occurrence and continuation of an Event of Default, the Trustee shall (subject to (a) the applicable provisions of the related Supplemental Indenture and (b) the rights of any Security Instrument Issuer contained in a Supplemental Indenture) have all the rights and remedies with respect to the Trust Estate as the Authority, as lessor, has against the Projects and the City under the pertinent provisions of the Master Lease; and the Trustee may, and upon the written request of Bondholders of not less than 25% in aggregate principal amount of the Bonds Outstanding shall, by notice in writing delivered to the Authority, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable without further action. Such amounts of principal and interest shall bear interest from the date of acceleration, as provided in the Indenture, until paid at the same rate borne by the accelerated Bonds prior to acceleration.

Upon any sale made either under the power of sale given granted under the Indenture or given in the Security Documents or under a judgment, order or decree made in any judicial proceedings for the foreclosure or enforcement of the Indenture and/or the Security Documents, the principal of all Bonds then outstanding, if not previously due, shall at once become and be immediately due and payable without declaration or notice by the Trustee or the Bondholders.

Notwithstanding anything to the contrary contained in the Indenture, no deficiency judgment upon foreclosure of the lien of the Indenture or of the Security Documents against the Projects may be entered against the City or the Authority, and no breach of any provision of the Master Lease, the Security Documents or the Indenture shall impose any general obligation or liability upon or a charge against the City or the Authority or upon the general credit or taxing powers of the City. Additionally, no judgment requiring a payment of money may be entered against the City by reason of an Event of Default or an Event of Nonappropriation under the Master Lease; provided to the extent permitted by law that the Trustee may, subject to compliance with the applicable provisions of the "one action rule" set forth in Title 78B, Chapter 6, Utah Code Annotated 1953, as amended, recover from the City: (a) the portion of Base Rentals and Additional Rentals (including amounts owed to any Security Instrument Issuer and any Reserve Instrument Provider) which are or would otherwise have been payable under the Master Lease during any period in which the City continues to use, occupy and operate a Project or Projects or any portion thereof; and (b) Base Rentals and Additional Rentals which are or would otherwise have been payable by the City under the Master Lease during the remainder, after the City vacates the applicable Project or Projects, of the then-current annual term of the Master

Lease in which such Event of Default occurs for which term the City had lawfully appropriated moneys for purposes of paying such Base Rentals and Additional Rentals; provided, however, that the Authority shall be obligated to the City to use its best efforts to lease or sublease the Project or Projects for the remainder of such annual term, and the Net Proceeds of such leasing shall be offset against the amount recoverable from the City under this clause (b).

Notwithstanding anything in the Indenture to the contrary, the rights and privileges of the Trustee and the Bondholders are subject to the right of the City to purchase the Project or Projects as set forth in the Master Lease and the Trustee shall make no final sale or other final disposition of any interest in said Project or Projects pursuant to any available foreclosure remedy without notifying the City in writing of the occurrence of an Event of Default, and allowing the City ninety days from the mailing of such notice to exercise its option and purchase the Project or Projects.

Surrender of Possession of Projects; Rights and Duties of Trustee in Possession

Subject to the provisions of the Indenture, upon the occurrence and continuation of an Event of Default under the Indenture, the Authority, upon demand of the Trustee, shall forthwith surrender possession of the Projects, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Projects together with the books, papers and accounts of the Authority pertaining thereto, and including the rights and the position of the Authority with respect to the Projects under the Master Lease and to make all needful repairs and improvements as the Trustee shall deem wise. Upon the occurrence and continuation of an Event of Default, the Trustee may execute a written notice of default and an election to cause the Authority's interest in the Projects or any portion thereof to be sold (subject to any reversionary rights of the City which may be retained in the Project Site or sites in the event any ground lease may be executed between the Authority and the City) to satisfy the obligations of the Authority under the Indenture in accordance with the provisions of the Security Documents and/or may cause a sale of personal property as provided by law. The Trustee may also lease or otherwise dispose of the Authority's interest in the Projects in the name and for the account of the Authority and in such manner as the Trustee, in its sole discretion, may elect. In connection with any such sale or leasing of the Projects, the Trustee may collect, receive and sequester the rental payments, revenues, earnings, income, products and profits therefrom, and out of the same and any moneys received from any receiver pay, or set up the proper reserve for the payment of, all proper costs and expenses of so taking, holding, leasing, selling and managing the same, including reasonable compensation to the Trustee, its agents and counsel, and any charges of the Trustee under the Indenture, and any taxes and assessments and other charges prior to the lien of the Indenture and the Security Documents which the Trustee may deem it wise to pay, and all expenses of such repairs and improvements, and apply the remainder of the moneys so received in accordance with the provisions of the Indenture. Whenever all that is due upon the Bonds and all other obligations secured by the Indenture shall have been paid and all defaults made, cured or waived, the Trustee shall surrender whatever possession the Trustee shall retain to the Authority; the same right of entry, however, to exist upon any subsequent Event of Default.

While in possession of such property the Trustee shall render annually to the Authority and the City and, at the request and at the expense of any Bondholder, at its address set forth in the registration book required by the Indenture, a summarized statement of income and expenditures in connection therewith.

While any Bonds are Outstanding, the Authority shall not exercise any of the remedies on default specified in the Master Lease without the prior written consent of the Trustee and any Security Instrument Issuer.

Other Remedies; Rights of Bondholders

Except as otherwise limited by the provisions of the Indenture and subject to the rights of any Security Instrument Issuer, upon the occurrence of an Event of Default under the Indenture, the Trustee may, upon being satisfactorily indemnified, pursue any available remedy that it deems to be in the best interest of the Bondholders by suit at law or in equity to enforce the payment of the principal of and premium, if any, and interest on the Bonds then Outstanding. and subject to the rights of any Security Instrument Issuer

Subject to the right of Bondholders to direct proceedings as specified in the Indenture, if an Event of Default shall have occurred under the Indenture, and if requested so to do by the Bondholders of 25% in aggregate principal amount of Bonds then Outstanding and indemnified as provided in the Indenture, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by the Indenture, as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondholders.

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee (or the Bondholders) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity.

No delay or omission to exercise any right or power accruing upon any default or Event of Default under the Indenture shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein; and such right and power may be exercised from time to time as often as may be deemed expedient. Every power or remedy given by the Indenture, the Master Lease or the Security Documents or to which the Trustee may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by the Trustee, and the Trustee may pursue inconsistent remedies.

No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

Notwithstanding anything contained in the Indenture or in the Security Documents to the contrary, upon the occurrence and continuance of an Event of Default, before taking any foreclosure action or any action which may subject the Trustee to liability under any Environmental Law, the Trustee may require that a satisfactory indemnity bond, indemnity or environmental impairment insurance be furnished for the payment or reimbursement of all expenses to which it may be put and to protect it against all liability resulting from any claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability) and expenses which may result from such foreclosure or other action. The term “Environmental Law” shall mean all federal, state and local environmental, land use, zoning, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating to the protection of the environment or governing the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances and the rules, regulations, policies, guidelines, interpretations, decisions, orders and directives of federal, state and local governmental agencies and authorities with respect thereto. The term “Hazardous Substances” shall mean any chemical, substance or material classified or designated as hazardous, toxic or radioactive, or other similar term, and now or hereafter regulated under any Environmental Law, including without limitation, asbestos, petroleum and hydrocarbon products. If the approval of a government regulator shall be a condition precedent to taking any foreclosure action then the Trustee shall not be required to take such action until such approval is obtained.

Right of Bondholders to Direct Proceedings

Except as otherwise provided by Supplemental Indenture, the Bondholders of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings authorized under the Indenture; provided that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture and such bondholders have provided the Trustee indemnification as it is provided in the Indenture. Unless indemnified therefor, the Trustee shall have the right to decline to follow any direction of Bondowners that in the sole discretion of the Trustee would be unjustly prejudicial to the Trustee or to Bondowners not parties to such direction, that would expose the Trustee to unreasonable liability or financial exposure or that is not in accordance with law or the provisions of the Indenture, shall be entitled to rely without further investigation or inquiry upon any direction given by the Owners of a majority in aggregate principal amount of the Bonds Outstanding, and shall not be responsible for the propriety of or liable for the consequences of following any such direction. Notwithstanding anything to the contrary contained in the Indenture, unless indemnified therefor, the Trustee shall not be required to foreclose the lien of the Security Documents or bid on behalf of Bondowners at any foreclosure sale (a) if, in the Trustee’s sole discretion, such action would subject the Trustee to personal liability for the cost of investigation, removal and/or other remedial activity with respect to Hazardous Substances or (b) if the presence of Hazardous Substances on the property subject to the lien of the Security Documents results in such property having no or nominal value. It is acknowledged and agreed that the Trustee has no authority to manage, own or operate the Project, or any portion thereof, except as necessary to exercise remedies upon default.

Appointment of Receivers

Upon the occurrence of an Event of Default under the Indenture and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders under the Indenture, the Trustee shall be entitled to the appointment of a receiver or receivers of the Trust Estate and of the rents, revenues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Waiver

Upon the occurrence of an Event of Default under the Indenture, to the extent that such rights may then lawfully be waived, neither the Authority, nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any appraisement, valuation, stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of the Indenture, and the Authority, for itself and all who may claim through or under it, pursuant to the Indenture waives, to the extent that it lawfully may do so, the benefit of all such laws.

Application of Moneys

All moneys received by the Trustee pursuant to any right given or action taken under the provisions relating to default shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee, including any Trustee fees and the fees and expenses of its counsel, be deposited in the Bond Fund and all moneys in the Bond Fund (except as otherwise provided herein or in a Supplemental Indenture) shall be applied as follows:

(a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

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

SECOND-To the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of the Bonds which shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), in the order of their due dates, with interest on such Bonds from the respective dates upon which they became due (with interest on overdue installments of interest, at the same rate as the rate of the respective Bond or Bonds, or rate as otherwise specified in the applicable Supplemental Indenture, which are past due) and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege; and

THIRD-To be held for the payment of the persons entitled thereto as the same shall become due of the principal of and premium, if any, and interest on the Bonds which may thereafter become due either at maturity or upon call for redemption prior to maturity and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with interest then due and owing thereon, payment shall be made ratably according to the amount of principal due on such date to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege, plus, to the extent permitted by law, interest on overdue installments of interest or principal at the same rate as the rate of the respective Bond or Bonds, or rate as otherwise specified in the applicable Supplemental Indenture, which are past due.

(c) If the principal of all the Bonds shall have been declared due and payable, and if such declarations shall thereafter have been rescinded and annulled under the provisions of the Indenture then, subject to the provisions of paragraph (b) above in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of (a) above.

(d) Following the payment of amounts due with respect to the Bonds, remaining amounts shall be applied to the payment of all obligations then due and payable to any Security Instrument Issuer or Reserve Instrument Provider in connection with any Security Instrument or applicable Reserve Instrument, respectively.

Whenever moneys are to be applied pursuant to the provisions of this section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Setting aside such moneys in trust for the proper purpose shall constitute proper application by the Trustee, and the Trustee shall have no liability whatsoever to the Authority, to any Bondholder, or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with the circumstances known at the time of the application by the Trustee. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue, provided the Trustee send the money to the Bondholders. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date and shall not be required to make payment to the Bondholder of any Bond until such Bond shall be presented to Trustee for appropriate endorsement or for cancellation if fully paid (unless otherwise specified by Supplemental Indenture).

Whenever the principal of and premium, if any, and interest on all Bonds and all Reserve Instrument Repayment Obligations have been paid under the provisions of this section and all fees, expenses and charges of the Trustee and its counsel have been paid, any balance remaining in the Bond Fund shall be paid to the City as provided in the Indenture as overpayment of Base Rentals.

Rights and Remedies of Bondholders

Unless otherwise provided by Supplemental Indenture, no Bondholder shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of the Indenture or for the execution of any trust under the Indenture or for the appointment of a receiver or any other remedy thereunder, unless a default has occurred of which the Trustee has been notified as provided in the Indenture, or of which by said subsection it is deemed to have notice, nor unless also such default shall have become an Event of Default under the Indenture and the Bondholders of 25% in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in their own name or names, nor unless also they have offered to the Trustee indemnity as provided in the Indenture, nor unless the Trustee shall thereafter fail or refuse to exercise the powers granted to the Trustee under the Indenture, or to institute such action, suit or proceeding in its own name; and such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy under the Indenture; it being understood and intended that no one or more Bondholders shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture by its, his, her or their action or to enforce any right thereunder except in the manner therein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner as provided in the Indenture and for the equal and ratable benefit of the Bondholders of all Bonds then Outstanding. However, nothing contained in the Indenture shall affect or impair the right of any Bondholder to enforce the payment of the principal of and premium, if any, and interest on any Bond at and after the maturity thereof or the redemption date established therefor, or the obligation of the Authority to pay the Bonds issued thereunder to the respective Bondholders thereof at the time, place, from the source and in the manner in the Bonds expressed.

Waiver of Event of Default

The Trustee may, with the consent of all Security Instrument Issuers and upon the written direction of Security Instrument Issuers insuring a majority of the Bonds then Outstanding or, if some Bonds are uninsured, any combination of Bondholders and Security Instrument Issuers representing a majority of the Bonds then Outstanding, waive any Event of Default under the Indenture and its consequences and rescind any declaration of maturity of the principal of the Bonds; provided, however, that there shall not be waived (1) any Event of Default under the Indenture in the payment of the principal of any Outstanding Bonds at the date of maturity specified therein, or (2) any Event of Default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission, all arrears of interests (including interest on overdue installments of interest) or all arrears of payments of principal when due, as the case may be, both with interest at the same rate as the rate of the respective Bond or Bonds which are past due, and all fees and expenses of the Trustee and its counsel, in connection with such Event of Default shall have been paid or provided for, and in cases of any such waiver or rescission, or in case any proceeding taken by Trustee, the Security Instrument Issuers on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights under the Indenture respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon. This provision is subject to additional stipulations as may be provided by Supplemental Indenture.

Notice of Events of Default; Opportunity of the Authority and the City to Cure Such Events of Default

Notwithstanding any provision in the Indenture to the contrary and except as otherwise provided by Supplemental Indenture, failure to perform or observe any of the covenants, agreements or conditions on the part of the Authority under the Indenture or in the Bonds shall not constitute an Event of Default under the Indenture until actual notice of such default by registered or certified mail shall be given to the Authority and the City by the Trustee or by the Bondholders of not less than 25% in aggregate principal amount of all Bonds Outstanding, and the Authority and the City shall have had thirty 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, that, if said default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default under the Indenture if corrective action is instituted by the Authority and the City within the applicable period and diligently pursued, to the satisfaction of the Trustee until the default is corrected (provided that no such grace period shall exceed 90 days unless the Security Instrument Issuers shall have consented thereto).

Limitation on Remedies and Acceleration During Acquisition and Construction of Portions of Projects

Notwithstanding the provisions of the Indenture, the Master Lease or of the Security Documents to the contrary, in the event that (a)(i) a portion of the Projects (the "Completed Portion of the Projects") financed with a separate Series of Bonds is accepted by the City for use and occupancy under the Master Lease, and (ii) the acquisition and construction of additional portions of the Projects (the "Uncompleted Portion of the Projects") financed with one or more Series of Bonds (other than the Series of Bonds described in (i) above) have yet to be completed, and (b) an Event of Default occurs due to the failure to complete the Uncompleted Portion of the Projects, the following limitations shall apply:

(a) Such Event of Default shall be limited to the Series of Bonds issued to finance the Uncompleted Portion of the Projects and not the Series of Bonds issued to finance the Completed Portion of the Projects;

(b) The City shall, subject to the occurrence of an Event of Nonappropriation, continue to pay Base Rentals and Additional Rentals with respect to the Completed Portion of the Projects, and the Master Lease shall remain in full force and effect with respect to the Completed Portion of the Projects;

(c) The Trustee shall use the amounts on deposit in the related account of the Debt Service Reserve Fund to pay amounts due on the Series of Bonds issued to finance the Uncompleted Portion of the Projects and amounts on deposit in the account of the Debt Service Reserve Fund relating to the Series of Bonds issued to finance the Completed Portion of the Projects shall not be used to pay amounts due on the Series of Bonds issued to finance the Uncompleted Portion of the Projects;

(d) The Series of Bonds issued to finance the Completed Portion of the Projects shall not be accelerated or otherwise affected by the Event of Default described in the Indenture; and

(e) The Trustee shall not proceed to exercise any remedies under the Indenture or the Security Documents relating to the Completed Portion of the Projects with respect to the Event of Default described in these provisions.

Supplemental Indentures Not Requiring Consent of Bondholders

The Authority and the Trustee may (subject to the rights of any Security Instrument Issuer under any Supplemental Indenture), without consent of, or notice to, any of the Bondholders enter into an indenture or indentures supplemental to the Indenture which shall not be inconsistent with the general terms and provisions thereof for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in the Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee;

(c) To subject to the Indenture additional revenues, properties or collateral;

(d) To modify, amend or supplement the Indenture or any indenture supplemental hereto in such matter as to permit the qualification thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States of America;

(e) To evidence the appointment of a separate Trustee or a Co-Trustee or paying agent or the succession of a new Trustee or paying agent under the Indenture;

(f) To issue the Initial Bonds, Refunding Bonds or Additional Bonds in accordance with the Indenture and the Master Lease; and

(g) To make any other change which, in the judgment of the Trustee, is not materially adverse to the Trustee or, as evidenced by an opinion of counsel delivered to the Trustee, the Holders of the Bonds.

Supplemental Indentures Requiring Consent of Bondholders

Exclusive of supplemental indentures covered by the Indenture and subject to the terms and provisions contained in the Indenture, and not otherwise, the Bondholders of not less than 66 2/3% in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to consent to and approve the execution by the Authority and the Trustee of such Supplemental Indentures hereto as shall be deemed necessary and desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture; provided, however, that nothing in the Indenture contained shall permit, or be construed as permitting, (i) an extension of the maturity of the principal of, or the interest on, any Bond issued under the Indenture, or (ii) a reduction in the principal amount of, or redemption premium on, any Bond or the rate of interest thereon, or (iii) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indentures, or (v) permit the creation of any lien ranking prior to or on a parity with the lien of the Indenture and the Security Documents on the Trust Estate or any part thereof (except in connection with the issuance of Refunding Bonds or Additional Bonds), or (vi) deprive the Bondholder of any Bond then Outstanding of the lien created by the Indenture on any material portion of the Trust Estate, without the prior consent of the Bondholders of 100% of the Bonds affected by such action. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which adversely affects the Trustee's rights, deeds or immunities under the Indenture or the Master Lease.

If the Bondholders of not less than 66 2/3% in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as provided in the Indenture, no holder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as permitted and provided in the Indenture, the Indenture shall be and be deemed to be modified and amended in accordance therewith.

Anything therein to the contrary notwithstanding, so long as no Event of Default or Event of Nonappropriation with respect to the Projects shall have occurred and be continuing under the Master Lease, a Supplemental Indenture shall not become effective unless and until the City shall have consented to the execution and delivery of such Supplemental Indenture. In this regard and except with respect to Supplemental Indentures for which the City has otherwise been notified, the Trustee shall cause notice of the proposed execution of any such Supplemental Indenture together with a copy of the proposed Supplemental Indenture to be mailed by certified or registered mail to the City at least fifteen days prior to the proposed date of execution and delivery of any such Supplemental Indenture. The City shall be deemed to have consented to the execution and delivery of any such Supplemental Indenture if the Trustee does not receive a letter of protest or objection thereto signed by or on behalf of the City on or before the fifteenth day after the mailing of said notice.

Amendments of the Master Lease

Amendments, etc., to the Master Lease Not Requiring Consent of the Bondholders. The Authority and the Trustee shall without the consent of or notice to the Bondholders (subject to the rights of any Security Instrument Issuer under any Supplemental Indenture) consent to any amendment, change or modification of the Master Lease as may be required (i) by the provisions of the Indenture and the Master Lease (including those provisions applicable to the issuance of the Initial Bonds, Refunding Bonds and Additional Bonds), (ii) for the purpose of curing any ambiguity or formal defect or omission, (iii) so as to more precisely identify the Projects, or the Project Sites or substitute or add additional improvements or equipment to the Projects or additional rights or interests in property acquired in accordance with the provisions of the Master Lease, (iv) in connection with any amendment to the Indenture pursuant to the provisions of the Indenture governing amendments to the Supplemental Indenture not requiring consent of the Bondholders, or (v) in connection with any other change therein which, in the judgment of the Trustee is not materially adverse to the Trustee or, as evidenced by an opinion of counsel delivered to the Trustee, the holders of the Bonds.

Amendments, etc., to the Master Lease Requiring Consent of the Bondholders. Except for the amendments, changes or modifications as provided in the preceding paragraph, neither the Authority nor the Trustee shall consent to any other amendment, change or modification of the Master Lease without mailing of notice and receipt of the written approval or consent of the Holders of not less than 66 2/3% in aggregate principal amount of the Bonds at the time outstanding as provided in the Indenture and the consent of any Security Instrument Issuer as provided in any Supplemental Indenture. If at any time the Authority and the City shall request the consent of the Trustee to any such proposed amendment, change or modification of the Master Lease, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be given in the same manner as provided by the provisions of the Indenture with respect to Supplemental Indentures requiring consent of the Bondholders. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the designated office of Trustee for inspection by all Holders of the Bonds. No such amendment, change or modification of the Master Lease shall reduce the aggregate principal amount of the Bonds the Bondholders of which are required to consent to any amendment, change or modification of such Master Lease, or materially reduce or postpone payments required to be made under the Master Lease without the consent of all of the Holders of the Bonds Outstanding. Approval or consent shall be evidenced in a manner acceptable to the Trustee and the Authority.

THE MASTER LEASE

Definitions

"Act" means collectively, the Building Authority Act, the Local Government Bonding Act, the Nonprofit Corporation Act and, to the extent applicable, the Refunding Bond Act.

"Additional Rentals" means the cost of all taxes, insurance premiums and expenses payable by, and fees and expenses of, the Trustee and its counsel with respect to the Bonds and other charges and costs which the City assumes or agrees to pay exclusively from City Funds under the Master Lease, together with all interest and penalties that may accrue thereon in the event that the City shall fail to pay the same, as specifically set forth therein, including all Security Instrument Repayment Obligations, Security Instrument Costs, Reserve Instrument Repayment Obligations and Reserve Instrument Costs.

"Amendment to Master Lease" means any amendment to the Master Lease between the Authority, as lessor, and the City, as lessee, entered into pursuant to and in compliance with the provisions of the Master Lease and the General Indenture.

"Authority" means the Municipal Building Authority of the City of South Jordan, Utah, a nonprofit corporation organized under the laws of the State, acting in the capacity of lessor under the Master Lease and as grantor under the Indenture, and any successor to the duties and functions of the Authority.

"Authority Representative" means the Chair/President, Vice President, Secretary-Treasurer and any other person or persons at any time designated to act on behalf of the Authority for purposes of performing any act on behalf of the Authority with respect to a Project by a written certificate furnished to the City and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Authority by any duly authorized officer of the Authority. Such certificate may designate an alternate or alternates. The Authority Representative may be an officer or employee of the Authority or the City.

"Base Rentals" means the payments payable by the City exclusively from City Funds pursuant to the Master Lease during the Lease Term thereof, which constitute the payments payable by the City for and in consideration of the right of use of the Projects during such Lease Term and the purchase option granted in the Master Lease.

"Building Authority Act" means the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended.

"Business Day" means a legal business day on which banking business is transacted in the cities in which the Trustee or Paying Agent has its principal corporate trust offices.

"City" means City of South Jordan, a political subdivision and body politic under the laws of the State of Utah, and any entity succeeding to its rights and obligations under this Master Lease. Any reference herein to the "governing body" of the City shall refer to the City Council and to any successor governing body as authorized by applicable law.

"City Funds" means all revenues and receipts derived by the City from the operation of the Projects, including, without limitation, funds of the City legally available therefor, all to the extent the same are budgeted and appropriated by the governing body of the City for the purpose of paying Base Rentals, Additional Rentals or the Purchase Option Price hereunder during the Lease Term in which the Master Lease may be in effect.

"City Representative" means the Mayor, City Manager, and City Recorder of the City and any other person at any time designated to act on behalf of the City for purposes of performing any act with respect to a Project by a written certificate furnished to the Authority and the Trustee containing the specimen signature of such person and signed on behalf of the City or any duly authorized officer thereof. Such certificate may designate an alternate or alternates. The City Representative may be an officer or employee of the Authority or the City.

"Completion Date" means the date of completion of acquisition and/or construction of a Project, within the meaning of Section 17D-2-401(2) of the Building Authority Act, and of final acceptance by the City of such Project.

"Construction Contract" means any contract or agreement relating to the acquisition, development or construction of a Project or portion thereof.

"Contractor" means that party to a Construction Contract or Design Contract providing services related to a Project or portion thereof.

"Costs of Acquisition and Construction" means:

(1) obligations of the City or the Authority incurred for labor, materials and equipment in connection with a Project or the cost of acquiring a Project;

(2) the cost of payment, performance or other bonds and any and all types of insurance (including but not limited to title insurance) that may be necessary or appropriate to have in effect during the course of a Project;

(3) all costs of planning and designing a Project, including architectural, planning, engineering, legal and fiscal advisors' fees and the costs incurred by the City or the Authority for test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction, as well as for the performance of all other duties required by or consequent to the proper and timely completion of such Project;

(4) payment of expenses incurred in seeking to enforce any remedy against any contractor or subcontractor in respect of any default under a contract relating to the acquisition and construction of a Project;

(5) the cost of equipment and furnishings for a Project, the cost of acquiring a site for a Project (or any interest therein) and all other costs authorized by the Building Authority Act which are considered to be a part of the costs of a Project in accordance with generally accepted accounting principles, including but not limited to interest accruing on the Bonds during the period required to complete the acquisition and construction of such Project and for not more than twelve (12) months after the Completion Date;

(6) any sums required to reimburse the Authority or the City for advances by either of them for any of the above items or for any other costs incurred and for work done by either of them which are properly chargeable to a capital account in respect of a Project;

(7) such amounts as the governing body of the Authority shall find to be necessary to provide necessary working capital in connection with a Project; and

(8) all expenses connected with the authorization, sale and issuance of a series of Bonds and the refunding of any Bonds, including the initial fees of the Trustee, escrow agent, rating agency fees, bond insurance premiums, fees for outside attorneys or accountants, whose opinions are required to obtain the issuance of the Bonds, municipal advisors' fees and commissions and printing costs, those amounts as the Authority shall find necessary to establish reserves and maintenance, repair, replacement, and contingency funds and accounts, and the interest on Bonds for a reasonable time prior to, during, and for a reasonable period of time after completion of a Project.

"Design Contract" means any contract or agreement relating to the architecture, design, engineering or planning of a Project or portion thereof.

"Event of Default" means one or more events of default as defined in the Master Lease.

"Event of Nonappropriation" means a failure by the City to renew the Master Lease by failing or refusing to budget and appropriate sufficient City Funds for the payment of all or any part of the Base Rentals and Additional Rentals for any Renewal Term thereof as set forth in the Master Lease. The existence or nonexistence of an Event of Nonappropriation shall be determined as of the date on which the governing body of the City fails or refuses to adopt a final budget in accordance with applicable law which appropriates sufficient moneys to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term as contemplated by the Master Lease or on any earlier or later date on which the Trustee receives written notice from the City that the governing body of the City has failed or refused to make such appropriations and the term of the Master Lease will not be renewed; provided, however, that the Trustee, with the consent of the Security Instrument Issuer, may waive any Event of Nonappropriation which is cured by the City within a reasonable time if, in the Trustee's judgment, such waiver is in the best interests of the Bondholders, except as otherwise provided in the Master Lease or as otherwise provided by Supplemental Indenture. Notwithstanding anything to the contrary in the Master Lease, the City's failure or refusal to adopt a final budget in accordance with applicable law within the time provided by the Master Lease which appropriates sufficient moneys to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term shall constitute an Event of Nonappropriation.

"Fiscal Year" means the twelve-month period used from time to time by the City for its financial accounting purposes (currently July 1 to June 30).

"Force Majeure" means, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies and terrorists; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; storms; droughts; floods; explosions; breakage or accidents to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of the City and not due to its negligence.

"Ground Lease" means the Ground Lease Agreement dated as of November 1, 2026, by and between the City and the Authority.

"Ground Lease Term" means the duration of the leasehold estate created in the Project Site as provided in Article IV of the Ground Lease.

"Independent Counsel" means an attorney duly admitted to the practice of law before the highest court of the State and who is not a full-time employee of the Authority, the City or the Trustee.

"Lease Term" means the duration of the leasehold estate created in the Project as provided in Article IV of the Master Lease.

"Local Government Bonding Act" means the Local Government Bonding Act, Title 11, Chapter 14 Utah Code Annotated 1953, as amended.

"Net Proceeds," when used with respect to (i) proceeds from policies of insurance required hereby (including any self-insurance), (ii) any condemnation award, (iii) proceeds resulting from a default under a contract relating to the acquisition and construction of a Project (including liquidated damages, if any), or (iv) the proceeds of any liquidation of all or portions of a Project, means the amount remaining after deducting all expenses (including, without limitation, attorneys' fees and costs) incurred in the collection of such proceeds or award from the gross proceeds thereof.

"Nonprofit Corporation Act" means the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended.

"Original Term" means the initial portion of the Lease Term which terminates on [June 30, 2027].

"Permitted Encumbrances" means, as of any particular time, (i) liens for taxes and assessments not then delinquent, or which the City may, pursuant to the provisions of the Master Lease, permit to remain unpaid; (ii) the

Master Lease, including any security interests granted therein; (iii) utility access and other easements and rights of way, restrictions and exceptions which the City Representative and the Authority Representative certify in writing to the Trustee will not interfere with the operation of the Projects or impair the marketability of title to the Projects or the general security provided for the Bondholders of the Bonds; (iv) the Indenture, the Security Documents and related financing statements; (v) the ownership interests of the City in any real or personal property which is the subject of any lease between the City, as lessor and the Authority, as lessee that is entered into in furtherance of any Project; (vi) any mechanic's, laborer's, materialmen's, supplier's or vendor's lien or right in respect thereof if payment is not yet due under the contract in question; (vii) such minor defects, irregularities, encumbrances and clouds on title as normally exist with respect to property of the general character of the Projects and as do not materially impair the operation or marketability of title to the Projects; and (viii) any items contained in a Title Insurance Policy delivered in accordance with the General Indenture.

"Project or Projects" has the meaning ascribed to that term in the Indenture and includes the Series 2026 Project.

"Project Site" means the real property where the Project is to be constructed, as more fully described in the Master Lease.

"Purchase Option Price" means an amount payable, at the option of the City, at any time for the purpose of terminating the payment obligation of the City under the Master Lease with respect to a Project and purchasing the Authority's interest in such Project, which amount, when added to the amounts then on deposit in the Bond Fund and the subaccount within the Debt Service Reserve Fund with respect to such Project (other than moneys held by the Trustee for the payment of the Bonds under the Indenture not deemed Outstanding), shall be sufficient (i) to pay, defease, retire and/or redeem all the Outstanding Bonds of the Series of Bonds issued to finance or refinance the particular Project in accordance with the provisions of the Indenture (including, without limiting the generality of the foregoing, the principal of and interest to maturity or earliest applicable redemption date of the relevant Bonds and premium, if any, thereon, the expenses of defeasance and/or redemption, including escrow agent fees, if any, and fee and expenses of the City, the Authority and the Trustee and all Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations), (ii) in case of redemption, to make arrangements satisfactory to the Trustee for the giving of the required notice of redemption; and (iii) to make any necessary payment of rebate with respect to any Tax-Exempt Bonds to be paid, defeased, retired and/or redeemed.

"Refunding Bond Act" means the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended.

"Renewal Terms" means the optional Renewal Terms of the Lease Term as provided in Article IV of the Master Lease.

"Rentals" means all Base Rentals and Additional Rentals payable during the Lease Term under the Master Lease.

Representations, Covenants and Warranties of the Authority

The Authority will cause the Project to be acquired and constructed (subject to Permitted Encumbrances) and will complete or cause to be completed the acquisition and construction of the Project in accordance with the plans and specifications therefor. The Authority will lease the Project to the City as provided in the Master Lease. It is understood by the parties to the Master Lease that the Authority shall have all rights, title and interest in the Project, subject to Permitted Encumbrances.

The Authority will not pledge the Base Rentals, the Additional Rentals, Purchase Option Price or any of its other rights under this Master Lease and will not assign its interest in or encumber the Project except as provided under the Master Lease or under the Indenture and the Security Documents. All property and moneys received by the Authority from the City will, so long as no Event of Nonappropriation or no Event of Default shall occur, be applied for the benefit of the City, and all property and moneys received by the Authority under the Master Lease with respect to the Project and under the Indenture for the Bondholders of the Bonds will be applied for the proportionate benefit of said Bondholders.

Neither the execution and delivery of the Master Lease, nor the fulfillment of or compliance with the terms and conditions thereof, nor the consummation of the transactions contemplated thereby conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Authority is now a party or by which the Authority is bound, or constitutes a default under any of the foregoing or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Authority except Permitted Encumbrances.

Except as otherwise provided in the Master Lease, the Indenture and the Security Documents, the Authority will not assign this Master Lease, its rights to payments from the City or its duties and obligations under this Master Lease to any other person, firm or corporation so as to impair or violate the representations, covenants and warranties contained in the Master Lease.

The Authority will not use any of the proceeds of the sale of the Series 2026 Bonds in a manner not authorized by the terms of the Master Lease, the Indenture or the exhibits thereto.

Lease Term

The original Lease Term commences as of the date of delivery of the Series 2026 Bonds and terminates at midnight on [June 30, 2027]. The Lease Term continues, solely at the option of the City, beyond the expiration of the Original Term for an additional one year, (the first "Renewal Term") and for additional Renewal Terms thereafter each of one year in duration (except that the final Renewal Term shall commence [July 1, 20___] and end on [October 15, 20___]), upon the City having adopted a final budget in accordance with applicable law prior to the end of the then-current Original Term or Renewal Term, as the case may be, that appropriates specifically with respect to the Master Lease sufficient City Funds for the payment of Base Rentals and reasonably estimated Additional Rentals to become due during the next following Renewal Term, it being understood that by budgeting and appropriating such amounts, the City shall have elected to continue the Lease Term for the next following Renewal Term and shall have given adequate notice thereof as contemplated by Section 17D-2-402(1)(b) of the Building Authority Act. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Base Rentals shall be as otherwise specified in the Master Lease, for each such Renewal Term, as such Schedule may be revised as provided in the Master Lease.

Within five (5) days after the adoption of such final budget, the City shall deliver written notice to the Trustee stating that the City has extended the term of this Master Lease for the succeeding Renewal Term, describing in reasonable detail the actions taken by the governing body of the City (if such actions are then required to pay any Rentals under the Master Lease or, if no such actions are then required, explaining the reasons therefor) to appropriate funds sufficient for the purpose of paying the Base Rentals and reasonably estimated Additional Rentals (as provided in the Master Lease) to become due during such succeeding Renewal Term. Unless the Trustee shall have previously received the foregoing notice applicable to the next succeeding Renewal Term, the Trustee shall, at least 20 days prior to the last day of each Fiscal Year, make written inquiry of the City as to whether the City has extended the term of the Master Lease and whether the governing body of the City shall have made the appropriation necessary to pay the Base Rentals and reasonably estimated Additional Rentals to become due during such succeeding Renewal Term. The City shall deliver written notice to the Trustee as soon as practicable, but in no event later than the expiration of the Original Term or the then current Renewal Term, stating (as the case may be) that: (i) the governing body of the City has failed or refused to appropriate, specifically with respect to the Master Lease, moneys sufficient to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term and stating what actions the City and its officials propose to take with respect to the Master Lease, the Projects and any budgetary procedures for any Base Rentals and Additional Rentals that may thereafter accrue; or (ii) that the City is precluded from adopting its final budget for the fiscal year in question due to the procedural requirements of State law described below.

In the event the governing body of the City is precluded, solely as a result of notice, hearing or other procedural requirements imposed by State law in connection with the adoption of a final budget, from adopting a final budget on or prior to the last day of any Fiscal Year, no Event of Nonappropriation shall be deemed to have occurred as a result of the failure to so adopt a final budget, provided that: (i) prior to the last day of such Fiscal Year, the governing body of the City shall have adopted a tentative budget which includes a tentative appropriation of City Funds sufficient to pay the Base Rentals and reasonably estimated Additional Rentals to become due during the succeeding Renewal Term; (ii) prior to the last day of such Fiscal Year, the City shall have delivered to the Trustee and any Security Instrument Issuer, a copy of the tentative budget adopted by its governing body and a notice stating that it is the intention of the governing body to renew the Lease Term upon the adoption of the final budget; (iii) any Base Rentals or Additional Rentals described in the preceding paragraph, and provided further that any Rentals which become due and payable pursuant to the terms of this Master Lease prior to the adoption of such final budget shall be paid by the City in accordance with the tentative budget adopted by the governing body of the City; and (iv) the governing body of the City shall adopt a final budget on or before the last date allowable under applicable law that includes the appropriation of City Funds required under the Master Lease to renew the Lease Term. The City shall promptly file a copy of the final budget so adopted by its governing body with the Trustee.

Termination of Lease Term

The Lease Term shall terminate upon the first to occur of the following events:

(a) the exercise by the City of its option to purchase the Authority's interest in all of the Projects, granted under the provisions of the Master Lease;

(b) an Event of Default and the election of the Authority or the Trustee to terminate the Master Lease under the provisions thereof;

(c) the discharge of the lien of the Indenture under the provisions of the Master Lease;

(d) the expiration or termination of the Lease Term pursuant to an Event of Nonappropriation or under the conditions provided in the Master Lease; or

(e) the last day of the Lease Term of the Master Lease, upon payment of all Base Rentals and Additional Rentals required thereunder.

Payment of Rentals by the Authority to the City

Payments to Constitute Current Expenses of the City. The City and the Authority acknowledge and agree that the obligation of the City to pay Base Rentals and Additional Rentals under the Master Lease constitutes current expenses of the City payable exclusively from City Funds and shall not in any way be construed to be an obligation or indebtedness of the City within the meaning of Sections 3 or 4 of Article XIV of the Utah Constitution, or any other constitutional or statutory limitation or requirement applicable to the City concerning the creation of indebtedness. No provision in the Master Lease shall be construed or interpreted (i) to require the governing body of the City to appropriate any money to pay the Base Rentals, the Additional Rentals or the Purchase Option Price, or (ii) as a lending of the credit of the City within the meaning of Section 29 of Article VI of the Utah Constitution. Neither the City, nor the Authority on its behalf, has pledged the credit of the City to the payment of the Base Rentals, the Additional Rentals, the Purchase Option Price, the Bonds or the interest thereon, and neither the Master Lease, the Indenture nor the Bonds shall directly or contingently obligate the City to apply money, or to levy or pledge any form of taxation, to the payment of the Base Rentals, the Additional Rentals, the Purchase Option Price or the Bonds or any interest thereon except as expressly provided in the Master Lease. If the City fails to pay any Base Rentals or Additional Rentals due under the Master Lease it shall immediately quit and vacate the Projects and its obligation to pay Base Rentals or Additional Rentals under the Master Lease shall terminate.

Payment of Base Rentals.

(a) The City shall pay Base Rentals exclusively from City Funds. The City shall pay Base Rentals during the Lease Term in such amounts as shall be sufficient to pay principal and interest when due on the Bonds. The Base Rentals shall be payable directly to the Trustee in periodic payments at the times and manner and in the amounts as specified in the schedule of Base Rental payments attached to the Master Lease as shall equal the interest payments falling due on the Bonds on the next succeeding Interest Payment

Date and the principal payments falling due on the Bonds either by regularly scheduled maturities or by mandatory sinking fund installment or redemption, on the next succeeding principal payment date, such that there shall be on deposit with the Trustee at least fifteen days prior to each principal and/or interest payment date on the Bonds an amount sufficient to make such payment. At the time of execution of the Master Lease, Base Rental payments for each payment date will equal the amounts set forth in the Master Lease (however, in the event the City does not ensure such payments are paid in full, it shall be deemed an Event of Nonappropriation or an Event of Default, as applicable). The City understands that the Base Rental Payment Schedule attached to the Master Lease may be revised from time to time based on the redemption of Bonds (other than mandatory sinking fund redemptions) or the issuance of any Additional Bonds or Refunding Bonds allowed under the Indenture. The City agrees to pay the Base Rentals in accordance with the Base Rental Payment Schedule attached to the Master Lease as it may be revised from time to time by such amounts as are necessary to reflect the redemption of the principal of certain Bonds or to pay the principal of the Additional Bonds or Refunding Bonds and interest on such Additional Bonds or Refunding Bonds.

In addition, in the event the market value of the amount on deposit in the Debt Service Reserve Fund is, for any reason, reduced below the Debt Service Reserve Requirement, the City shall, in the event it elects to renew the Master Lease during the following Renewal Term, and as a condition of renewal (but solely from City Funds), pay to the Trustee in two substantially equal semiannual payments additional Base Rentals during the Lease Term, in an amount sufficient to replenish the Debt Service Reserve Fund to the Debt Service Reserve Requirement. Notwithstanding anything contained in the Master Lease to the contrary, no payment of Base Rentals or Additional Rentals shall be required to be paid prior to the Completion Date of any one Project with respect to which such Rentals are being paid.

(b) In the event that (1)(A) a portion of a Project (the "Completed Portion of the Project") financed with a separate Series of Bonds is accepted by the City for use and occupancy under the Master Lease, and (B) the acquisition and construction of additional portions of the Project (the "Uncompleted Portion of the Project") financed with one or more Series of Bonds (other than the Series of Bonds described in (A) above) have yet to be completed, and (2) an Event of Default (as defined in the Indenture) occurs under the Indenture due to the failure to complete the Uncompleted Portion of the Project, the City and the Authority hereby agree, as follows:

(i) The City consents to the provisions of the Indenture governing such an Event of Default; and

(ii) The City shall, subject to the occurrence of an Event of Nonappropriation, continue to pay Base Rentals and Additional Rentals with respect to the Completed Portion of the Project, and the Master Lease shall remain in full force and effect with respect to the Completed Portion of the Project.

(c) In the event that less than all of any one Project is initially made available for use, occupancy and operation and the City accepts a portion of any one Project for its use, occupancy and operation pending final completion of the remainder of any one such Project, any Base Rentals paid by the City with respect to any one such Project shall be prorated in a manner so as to reflect the fair rental value of that portion of the Project then available for use, occupancy or operation by the City and so used, occupied or operated.

(d) The amount of the Base Rentals otherwise payable by the City under the Master Lease shall be reduced by an amount equal to (i) any earnings on the investment of the Bond Fund, (ii) any moneys transferred to the Bond Fund from the Debt Service Reserve Fund pursuant to the Indenture (other than from draws on a Reserve Instrument), and (iii) any Direct Payments on deposit with the Trustee in the Bond Fund. In the event that Direct Payments are deposited with the Trustee after the City has made the related payment of Base Rentals, the City may elect to have the Trustee return to the City an amount equal to such Direct Payments (so long as the amount remaining on deposit in the Bond Fund continues to be sufficient to pay principal and interest next due on the Bonds, if such payment is requested prior to the related Interest Payment Date) or to have the Trustee retain the Direct Payments in the Bond Fund and take the credit with respect to the next required Base Rentals payment. Each payment of Base Rentals shall be in consideration for the use of the Projects by the City during the applicable period commencing on the Bond Payment Date next preceding the Bond Payment Date to which such Base Rental payment is attributable and for the option to purchase the Projects granted in the Master Lease.

(e) The payments of Base Rentals and Additional Rentals under the Master Lease for each Renewal Term during the term of the Master Lease shall constitute the total Rentals which are payable for said Renewal Term and shall be paid by the City for and in consideration of the right of use, occupancy and operation of the Projects and the continued quiet use and enjoyment of the Projects for and during said Renewal Term. The parties to the Master Lease agree that such total Rentals will represent the fair rental value of the Projects. In making such determination, the parties will give consideration to the costs of financing the Costs of Acquisition and Construction of the Projects, the uses and purposes of the Projects and the benefits therefrom which will accrue to the parties to the Master Lease and the general public by reason of the Projects.

(f) Notwithstanding the foregoing, the City may not elect to renew the Master Lease in part and in the event it desires to renew the Master Lease must continue to pay City Funds in an amount sufficient to pay Base Rentals attributable to all of the Projects which have been delivered for occupancy or use (or any portion thereof, in proportion to such available portion).

(g) It is understood and agreed by the City that, subject to the terms of the Master Lease and the Indenture, all Base Rentals payable under the Master Lease by the City, as well as the Purchase Option Price, if paid with respect to any or all of the Projects, are assigned by the Authority to the Trustee for the benefit of the Bondholders as set forth in the Indenture. The City assents to such assignment. The Authority hereby directs the City, and the City agrees to pay to the Trustee at its principal office in Salt Lake City, Utah or such other office as designated by the Trustee, all Base Rentals payable by the City pursuant to the Master Lease and, if paid, the Purchase Option Price.

(h) The amount of the Base Rentals and Purchase Option Price otherwise payable shall be reduced as appropriate to reflect any redemption of Bonds and/or the purchase of Bonds and the cancellation thereof in advance of their maturity. If at any time the amounts held by the Trustee in the Bond Fund and the Debt Service Reserve Fund (other than moneys held for the payment of Bonds not deemed Outstanding) shall be sufficient to pay at the times required the principal of and interest and premium, if any, on all of the Bonds then Outstanding, the City shall not be obligated to pay any further Base Rentals under the Master Lease.

(i) As provided in Section 17D-2-401(2)(b)(i) of the Building Authority Act, the City is not required to make any payment of Base Rentals or Additional Rentals under the Master Lease until construction of the related Project or Projects are complete. In the event that a Project is not completed by the time that amounts set aside for payment of capitalized interest are expended, the City and the Authority shall (i) reallocate proceeds of the related Series of Bonds to make funds available for additional capitalized interest, (ii) seek other legally available funds for such purpose or (iii) issue Additional Bonds to finance additional capitalized interest; provided, however, the City may commence making payments of Base Rentals with respect to individual completed projects constituting a Project.

Payment of Additional Rentals with Respect to the Projects

In addition to the Base Rentals and as part of the total consideration for the use of the Projects and the option to purchase any or all of the Projects, and commencing upon the execution and delivery of the Master Lease and continuing throughout the period that the City pays Base Rentals, the City shall pay or shall cause to be paid the following Additional Rentals, exclusively from City Funds, during the Lease Term thereof as provided in the Master Lease:

(a) the annual fee of the Trustee for the ordinary services of the Trustee rendered and its ordinary expenses incurred under the Indenture;

(b) the reasonable fees and expenses of the Trustee and any paying agent appointed under the Indenture with respect to the Bonds for acting as paying agent as provided in the Indenture;

(c) the reasonable fees and expenses of the Trustee for extraordinary services rendered by it and extraordinary expenses, including the fees and expenses of its counsel, incurred as Trustee under the Indenture;

(d) the reasonable out-of-pocket expenses of the Authority relating to the Projects not otherwise required to be paid by the City under the terms of the Master Lease;

(e) the costs of maintenance and repair of the Projects as required under the Master Lease;

(f) the costs of taxes, governmental charges, utility charges, management and operations expenses, liens and encumbrances with respect to the Projects as required under the Master Lease;

(g) the costs of casualty, public liability and property damage and worker's compensation insurance with respect to the Projects as required under the Master Lease;

(h) the amount of any tax or excise on the Base Rentals, Additional Rentals, Purchase Option Price or any other tax, however described, levied, assessed or imposed by the United States Government, the State or any political subdivision or any taxing authority thereof against the Authority;

(i) an amount equal to any franchise, succession, capital levy or transfer tax or any income, excess profits or revenue tax, or any other tax, assessment, charge or levy upon the Base Rentals, Additional Rentals or the Purchase Option Price payable by the City pursuant to the Master Lease;

(j) any amounts required to be deposited to the Rebate Fund established with respect to a Series of Bonds;

(k) Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations; and

(l) during the Original Term or any Renewal Term in which there is an insufficiency of Net Proceeds as described in the Master Lease, an amount equal to the insufficiency of Net Proceeds required to repair, replace, restore or modify the affected Project or Projects.

The Additional Rentals specified in subsections (a), (b), (c) and (k) shall be payable to the Trustee and shall be due and payable within ten days after notice in writing from said Trustee to the City stating the amount of Additional Rentals then due and payable and the purpose thereof. Except as otherwise provided in the Master Lease or in the Indenture, the Additional Rentals specified in subsections (d), (e), (f), (g), (h), and (i), shall be payable to the Authority or directly to the person or entity with respect to which such costs or fees were incurred and shall be due and payable at such time as the Authority or such person or entity shall require. Additional Rentals specified in subjection (j) shall be determined by, or at the direction of, the City and deposited with the Trustee as required by Section 148 of the Code.

Manner of Payment

The Base Rentals, Additional Rentals and, if paid, the Purchase Option Price, shall be paid exclusively from City Funds and in lawful money of the United States of America. The obligation of the City to make payment of the Base Rentals and Additional Rentals required under the Master Lease and to perform and observe the other covenants and agreements contained therein shall be absolute and unconditional in all events except as expressly provided thereunder.

Nonappropriation

In the event that sufficient City Funds shall not be budgeted and appropriated by the City, in a final budget adopted within the time permitted by the Master Lease, for the payment of the (i) Base Rentals becoming due during such Renewal Term, and (ii) such Additional Rentals becoming due during such Renewal Term which can be determined with reasonable accuracy, then an Event of Nonappropriation shall be deemed to have occurred as of the first day of such Renewal Term and the City shall not be obligated to make payment of the Base Rentals or Additional Rentals provided for in the Master Lease beyond the last day of the Renewal Term preceding such Event of Nonappropriation. Subject to the provisions of the next succeeding sentence, once the City has elected to continue the Master Lease for a Renewal Term by budgeting and appropriating sufficient City Funds for the payment of Base Rentals and Additional Rentals thereunder the City shall, as of the first day of such Renewal Term, be obligated to pay such Base Rentals and Additional Rentals during such Renewal Term. If the City fails to pay any Base Rentals or Additional Rentals due under the Master Lease, or upon an Event of Nonappropriation the City shall immediately quit and vacate the Projects and its obligation to pay Base Rentals or Additional Rentals thereunder shall terminate. The Trustee shall, upon the occurrence of an Event of Nonappropriation, have all rights and remedies to take possession of the Projects as trustee for the benefit of the Bondholders of the Bonds and the Trustee shall be further entitled to all moneys then on hand and being held in all funds created under the Indenture, less any moneys then due and owing to the Trustee for services performed as trustee thereunder. All property, funds and rights acquired by the Trustee by reason of an Event of Nonappropriation shall be held by the Trustee under the Indenture for the benefit of the Bondholders as set forth in said Indenture until the principal of, premium, if any, and interest on the Bonds are paid in full and any excess shall thereafter be paid to the City.

Request for Appropriation

During the Lease Term, the City covenants and agrees as follows:

(a) to include in its annual tentative budget prepared by the appropriate officials acting on behalf of the City in accordance with applicable law an item for expenditure of an amount necessary (after taking into account any and all City Funds then legally available for such purpose), to pay the Base Rentals and reasonably estimated Additional Rentals (calculated pursuant to the Master Lease) for the Projects during the next succeeding Renewal Term; and

(b) to take such further action (or cause the same to be taken) as may be necessary or desirable to assure that the final budget submitted to the governing body of the City for its consideration seeks an appropriation of City Funds sufficient to pay such Base Rentals and Additional Rentals for each such Renewal Term, including all such actions for such purpose as may be required under State law.

The next inclusion in the City's annual tentative budget shall be made under applicable law prior to the fiscal year commencing July 1, 2026, so that the Base Rentals and the reasonably estimated Additional Rentals payable during such Renewal Term will have been appropriated for such purpose, and subsequent inclusions in each respective tentative budget for appropriations by the City shall be made in each fiscal year thereafter so that the Base Rentals and Additional Rentals to be paid during the succeeding Renewal Term will be available for such purposes as long as the governing body of the City determines to approve such amount in the final budget as adopted. To effect the covenants set forth in (a) above, the City hereby directs its budget officer, or any other officer at the time charged with the responsibility of formulating budget proposals, to include in the tentative budget prepared annually by such budget officer or other officer and submitted to the governing body of the City, in any year in which the Master Lease is in effect, items for all payments required for the ensuing Renewal Term under the Master Lease. It is the intention of the City that the decision to renew or not to renew the term of the Master Lease is to be made solely by the governing body of the City at the time it considers for adoption of the final budget for each of its fiscal years and corresponding Renewal Terms thereunder, and not by any official of the City, acting in his or her individual capacity as such. In this connection, the City covenants and agrees that such budget officer or other officer shall not amend, modify or otherwise change the appropriations made in any finally adopted budget for the payment of any Base Rentals or Additional Rentals without the express prior approval of the governing body of the City.

Acquisition and Construction of Projects

Agreement to Acquire and Construct the Projects. The City and the Authority agree that the Authority shall cause the Projects to be acquired and constructed as provided in the Master Lease, all of which construction, shall be made in accordance with the plans and specifications for such Projects as approved by the City. The City agrees that in order to effectuate the purposes of the Master Lease, it authorizes the City Representative or the Authority Representative, on behalf of the Authority, to make, execute, acknowledge and transmit any other contracts, orders, receipts, writings and instructions with any other persons, firms or corporations and in general do all things which may be requisite or proper, all for the carrying out and furtherance of the acquisition and construction of the Projects.

The Authority agrees to carry out or to cause to be carried out the acquisition, construction and equipping of any Project through the application of moneys to be disbursed from the Construction Fund by the Trustee utilizing a requisition request complying with the requirements of the Master Lease.

The Authority agrees to cause all Projects to be constructed with all reasonable dispatch, subject only to delays caused by Force Majeure excepted.

The City covenants in the Master Lease, to the extent permitted by applicable law, to use other legally available funds and to seek additional legally available funds to the extent necessary to complete the acquisition, construction and equipping of any Project as required in the Master Lease, or to make certain design changes in such Projects to the extent necessary to complete the acquisition, construction and equipping of such Project with moneys then available for such purposes in the Construction Fund.

Establishment of Completion Date; Disbursement of Balance of Construction Fund. The Completion Date with respect to any one Project shall be evidenced to the Trustee by a certificate signed by the City Representative and the Authority Representative stating that, except for amounts retained by the Trustee at the direction of the Authority for any Costs of Acquisition and Construction not then due and payable, (i) the acquisition, construction, installation and improvement of such Project has been completed in accordance with the plans and specifications and all labor, services, materials and supplies used in such acquisition, construction, installation and improvement have been paid for, (ii) all other facilities necessary in connection with such Project have been constructed, acquired and installed to their satisfaction, (iii) such Project is suitable and sufficient for its intended purposes, and (iv) all costs and expenses incurred in the acquisition, construction and equipping of such Project have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being. Upon receipt of such certificate, the Trustee shall retain in the applicable Construction Fund account an aggregate sum equal to the amount estimated by the City Representative and the Authority Representative to be necessary for payment of the Cost of Acquisition and Construction not then due and payable. All moneys then on hand in such the Construction Fund account in excess of the amount to be retained shall be transferred by the Trustee, as set forth in a written direction of the Authority and the City, to the Bond Fund to be used by the Trustee as provided in the related Supplemental Indenture.

Maintenance; Taxes; Insurance and Other Charges

Maintenance of the Projects by the City. The City shall, at its own expense from available City Funds, operate, manage, keep and maintain the Projects (or cause the Projects to be operated, managed, kept and maintained) in good working order, condition and repair, including replacements of a capital nature when necessary, and including periodic painting as reasonably determined by the Authority and in accordance with all operating and maintenance manuals and all applicable laws, rules, ordinances, orders and regulations as shall be in effect from time to time of: (1) any federal, state, county, municipal, or other governmental or quasi-governmental agencies and bodies having or claiming jurisdiction thereof and all their respective departments, bureaus, and officials; (2) the insurance underwriting board or insurance inspection bureau having or claiming jurisdiction thereof; and (3) all insurance companies insuring all or any part of the Projects. The foregoing shall not be construed to prohibit the City from challenging the validity or applicability of such laws, rules, ordinances, orders and regulations and to defer compliance until the challenge has been completed.

Modification of the Projects. The City shall have the privilege of remodeling any Project or making substitutions, additions, modifications and improvements thereto, at its own cost and expense, and the same shall be subject to the Master Lease, the Indenture and the Security Documents, and shall also be included under the terms thereof; provided, however, that such remodeling, substitutions, additions, modifications and improvements shall not in any way damage such Projects or cause it to be used for purposes other than those authorized under the provisions of the Master Lease, and the Constitution and laws of the State; and provided, however, that such Projects, as remodeled, improved or altered upon completion of such remodeling, substitutions, additions, modifications and improvements made pursuant to the Master Lease shall be of a fair rental value not less than the fair rental value of such Projects immediately prior to the remodeling or the making of substitutions, additions, modifications and improvements.

Taxes, Other Governmental Charges and Utility Charges. In the event that a Project or any portion thereof shall, for any reason, be deemed subject to taxation, assessments or charges lawfully made by any governmental body which may be secured by a lien against such Project, an Additional Rental, from and to the extent of City Funds, shall be paid, or cause to be paid, by the City equal to the amount of all such taxes, assessments and governmental charges then due. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the City shall be obligated to provide for Additional Rentals only for such installments as are required to be paid during that period that the City is obligated to pay Base Rentals. The City shall not allow any liens for taxes, assessments or governmental charges to exist (including, without limitation, any taxes levied which, if not paid, will become a charge on the rentals and receipts prior to or on a parity with the charge thereon and the pledge and assignment thereof to be created and made in the Indenture), or any interest therein (including the interest of the Authority) on the rentals and revenues derived therefrom or hereunder. The City shall also pay, or shall cause to be paid, as Additional Rentals, from and to the extent of available City Funds, as the same respectively become due, all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Projects.

As long as the City is in possession of the Projects and except as otherwise provided in the Master Lease, it shall keep it free and clear of all liens, charges and encumbrances (except Permitted Encumbrances and any encumbrances arising through the Authority) and shall have the responsibility for all management, operations, maintenance and repair of the Projects. The City in its discretion may discharge its responsibility under the Master Lease by: (1) using its own employees; or (2) contracting for services; or (3) subleasing all or portions of the Projects, subject to the provisions of the Master Lease and the Indenture; or (4) any combination of such methods. No such contract or sublease shall place a greater burden on the Authority than provided in the Master Lease, nor infringe upon rights granted to or retained by the Authority hereunder, nor violate or in any way impair the Authority's obligations under the Indenture or any other instrument, if any, securing any debt or borrowings by the Authority, all or substantially all the proceeds of which are to be used to finance Projects.

The City may, at the expense and in the name of the City, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom provided the City shall first deposit with the Trustee, or in court, a bond or other security satisfactory to the Trustee pursuant to the Security Documents unless the Trustee shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such items the security afforded pursuant to the terms of the Master Lease, the Indenture and the Security Documents will be materially endangered or the Projects or any portion thereof will be subject to loss or forfeiture, in which event such taxes, assessments or charges shall be paid forthwith.

Provisions Respecting Insurance. The City agrees to insure or cause to be insured, with the Trustee listed as a Loss Payee, the Projects against loss or damage of the kinds usually insured against by public bodies similarly situated, including, without limitation, policies of casualty and property damage, by means of policies issued by reputable insurance companies duly qualified to do such business in the State with a uniform standard coverage endorsement limited only as may be provided in the standard form of extended coverage endorsement at that time in use in the State, in amounts that are not less than full insurable value of the Projects. The term "full insurable value" as used in the Master Lease shall mean the actual replacement value, or at the option of the City any lesser amount which is equal to or greater than the principal amount of all of the Bonds then Outstanding of the Series which financed said Projects (or applicable portions thereof in case said Series of Bonds financed more than one Project). Alternatively, the City may insure or cause to be insured under a blanket insurance policy or policies which cover not only the Projects but other properties in the amounts required by the previous sentence.

Any insurance policy issued pursuant to the preceding paragraph shall be so written or endorsed as to make losses, if any, payable to the Trustee. The Net Proceeds of the insurance required in the Master Lease shall be applied as described under "Obligation of the City to Repair and Replace the Project" below or, at the option of the City, as described in "Discharge of the Obligation of the City to Repair and Replace the Project" below.

The City agrees to self-insure or to carry or cause to be carried public liability insurance with one or more reputable insurance companies in amounts that are typically carried by governmental entities of the same size as the City for property damage for any occurrence. In the event that the limits on governmental liability established by Section 63G, Chapter 7, Utah Code Annotated 1953, as amended, are increased, the amounts required by the Master Lease shall be deemed to be increased to such higher amounts. If self-insurance is not utilized, the Authority and the Trustee shall be made additional insureds under such policies.

Damage, Destruction and Condemnation; Use of Net Proceeds

Damage, Destruction and Condemnation. If, prior to the termination of the Lease Term and the payment in full of the Bonds (or the making of provisions for the payment thereof in accordance with the Indenture) (i) the Projects or any material portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty; or (ii) title to, or the temporary or permanent use of the Projects or any material portion thereof or the Projects or any material portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority; or (iii) a material defect in construction of a Project shall become apparent; or (iv) title to or the use of all or any material portion of the Projects shall be lost by reason of a defect in title thereto, the City shall be obligated, from and to the extent of City Funds and subject to the provisions of "Discharge of the Obligation of the City to Repair and Replace the Project" below, to continue to pay the amounts specified in the Master Lease regardless of whether said Project or Projects shall have been accepted.

Obligation of the City to Repair and Replace the Project. Subject to the provisions of the Master Lease, the City, the Authority, and the Trustee shall cause the Net Proceeds of any insurance policies, performance bonds or condemnation awards with respect to a Project or Projects to be deposited in the applicable Construction Fund account if received before the Completion Date and in a separate trust fund under the Indenture if received thereafter. All Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification or improvement of said Project or Projects by the City upon receipt of a requisition acceptable to the Trustee signed by the City Representative, stating with respect to each payment to be made: (i) the requisition number; (ii) the name and address of the person, firm or corporation to whom payment is due; (iii) the amount to be paid; (iv) that each obligation mentioned therein has been properly incurred, is a proper charge against the applicable Construction Fund account or separate trust fund, and has not been the basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation; and (v) such other documents and information as the Trustee requires. The balance of any such Net Proceeds remaining after such repair, restoration, modification or improvement has been completed shall be transferred to the Bond Fund to be applied to the payment of the principal of, premium, if any, and interest on the applicable Series of Bonds, or if said Bonds shall have been fully paid (or provision for payment thereof has been made in accordance with the provisions of the Indenture), any balance remaining in such Construction Fund account(s) or separate trust fund shall be paid to the City. If the Net Proceeds shall be insufficient to pay in full the cost of any repair, restoration, modification or improvement, the City shall, from and to the extent of available City Funds, complete the work and pay any cost in excess of the amount of the Net Proceeds. The City agrees that, if by reason of any such insufficiency of the Net Proceeds, the City shall make any payments pursuant to the provisions of the Master Lease, the City shall not be entitled to any reimbursement therefor from the Authority, the Trustee or the Bondholders of the Bonds nor shall the City be entitled to any diminution of the Base Rentals and Additional Rentals payable under the Master Lease. The City further agrees that any repair, restoration, modification or improvement paid for in whole or in part from such Net Proceeds shall be subject to the security afforded by the Indenture, the Master Lease and the Security Documents, and shall be included under the terms of the Master Lease.

Covenant to Seek Appropriation of Insufficiency of Net Proceeds; Discharge of the Obligation of the City to Repair and Replace the Projects. In the event that the Net Proceeds of any insurance policy, performance bond or condemnation award shall be insufficient to pay in full the cost of any repair, restoration, or modification of a Project or Projects required under the Master Lease, the appropriate budget officers of the City shall, within 30 days of notice of such insufficiency, seek an appropriation from the City for an amount equal to any such insufficiency. In the event that the City shall fail to appropriate, by the first day of the next Renewal Term following such request for an appropriation, an amount at least equal to such insufficiency for such purpose, the obligation to repair and replace said Project or Projects under the Master Lease may be discharged by depositing the Net Proceeds of the insurance policies, performance bonds or condemnation awards made available by reason of such occurrence into the Bond Fund. Upon the deposit of such Net Proceeds in said Bond Fund, the City shall have no further obligation for the payment of Base Rentals and Additional Rentals thereunder with respect to said Project or Projects, and possession of said Project or Projects as well as all rights created pursuant to the Master Lease and the interest of the City and the Authority therein and in any funds or accounts created under the Indenture with respect to said Project or Projects (except for moneys held in the Rebate Fund and for the payment of Bonds not then deemed Outstanding), shall be surrendered to the Trustee, as trustee for the Bondholders of the applicable Series of Bonds. Thereafter, the Authority's interest in said Project or Projects may be liquidated pursuant to the provisions of and subject to the limitations set forth in the Indenture, Security Documents and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Indenture with respect to said Project or Projects (except moneys held in the Rebate Fund or for the payment of Bonds not then deemed Outstanding), shall be applied to the redemption of the applicable Series of Bonds on the next succeeding redemption date. Such redemption of the applicable Series of Bonds shall be made upon full or partial payment of the principal amount of said Bonds then Outstanding and accrued interest thereon all in accordance with the Indenture.

Granting of Easements and Releases. As long as no Event of Default with respect to the Projects shall have happened and be continuing, the City may at any time or times grant easements, licenses, rights of way and other rights or privileges in the nature of easements with respect to any property or rights included in the Master Lease and the Indenture, free from the security interest afforded by or under the Master Lease, the Indenture and the Security Documents or the City may release portions of the sites on which a Project or Projects is located or existing easements, licenses, rights of way and other rights and privileges with or without consideration, and the Authority agrees that it shall execute and deliver and will cause and direct the Trustee to execute and deliver, any instrument necessary or appropriate to confirm and grant or release such portion of the Project Site or any such easement, license, right of way or other grant or privilege upon receipt of: (i) a copy of the instrument of grant or release; (ii) a written application signed by the City Representative requesting such instrument and stating that such grant or release will not impair the effective use or interfere with the operation of such Projects or any material portion thereof; and (iii) an opinion of counsel to the City that such grant or release will not materially weaken, diminish or impair the security granted to the Bondholders and contemplated hereby or under the Master Lease, the Indenture or the Security Documents.

Conveyance of the Projects

(a) The Authority's right and interest in and to all of the Projects shall be transferred, conveyed and assigned by the Authority to the City:

(i) Upon payment by the City to the Trustee of the then applicable Purchase Option Price and upon giving not less than thirty (30) days prior written notice to the Authority and the Trustee; or

(ii) Upon payment by the City to the Trustee of all Base Rentals and Additional Rentals required to be paid under the Master Lease during the Lease Term; or

(iii) Upon the discharge of the lien of the Indenture.

Under the Indenture, the Trustee shall agree to execute such documents and instruments as shall be necessary to effect a release of the security interest granted by said Indenture or the Security Documents upon the payment in full of all of the Bonds.

(b) The City understands that the Purchase Option Price may be revised from time to time based on certain redemptions of Bonds (other than mandatory sinking fund redemptions) or the issuance of any Additional Bonds or Refunding Bonds authorized under the Indenture. In the event the City so elects to purchase all of the Projects as provided in the Master Lease, the City agrees to pay such applicable Purchase Option Price (together with the other amounts constituting the purchase price for the Projects as provided in the Master Lease) as it may be revised from time to time by such amounts as are necessary to reflect the redemption of the Bonds or the issuance of Additional

Bonds or Refunding Bonds. Nothing in the Master Lease shall be construed to create any obligation of the City to purchase the Projects.

(c) The City understands that, with respect to the Series 2026 Project, it may only exercise its option to purchase the Series 2026 Project only if the purchase option is exercised with respect to all of the various projects that comprise the Series 2026 Project.

Release of a Project Upon Payment of Related Series of Bonds. In addition to the purchase option set forth above, the Master Lease grants the City the option of purchasing a Project in advance of the final maturity of the related Series of Bonds. So long as no Event of Default shall have occurred and be continuing under the Indenture and so long as no Event of Default or Event of Nonappropriation shall have occurred and be continuing under the Master Lease and the Security Instrument Issuer for the related Series of Bonds shall have consented thereto (which consent shall not be unreasonably withheld) unless the related Series of Bonds have been legally defeased or refunded, a Project may be released from the lien created with respect to the Bonds and the Indenture and the Master Lease and transferred to the City (subject to Permitted Encumbrances and liens and encumbrances resulting from the failure of the City to perform or observe the agreements on its part contained in the Master Lease or otherwise consented to by the City), if (i) the City shall deposit with the Trustee the Purchase Option Price for such Projects; and (ii) there shall have been delivered to the Trustee an opinion of nationally recognized bond counsel to the effect that the release of such Projects will not adversely affect the excludability of interest on the Bonds from federal gross income of the owners thereof or the status of the bonds as Tax Credit Bonds, if applicable. The City shall be obligated to pay all costs of the Trustee and the Authority in providing for the transfer and release of any Project or portion thereof.

Conveyance on Purchase of Project. At the closing of any purchase of any or all of the Projects pursuant to the option to purchase granted in the Master Lease, the Authority shall, upon receipt by the Trustee of the Purchase Option Price, or upon the payment by the City of all Base Rentals and Additional Rentals required , or upon discharge of the lien of the Indenture as the case may be, deliver to the City the following:

(a) If necessary, a release by the Trustee of the lien under the Indenture and Security Documents, together with any other instrument necessary or appropriate to release any security interest granted by the Master Lease with respect to the Project or Projects to be released, the Indenture and the Security Documents.

(b) All necessary documents conveying to the City good and marketable title to the Project or Projects to be released as it then exists subject to the following: (i) the right, title and interest of the City in such Project or Projects; (ii) those liens and encumbrances created by the City or to the creation or suffering of which the City consented; (iii) those liens and encumbrances resulting from the failure of the City to perform or observe any of the agreements on its part contained in the Master Lease; and (iv) Permitted Encumbrances, other than the Indenture, the Master Lease, the Security Documents and any financing statements filed by the Authority pursuant to the Master Lease with respect to the Project or Projects to be released or the Indenture.

Relative Position of Option and Indenture. The purchase option granted to the City with respect to all of the Projects shall be and remain prior and superior to the Indenture and may be exercised whether or not an Event of Nonappropriation or Event of Default shall have occurred and be continuing under the Master Lease or under the Indenture; provided, however, that such option must be exercised before the later of (i) ninety days after notification in writing by the Trustee to the City of the occurrence of an Event of Default under the Indenture, or (ii) the ultimate disposition of the Projects upon exercise of any available foreclosure remedy, and further provided that, as a condition of the exercise of such option, the City must pay, in addition to the Purchase Option Price, any interest payment deficiencies accruing from the date of the Event of Default and all Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations.

Events of Default and Remedies

Events of Default Defined. Any one of the following shall be an "Event of Default" under the Master Lease:

(a) Failure by the City to pay any Base Rentals or Additional Rentals required to be paid under the Master Lease at the time specified therein, in the absence of an Event of Nonappropriation; or

(b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in (a), for a period of thirty days after written notice, specifying such failure and requesting that it be remedied, given to the City by the Trustee, unless the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the Trustee shall not unreasonably withhold their consent to an extension of such time if corrective action shall be instituted by the City within the applicable period and diligently pursued until the default is corrected; or

(c) The City shall abandon any material portion of a Project; or

(d) The City 's interest in the Master Lease or any part thereof shall be assigned or transferred without the written consent of the Authority, either voluntarily or by operation of law, except as permitted hereunder; or

(e) The City shall file any petition or institute any proceedings wherein or whereby the City seeks to be adjudicated a bankrupt, or to be discharged from any and all of its debts or obligations, or offers to the City's creditors to effect a composition or extension of time to pay the City's debts, or seeks a reorganization or a readjustment of the City's debts, or for any other similar release, or any such petition or any such proceedings of the same or similar kind or character shall be filed, or instituted or taken against the City and the same shall not have been dismissed or otherwise resolved in favor of the City within sixty days from the filing or institution thereof; or

(f) Dissolution of the Authority prior to the full repayment of the Series 2026 Bonds.

The foregoing provisions are subject to the following limitations: (i) the obligations of the City to make payments of the Base Rentals and Additional Rentals as provided in the Master Lease shall be subject to the occurrence of an Event of Nonappropriation; and (ii) if, by reason of Force Majeure, the City shall be unable, in whole or in part, to carry out any agreement on its part contained in the Master Lease, other than the obligations on the part of the City contained in the Master Lease, the City shall not be deemed in default during the continuance of such inability. The City agrees, however, to remedy with all reasonable dispatch the cause or causes preventing the City from carrying out its agreement; provided, however, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the City, and the City shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the City, unfavorable to the City.

Remedies on Default. Whenever any Event of Default referred to in the previous section shall have happened and be continuing, subject to the limitations contained in the Indenture and the rights of any Security Instrument Issuer (so long as the Security Instrument Issuer is not in default under its Security Instrument), , the Trustee or the Authority with the written consent of the Trustee, shall have the right, at their or its option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) Immediately reenter and take possession of the Projects;

(b) Exercise any rights or remedies as the Trustee may have under Indenture or the Security Documents; or

(c) Take whatever action at law or in equity may appear necessary or desirable to enforce their or its rights in and to the Projects, including, without limitation, the right to terminate the Lease Term.

Upon the occurrence of an Event of Default, the City shall immediately quit and vacate the Projects and its obligation to pay Base Rentals or Additional Rentals under the Master Lease shall terminate. Any moneys collected pursuant to action taken under the Master Lease shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture.

Limitations on Remedies. No judgment requiring a payment of money may be entered against the City by reason of an Event of Default under the Master Lease, except as expressly provided in the Master Lease. In the event the security interest created under the Indenture, the Master Lease or the Security Documents shall be foreclosed subsequent to the occurrence of an Event of Default, no deficiency judgment may be entered against the City or the Authority.

No Remedy Exclusive. No remedy conferred upon or reserved to the Authority and the Trustee in the Master Lease is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Master Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

THE SECURITY DOCUMENTS

The Authority under the Security Documents will irrevocably warrant, grant, transfer, convey and assign to Trustee, IN TRUST, WITH POWER OF SALE, all of the Authority's right, title and interest in the Project, including, but not limited to the Authority's interests in real property, rents, issues, profits, royalties, income, interest in leases or subleases, options to purchase, easements, rights of way, proceeds of insurance or condemnation and tangible personal property in order to provide additional security for the Authority's payment obligations under the Bonds and the Indenture. The Security Documents generally provide for the procedure by which the Trustee can foreclose on and sell the Authority's interest in the Project to pay the Authority's payment obligations under the Bonds and Indenture.

APPENDIX C

DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY

THE CITY

City Population

Year	Population	Percent Change
2025	87,614	1.7%
2024	86,179	0.5
2023	85,734	2.1
2022	83,940	4.8
2021	80,110	3.4
2020 Census	*77,487*	*1.2*
2019	76,598	3.7
2018	73,837	4.1
2017	70,929	3.5
2016	68,545	3.8
2015	66,034	5.7

(Source: U.S. Census Bureau. Years 2015 through 2019 and 2021 through 2025 are estimates as of July 1 of the year given; 2020 is as of 2020 census.)

Construction Activity

The following table summarizes the value of permit authorized construction for the City for the years shown for both residential and commercial construction.

	Calendar Year				
	2025	2024	2023	2022	2021
New Dwelling Units	782	737	372	924	1,796
New Residential Value ($000)	$170,223.0	$172,917.0	$89,635.0	$199,529.0	$358,614.0
New Nonresidential Value ($000)	158,171.0	195,799.0	36,627.0	70,069.0	64,535.0
Additions/Alterations/Repairs ($000)	57,548.0	33,143.0	61,051.0	49,567.0	41,440.0
Total Construction ($000)	$385,942.0	$401,859.0	$187,313.0	$319,165.0	$464,589.0

(Source: University of Utah Bureau of Economic and Business Research.)

SALT LAKE COUNTY

The following demographic information is provided solely as background information regarding Salt Lake County (the "County"), the general area in which the City is located. The County is the economic and population center of the State. Based on 2020 Census data, the County has approximately 36% of the total population of the State. The State capital, Salt Lake City, is located in the County.

County and State Population

Year	County	% Change	State	% Change
2025 Estimate	1,220,916	0.28	3,538,904	1.03
2024 Estimate	1,217,454	0.99	3,502,983	1.56
2023 Estimate	1,205,509	0.90	3,449,259	1.63
2022 Estimate	1,194,746	0.68	3,393,928	1.62
2021 Estimate	1,186,648	0.12	3,339,874	2.09
2020 Census	*1,185,238*	*2.14*	*3,271,616*	*2.05*
2019 Estimate	1,160,437	1.02	3,205,958	1.66
2018 Estimate	1,148,692	1.05	3,153,550	1.69
2017 Estimate	1,136,719	1.48	3,101,042	1.95
2016 Estimate	1,120,109	1.62	3,041,868	2.01
2015 Estimate	1,102,273	1.13	2,981,835	1.53
2010 Census	*1,029,655*	–	*2,763,885*	–

(Source: U.S. Census Bureau, Population Division.)
Note: The 2010 and 2020 Census are as of April 1 of those years; the annual population estimates are as of July 1 of the year given. Estimates are subject to change.

Rate of Unemployment – Annual Average

Year	County	State	United States
2024	3.2%	3.2%	4.0%
2023	2.7	2.7	3.6
2022	2.4	2.4	3.6
2021	2.9	2.8	5.3
2020	5.3	4.8	8.1
2019	2.5	2.5	3.7
2018	2.9	2.9	3.9
2017	3.0	3.1	4.4
2016	3.1	3.3	4.9
2015	3.3	3.5	5.3

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

Economic Indicators in the County

LABOR FORCE [1]	2025	2024	2023	2022	2021
Labor Force (annual average)	n/a	693,444	681,550	664,322	645,193
Employed (annual average)	n/a	671,267	663,016	648,471	626,701
Unemployed (annual average)	n/a	21,177	18,534	15,851	18,492
Average Employment (Non-Farm Jobs)	820,278	808,015	800,225	783,881	750,123
% Change Prior Year	*1.52*	*0.98*	*2.09*	*4.50*	*4.08*
Average Employment by Sector:					
Agriculture, Forestry, Fishing & Hunting	562	572	600	505	433
Mining	3,252	3,476	3,419	3,101	2,711
Utilities	2,918	2,755	2,674	2,621	2,540
Construction	56,396	55,073	54,136	52,254	49,403
Manufacturing	62,657	60,989	61,937	61,233	58,412
Wholesale Trade	39,434	40,100	38,399	36,899	34,826
Retail Trade	71,110	73,066	73,842	75,693	75,837
Transportation and Warehousing	51,115	50,974	50,935	48,540	46,635
Information	24,010	23,459	24,260	24,535	21,586
Finance and Insurance	52,216	51,877	51,142	51,666	51,570
Real Estate and Rental and Leasing	13,597	12,882	12,605	12,320	11,964
Professional, Scientific & Technical Services	75,902	76,023	75,975	73,906	67,717
Management of Companies and Enterprises	17,381	16,898	16,780	16,336	16,041
Administrative, Support, Waste Management, & Remediation	52,095	49,971	51,294	52,504	50,714
Education Services	71,383	68,673	66,619	65,262	62,248
Health Care and Social Assistance	97,477	93,654	90,862	86,331	83,898
Arts, Entertainment, and Recreation	13,965	13,241	12,260	11,306	9,691
Accommodation and Food Services	57,009	57,213	56,703	53,976	48,396
Other Services and Unclassified Establishments	23,334	23,209	23,147	22,902	22,348
Public Administration	34,466	33,911	32,634	31,989	31,155
Total Establishments	68,084	67,171	65,069	62,762	62,346
Total Wages ($Millions)	65,197.9	61,501.2	58,435.7	54,673.5	49,206.1

INCOME AND WAGES	2025	2024	2023	2022	2021
Total Personal Income ($000) [2]	n/a	$91,748,267	$86,904,107	$80,769,549	$76,936,492
Per Capita Income [2]	n/a	75,434	72,387	67,745	64,843
Median Household Income [1]	n/a	99,008	94,658	91,713	80,676
Average Monthly Nonfarm Wage [1]	$6,624	6,343	6,085	5,812	5,466

SALES & CONSTRUCTION	2025	2024	2023	2022	2021
Gross Taxable Sales ($000,000) [3]	43,966.8	42,782.1	41,950.6	41,687.3	37,173.7
New Dwelling Units [4]	7,253	4,093	8,824	8,864	11,037
Total Construction Value ($000) [4]	3,955,821.0	3,565,252.3	4,463,195.5	3,992,958.0	4,343,554.3
New Residential Value ($000) [4]	1,821,054.7	1,015,070.2	2,147,646.1	1,711,278.5	2,153,788.4
New Nonresidential Value ($000) [4]	1,153,450.7	637,834.0	910,557.6	1,303,331.3	1,056,514.3

(Sources: (1) Utah Department of Workforce Services; (2) U.S. Department of Commerce, Bureau of Economic Analysis, last updated February 2026; (3) Utah State Tax Commission; (4) University of Utah Ivory-Boyer Construction Database; Total Construction Value includes additions/alterations/repairs.)

Major Employers in the County

Company	Industry	Employment Range
University of Utah	Higher Education	20,000+
Intermountain Health Care	Health Care	20,000+
State of Utah	State Government	10,000-14,999
Granite School District	Public Education	7,000-9,999
Jordan School District	Public Education	7,000-9,999
Amazon.com	Local Messengers and Delivery	7,000-9,999
Salt Lake County	Local Government	5,000-6,999
Wal-Mart Associates	Warehouse Clubs and Supercenters	5,000-6,999
Delta Airlines	Passenger Air Transportation	5,000-6,999
Canyons School District	Public Education	4,000-4,999
ARUP Laboratories	Medical Laboratories	4,000-4,999
Salt Lake City	Local Government	3,000-3,999
VA Salt Lake City Health Care	Hospitals	3,000-3,999
Smith's	Supermarkets	3,000-3,999
United Parcel Service	Couriers and Express Delivery	3,000-3,999
Salt Lake City School District	Public Education	3,000-3,999
US Postal Service	Postal Service	3,000-3,999
Salt Lake Community College	Junior Colleges	3,000-3,999
Biofire Diagnostics	Biotechnology R&D	2,000-2,999
Zions Bancorporation	Commercial Banking	2,000-2,999
L3 Technologies	Instrument Manufacturing	2,000-2,999
Kennecott Utah Copper	Copper Mining	2,000-2,999
Fidelity Brokerage Services	Investment Banking	2,000-2,999
Utah Transit Authority	Mixed Mode Transit	2,000-2,999
Harmons	Supermarkets	2,000-2,999
Costco Wholesale	Warehouse Clubs	2,000-2,999
Northrop Grumman	Aerospace Manufacturing	2,000-2,999
Mountain America Credit Union	Credit Unions	2,000-2,999
Merit Medical Systems	Medical Instrument Manufacturing	2,000-2,999
Skywest Airlines	Passenger Air Transportation	2,000-2,999
Select Health	Medical Insurance Carriers	2,000-2,999
Goldman Sachs	Credit Intermediation	1,000-1,999
Wells Fargo Bank	Commercial Banking	1,000-1,999
Discover Products	Consumer Lending	1,000-1,999
Core Innovative Solutions	Accommodation	1,000-1,999
St Marks Hospital	Hospitals	1,000-1,999
Maverik	Gasoline Stations	1,000-1,999
FedEx	Couriers and Express Delivery	1,000-1,999
The Home Depot	Home Centers	1,000-1,999
Edwards Lifesciences	Medical Instrument Manufacturing	1,000-1,999
McDonalds	Restaurants	1,000-1,999
Jordan Valley Hospital	Hospitals	1,000-1,999
Target	Department Stores	1,000-1,999
Becton, Dickinson And Company	Medical Equipment Wholesalers	1,000-1,999
Snowbird Operations	Accommodation	1,000-1,999

(Source: Utah Department of Workforce Services; last updated October 2025.)

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the "Disclosure Undertaking") is executed and delivered by the City of South Jordan, Utah (the "City"), in connection with the issuance by the Municipal Building Authority (the "Authority") of the City of South Jordan, Utah of its $__________ Lease Revenue Bonds, Series 2026 (the "Series 2026 Bonds"). The Series 2026 Bonds are being issued pursuant to a General Indenture of Trust, dated as of November 1, 2026 (the "General Indenture"), as supplemented by a First Supplemental Indenture of Trust dated as of November 1, 2026 (the "First Supplemental Indenture," and together with the General Indenture, the "Indenture") each between the City and U.S. Bank Trust Company, National Association, as trustee.

The City hereby acknowledges that it is an "obligated person" within the meaning of the hereinafter defined rule and the only "obligated person" with respect to the Series 2026 Bonds.

In connection with the aforementioned transactions, the City covenants and agrees as follows:

Section 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the City for the benefit of the Bondholders and Beneficial Owners of the Series 2026 Bonds and in order to assist the Participating Underwriter in complying with the Rule (each as defined below).

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

"Annual Report" means any Annual Report provided by the City pursuant to, and as described in Sections 3 and 4 of this Disclosure Undertaking.

"Beneficial Owner" shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2026 Bonds (including persons holding Series 2026 Bonds through nominees, depositories or other intermediaries).

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

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

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

"MSRB" shall mean the Municipal Securities Rulemaking Board, the address of which is 1300 I Street, NW, Suite 1000, Washington DC 20005-3314; Telephone (202) 838-1500; and the website address of which is www.msrb.org and www.emma.msrb.org (for municipal disclosures and market data).

"Official Statement" shall mean the Official Statement of the Authority and the City dated [__________], 2026, relating to the Series 2026 Bonds.

"Participating Underwriter" shall mean Stifel, Nicolaus & Company, Incorporated, as original underwriter of the Series 2026 Bonds.

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

Section 3. Provision of Annual Reports.

(a) The City shall prepare an Annual Report and shall, or shall cause the Dissemination Agent to, not later than 220 days after the end of each fiscal year of the City (presently June 30), commencing with the fiscal year ending June 30, 2026, provide to the MSRB in an electronic format, the Annual Report which is consistent with the requirements of Section 4 of this Disclosure Undertaking. Not later than fifteen (15) Business Days prior to said date, the City shall provide the Annual Report to the Dissemination Agent. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for Listed Event under Section 5(f).

(b) If by fifteen (15) Business Days prior to the date specified in Section 3(a) for providing the Annual Report to the MSRB, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with Section 3(a).

(c) If the Dissemination Agent is unable to verify that the Annual Report has been provided to the MSRB by the dates required in Section 3(a), the Dissemination Agent shall, in a timely manner, send a notice of a failure to file the Annual Report to the MSRB in an electronic format.

(d) The Dissemination Agent shall:

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

(ii) if the Dissemination Agent is other than an officer of the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing the website address to which it was provided.

Section 4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) A copy of its annual financial statements prepared in accordance with generally accepted accounting principles and audited by a certified public accountant or a firm of certified public accounts. If the City's audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report and audited financial statements will be provided within 30 days after availability to the City.

(b) An update of the financial and operating information of the type contained in the Official Statement in the tables under the captions:

"DEBT STRUCTURE OF THE AUTHORITY AND THE CITY—Debt Authorization and Limit," "FINANCIAL INFORMATION REGARDING THE CITY—Taxable and Fair Market Value of Property in the City," and "—Historical Summaries of Taxable Values of Property."

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

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2026 Bonds in a timely manner but not more than ten (10) Business Days after the event:

(i) Principal and interest payment delinquencies;

(ii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) Unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) Substitution of credit or liquidity providers, or their failure to perform;

(v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2026 Bonds or other material events affecting the tax status of the Series 2026 Bonds;

(vi) Defeasances;

(vii) Tender offers;

(viii) Bankruptcy, insolvency, receivership or similar proceedings;

(ix) Rating changes; or

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

(b) Pursuant to the provisions of this Section 5(b), the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2026 Bonds in a timely manner not more than ten (10) Business Days after the Listed Event, if material:

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

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

(iii) Non-payment related defaults;

(iv) Modifications to the rights of the owners of the Series 2026 Bonds;

(v) Series 2026 Bond calls;

(vi) Release, substitution or sale of property securing repayment of the Series 2026 Bonds; or

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

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

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

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

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

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2026 Bonds. If such termination occurs prior to the final maturity of the Series 2026 Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(f).

Section 7. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the City shall be the Dissemination Agent.

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

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an "obligated person" (as defined in the Rule) with respect to the Series 2026 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2026 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Series 2026 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Series 2026 Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the City shall describe such amendment in the next Annual Report of the City, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City, as applicable. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(f), and (ii) the Annual Disclosure Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking.

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

Section 10. Default. In the event of a failure of the City or the Dissemination Agent to comply with any provision of this Disclosure Undertaking, any Bondholder or Beneficial Owner of the Series 2026 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an "event of default" under the Indenture, and the sole remedy under this Disclosure Undertaking in the event of any failure of the City or the Dissemination Agent to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 11. Duties Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2026 Bonds.

Section 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the Holders and Beneficial Owners from time to time of the Series 2026 Bonds, and shall create no rights in any other person or entity.

Date: __________, 2026.

CITY OF SOUTH JORDAN, UTAH

By:____
Mayor

APPENDIX E

FORM OF OPINION OF BOND COUNSEL

Upon the issuance of the Series 2026 Bonds, Gilmore & Bell, P.C., Bond Counsel to the Authority, proposes to issue its approving opinion in substantially the following form.

Re: Municipal Building Authority of the City of South Jordan, Utah $__________ Lease Revenue Bonds, Series 2026

We have acted as bond counsel to the Municipal Building Authority of the City of South Jordan, Utah (the "Issuer") in connection with the issuance by the Issuer of the above-captioned bonds (the "Series 2026 Bonds"). In this capacity, we have examined the law and such certified proceedings, certifications and other documents as we have deemed necessary to give the opinions below.

The Series 2026 Bonds are being issued pursuant to (i) a resolution adopted on September 15, 2026, by the governing body of the Issuer and a resolution of the City Council of City of South Jordan, Utah (the "City"), adopted on September 15, 2026, and (ii) a General Indenture of Trust dated as of November 1, 2026 (the "General Indenture"), as supplemented by a First Supplemental Indenture of Trust dated as of November 1, 2026 (the "First Supplemental Indenture" and together with the General Indenture, the "Indenture"), each between the Issuer and U.S. Bank Trust Company, National Association, as trustee.

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

The Series 2026 Project has been leased by the Issuer to the City on an annually renewable basis and with an option to purchase, exercisable by the City, pursuant to the terms of a Master Lease Agreement dated as of November 1, 2026 (the "Lease") between the Issuer and the City. Payments by the City under the Lease may be made only from funds which are budgeted and appropriated by the City for such purpose. Except to the extent payable from the proceeds of the Series 2026 Bonds and income from the investment thereof, the proceeds of certain insurance policies, performance bonds, condemnation awards and liquidation proceeds, if any, the Series 2026 Bonds are payable solely from, and are secured by a pledge of, the rentals derived by the Issuer under the Lease. The Indenture provides that the Series 2026 Bonds and the interest thereon (i) are not general obligations, but are special, limited obligations of the Issuer, (ii) do not constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitation, and (iii) do not constitute or give rise to a pecuniary liability of the City or a charge against the general credit or taxing powers of the City. Neither the City nor the Issuer on its behalf has pledged the credit of the City to the payment of the Series 2026 Bonds or the interest thereon or rentals under the Lease.

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

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

1. The Issuer is a public entity and an instrumentality of the State of Utah (the "State") duly organized and validly existing under the constitution and laws of the State, with the power to execute the Indenture, perform the agreements on its part contained therein, and issue the Series 2026 Bonds.

2. The Indenture has been authorized, executed and delivered by the Issuer and constitutes a valid and binding obligation enforceable against the Issuer.

3. The Lease has been authorized, executed and delivered by the City and the Issuer, and constitutes a valid and binding obligation enforceable against the City and the Issuer.

4. The Series 2026 Bonds have been duly authorized and executed by the Issuer and are valid and binding limited obligations of the Issuer, payable solely as provided therefor in the Indenture. The Series 2026 Bonds do not constitute a general obligation indebtedness of the Issuer or the City within the meaning of any State constitutional or statutory provision, limitation, or restriction. The City's taxing power is not pledged to the payment of the Series 2026 Bonds.

5. The interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal income tax purposes and (ii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer and the City comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2026 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer and the City have covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Series 2026 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2026 Bonds.

6. The interest on the Series 2026 Bonds is exempt from State of Utah individual income taxes.

The rights of the owners of the Series 2026 Bonds and the enforceability of the Series 2026 Bonds and the Indenture may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion regarding (a) the accuracy, adequacy or completeness of the Official Statement or other offering material relating to the Series 2026 Bonds, except as may be set forth in our supplemental opinion of even date herewith, (b) the attachment, perfection, or priority of the lien on the rentals derived by the Issuer under the Lease or other funds created by the Indenture, or (c) the tax consequences arising with respect to the Series 2026 Bonds other than as expressly set forth in this opinion letter.

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

Respectfully submitted,

APPENDIX F

PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2026 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC or its agent.

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

Purchases of Series 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2026 Bonds, except in the event that use of the book-entry system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2026 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2026 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2026 Bonds may wish to ascertain that the nominee holding the Series 2026 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the Series 2026 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2026 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2026 Bonds at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

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

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

EXHIBIT J

CERTIFICATE OF USEFUL LIFE

CERTIFICATE REGARDING ESTIMATED USEFUL LIFE

The undersigned, Brad Klavano, of City of South Jordan, has acted as the Architect or Engineer for the Municipal Building Authority of the City of South Jordan, Utah in connection with the construction of a fire station and related improvements (the "Series 2026 Project"), and based upon the foregoing, the undersigned hereby certifies to the best of his/her knowledge that the estimated useful life of the Series 2026 Project is not less than forty (40) years assuming proper maintenance and repair.

Dated: September 8, 2026

By: Brad Klavano

EXHIBIT K

AUTHORITY TAX AND DISCLOSURE COMPLIANCE PROCEDURE

THE CITY OF SOUTH JORDAN, UTAH AND MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH

TAX AND DISCLOSURE COMPLIANCE PROCEDURE

Dated as of September 15, 2026

TAX AND DISCLOSURE COMPLIANCE PROCEDURE

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TAX AND DISCLOSURE COMPLIANCE PROCEDURE

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Capitalized words and terms used in this Compliance Procedure have the following meanings:

"**Annual Compliance Checklist**" means a questionnaire and/or checklist described in **Section 6.1** hereof that is completed each year for the Tax-Exempt Bonds.

"**Annual Continuing Disclosure Compliance Checklist**" means the checklist attached as **Exhibit B**.

"Annual Report" means the information, consisting of annual financial information and operating data, required by the Continuing Disclosure Undertaking to be filed annually on EMMA.

"**Bond Compliance Officer**" means the Issuer's Secretary-Treasurer or District Clerk, as applicable, or, if the position of Secretary-Treasurer or District Clerk, as applicable, is vacant, the person filling the responsibilities of the Secretary-Treasurer or District Clerk, as applicable, for the Issuer.

"Bonds" means Disclosure Bonds and Tax-Exempt Bonds.

"**Bond Counsel**" means a law firm selected by the Issuer to provide a legal opinion regarding the tax status of interest on the Tax-Exempt Bonds as of the issue date or the law firm selected to advise the Issuer on matters referenced in this Compliance Procedure.

"**Bond Restricted Funds**" means the funds, accounts, and investments that are subject to arbitrage rebate and/or yield restriction rules that have been identified in the Tax Compliance Agreement for the Tax-Exempt Bonds.

"**Bond Transcript**" means the "transcript of proceedings" or other similarly titled set of transaction documents assembled by Bond Counsel following the issuance of the Tax-Exempt Bonds.

"Code" means the Internal Revenue Code of 1986, as amended.

"**Compliance Procedure**" means this Tax and Disclosure Compliance Procedure.

"**Continuing Disclosure Compliance File**" means documents and records which may consist of paper and electronic medium, maintained for the Disclosure Bonds, consisting of the following:

(a) List of Disclosure Bonds;
(b) Description of the deadline applicable to each Annual Report;
(c) Description of the financial information and operating data required to be included in each Annual Report;
(d) List of events requiring an Event Notice under the Continuing Disclosure Undertaking for each series of Disclosure Bonds; and
(e) Information about the Issuer's compliance during the prior five years with the Continuing Disclosure Undertaking then in effect.

"Continuing Disclosure Undertaking" means the Continuing Disclosure Agreement(s), Continuing Disclosure Undertaking(s), Continuing Disclosure Instructions or other written certification(s) or agreement(s) entered into by the Issuer in connection with the issuance of the Disclosure Bonds for the purpose of assisting the underwriters of such Disclosure Bonds in complying with the Rule.

"**Cost"** or **"Costs**" means all costs and expenses paid for the acquisition, design, construction, equipping or improvement of a Project Facility or costs of issuing Tax-Exempt Bonds for a Project Facility.

"**Disclosure Bonds**" means any outstanding bond, note, installment sale agreement, lease or certificate in connection with the issuance of which the Issuer entered into or enters into a Continuing Disclosure Undertaking. A list of all Disclosure Bonds outstanding and subject to this Compliance Procedure as of September 15, 2026, is included on **Exhibit A.**

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org, or any successor system designated as the means through which municipal securities disclosures are submitted to the MSRB.

"**Event Notice"** means notice of the occurrence of an event for which notice is required by the Continuing Disclosure Undertaking to be filed on EMMA.

"**Final Written Allocation"** means the Final Written Allocation of Tax-Exempt Bond proceeds prepared pursuant to **Section 5.4** of this Compliance Procedure.

"**Financed Assets**" means that part of a Project Facility treated as financed with Tax-Exempt Bond proceeds as reflected in a Final Written Allocation or, if no Final Written Allocation was prepared, the accounting records of the Issuer and the Tax Compliance Agreement for the Tax-Exempt Bonds.

"Governing Body" means the Board of Trustees of the Issuer, as applicable.

"**Intent Resolution"** means a resolution of the Issuer stating (1) the intent of the Issuer to finance all or a portion of the Project Facility, (2) the expected maximum size of the financing and (3) the intent of the Issuer to reimburse Costs of the Project Facility paid by the Issuer from proceeds of the Tax-Exempt Bonds.

"IRS" means the Internal Revenue Service.

"**Issuer**" means the The City of South Jordan, Utah, or the Municipal Building Authority of The City of South Jordan, Utah, as applicable.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

"**Placed In Service**" means that date (as determined by the Bond Compliance Officer) when the Project Facility is substantially complete and in operation at substantially its design level.

"Primary Disclosure Document" means any official statement or offering document relating to an offering or remarketing of Disclosure Bonds by or on behalf of the Issuer after the date of this Procedure.

"**Project Facility**" means one or more facilities or capital projects, including land, building, equipment, or other property, financed in whole or in part with proceeds of an issue of Tax-Exempt Bonds and other sources of funds, if any, pursuant to the same plan of finance.

"**Rebate Analyst**" means the rebate analyst for the Tax-Exempt Bonds selected pursuant to the Tax Compliance Agreement.

"Regulations" means all regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to tax-exempt obligations.

"Rule" means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

"**Tax Compliance Agreement**" means the Federal Tax Certificate, Tax Compliance Agreement, Arbitrage Agreement, or other written certification or agreement of the Issuer setting out representations and covenants for satisfying the post-issuance tax compliance requirements for the Tax-Exempt Bonds.

"**Tax-Exempt Bonds**" means any bond, note, installment sale agreement, lease or certificate intended to be a debt obligation of the Issuer or another political subdivision or government instrumentality, the proceeds of which are to be loaned or otherwise made available to the Issuer, and the interest on which is excludable from gross income for federal income tax purposes. A list of all Tax-Exempt Bonds outstanding and subject to this Compliance Procedure as of September 15, 2026, is included on **Exhibit A.**

"**Tax-Exempt Bond File**" means documents and records which may consist of paper and electronic medium, maintained for the Tax-Exempt Bonds. Each Tax-Exempt Bond File will include the following information if applicable:

(a) Intent Resolution.
(b) Bond Transcript.
(c) Final Written Allocation and/or all available accounting records related to the Project Facility showing expenditures allocated to the proceeds of the Tax-Exempt Bonds and expenditures (if any) allocated to other sources of funds.
(d) All rebate and yield reduction payment calculations performed by the Rebate Analyst and all investment records provided to the Rebate Analyst for purposes of preparing the calculations.
(e) Forms 8038-T together with proof of filing and payment of rebate.
(f) Investment agreement bid documents (unless included in the Bond Transcript) including:
    (1) bid solicitation, bid responses, certificate of broker;
    (2) written summary of reasons for deviations from the terms of the solicitation that are incorporated into the investment agreement; and
    (3) copies of the investment agreement and any amendments.
(g) Any item required to be maintained by the terms of the Tax Compliance Agreement involving the use of the Project Facility or expenditures related to tax compliance for the Tax-Exempt Bonds.
(h) Any opinion of Bond Counsel regarding the Tax-Exempt Bonds not included in the Bond Transcript.
(i) Amendments, modifications or substitute agreements to any agreement contained in the Bond Transcript.
(j) Any correspondence with the IRS relating to the Tax-Exempt Bonds including all correspondence relating to an audit by the IRS of the Tax-Exempt Bonds or any

proceedings under the Tax-Exempt Bonds Voluntary Closing Agreement Program (VCAP).

(k) Any available questionnaires or correspondence substantiating the use of the Project Facility in accordance with the terms of the Tax Compliance Agreement for the Tax-Exempt Bonds.

(l) For refunding bond issues, the Tax-Exempt Bond File for the refunded Tax-Exempt Bonds.

ARTICLE II

PURPOSE AND SCOPE

Section 2.1. Purpose of Compliance Procedure.

(a) Issuer's Use of Tax-Exempt Bonds. The Issuer uses Tax-Exempt Bonds to fund Costs of a Project Facility. The Issuer understands that in exchange for the right to issue Tax-Exempt Bonds at favorable interest rates and terms, the Code and Regulations impose ongoing requirements related to the proceeds of the Tax-Exempt Bonds and the Project Facility financed by the Tax-Exempt Bonds. These requirements focus on the investment, use and expenditure of proceeds of the Tax-Exempt Bonds and related funds as well as restrictions on the use of the Project Facility.

(b) IRS Recommends Separate Written Procedures. The Issuer recognizes that the IRS has stated that all issuers of Tax-Exempt Bonds should have separate written procedures regarding ongoing compliance with the federal tax requirements for Tax-Exempt Bonds.

(c) Disclosure Responsibilities. The Issuer recognizes the issuance of Disclosure Bonds involves accessing the public capital markets and involves certain obligations arising out of the federal securities laws, including entering into the Continuing Disclosure Undertaking and properly communicating with investors.

(d) Issuer Commitment. The Issuer is committed to full compliance with the federal tax and securities law requirements applicable to its outstanding and future financings. This Compliance Procedure is adopted by the Governing Body to improve and promote tax and securities law compliance and documentation.

Section 2.2. Scope of Compliance Procedure; Conflicts. This Compliance Procedure applies to all Bonds currently outstanding and all Bonds issued in the future. If the provisions of this Compliance Procedure conflict with a Tax Compliance Agreement, Continuing Disclosure Undertaking or any other specific written instructions of Bond Counsel, the terms of the Tax Compliance Agreement, Continuing Disclosure Undertaking or specific written instructions of Bond Counsel will supersede and govern in lieu of this Compliance Procedure. Any exception to this Compliance Procedure required by Bond Counsel as part of a future issue of Tax-Exempt Bonds will be incorporated in the Tax Compliance Agreement for the future issue. Any requirements imposed on the Issuer in the Tax Compliance Agreement, will be noted by the Bond Compliance Officer and incorporated into the Annual Compliance Checklist.

Section 2.3. Amendments and Publication of Compliance Procedure. This Compliance Procedure may be amended from time-to-time by the Governing Body. Copies of this Compliance Procedure and any amendments will be included in the permanent records of the Issuer.

ARTICLE III

BOND COMPLIANCE OFFICER; TRAINING

Section 3.1. Bond Compliance Officer Duties. The Bond Compliance Officer is responsible for implementing this Compliance Procedure. The Bond Compliance Officer will work with other employees that use the Project Facility to assist in implementing this Compliance Procedure. The Bond Compliance Officer will consult with Bond Counsel, legal counsel to the Issuer, accountants, tax return preparers and other outside consultants to the extent necessary to carry out the purposes of this Compliance Procedure.

Section 3.2. Training.

(a) Training Programs. When appropriate, the Bond Compliance Officer and/or other employees of the Issuer under the direction of the Bond Compliance Officer will attend training programs offered by the IRS or other industry professionals regarding Tax-Exempt Bonds that are relevant to the Issuer. When appropriate, the Bond Compliance Officer and/or other employees of the Issuer under the direction of the Bond Compliance Officer will attend training programs offered by the SEC, the MSRB, Bond Counsel, or other industry professionals regarding securities law and disclosure requirements applicable to the Issuer.

(b) Change in Bond Compliance Officer. Any time an individual acting as the Bond Compliance Officer passes the responsibilities for carrying out the provisions of this Compliance Procedure to another individual, the Issuer will ensure the incoming individual acting as Bond Compliance Officer is trained on how to implement the policies and procedures included in this Compliance Procedure to ensure the Issuer's continued compliance with the provisions of this Compliance Procedure and all Tax Compliance Agreements for any outstanding Tax-Exempt Bonds.

ARTICLE IV

TAX-EXEMPT BONDS CURRENTLY OUTSTANDING

Section 4.1. Tax-Exempt Bonds Covered by Article IV Procedures. This Article IV applies to all Tax-Exempt Bonds issued prior to the date of this Compliance Procedure that are currently outstanding. These Tax-Exempt Bonds are listed on **Exhibit A**.

Section 4.2. Tax-Exempt Bond File. As soon as practical, the Bond Compliance Officer will attempt to assemble as much of the Tax-Exempt Bond File as is available for the Tax-Exempt Bonds listed on **Exhibit A**.

Section 4.3. Annual Compliance Checklists. As soon as practical following the adoption of this Compliance Procedure, the Bond Compliance Officer will work with Bond Counsel and/or legal counsel to the Issuer and cause Annual Compliance Checklists to be completed for all outstanding Tax-Exempt Bonds and will follow the procedures specified in Article VI to complete the Annual Compliance Checklists and thereafter include each completed Annual Compliance Checklist in the Tax-Exempt Bond File.

Section 4.4. Correcting Prior Deficiencies in Compliance. In the event the Bond Compliance Officer determines any deficiency in compliance with a Tax Compliance Agreement for an outstanding Tax-Exempt Bond listed on **Exhibit A,** the Bond Compliance Officer will consult with Bond Counsel and, as necessary, follow the procedures described in the Regulations or the Tax-Exempt Bonds Voluntary Closing Agreement Program (VCAP) to remediate the noncompliance. If remediation of the noncompliance requires the Issuer to submit a request under VCAP, the Bond Compliance Officer will undertake this step only after reporting the violation to the Governing Body and obtaining its approval.

ARTICLE V

COMPLIANCE PROCEDURE FOR NEW TAX-EXEMPT BOND ISSUES

Section 5.1. Application. This Article V applies to Tax-Exempt Bonds issued on or after the date of this Compliance Procedure.

Section 5.2. Prior to Issuance of Tax-Exempt Bonds.

(a) Intent Resolution. The Governing Body will authorize and approve the issuance of Tax-Exempt Bonds. Prior to or as a part of the authorizing resolution or ordinance, the Governing Body may adopt an Intent Resolution.

(b) Directions to Bond Counsel. The Bond Compliance Officer will provide a copy of this Compliance Procedure to Bond Counsel with directions for Bond Counsel to structure the documentation and procedural steps taken prior to issuing the Tax-Exempt Bonds so that they conform to the requirements of this Compliance Procedure, except to the extent Bond Counsel determines that different procedures are required. The Bond Compliance Officer will consult with Bond Counsel so that appropriate provisions are made to fund or reimburse the Issuer's costs and expenses incurred to implement this Compliance Procedure.

(c) Tax Compliance Agreement. For each issuance of Tax-Exempt Bonds, a Tax Compliance Agreement will be signed by the Bond Compliance Officer. The Tax Compliance Agreement will (1) describe the Project Facility and the anticipated Financed Assets, (2) identify all Bond Restricted Funds and provide for arbitrage and rebate compliance, (3) for new money financings, require a Final Written Allocation, and (4) contain a form of the Annual Compliance Checklist for the Tax-Exempt Bonds. The Bond Compliance Officer will confer with Bond Counsel and the Issuer's counsel regarding the meaning and scope of each representation and covenant contained in the Tax Compliance Agreement.

(d) Preliminary Cost Allocations. For each issuance of Tax-Exempt Bonds, the Bond Compliance Officer in consultation with Bond Counsel, will prepare a preliminary cost allocation plan for the Project Facility. The preliminary cost allocation plan will identify the assets and expected costs for the Project Facility, and when necessary, will break-out the portions of Costs that are expected to be financed with proceeds of the Tax-Exempt Bonds (the "Financed Assets") and the portions, if any, expected to be financed from other sources.

(e) Tax Review with Bond Counsel. Prior to the sale of Tax-Exempt Bonds, the Bond Compliance Officer and Bond Counsel will review this Compliance Procedure together with the draft Tax Compliance Agreement to ensure that any tax compliance issues in the new financing are adequately addressed by this Compliance Procedure and/or the Tax Compliance Agreement. If Bond Counsel determines that this Compliance Procedure conflicts with the Tax Compliance Agreement or must be supplemented to account for special issues or requirements for the Tax-Exempt Bonds, the Bond Compliance Officer will ask Bond Counsel to include the written modifications or additions in the final Tax Compliance Agreement. The Bond Compliance Officer will request Bond Counsel to prepare a form of Annual Compliance Checklist for use in monitoring the ongoing compliance requirements for the Tax-Exempt Bonds.

Section 5.3. Accounting and Recordkeeping.

(a) Accounting for New Money Projects. The Bond Compliance Officer will be responsible for accounting for the investment and allocation of proceeds of the Tax-Exempt Bonds. The Bond Compliance Officer will establish separate accounts or subaccounts to record expenditures for Costs of the Project Facility. Where appropriate, the Bond Compliance Officer may use accounts established as part of the Issuer's financial records for this purpose. In recording Costs for the Project Facility, the Bond Compliance Officer will ensure that the accounting system will include the following information: (1) identity of person or business paid, along with any other available narrative description of the purpose for the payment, (2) date of payment, (3) amount paid, and (4) invoice number or other identifying reference.

(b) Accounting for Refunded Bonds and Related Refunded Bond Accounts. For Tax-Exempt Bonds that are issued to refund prior Tax-Exempt Bonds, the Tax Compliance Agreement will set out special accounting and allocation procedures for the proceeds of the financing, and if necessary proceeds of the refinanced Tax-Exempt Bonds.

(c) Tax-Exempt Bond File. The Bond Compliance Officer will be responsible for assembling and maintaining the Tax-Exempt Bond File.

Section 5.4. Final Allocation of Tax-Exempt Bond Proceeds.

(a) Preparation of Final Written Allocation; Timing. The Bond Compliance Officer is responsible for making a written allocation of proceeds of Tax-Exempt Bonds to expenditures and identifying the Financed Assets. This process will be memorialized in the Final Written Allocation. For a new money financing, the Bond Compliance Officer will commence this process as of the earliest of (1) the requisition of all Tax-Exempt Bond proceeds from any segregated Tax-Exempt Bond funded account, (2) the date the Project Facility has been substantially completed or (3) four and one/half years following the issue date of the Tax-Exempt Bonds. For Tax-Exempt Bonds issued only to refund a prior issue of Tax-Exempt Bonds, the Bond Compliance Officer will work with Bond Counsel to prepare and/or document the Final Written Allocation for the Project Facility financed by the refunded Tax-Exempt Bonds and include it in the Tax Compliance Agreement.

(b) Contents and Procedure. The Bond Compliance Officer will consult the Tax Compliance Agreement and, if necessary, contact Bond Counsel to seek advice regarding any special allocation of Tax-Exempt Bond proceeds and other money of the Issuer to the Costs of the Project Facility. If no special allocation is required or recommended, the Bond Compliance Officer will allocate Costs of the Project Facility to the proceeds of the Tax-Exempt Bonds in accordance with the Issuer's accounting records. Each Final Written Allocation will contain the following: (1) a reconciliation of the actual sources and uses to Costs of the Project Facility, (2) the percentage of the cost of the Project Facility financed with proceeds of the Tax-Exempt Bonds (sale proceeds plus any investment earnings on those sale proceeds), (3) the Project Facility's Placed in Service date, (4) the estimated economic useful life of the Project Facility, and (5) any special procedures to be followed in completing the Annual Compliance Checklist (e.g., limiting the Annual Compliance Checklist to specific areas of the Project Facility that the Final Written Allocation or the Tax Compliance Agreement treats as having been financed by Tax-Exempt Bonds).

(c) Finalize Annual Compliance Checklist. As part of the preparation of the Final Written Allocation, the Bond Compliance Officer will update the draft Annual Compliance Checklist contained in the relevant Tax Compliance Agreement. The Bond Compliance Officer will include reminders for all subsequent arbitrage rebate computations required for the Tax-Exempt Bonds in the Annual Compliance Checklist.

(d) Review of Final Written Allocation and Annual Compliance Checklist. Each Final Written Allocation and Annual Compliance Checklist will be reviewed by legal counsel to the Issuer or Bond Counsel for sufficiency and compliance with the Tax Compliance Agreement and this Compliance Procedure. Following the completion of the review, the Bond Compliance Officer will execute the Final Written Allocation.

ARTICLE VI

ONGOING MONITORING PROCEDURES

Section 6.1. Annual Compliance Checklist. An Annual Compliance Checklist will be completed by the Bond Compliance Officer each year following completion of the Final Written Allocation. Each Annual Compliance Checklist will be designed and completed for the purpose of identifying potential noncompliance with the terms of the Tax Compliance Agreement or this Compliance Procedure and obtaining documents (such as investment records, arbitrage calculations, or other documentation for the Project Facility) that are required to be incorporated in the Tax-Exempt Bond File. The Bond Compliance Officer will refer any responses indicating a violation of the terms of the Tax Compliance Agreement to legal counsel to the Issuer or Bond Counsel and, if recommended by counsel, will follow the procedure set out in **Section 4.4** hereof to remediate the non-compliance.

Section 6.2. Arbitrage and Rebate Compliance. The Bond Compliance Officer will monitor the investment of Bond Restricted Funds and provide investment records to the Rebate Analyst on a timely basis. The Bond Compliance Officer will follow the directions of the Rebate Analyst with respect to the preparation of and the timing of rebate or yield reduction computations.

ARTICLE VII

DISCLOSURE

Section 7.1. Continuing Disclosure Compliance File .

(a) Compilation and Maintenance of Continuing Disclosure Compliance File. The Bond Compliance Officer shall compile and maintain the Continuing Disclosure Compliance File.

(b) Annual Review of Continuing Disclosure Compliance File. After the end of each fiscal year of the Issuer, the Bond Compliance Officer will complete the Annual Continuing Disclosure Compliance Checklist and update the Continuing Disclosure Compliance File as indicated by the Annual Continuing Disclosure Compliance Checklist.

(c) Remedying Noncompliance. If the Bond Compliance Officer identifies any non-compliance with the Continuing Disclosure Undertaking as a result of the annual review or otherwise, the Bond Compliance Officer shall promptly take steps to remedy the noncompliance, including by making any necessary remedial filings. In the event the Bond Compliance Officer identifies any such noncompliance, the Bond Compliance Officer shall update the Continuing Disclosure Compliance File to reflect the noncompliance in the Issuer's five-year history of compliance.

Section 7.2. Issuance of New Disclosure Bonds.

(a) Review Primary Offering Documents.

(1) The Bond Compliance Officer will review a draft of the Primary Offering Document for each new issue of Bonds. The Issuer is primarily responsible for the accuracy and completeness of the information in the Primary Offering Document relating to the Issuer. The Bond Compliance Officer will coordinate the Issuer's efforts to ensure that the information in each Primary Disclosure Document relating to the Issuer does not contain any untrue statements of a material fact or omit to state any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading. In the review and preparation of Primary Offering Documents, the Bond Compliance Officer shall consult with internal or external counsel and other appropriate officials, employees and agents of the Issuer. The Bond Compliance Officer may designate internal or external counsel or other officials, employees or agents of the Issuer, as appropriate, to assist in the preparation of each Primary Disclosure Document or portions thereof and should discuss with internal or external counsel questions relating to the material accuracy and completeness of any information included in any Primary Disclosure Document.

(2) The Bond Compliance Officer will review any statement in a Primary Offering Document related to the Issuer's past compliance with the Continuing Disclosure Undertaking to determine whether such Primary Offering Document accurately describes such past compliance.

(b) Review Continuing Disclosure Undertakings. The Bond Compliance Officer will review each Continuing Disclosure Undertaking related to a new issuance of Disclosure Bonds. If necessary, the Bond Compliance Officer will confer with Bond Counsel or other counsel regarding the meaning and scope of each obligation contained in the Continuing Disclosure Undertaking.

(c) Update Continuing Disclosure Compliance File. As soon as practicable after the issuance of any new Disclosure Bonds, the Bond Compliance Officer will be responsible for updating the Continuing Disclosure Compliance File to reflect the issuance of such new Disclosure Bonds.

Section 7.3. Annual Report and Event Notice Filing Procedures.

(a) Annual Report Preparation and Submission. The Bond Compliance Officer will prepare or cause the preparation of the Annual Report and cause the Annual Report to be filed with the MSRB on EMMA each year before the deadline required by the Continuing Disclosure Undertaking. If the Issuer has engaged a third-party to submit the Annual Report on the Issuer's behalf, the Bond Compliance Officer will request and review confirmation that such filing has been timely made as required.

(b) Event Notice Submissions. As necessary, the Bond Compliance Officer shall coordinate with those other employees and agents of the Issuer most likely to become aware of the occurrence of a Material Event to ensure such employee or agent promptly notifies the Bond Compliance Officer upon the occurrence of a Material Event. After obtaining actual knowledge of the occurrence of any event that the Bond Compliance Officer believes may constitute an event requiring an Event Notice, the Bond Compliance Officer will consult with counsel to assist with the determination of whether to determine if an Event Notice is required under the Continuing Disclosure Undertaking. If it is determined that an Event Notice is required, the Bond Compliance Officer will cause an Event Notice to be filed on EMMA.

ADOPTED BY THE BOARD OF TRUSTEES OF
THE MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH

AND THE CITY COUNCIL OF THE
THE CITY OF SOUTH JORDAN, UTAH

Date of Adoption: September 15, 2026

EXHIBIT A

LIST OF TAX-EXEMPT BONDS AND DISCLOSURE BONDS COVERED BY THIS COMPLIANCE PROCEDURE

Tax-Exempt Bonds

Lease Revenue Bonds, Series 2026 (expected to be issued on ________, 2026)

EXHIBIT B

ANNUAL DISCLOSURE COMPLIANCE CHECKLIST

Name of Disclosure Compliance Officer: ____________________
Period covered by checklist ("Annual Period"): ____________________
Date: ____________________

Item	Question	Response
1 New/Defeased Bonds	Were any Disclosure Bonds issued, refunded or defeased during the Annual Period?	☐ Yes ☐ No
	If answer above was "Yes," update the Continuing Disclosure Compliance File to reflect the Disclosure Bonds currently outstanding and changes, if any, to the deadline for filing or the content of information required under the Continuing Disclosure Undertaking.	
2 Annual Report Filings	During the Annual Period, was the required Annual Report filed on EMMA by the due date?	☐ Yes ☐ No
	If answer above was "No," file the required Annual Report on EMMA, if not yet filed, and any required Notice of Failure to File. In either case, update the Disclosure Compliance File to reflect the date the Annual Report was filed.	
3 Material Event Filings	During the Annual Period, did any of the following Material Events occur? • principal and interest payment delinquencies; • non-payment related defaults, if material; • unscheduled draws on debt service reserves reflecting financial difficulties; • unscheduled draws on credit enhancements reflecting financial difficulties; • substitution of credit or liquidity providers, or their failure to perform; • adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; • modifications to rights of bondholders, if material; • bond calls, if material, and tender offers; • defeasances; • release, substitution or sale of property securing repayment of the Bonds, if material; • rating changes; • bankruptcy, insolvency, receivership or similar event of the obligated person; • the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; *[Continued on next page]*	☐ Yes ☐ No

	• appointment of a successor or additional trustee or the change of name of the trustee, if material; • incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and • default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.	
	If answer above was "Yes," was an Event Notice filed on EMMA within 10 business days? If No, file an Event Notice on EMMA. If a Material Event occurred, update the Continuing Disclosure Compliance File to reflect the occurrence of the Material Event and the date the required notice was filed.	☐ Yes ☐ No
4 **Upcoming Annual Report**	Has the Annual Report for the most recent fiscal year been prepared?	☐ Yes ☐ No
	If answer above was "No," prepare and file or cause the preparation and filing of the Annual Report for the most recent fiscal year as soon as practicable prior to the deadline.	

South Jordan, Utah

September 15, 2026

The City Council (the "Council") of the City of South Jordan, Utah (the "City"), met in regular session at 6:30 p.m. on September 15, 2026, with the following members present:

Dawn R. Ramsey	Mayor
Tamara Zander	Council Member
Kathie L. Johnson	Council Member
Jason T. McGuire	Council Member
Donald J. Shelton	Council Member
Patrick Harris	Council Member

Also present:

Dustin Lewis	City Manager
Sunil K. Naidu	Chief Financial Officer
Anna Crookston	City Recorder

Absent:

The meeting was duly called to order and a Certificate of Compliance with Open Meeting Law with respect to this September 15, 2026 meeting was presented to the Council, a copy of which is attached hereto as Exhibit A.

The following resolution was then introduced in written form, was fully discussed, and adopted by the following vote:

AYE:

NAY:

The resolution was then signed by the Mayor in open meeting and recorded by the City Recorder in the official records of the City. The resolution is as follows:

RESOLUTION NO. R2026-30

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH (THE "CITY") AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF A MASTER LEASE AGREEMENT AND A GROUND LEASE AGREEMENT BY AND BETWEEN THE CITY AND THE MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH; AUTHORIZING THE ISSUANCE AND SALE BY THE AUTHORITY OF ITS LEASE REVENUE BONDS, SERIES 2026, IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT MORE THAN $27,000,000; AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY BY THE AUTHORITY OF A GENERAL INDENTURE OF TRUST, A SUPPLEMENTAL INDENTURE OF TRUST, A BOND PURCHASE CONTRACT, CERTAIN SECURITY DOCUMENTS, AND OTHER DOCUMENTS REQUIRED IN CONNECTION THEREWITH; AUTHORIZING AND APPROVING THE DISTRIBUTION AND USE OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT; AUTHORIZING AND APPROVING A CONTINUING DISCLOSURE UNDERTAKING; ADOPTING A TAX AND DISCLOSURE COMPLIANCE PROCEDURE; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTION CONTEMPLATED BY THIS RESOLUTION; AND RELATED MATTERS.

WHEREAS, the City Council (the "Council") of the City has previously authorized and directed the creation of the Municipal Building Authority of the City of South Jordan, Utah (the "Authority"); and

WHEREAS, pursuant to the direction of the City, the Authority has been duly and regularly created, established and is organized and existing as a nonprofit corporation under and by virtue of the provisions of the Constitution and laws of the State of Utah, including, in particular, the provisions of the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the "Building Authority Act"); and

WHEREAS, the office of Vice President of the Authority is currently vacant due to an expiration of the prior Vice President's designated term; and

WHEREAS, pursuant to the Articles of Incorporation (the "Articles") and the Bylaws (the "Bylaws") of the Authority (collectively, the "Governing Documents"), the Authority is required to maintain certain officers (including a Vice-President) and the Council has the authority to fill vacancies in such offices and elect officers as necessary or appropriate for the conduct of the Authority's purposes; and

WHEREAS, the Council has determined that it is in the best interests of the Authority and is required by the Governing Documents to fill the vacancy in the office of Vice President; and

WHEREAS, the Council desires to appoint the Mayor Pro Tem to serve as Vice President of the Authority effective as of September 15, 2026 for the term which such office is established or until such officers successor is elected or appointed, or until such officers earlier resignation or removal all in accordance with the Governing Documents; and

WHEREAS, under the Articles, the objects and purposes for which the Authority has been founded and incorporated are to construct, acquire, improve or extend one or more projects and to finance their costs on behalf of the City in accordance with the procedures and subject to the limitations of the Building Authority Act in order to accomplish the public purpose for which the City exists; and

WHEREAS, pursuant to the provisions of the Building Authority Act and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (together, the "Act"), and under the direction of the City, the Governing Board of the Authority (the "Governing Board") has the authority to issue the Authority's Lease Revenue Bonds, Series 2026 (the "Series 2026 Bonds") (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Authority) in an aggregate principal amount of not to exceed $27,000,000 to (a) finance the acquisition and construction of a new fire station and related improvements including a portion of fire training facilities located offsite (the "Series 2026 Project"), (b) fund any required deposits to a debt service reserve fund and (c) pay costs associated with the issuance of the Series 2026 Bonds; and

WHEREAS, the Series 2026 Bonds are to be issued pursuant to a General Indenture of Trust (the "General Indenture") and a First Supplemental Indenture of Trust (the "First Supplemental Indenture" and together with the General Indenture, the "Indenture"), each by and between the Authority and a trustee, substantially in the forms presented to the Council at this meeting and are attached hereto as Exhibit B; and

WHEREAS, it is anticipated that the City will be the owner of a fee simple interest or have a leasehold interest to the site on which the Series 2026 Project may be located and the City desires to lease such property to the Authority pursuant to the terms and provisions of a Ground Lease Agreement (the "Ground Lease"), in substantially the form presented to the Council at this meeting and attached hereto as Exhibit C and herein authorized and approved; and

WHEREAS, the Series 2026 Project is to be leased to the City, on an annually renewable basis, by the Authority pursuant to the terms and provisions of a Master Lease Agreement (the "Lease"), by and between the Authority and the City, in substantially the form presented to the Council at this meeting and attached hereto as Exhibit D; and

WHEREAS, to further secure its payment obligations under the Indenture, the Authority proposes to grant a lien on and security interest in the Series 2026 Project pursuant to: (i) a Leasehold Deed of Trust, Assignment of Rents and Security Agreement and (ii) an Assignment of Ground Lease in substantially the forms presented to this meeting and attached hereto as Exhibit E (collectively the "Security Documents"); and

WHEREAS, the Authority by its Resolution dated the date hereof (the "Authority Resolution") has or is expected to authorize, approve and direct (i) the execution of the Indenture, the Ground Lease, the Lease, and the Security Documents; (ii) the issuance of the Series 2026 Bonds; and (iii) the financing of the Series 2026 Project; and

WHEREAS, there has been presented to the Council at this meeting a form of a Bond Purchase Contract (the "Bond Purchase Contract") to be entered into among the Authority, the City and a purchaser/underwriter selected by the Authority for the Series 2026 Bonds (the "Purchaser/Underwriter"), in substantially the form attached hereto as Exhibit F, in the event that the Series 2026 Bonds are not sold pursuant to a public bid with an official notice of bond sale or similar document; and

WHEREAS, in connection with the issuance of the Series 2026 Bonds, the City desires to authorize the use and distribution of a Preliminary Official Statement (the "Preliminary Official Statement") in substantially the form attached hereto as Exhibit H, and to approve a final Official Statement (the "Official Statement") in substantially the form as the Preliminary Official Statement, and other documents relating thereto, and further desires to authorize the execution of a Continuing Disclosure Undertaking in substantially the form attached to the Preliminary Official Statement; and

WHEREAS, (i) the plans and specifications for the Series 2026 Project, including a certificate of the engineer/architect responsible for planning the Series 2026 Project (which certificate sets forth the estimated useful life of the Series 2026 Project) and (ii) the estimated costs of the Series 2026 Project are set forth in Exhibit G hereto and are hereby submitted to the Council for its approval; and

WHEREAS, the Authority may not exercise any of its powers without prior authorization by the City, and therefore it is necessary that the Council authorize certain actions by the Authority in connection with the transactions contemplated hereby in connection with the issuance of the Series 2026 Bonds; and

WHEREAS, the City desires to improve and promote the local health and general welfare of the citizens of the City by entering into the documents and taking the actions described above; and

WHEREAS, the City has previously authorized a Tax and Disclosure Compliance Procedure in conjunction with the issuance of its prior obligations; and

WHEREAS, the City now desires to update its own Tax and Disclosure Compliance Procedure (the "Tax and Disclosure Procedure") in conjunction with the Series 2026 Bonds and any future obligations incurred or issued by the City and authorize the adoption of a Tax and Disclosure Compliance Procedure by the Authority (the "Authority Tax and Disclosure Procedure") in conjunction with the issuance of the Series 2026 Bonds and any future obligations incurred or issued by the Authority; and

WHEREAS, the City desires to (i) approve and direct the execution of the Ground Lease, the Bond Purchase Contract, and the Lease by the City; (ii) authorize the issuance of the Series 2026 Bonds and the financing of the Series 2026 Project by the Authority; (iii) authorize the execution of the Ground Lease, the Lease, the Indenture, the Bond Purchase Contract, and the Security Documents by the Authority; (iv) approve the plans and specifications for the Series 2026 Project and the estimated costs of the Series 2026 Project; and (v) authorize certain other acts to be taken by the Authority in connection therewith.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH AS FOLLOWS:

Section 1. All terms defined in the recitals hereto shall have the same meaning when used herein. All actions heretofore taken (not inconsistent with the provisions of this Resolution) by the City and by the officers of the Authority directed toward the issuance of the Series 2026 Bonds and the financing of the Series 2026 Project are hereby ratified, approved and confirmed.

Section 2. The Council hereby appoints the Mayor Pro Tem as Vice President of the Authority, effective as of September 15, 2026 , to serve in such capacity in accordance with the Authority's Governing Documents and applicable law.

Section 3. The City hereby finds and determines, pursuant to the Constitution and laws of the State of Utah, that the leasing of the Series 2026 Project under the terms and provisions and for the purposes set forth in the Lease and the other documents, instruments and conveyances hereinafter approved and authorized, is necessary, convenient and in furtherance of the governmental and proprietary purposes of the City and is in the best interest of the citizens of the City, and the Council hereby authorizes, approves and directs the issuance and sale of the Series 2026 Bonds by the Authority in accordance with the provisions of the Indenture and the leasing of the Series 2026 Project in the manner provided in the Lease and the Ground Lease.

Section 4. The Ground Lease, the Lease, the Indenture, the Security Documents and the Bond Purchase Contract, in substantially the respective forms presented to the Council at this meeting and attached hereto as exhibits, are in all respects approved, authorized, and confirmed, and the Mayor or the Mayor Pro Tem, in the absence of the Mayor and the Chief Financial Officer are authorized to approve the final terms thereof and to execute and deliver the Ground Lease, the Lease and the Bond Purchase Contract in the forms and with substantially the same content as attached hereto for and on behalf of the City with final terms as may be established for the Series 2026 Bonds by the City and with such alterations, changes or additions as may be necessary or as may be authorized herein. When authorized by the Governing Board of the Authority, the Council hereby approves and authorizes the execution and delivery of the Bond Purchase Contract, the Lease, the Indenture, the Security Documents and the Ground Lease, by the Authority in substantially the forms presented to the Council at this meeting and attached hereto as exhibits for and on behalf of the Authority.

Section 5. The Council hereby authorizes the financing of the Series 2026 Project and the delegation by the Authority, to certain officers of the Authority, the ability to set the final terms of the Series 2026 Bonds within the parameters established by the Authority in the Authority Resolution, which parameters are as follows: maximum aggregate principal amount shall not exceed Twenty-Seven Million Dollars ($27,000,000); the maximum interest rate shall not exceed six percent (6.00%) per annum; the maximum maturity shall not exceed thirty-one (31) years from the dated date of the Series 2026 Bonds; and the maximum discount from par at which the Series 2026 Bonds may be sold shall not exceed three percent (3.00%).

Section 6. Should the Authority determine to have the Series 2026 Bonds publicly sold, the Council hereby authorizes the distribution and use of the Preliminary Official Statement, in the form attached hereto as Exhibit G, in the marketing of the Series 2026 Bonds and hereby approves the distribution and use of the Official Statement in substantially the same form as the Preliminary Official Statement. The Council further authorizes the Mayor (or Mayor Pro Tem) and the City Recorder to execute a Continuing Disclosure Undertaking in substantially the form attached to the Preliminary Official Statement in conjunction with the issuance of the Series 2026 Bonds.

Section 7. For the purpose of providing funds to (a) finance the Series 2026 Project, (b) fund any required deposits to a debt service reserve fund, and (c) pay costs associated with the issuance of the Series 2026 Bonds and for such other purposes as may be authorized under the Indenture, the Authority shall issue the Series 2026 Bonds which shall be designated the "Municipal Building Authority of the City of South Jordan, Utah Lease Revenue Bonds, Series 2026" (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Authority, provided that the terms of the Series 2026 Bonds shall not exceed the parameters referenced in Section 5 herein). The Series 2026 Bonds shall be dated, shall bear interest, and shall mature as set forth in the First Supplemental Indenture.

Section 8. The Authority is authorized to issue and sell the Series 2026 Bonds to the Purchaser/Underwriter thereof pursuant to the terms of the Bond Purchase Contract in the aggregate principal amount of not to exceed $27,000,000 and at the purchase price set forth therein or pursuant to a public bidding process. The Series 2026 Bonds shall be dated as of their date of delivery, shall bear interest, and mature as set forth in the First Supplemental Indenture.

Section 9. The form, terms, and provisions of the Series 2026 Bonds and the provisions for the signatures, authentication, payment, registration, transfer, exchange, redemption, and number shall be as set forth in the Indenture. The Series 2026 Bonds shall mature prior to the expiration of the estimated useful life of the Series 2026 Project. The Chair/President of the Authority, including any authorized official acting in the Chair/President's place, is hereby authorized to execute the Series 2026 Bonds, to place thereon the seal of the Authority and to deliver the Series 2026 Bonds to the Purchaser/Underwriter. The Secretary-Treasurer of the Authority is authorized to attest to the signature of the Chair/President and affix the seal of the Authority to the Series 2026 Bonds and to authenticate the Series 2026 Bonds. The signatures of the Chair/President and of the Secretary-Treasurer may be by facsimile or manual execution.

Section 10. The appropriate officers of the City and the Authority are authorized to take all actions necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated hereby and are authorized to take all actions necessary in conformity with the Act and the Articles to finance the Series 2026 Project (including amending the Authority's Bylaws as necessary), and to lease the Series 2026 Project pursuant to the Lease, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the Indenture and the sale and delivery of the Series 2026 Bonds.

Section 11. Upon their issuance, the Series 2026 Bonds will constitute special limited obligations of the Authority payable solely from and to the extent of the sources set forth in the Series 2026 Bonds, the Indenture and the Security Documents. No provision of this Resolution, the Lease, the Ground Lease, the Indenture, the Series 2026 Bonds, the Bond Purchase Contract, the Security Documents, nor any other instrument authorized hereby, shall be construed as creating a general obligation of the Authority or of creating a general obligation of the City, the State of Utah or any political subdivision of the State of Utah, nor as incurring or creating a charge upon the general credit of the City or against its taxing powers. The City shall not be obligated to pay out of its funds, revenues, or accounts, or to make any payment in respect of the Series 2026 Bonds, except in connection with the payment of Base Rentals, Additional Rentals, and the Purchase Option Price pursuant to the Lease (as those terms are defined in the Lease), which are subject to annual appropriation by the City in accordance with the provisions of the Lease. The Authority has no taxing power.

Section 12. The Mayor or Mayor Pro Tem and the Chief Financial Officer are hereby authorized to make any alterations, changes or additions in the Lease, the Ground Lease, and the Bond Purchase Contract herein approved and authorized necessary to correct errors or omissions therein, to remove ambiguities therefrom, or to conform the same to other provisions of such instruments, to the provisions of this Resolution, or any resolution adopted by the City or the Authority, to the agreements with the Purchaser/Underwriter or the provisions of the laws of the State of Utah or the United States, the approval of all such alterations, changes, or additions to be conclusively established by the execution thereof.

Section 13. The appropriate officials of the Authority are authorized to make any alterations, changes, or additions in the Lease, the Ground Lease, the Indenture, the Bond Purchase Contract, and the Security Documents herein authorized and approved which may be necessary to correct errors or omissions therein, to remove ambiguities therefrom, to conform the same to other provisions of said instruments, to the provisions of this Resolution, or any resolution adopted by the City or the Authority, to the agreements with the Purchaser/Underwriter, or the provisions of the laws of the State of Utah or the United States, approval of all such alterations, changes, or additions to be conclusively established by the execution thereof.

Section 14. If any provisions of this resolution (including the exhibits attached hereto) should be held invalid, the invalidity of such provisions shall not affect any of the other provisions of this resolution or the exhibits.

Section 15. The City Recorder is hereby authorized to attest to all signatures and acts of any proper official of the City, and, as necessary, to place the seal of the City on the Lease, the Bond Purchase Contract and the Ground Lease. The Mayor and other proper officials of the City and each of them, are hereby authorized to execute and deliver for and on behalf of the City any and all additional certificates, documents, and other papers and to perform all other acts that they may deem necessary or appropriate in order to implement and carry out the matters herein authorized. Any action authorized to be taken by the Mayor of the City may, in his/her absence, be taken by the Mayor Pro Tem.

Section 16. The Secretary-Treasurer or other authorized officer of the Authority is hereby authorized to attest to all signatures and acts of any proper official of the Authority, and, as necessary, to place the seal of the Authority on the Lease, the Ground Lease, the Indenture, the Security Documents, the Bond Purchase Contract, and any other documents authorized, necessary or proper pursuant to this Resolution or any Resolution of the Authority. The appropriate officials of the Authority, and each of them, are hereby authorized to execute and deliver for and on behalf of the Authority any or all additional certificates, documents, and other papers to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this resolution. Any action authorized to be taken by the Chair/President may, in his/her absence, be taken by the Vice President of the Authority.

Section 17. The Tax and Disclosure Procedure for the City in the form attached hereto as Exhibit I is hereby adopted by the Council and is hereby approved for use by the Authority as the Authority Tax and Disclosure Procedure in conjunction with the issuance of the Series 2026 Bonds and any future obligations when adopted by the Authority's Governing Board. The Tax and Disclosure Procedure for the City shall replace in its entirety any and all policies or procedures previously in place for use by the City related to the foregoing subject matter.

Section 18. The appropriate officers of the City are authorized to take all action necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated hereby.

Section 19. This Resolution shall become effective immediately upon adoption by the City.

Section 20. All bylaws, orders and resolutions of the City or parts thereof, inconsistent herewith, are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as revising any bylaw, order, resolution, or ordinance or part thereof.

PASSED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH THIS SEPTEMBER 15, 2026.

(SEAL)

By:___________________________________
Mayor

ATTEST:

By:___________________________________
City Recorder

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

I, Anna Crookston, the undersigned duly qualified and acting City Recorder of the City of South Jordan, Utah (the "City"), do hereby certify according to the official records of the City Council (the "Council") in my official possession that the foregoing constitutes a true and correct copy of the record of proceedings of the Council taken at a meeting of said Council held on September 15, 2026, commencing at the hour of 6:30 p.m. insofar as said proceedings relate to the consideration and adoption of a resolution at said meeting (the "Resolution") and that the Resolution is officially of record in my possession. I further certify that the Resolution was deposited in my office on September 15, 2026, has been recorded by me, and is a part of the permanent records of the City.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and affixed the seal of the City this September 15, 2026.

(SEAL)

By:________________________________
City Recorder

EXHIBIT A

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Anna Crookston, the undersigned City Recorder of the City of South Jordan, Utah (the "City"), do hereby certify, according to the records of the City Council of the City (the "Council") in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated, 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time and place of the September 15, 2026 public meeting held by the Council as follows:

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

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

(iii) By causing a copy of such Notice, in the form attached hereto as Schedule 1, to be posted on the City's official website at least twenty-four (24) hours prior to the convening of the meeting.

In addition, the Notice of 2026 Annual Meeting Schedule for the City Council (attached hereto as Schedule 2) (the "Annual Notice") was given specifying the date, time and place of the regular meetings of the Council to be held during the year, by causing said Annual Notice to be posted at least annually (a) on the Utah Public Notice Website created under Section 63A-16-601, Utah Code Annotated 1953, as amended, (b) on the City's official website and (c) in a public location within the City that is reasonably likely to be seen by residents of the City .

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this September 15, 2026.

By:__________________________________
City Recorder

(SEAL)

SCHEDULE 1

NOTICE OF MEETING

SCHEDULE 2

NOTICE OF ANNUAL MEETING SCHEDULE

Item I.1.

City of South Jordan **AMENDED** 2026 Council Study Meetings	City of South Jordan **AMENDED** 2026 City Council Meetings Start Time 6:30 PM
Tuesday, January 6, 2026	Tuesday, January 6, 2026
Tuesday, January 20, 2026	~~Tuesday, January 20, 2026~~ *CANCELED*
~~Tuesday, February 3, 2026~~ *CANCELED*	Tuesday, February 3, 2026
Tuesday, February 17, 2026	Tuesday, February 17, 2026
Tuesday, March 3, 2026	Tuesday, March 3, 2026
~~Tuesday, March 17, 2026~~ *CANCELED*	~~Tuesday, March 17, 2026~~ *CANCELED*
~~Tuesday, March 31, 2026~~ *CANCELED*	~~Tuesday, March 31, 2026~~ *CANCELED*
Tuesday, April 7, 2026	Tuesday, April 7, 2026
Tuesday, May 5, 2026	Tuesday, May 5, 2026
Tuesday, May 19, 2026	Tuesday, May 19, 2026
~~Tuesday, June 2, 2026~~ *CANCELED*	Tuesday, June 2, 2026
Tuesday, June 16, 2026	Tuesday, June 16, 2026
~~Tuesday, July 7, 2026~~ *CANCELED*	~~Tuesday, July 7, 2026~~ *CANCELED*
Tuesday, July 21, 2026	Tuesday, July 21, 2026
Tuesday, August 4, 2026	Tuesday, August 4, 2026
Tuesday, August 18, 2026	Tuesday, August 18, 2026
~~Tuesday, September 1, 2026~~ *CANCELED*	~~Tuesday, September 1, 2026~~ *CANCELED*
Tuesday, September 15, 2026	Tuesday, September 15, 2026
Tuesday, October 6, 2026	Tuesday, October 6, 2026
Tuesday, October 20, 2026	Tuesday, October 20, 2026
Tuesday, November 17, 2026	Tuesday, November 17, 2026
Tuesday, December 1, 2026	Tuesday, December 1, 2026

City Council Study Meetings begin at 4:30 p.m. on the first and third Tuesday of each month. The Study meetings are generally held in the City Hall Council Work Room located at 1600 W. Towne Center Drive, South Jordan, Utah.

Regular City Council Meetings begin at 6:30 p.m. on the first and third Tuesday of each month. Meetings are held at South Jordan City Hall in the Council Chambers located at 1600 West Towne Center Drive, South Jordan, Utah.

All meetings are subject to change. Any changes will be noticed as required by law.

South Jordan City
Anna Crookston, CMC
City Recorder
acrookston@sjc.utah.gov

Cindy Valdez, CMC
Deputy Recorder
cvaldez@sjc.utah.gov

EXHIBIT B

INDENTURE

GENERAL INDENTURE OF TRUST

Dated as of [_______], 2026

between

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

and

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

Municipal Building Authority
of the City of South Jordan, Utah
Lease Revenue Bonds

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GENERAL INDENTURE OF TRUST

THIS GENERAL INDENTURE OF TRUST dated as of [_______], 2026 (the "General Indenture"), between the MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH, a nonprofit corporation duly incorporated, validly existing and in good standing under the laws of the State of Utah (the "Authority"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized under the laws of the United States with its principal office located in Salt Lake City, Utah, as trustee (the "Trustee"):

W I T N E S S E T H:

WHEREAS, the City Council (the "Council") of the City of South Jordan, Utah (the "City") has organized the Authority solely for the purpose of (a) accomplishing the public purposes for which the City exists by acquiring, constructing, improving or extending any improvements, facilities or properties (whether real or personal) and appurtenances to them which the City is authorized or permitted by law to acquire, including, but not limited to, public buildings or other structures of every nature or any joint or partial interest in the same, which improvements, facilities, properties and appurtenances need not be situated within the boundaries of the City (collectively, the "Projects") and (b) financing or refinancing the costs of such Projects on behalf of the City in accordance with the procedures and subject to the limitations of the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended, the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (collectively, the "Act"), including, but not limited to, the costs of refunding and retiring existing obligations, funding debt service reserves, and paying issuance expenses to be incurred in connection with the issuance and sale of the Bonds herein authorized and defined; and

WHEREAS, the Act provides that the Authority may issue and sell its Bonds for the purposes described above; and

WHEREAS, the Bonds shall be secured by a pledge and assignment of certain base rentals (the "Base Rentals") received by the Authority under that certain Master Lease Agreement dated as of even date herewith between the Authority, as lessor, and the City, as lessee (the "Master Lease") and a purchase option price (the "Purchase Option Price"), if paid by the City, with respect to a Project under the Master Lease and will be further secured by the Security Documents (as defined herein); and

WHEREAS, pursuant to the Master Lease, the Authority has agreed to acquire, construct, improve and equip or to refinance one or more Projects and to lease the same to the City upon the terms and conditions set forth in the Master Lease; and

WHEREAS, pursuant to the provisions of a resolution of the City adopted on September 15, 2026 (the "City Resolution"), the City has authorized and approved the execution of the Master Lease and has authorized and approved certain actions to be taken by the Authority in connection with the financing or refinancing of the acquisition, construction, improvement and equipping (as applicable) of a Project or Projects, including, among other things, the execution, delivery and performance of this General Indenture and the issuance of the Bonds hereunder; and

WHEREAS, pursuant to the provisions of a resolution of the Authority adopted on September 15, 2026 (the "Authority Resolution"), the governing board of the Authority (the "Governing Board") has authorized, approved and directed the execution of the Master Lease and this General Indenture and has authorized and approved certain actions to be taken by the Authority in connection with the financing or refinancing of the acquisition, construction, improvement and equipping (as applicable) of a Project or Projects, including the issuance of the Bonds hereunder; and

WHEREAS, the Authority has determined that the Bonds shall be secured by this Indenture (as hereinafter defined) and as provided herein and has ascertained and determined that the provisions herein contained for protecting and enforcing the rights and remedies of the registered owners of such Bonds are reasonable, proper and in accordance with law, and that this Indenture is necessary to the performance of its duties and the execution of its powers under law, and does deem and determine all of the provisions herein contained to be reasonable and proper for the security of the registered owners of the Bonds; and

WHEREAS, all acts and things required by law and by the articles of incorporation and bylaws of the Authority necessary to make this Indenture a valid and binding trust instrument for the security of all Bonds duly issued hereunder have been done and performed and the execution and delivery of this Indenture have been in all respects duly authorized; and

WHEREAS, the Trustee has accepted the trust created and established by this Indenture and in evidence thereof has joined in the execution hereof;

NOW, THEREFORE, THIS GENERAL INDENTURE OF TRUST WITNESSETH:

GRANTING CLAUSES

That the Authority, in consideration of the premises and the acceptance of the Trustee of the trusts hereby created and of the purchase and acceptance of the Bonds by the Bondholders thereof, and of the sum of One Dollar, lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of these presents, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of and premium, if any, and interest on the Bonds according to their tenor and effect and to secure the performance and observance by the Authority of all the covenants expressed or implied herein and in the Bonds, does hereby grant, bargain, sell, convey, assign and pledge, and does hereby grant a security interest in, the following properties, rights, interests and privileges (collectively, the "Trust Estate") to the Trustee, and its successors in trust and assigns forever, for the securing of the performance of the obligations of the Authority hereinafter set forth:

GRANTING CLAUSE FIRST

The Authority's interest in the Projects, and any other interest, easements, licenses, rights and interests in real property hereafter acquired by the Authority for use in connection with the Projects, together with all additions thereto and substitutions thereof, subject to the Permitted Encumbrances;

GRANTING CLAUSE SECOND

The improvements made as part or all of the Projects and all substitutions or replacements thereof and in general all property acquired by the Authority with the proceeds of the Bonds issued under and secured by this Indenture and substitutions and replacements thereof and any other property which under the terms of the Master Lease is to become the property of the Authority or be subjected to the lien of this Indenture or the Security Documents, subject to Permitted Encumbrances;

GRANTING CLAUSE THIRD

The equipment constituting a part of the Projects and any other interest in personal property hereafter acquired by the Authority for use in connection with the Projects, together with all additions thereto and replacements, renewals and substitutions therefor;

GRANTING CLAUSE FOURTH

The Master Lease, including all extensions and renewals of the term thereof, if any, the present and continuing right to make claim for, collect, receive and receipt for any of the Base Rentals, Additional Rentals, Purchase Option Price, if paid by the City, as applicable, with respect to a Project or Projects, sums, amounts, income, revenues, issues and profits and any other sums of money payable or receivable under the Master Lease with respect to the Projects for deposit with the Trustee under this Indenture (except for amounts payable under Sections 6.3(d), 6.3(j), 13.3 and 14.5 thereof), to bring actions and proceedings thereunder or for the enforcement thereof, and to do any and all things which the Authority under the Master Lease or any lessor under the Master Lease is or may become entitled to;

GRANTING CLAUSE FIFTH

All moneys and securities from time to time held by the Trustee under the terms of this Indenture (except for moneys deposited with or paid to the Trustee for the payment of Bonds not then deemed Outstanding under the Indenture and the Rebate Fund) and any and all other real or personal property of every name and nature from time to time hereafter by delivery or by writing of any kind conveyed, mortgaged, pledged, assigned or transferred, as and for additional security hereunder by the Authority or by anyone on its behalf, or with its written consent, to the Trustee which 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 thereof;

TO HAVE AND TO HOLD all and singular the Trust Estate, whether now owned or hereafter acquired, unto Trustee and its respective successors (for the benefit of the Bondholders) in said Trust and assigns forever;

IN TRUST NEVERTHELESS, upon the terms, conditions and trusts herein set forth for the equal and proportionate benefit, security and protection of all present and future Bondholders of the Bonds, from time to time, issued under and secured by this Indenture without privilege, priority or distinction as to the lien or otherwise of any of the Bonds over any of the other Bonds, except as expressly provided therein, and for all Security Instrument Issuers and second, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers;

PROVIDED, HOWEVER, that if the Authority, its successors or assigns shall well and truly pay, or cause to be paid, the principal of and premium (including any make-whole additional payments), if any, and interest on the Bonds due or to become due thereon, at the times and in the manner mentioned in the Bonds, the Security Instrument Repayment Obligations and all Reserve Instrument Repayment Obligations according to the true intent and meaning thereof, and shall cause the payments to be made on the Bonds as required under Article IV hereof, or shall provide, as permitted hereby, for the payment thereof by depositing with the Trustee the entire amount due or to become due thereon (as provided in Article VIII hereof), and shall well and truly cause to be kept, performed and observed all of its covenants and conditions pursuant to the terms of this Indenture, 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 the final payment thereof 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 GENERAL INDENTURE OF TRUST FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated and delivered and all said property, rights and interests, including, without limitation, the Base Rentals, Additional Rentals, Purchase Option Price, if paid by the City, with respect to a Project or Projects and other amounts hereby assigned and pledged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as herein expressed, and the Authority has agreed and covenanted, and does hereby agree and covenant with Trustee and with the respective Bondholders, Security Instrument Issuers and Reserve Instrument Providers as follows (subject, however, to the provisions of Section 2.3 hereof):

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. All terms defined in Article I of the Master Lease shall have the same meaning in the Indenture unless otherwise indicated. In addition, unless the context otherwise requires, the terms defined in the recitals to this General Indenture set forth above and in this Article I shall, for all purposes of the Indenture and the Master Lease, have the meaning herein specified.

"Additional Bonds" means all Bonds (other than the Initial Bonds) issued under the Indenture pursuant to Section 2.14 hereof.

"Authority Representative" means the Chair/President, or Vice President and Secretary-Treasurer of the Authority, and any other person or persons at any time designated to act on behalf of the Authority for purposes of performing any act on behalf of the Authority with respect to a Project by a written certificate furnished to the City and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Authority by any duly authorized officer of the Authority. Such certificate may designate an alternate or alternates. The Authority Representative may be an officer or employee of the Authority or the City.

"Base Rentals" means that portion of the rentals payable under the Master Lease which is pledged to the payment of debt service on the Bonds and to the replenishment of the Debt Service Reserve Fund under the Indenture.

"Beneficial Owner" means with respect to the Bonds, the person owning the Beneficial Ownership Interest therein.

"Beneficial Owner Interest" means the right to receive payments and notices with respect to the Bonds held in a book-entry System

"Bond Documents" means the Master Lease, the Security Documents and the Indenture.

"Bond Fund" means Municipal Building Authority of the City of South Jordan, Utah, Bond Fund established under Section 5.2 hereof.

"Bond Registrar" means the Trustee (or other party designated as Registrar by Supplemental Indenture), appointed as the initial registrar for the Bonds pursuant to Section 2.8 hereof, and any additional or successor registrar appointed pursuant hereto.

"Bondholder," "Holder," "Owner" or "Registered Owner" means the person or persons in whose name or names a Bond shall be registered on the books of the Bond Registrar kept for that purpose in accordance with provisions of the Indenture.

"Bonds" means (i) the Initial Bonds, (ii) any Refunding Bonds issued pursuant to Section 2.13 hereof and (iii) any Additional Bonds issued pursuant to Section 2.14 hereof.

"Chair/President" means the Chair/President (including any acting Chair/President) of the Authority.

"Code" means the Internal Revenue Code of 1986, as amended.

"Construction Fund" means Municipal Building Authority of the City of South Jordan, Utah, Construction Fund established under Section 5.5 hereof.

"Cost of Issuance Fund" means the fund established in Section 5.17 herein.

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

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

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

"Debt Service Reserve Fund" means the Municipal Building Authority of the City of South Jordan, Utah, Debt Service Reserve Fund established under Section 5.4 hereof for the purpose of securing payment of Bonds issued under this Indenture.

"Debt Service Reserve Requirement" means with respect to each Series of Bonds issued pursuant to this Indenture, unless otherwise provided in the related Supplemental Indenture, an amount equal to the least of (i) 10% of the proceeds of such Series of Bonds determined on the basis of original principal amount (unless original issue premium or original issue discount exceeds 2% of original principal, then determined on the basis of initial purchase price to the public), (ii) the maximum annual debt service during any year for such Series of Bonds, and (iii) 125% of the average annual debt service for such Series of Bonds; provided, however, that in the event any Series of Refunding Bonds is issued to refund only a portion and not all of the then Outstanding Bonds of any Series issued pursuant to this Indenture (the "Prior Bonds"), then the portion of such Series of Prior Bonds that remain Outstanding immediately after the issuance of such Refunding Bonds and the portion of such Refunding Bonds that is allocable to the refunding of such Series of Prior Bonds may be combined and treated as a single Series for purpose of determining the Debt Service Reserve Requirement relating to such combined Series and the resulting requirement shall be allocated among the two Series pro rata based upon the total principal amount remaining Outstanding for each Series. Each account of the Debt Service Reserve Fund shall only be used with respect to the related Series of Bonds.

"Direct Obligations" means direct noncallable obligations of (including obligations issued or held in book-entry form on the books of) the Department of the Treasury of the United States of America, obligations unconditionally guaranteed as to principal and interest by the United States of America and evidences of ownership interests in such direct or unconditionally guaranteed obligations.

"Direct Payments" means the interest subsidy payments received by the Authority from the Internal Revenue Service pursuant to Section 6431 and 1400U-2 of the Code or other similar programs (with respect to Bonds issued hereunder).

"City Representative" means the Mayor, the Mayor Pro Tem and City Recorder of the City and any other person at any time designated to act on behalf of the City for purposes of performing any act with respect to a Project by a written certificate furnished to the Authority and the Trustee containing the specimen signature of such person and signed on behalf of the City or any duly authorized officer thereof. Such certificate may designate an alternate or alternates. The City Representative may be an officer or employee of the Authority or the City.

"Event of Default" means any occurrence or event specified in and defined by Section 9.1 hereof.

"General Indenture" means this General Indenture of Trust, by and between the Authority and the Trustee.

"Indenture" means this General Indenture and any Supplemental Indentures entered into in compliance with the provisions of Article XI.

"Initial Bonds" means the first Series of Bonds issued under the Indenture.

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

"Investment Obligations" means any of the following securities:

(i) Direct Obligations;

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

(iii) Money market funds rated at the time of purchase "AAAm" or "AAAm-G" or better by S&P, including money market funds from which the Trustee or its affiliates receive fees for investment, advisory or other services to the fund;

(iv) 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;

(v) Bonds, notes or other evidences of indebtedness rated at the time of purchase "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;

(vi) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks 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);

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

(viii) Any investments or securities permitted for investment of public funds under the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code Annotated 1953, as amended.

"Master Lease" means the Master Lease Agreement dated as of even date herewith by and between the Authority, as lessor and the City, as lessee and any amendments and supplements thereto entered into in accordance with Article XII hereof.

"Moody's" means Moody's Investors Service, its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority.

"Outstanding" or "Bonds Outstanding" means all Bonds which have been authenticated, registered and delivered by the Trustee under the Indenture, except:

(a) Bonds delivered to the Trustee for cancellation, whether after purchase in the open market or because of payment at, or redemption prior to, maturity;

(b) Bonds in lieu of which others have been authenticated under Sections 2.6, 2.7, and 2.12 hereof; and

(c) Bonds deemed paid under Article VIII of this General Indenture.

"Paying Agent" means the Trustee, appointed as the initial paying agent for the Bonds pursuant to Section 2.8 hereof, and any additional or successor paying agent appointed pursuant hereto.

"Project" or "Projects" means collectively each Project identified in a Supplemental Indenture to be financed or refinanced with a Series of Bonds issued under the Indenture.

"Rebatable Arbitrage" shall mean with respect to any Series of Bonds the amount (determinable as of each Rebate Calculation Date) of rebatable arbitrage payable to the United States at the times and in the amounts specified in Section 148(f)(3) of the Code and Section 1.148-3 of the Regulations.

"Rebate Calculation Date" means, with respect to each Series of Tax-Exempt Bonds, the Interest Payment Date next preceding the fifth anniversary of the issue date of such Series of Bonds, each fifth anniversary of the initial Rebate Calculation Date for such Series of Bonds, and the date of retirement of the last Bond of such Series.

"Rebate Fund" means Municipal Building Authority of the City of South Jordan, Utah, Rebate Fund established by Section 5.6 hereof

"Recovery Zone Bonds" means interest subsidy bonds issuable by the Authority under Sections 1400U-2 and 6431 of the Code and a "qualified bond" under Section 1400U-2(a) of the Code or such other tax credit bonds of substantially similar nature which may be hereafter authorized.

"Refunding Bonds" means all Bonds (other than the Initial Bonds) issued pursuant to Section 2.13 hereof.

"Regular Record Date" means the fifteenth day (whether or not a Business Day, as this term is defined in the Master Lease) next preceding each Interest Payment Date.

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

"Required Rebate Deposit" means, with respect to any Series of Bonds an amount determinable as of each Rebate Calculation Date, which when added to amounts then on deposit in the Rebate Fund with respect to such Series of Bonds, if any, equals the aggregate amount of Rebatable Arbitrage for such Series of Bonds less the amount of Rebatable Arbitrage theretofore paid to the United States with respect to such Series of Bonds, if any.

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

"Reserve Instrument Agreement" means any agreement entered into by the Authority and a Reserve Instrument Provider pursuant to a Supplemental Indenture and providing for the issuance by such Reserve Instrument Provider of a Reserve Instrument.

"Reserve Instrument Costs" means all fees, premiums, expenses and similar costs, other than Reserve Instrument Repayment Obligations, required to be paid to a Reserve Instrument Provider pursuant to a Reserve Instrument Agreement.

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

"Reserve Instrument Fund" means the Municipal Building Authority of the City of South Jordan, Utah Reserve Instrument Fund established in Section 5.18 of hereof to be held by the Trustee and administered pursuant to Section 5.19 hereof.

"Reserve Instrument Limit" means, as of any date of calculation and with respect to any Reserve Instrument, the maximum aggregate amount available to be paid under such Reserve Instrument into an account in the Debt Service Reserve Fund assuming for purposes of such calculation that the amount initially available under each Reserve Instrument has not been reduced or that the amount initially available under each Reserve Instrument has only been reduced as a result of the reduction of the Debt Service Reserve Requirement.

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

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

"S&P" means S&P Global Ratings, its successors and assigns, and, if such entity shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority.

"Secretary-Treasurer" means the Secretary-Treasurer (including any deputy or acting Secretary-Treasurer) of the Authority.

"Security Documents" means collectively the security documents described in each Supplemental Indenture.

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

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

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

"Security Instrument Issuer" means any bank or other financial institution, insurance company, Surety Company or other institution issuing a Security Instrument.

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

"Serial Bonds" means those Bonds other than Term Bonds.

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

"Sinking Fund Account" means Municipal Building Authority of the City of South Jordan, Utah, Sinking Fund Account of the Bond Fund established by Section 5.3 hereof.

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

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

"State" means the State of Utah.

"Supplemental Indenture" means any indenture between the Authority and the Trustee entered into pursuant to and in compliance with the provisions of Article XI hereof.

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

"Tax-Exempt Bonds" means Bonds the interest on which is intended to be excludable from gross income for federal income tax purposes.

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

"Trust Estate" means the property conveyed to the Trustee pursuant to the Granting Clauses hereof.

"Trustee" means U.S. Bank Trust Company, National Association, a national banking association and its successors and any association resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at the time serving as successor trustee under the Indenture.

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

Reserve Instruments which, regardless of the time or times of their issuance, delivery or termination, shall be of equal rank without preference, priority or distinction of any Reserve Instrument over any other thereof.

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

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

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

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

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

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

ARTICLE II

TERMS AND PROVISIONS OF BONDS; ADDITIONAL BONDS AND REFUNDING BONDS

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

Section 2.2 Description of Bonds; Payment.

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

(b) The Bonds of each Series issued hereunder shall be dated, shall bear interest calculated on the basis of a 360-day year consisting of twelve 30-day months (unless otherwise specified by Supplemental Indenture) at a rate or rates not exceeding the maximum rate permitted by law on the date of initial issuance of Bonds of such Series, and be payable on the days, shall be stated to mature on the days and in the years and shall be subject to redemption prior to their respective maturities, all as set forth in the Supplemental Indenture authorizing such Series of Bonds. The Bonds of each Series shall be designated "Municipal Building Authority of the City of South Jordan, Utah [Taxable] Lease Revenue [Refunding] Bonds, Series," in each case inserting the year in which the Bonds are issued and an identifying Series letter or a project designation (if applicable).

(c) Both the principal of and the interest on the Bonds shall be payable in any coin or currency of the United States of America, as at the respective time of payment, shall be legal tender for payment of public and private debts. Payment of the interest on any Bond shall be made to the person appearing on the Bond registration books of the Bond Registrar hereinafter provided for as the Registered Owner thereof by check or draft mailed to the Registered Owner at his address as it appears on such registration books or to owners of $1,000,000 or more in aggregate principal amount of Bonds (or owners of 100% of any Series then Outstanding) by wire transfer to a bank account within the United States designated by the Registered Owner in written instructions furnished to the Trustee (unless otherwise specified by Supplemental Indenture). The interest on Bonds so payable, and punctually paid and duly provided for, on any Interest Payment Date will be paid to the person who is the Registered Owner thereof at the close of business on the Regular Record Date for such interest. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner of any Bond on such Regular Record Date and may be paid to the person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such Registered Owner not less than ten days prior to such Special Record Date. The principal of and premium, if any, on Bonds are payable upon presentation and surrender thereof at the principal corporate trust office of the Trustee as Paying Agent, except as otherwise provided by Supplemental Indenture. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

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

Section 2.3 Execution; Limited Obligation. The Bonds shall be executed on behalf of the Authority with the manual or official facsimile signature of its Authority Representative, countersigned with the manual or official facsimile signature of the Secretary-Treasurer, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Authority. In case any officer, the facsimile of whose signature shall appear on the Bonds, shall cease to be such officer before the delivery of such Bonds, such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

The Bonds shall not be general obligations but shall be special, limited obligations of the Authority payable solely out of and to the extent available from the Base Rentals, and, if paid by the City, the Purchase Option Price under the Master Lease and other amounts derived from the leasing of the Projects (except to the extent paid out of moneys attributable to the proceeds derived from the sale of the Bonds or to income from the temporary investment thereof and, under certain circumstances, to moneys held in funds or accounts by the Trustee, to Net Proceeds from insurance policies, performance bonds, condemnation awards and liquidation proceeds with respect to the Projects and from Direct Payments) and shall be a valid claim of the respective Bondholders thereof only against the Bond Fund, the Debt Service Reserve Fund and other moneys held by the Trustee and the Base Rentals, and other amounts derived from the leasing of the Projects under the Master Lease, which Base Rentals and other amounts are hereby pledged, assigned and otherwise secured for the equal and ratable payment of the Bonds and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds (including any make whole interest payments or redemption premiums on any Bonds), except as may be otherwise expressly authorized in the Indenture or in the Master Lease. The Authority shall not be obligated to pay the principal of such Bonds or the interest thereon or other costs incident thereto except from the moneys pledged therefor under the Indenture. The Bonds and the interest thereon shall never constitute an indebtedness of the City within the meaning of any constitutional limitation or statutory provision and shall not constitute or give rise to a pecuniary liability of the City or a charge against the general credit or taxing power of the City. Neither the City nor the Authority on its behalf has pledged the credit of the City to the payment of the Bonds, the interest thereon or amounts due or to become due under the Master Lease. The City shall not be obligated to appropriate Funds for the purpose of paying Base Rentals, Additional Rentals or the Purchase Option Price under the Master Lease, and no judgment may be entered against the City in the event of an insufficiency of moneys to pay the principal of, premium, if any, and interest on the Bonds. The payment obligations of the City under the Master Lease are subject to annual renewal and will be terminated upon the occurrence of an Event of Nonappropriation. In such event, all payments from the City under the Master Lease will terminate, and the Bonds and the interest thereon will be payable solely from and to the extent of such moneys, if any, as may be held by the Trustee under the Indenture (except amounts held for the payment of Bonds not deemed Outstanding) and, subject to the provisions of Article IX hereof, any moneys made available from a liquidation of the Authority’s interest in the Project financed with such Bonds subsequent to foreclosure of the lien of the Indenture and the Security Documents. No deficiency judgment subsequent to foreclosure of the lien of the Indenture and the Security Documents may be entered against the City or the Authority, and no breach of any provision of the Master Lease, the Security Documents or the Indenture shall impose any general obligation or liability upon or a charge against the City, the Authority or upon the general credit or taxing powers of the City. Except as expressly provided in the Master Lease, no judgment requiring a payment of money may be entered against the City under the Master Lease.

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

Section 2.4 <u>Authentication and Delivery of Bonds.</u>

(a) The Authority shall deliver executed Bonds of each Series to the Trustee for authentication and registration. Subject to the satisfaction of the conditions for authentication of Bonds set forth herein, the Trustee and Bond Registrar shall authenticate and register, respectively, such Bonds, and deliver them upon the order of the Authority to the purchasers thereof upon the payment by the purchasers to the Trustee for the account of the Authority of the purchase price therefor. Delivery by the Trustee shall be full acquittal to the purchasers for the purchase price of such Bonds, and such purchasers shall be under no obligation to see to the application thereof. The proceeds of the sale of such Bonds shall, however, be disposed of only as provided herein and in the Master Lease, and in the Supplemental Indenture executed in connection therewith.

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

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

(i) A copy, duly certified by the Secretary-Treasurer of the Authority, of the resolution of the Authority and a copy, duly certified by the City Recorder of the City, of the resolution of the City, each approving the execution and delivery of the instruments specified in Subparagraphs (ii) and (iii) below and the execution and delivery of such Series of Bonds, together with a certificate, dated as of the date of authentication of such Series of Bonds, of the Secretary-Treasurer and the City Recorder, respectively, that such proceedings are still in force and effect without amendments except as shown in such proceedings;

(ii) A copy, duly certified by the Secretary-Treasurer of the Authority, of (a) this General Indenture (to the extent not theretofore so filed) and the Supplemental Indenture authorizing such Series of Bonds and (b) the Master Lease (to the extent not theretofore so filed) and any amendments to the Master Lease executed in connection with such Supplemental Indenture and such Series of Bonds;

(iii) Original executed counterparts of the Security Documents identified in such Supplemental Indenture;

(iv) A request and authorization to the Trustee on behalf of the Authority and signed by the Authority Representative of the Authority to authenticate and deliver the Bonds to the purchasers therein identified upon payment to the Trustee, but for the account of the Authority, of a sum specified in such request and authorization. The proceeds of such payment shall be deposited with the Trustee as provided in the Master Lease and the Supplemental Indenture;

(v) (A) In the case of the Initial Bonds, an ALTA mortgagee title policy or policies, or commitment therefor, of mortgage title insurance in an aggregate amount equal to not less than the principal amount of the Initial Bonds insuring the lien of the Security Documents identified in the Supplemental Indenture, subject only to Permitted Encumbrances and (B) in the case of Additional Bonds and Refunding Bonds, the title insurance specified in Section 2.14(b) and Section 2.13(c) hereof, respectively; alternatively, for the situations described in both (A) and (B) (excluding Refunding Bonds), the Authority may reasonably expect to be able to deliver the required mortgage title insurance following delivery of the related Series of Bonds, provided that no proceeds of such Bonds shall be drawn out of the Construction Fund until such mortgage title insurance is delivered (except for costs of issuance related to such Bonds);

(vi) A written opinion of nationally recognized bond counsel, to the effect that (a) the Authority has authorized the execution and delivery of the General Indenture and Supplemental Indenture and such Series of Bonds, (b) the General Indenture and Supplemental Indenture have been duly executed and delivered by the Authority and are valid and binding agreements of the Authority; and (c) such Series of Bonds have been duly executed and delivered to the Trustee by the Authority and, upon authentication thereof by the Trustee pursuant to the Indenture and delivery thereof by the Trustee pursuant to the request referred to in Subparagraph (iv), will be valid and binding obligations of the Authority;

(vii) A written opinion of counsel to the City as to the legal, valid and binding nature of the Master Lease as against the City and such other matters as may be reasonably required by the purchasers of such Series of Bonds;

(viii) A written opinion of counsel to the Authority as to the legal, valid and binding nature of the Master Lease, the General Indenture, the Supplemental Indenture and the Security Documents as against the Authority and such other matters as may be reasonably required by the purchasers of such Series of Bonds;

(ix) Evidence that upon the issuance of such Bonds there will be on deposit in the Debt Service Reserve Fund an amount (including Reserve Instruments) at least equal to the Debt Service Reserve Requirement, if any, for all Bonds to be Outstanding immediately following the issuance of such Bonds;

(x) The items required by Section 2.13 in the case of Refunding Bonds and Section 2.14 in the case of Additional Bonds; and

(xi) Such other agreements, certificates, documents and opinions as are required to be delivered to the purchasers of such Series of Bonds or to the Security Instrument Issuers.

Section 2.5 Form of Bonds. For each Series of Bonds, the text of such Bonds, and the Trustee's Authentication Certificate shall be in substantially the forms thereof set forth in the Supplemental Indenture authorizing the issuance of such Bonds, with such omissions, insertions and variations not inconsistent with the terms hereof as may be necessary, desirable, authorized and permitted hereby.

Section 2.6 Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Authority may execute and the Trustee may authenticate a new Bond of like date, maturity and denomination to 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 Authority and the Trustee evidence of such loss, theft or destruction satisfactory to the Authority and the Trustee, together in each case with an indemnity satisfactory to them. In the event any such Bond shall have matured or been redeemed or be approaching maturity, instead of issuing a duplicate Bond, the Authority may pay the same on or after the due date thereof without surrender thereof, making such requirements as it deems fit for its protection, including a lost instrument bond or other satisfactory indemnity. The Authority and the Trustee may charge the Bondholder of such Bond with their reasonable fees and expenses in this connection. Any Bond issued pursuant to this Section shall be deemed part of the Series of the Bonds in respect of which it was issued and an original additional contractual obligation of the Authority. This Section 2.6 is subject to additional stipulations as may be provided by Supplemental Indenture.

Section 2.7 Registration and Exchange of Bonds; Persons Treated as Owners. The Authority shall cause books for the registration and for the transfer of the Bonds to be kept by the Trustee which is hereby constituted and appointed the Bond Registrar of the Authority, provided, however, that the Authority may by Supplemental Indenture select a party other than the Trustee to act as Bond Registrar with respect to the Series of Bonds issued under said Supplemental Indenture. Any Bond may, in accordance with its terms, be transferred only upon the registration books kept by the Bond Registrar, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for cancellation (or as otherwise provided by the related Supplemental Indenture), accompanied by delivery of a written instrument of transfer in a form approved by the Bond Registrar, duly executed. No transfer shall be effective until entered on the registration books kept by the registrar. This Indenture shall constitute a "system of registration" for all purposes of the Registered Public Obligations Act, Title 15, Chapter 7, Utah Code Annotated 1953, as amended. Upon surrender for transfer of any Bond at the principal office of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Bondholder or his attorney duly authorized in writing, the Authority shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees a new, fully registered Bond or Bonds of the same Series and the same maturity for a like aggregate principal amount as the Bond to be transferred. Bonds may be exchanged at the principal corporate trust office of the Trustee for a like aggregate principal amount of Bonds of other authorized denominations of the same Series and the same maturity. The execution by the Authority of any Bond of any authorized denomination shall constitute full and due authorization of such denomination, and the Trustee shall thereby be authorized to authenticate and deliver such Bond upon such exchange. The Authority and the Trustee shall not be required to transfer or exchange any Bond (i) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date, (ii) during the period from and including the day fifteen days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto, (iii) during the period from and including the day fifteen days prior to the mailing of notice calling any Bonds for redemption, to and including the date of such mailing, or (iv) at any time following the mailing of notice calling such Bond for redemption.

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

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

Section 2.8 Designation of the Trustee as Bond Registrar and Paying Agent and Designation of Any Additional Paying Agents. The Trustee is hereby designated and agrees to act as Bond Registrar and Paying Agent for and in respect to the Bonds. The Authority hereby covenants and agrees to cause the necessary arrangements to be made through the Trustee and to be thereafter continued for the designation of any additional paying agents and for the making available of moneys hereunder for the payment of such of the Bonds as shall be presented when due at the principal office of said additional paying agent.

Section 2.9 Cancellation. All Bonds which have been surrendered for payment (provided payment in full has actually been received by the Owners of such Bonds), redemption or exchange, and Bonds purchased from any moneys held by the Trustee hereunder or surrendered to the Trustee by the Authority, shall be canceled and destroyed by the Trustee and shall not be reissued.

Section 2.10 Nonpresentation of Bonds. Unless otherwise provided by Supplemental Indenture, in the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the Authority to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability to the Registered Owner of such Bond for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part hereunder or on, or with respect to, said Bond. If any Bond shall not be presented for payment within four (4) years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall, to the extent permitted by law, repay to the Authority the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Authority, and the Registered Owner thereof shall be entitled to look only to the Authority for payment, and then only to the extent of the amount so repaid, and the Authority shall not be liable for any interest thereon and shall not be regarded as a trustee of such money. The provisions of this Section are subject to the provisions of Title 67, Chapter 4a, Utah Code Annotated 1953, as amended.

Section 2.11 Initial Bonds. Subject to the provisions hereof, the Initial Bonds may be authenticated and delivered by the Trustee upon satisfaction of the conditions specified in Section 2.4 hereof and any additional conditions specified in the Supplemental Indenture authorizing such Series of Bonds.

Section 2.12 Temporary Bonds.

(a) Until the definitive Bonds of any Series are prepared, the Authority may execute, in the same manner as is provided in Section 2.3 hereof, and upon the request of the Authority, the Trustee shall authenticate and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds except as to the denominations thereof, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in denominations authorized by the Authority, and with such omissions, insertions and variations not inconsistent with the Indenture as may be appropriate to temporary Bonds. The Authority at its own expense shall prepare and execute and, upon the surrender of such temporary Bonds (or as otherwise provided for in the related Supplemental Indenture), for exchange and the cancellation of such surrendered temporary Bonds, the Trustee shall authenticate and, without charge to the Registered Owner thereof, deliver in exchange therefor, definitive Bonds, of the same aggregate principal amount, Series and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds authenticated and issued pursuant hereto.

(b) If the Authority shall authorize the issuance of temporary Bonds in more than one denomination, the Registered Owner of any temporary Bond or Bonds may, at his option, surrender the same (or as otherwise provided for in the related Supplemental Indenture) to the Trustee in exchange for another temporary Bond or Bonds of like aggregate principal amount, series and maturity of any other authorized denomination or denominations, and thereupon the Authority shall execute and the Trustee shall authenticate and, in exchange for the temporary Bond or Bonds so surrendered, shall deliver a temporary Bond or Bonds of like aggregate principal amount, series and maturity in such other authorized denomination or denominations as shall be requested by such Registered Owner.

(c) All temporary Bonds surrendered in exchange either for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith canceled by the Trustee.

Section 2.13 Issuance of Refunding Bonds. So long as the Master Lease is in effect and no Event of Default under the Indenture or the Master Lease has occurred and is continuing and so long as no Event of Nonappropriation has occurred and is continuing, one or more Series of Refunding Bonds may be issued, authenticated and delivered for the purpose of refunding Bonds or other obligations of the Authority (with accompanying security documentation and pledge of refinanced property). The Refunding Bonds may be issued in one or more Series, shall be authenticated and registered by the Trustee and, upon payment to the Trustee of the proceeds of said sale of Refunding Bonds, they shall be delivered by the Trustee to or upon the order of the purchasers thereof, but only upon satisfaction of the conditions specified in Section 2.4 hereof and there being filed with the Trustee:

(a) Original executed counterparts of a Supplemental Indenture, a supplement or amendment (if necessary) to the Security Documents and the Master Lease providing for the issuance of such Refunding Bonds, and further providing for a revision to the Base Rentals to be paid by the City under the Master Lease to such amount as shall be necessary to pay, assuming that no Event of Default or Event of Nonappropriation shall occur, the principal of, premium, if any, and interest on the Bonds (including the Refunding Bonds being issued and any Bonds theretofore issued and to remain Outstanding), and to extend the Lease Term if the maturity of any of the Refunding Bonds would otherwise occur after the expiration of the then current Lease Term. The date or dates of the Refunding Bonds, the rate or rates of interest on the Refunding Bonds, and the redemption provisions (if any) with respect thereto all shall be as provided in the Supplemental Indenture;

(b) If any of the Bonds being refunded were Tax-Exempt Bonds or were designated as Tax Credit Bonds qualifying for Direct Payments, a written opinion of nationally recognized bond counsel, to the effect that the exclusion from gross income of the interest on the Tax-Exempt Bonds being refunded or the status of the Bonds as Tax Credit Bonds qualifying for Direct Payments, for federal income tax purposes, will not be adversely affected by the issuance of the Refunding Bonds being issued;

(c) A date-down endorsement to the ALTA mortgagee title insurance policy issued in connection with the issuance of the Bonds being refunded or commitment therefor (or if the bonds or other obligations being refunded were not issued pursuant to this Indenture, an ALTA Mortgagee title insurance policy or commitment therefor), which endorsement or policy shall insure to the date of issuance of such Refunding Bonds and the recording of any supplement or amendment to the Security Documents the continuing validity of the lien thereof, as modified by any supplement or amendment to the Security Documents, as a first and prior lien on the premises thereby secured, subject only to Permitted Encumbrances, and which endorsement or policy shall increase the amount of title insurance coverage thereunder, if necessary, to an amount, which when added to the coverage provided under any other title policies delivered with respect to other Bonds then Outstanding and issued with respect to the Project financed by the Bonds or other obligations to be refunded, is at least equal to the aggregate principal amount of all Bonds to be Outstanding with respect to such Project following said refunding and naming the Trustee as an insured; alternatively, the Authority may reasonably expect to be able to deliver the required mortgage title insurance following delivery of the related Series of Bonds, provided that no proceeds of such Bonds shall be drawn out of the Construction Fund until such mortgage title insurance is delivered (except for costs of issuance related to such Bonds);

(d) (i) A report of an independent firm of certified public accountants to the effect that, upon the issuance of the Refunding Bonds, moneys and Direct Obligations will be deposited with the Trustee or an escrow agent sufficient to cause the Bonds (or other obligations) being refunded to be deemed paid under Article VIII hereof (or a comparable provision of the documents authorizing the obligations to be refunded even if not deemed paid for Cross-over Refunding Bonds); or (ii) in the event that the Bonds (or other obligations) to be refunded are to be redeemed on the date of issuance of the Refunding Bonds or within ninety (90) days thereafter, there shall be delivered to the Trustee evidence satisfactory to it that upon the issuance of the Refunding Bonds moneys and Direct Obligations will be deposited with the Trustee or an escrow agent sufficient, without taking into account investment earnings thereon, to redeem the Bonds (or other obligations); and

(e) A certificate of the Authority, stating that, as of the date of such delivery, no event or condition has happened or exists and is continuing, or is happening or existing, which constitutes, or which, with notice or lapse of time or both, would constitute, an Event of Default under the Indenture or the Master Lease and there has not occurred and is then continuing an Event of Nonappropriation; provided however that the existence of an Event of Default shall not preclude the issuance of any Refunding Bonds if: (i) the issuance of such Refunding Bonds otherwise complies with the provisions hereof and (ii) any Event of Default will cease to continue upon the issuance of such Refunding Bonds and the application of the proceeds thereof.

Each Series of Refunding Bonds issued pursuant to this Indenture shall be equally and ratably secured under the Indenture with the Initial Bonds and all other Series of Refunding Bonds and Additional Bonds, if any, theretofore issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

Section 2.14 Additional Bonds. So long as the Master Lease is in effect and no Event of Default under the Indenture or the Master Lease has occurred and is continuing and so long as no Event of Nonappropriation has occurred and is continuing, one or more Series of Additional Bonds may be issued, authenticated and delivered for the purpose of financing Costs of Acquisition and Construction of a Project or Projects. The Additional Bonds may be issued in one or more Series, shall be authenticated by the Trustee and registered and, upon payment to the Trustee of the proceeds of said sale of Additional Bonds, they shall be delivered by the Trustee to or upon the order of the purchasers thereof, but only upon satisfaction of the conditions specified in Section 2.4 hereof and there being filed with the Trustee:

(a) Original executed counterparts of a Supplemental Indenture, additional Security Documents or a supplement or amendment (if necessary) to the Security Documents and Master Lease providing for the financing of a Project and for the issuance of the Additional Bonds and further providing for an increase in the Base Rentals to be paid by the City under the Master Lease in such amount as shall be necessary to pay, assuming that no Event of Default or Event of Nonappropriation shall occur, the principal of, premium, if any, and interest on the Bonds (including the Additional Bonds being issued and any Bonds theretofore issued and Outstanding), and to extend the Lease Term if the maturity of any of the Additional Bonds would otherwise occur after the expiration of the then current Lease Term. The date or dates of the Additional Bonds, the rate or rates of interest on the Additional Bonds, and the redemption provisions (if any) with respect thereto all shall be as provided in the Supplemental Indenture;

(b) A date-down endorsement to the ALTA mortgagee title insurance policy issued in connection with the issuance of the Initial Bonds (or other Bonds) or commitment therefor or an additional ALTA mortgagee title insurance policy or commitment therefor, which endorsement or policy shall insure to the date of issuance of such Additional Bonds and the recording of any additional Security Documents or supplement to the Security Documents, if required, the continuing validity of the lien thereof, as modified by any supplement to the Security Documents, as a first and prior lien on the premises thereby secured, subject only to Permitted Encumbrances, and which endorsement or additional policy shall increase the amount of title insurance coverage thereunder by an amount at least equal to the aggregate principal amount of the Additional Bonds to be issued (or in the case of Additional Bonds issued to complete or extend a Project previously financed hereunder the endorsement to the original policy for such Project shall increase the coverage to at least the aggregate principal amount of Bonds issued for such Project to be Outstanding following the issuance of such Additional Bonds) and naming the Trustee as an insured. In the event that the property upon which additional projects are to be located has not been acquired at or prior to the time of issuance of the Additional Bonds, the amendment to Master Lease relating to such Additional Bonds shall require that such endorsement or additional title policy with respect to such property be delivered at the time of or prior to any disbursements being made from the Construction Fund with respect to such portion of the Project (except for costs of issuance related to such Bonds);

(c) If such Series of Additional Bonds is being issued in whole or in part for construction purposes, (i) a copy, duly certified by the Secretary-Treasurer of the Authority, of the project contract and architect's agreement with respect to such construction and the performance and payment bond covering such contract or, in the alternative, a requirement that a copy of such documents be delivered to the Trustee prior to the time that moneys are withdrawn from the Construction Fund with respect to such portions of the Project, and (ii) a certificate of the architect or engineer responsible for planning and designing any such construction which sets forth the estimated useful life of the Project or Projects, as so improved and extended, in compliance with Section 17D-2-301 of the Act; and

(d) A certificate of the Authority, stating that as of the date of such delivery no event or condition has happened or exists and is continuing, or is happening or existing, which constitutes, or which, with notice or lapse of time or both, would constitute, an Event of Default under the Indenture or the Master Lease and there has not occurred and is then continuing an Event of Nonappropriation; provided however that the existence of an Event of Default shall not preclude the issuance of any Additional Bonds if: (i) the issuance of such Additional Bonds otherwise complies with the provisions hereof and (ii) any Event of Default will cease to continue upon the issuance of such Additional Bonds and the application of the proceeds thereof.

Each Series of Additional Bonds issued pursuant to the Indenture shall be equally and ratably secured under the Indenture with the Initial Bonds and all other Series of Additional Bonds and Refunding Bonds, if any, theretofore issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

ARTICLE III

REDEMPTION PROVISIONS

Section 3.1 Redemption. The Bonds of a Series may be callable for redemption prior to maturity as provided in the Supplemental Indenture authorizing said Series of Bonds.

Section 3.2 Extraordinary Redemption. The Bonds of a Series shall be callable for redemption prior to maturity in whole on any date, if (i) the Project financed by such Series or a material portion thereof is damaged or destroyed or taken in a condemnation proceeding, or a material defect in the construction of said Project shall become apparent, or title to or the use of all or any material portion of said Project shall be lost by reason of a defect in title thereto, (ii) the Net Proceeds of any insurance policy, performance bond or condemnation award made available by reason of one or more such occurrences shall be insufficient to pay in full the cost of repairing or replacing such portion of said Project, and (iii) the City elects to discharge its obligation to repair and replace such portion of said Project by depositing such Net Proceeds into the Bond Fund. Upon the deposit of such Net Proceeds in the Bond Fund, the payment obligations of the City with respect to said Project or Projects financed by such Series of Bonds under the Master Lease shall terminate and the City shall have no further obligation for the payment of Base Rentals and Additional Rentals with respect to said Project or Projects, and possession of said Project or Projects, as well as all right, title and interest of the City and the Authority in any funds or accounts created under the Indenture with respect to said Project or Projects shall be surrendered to the Trustee, as trustee for the Bondholders. Thereafter, the Indenture and the Security Documents applicable to said Project or Projects may, subject to the limitations of Article IX hereof, be foreclosed and the Authority's interest in said Project or Projects liquidated and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Indenture with respect to said Project or Projects (except moneys held in the Rebate Fund or for the payment of Bonds not then deemed outstanding), shall be applied by the Trustee to the redemption of the applicable Series of Bonds at the earliest date practicable. Any such redemption of said Series of Bonds shall be made upon payment of all or a prorated portion of the principal amount thereof plus accrued interest thereon to the redemption date. IN THE EVENT THE BONDS OF ANY SERIES ARE TO BE REDEEMED BY PAYMENT OF AN AMOUNT LESS THAN THE OUTSTANDING PRINCIPAL AMOUNT THEREOF, AND ACCRUED INTEREST TO THE REDEMPTION DATE, NO FURTHER CLAIM FOR PAYMENT MAY BE HAD BY THE BONDHOLDERS AGAINST THE AUTHORITY, THE CITY, ANY SUBLESSEE OR THE TRUSTEE WITH RESPECT TO SAID SERIES OF BONDS. In the event there are moneys remaining in the Bond Fund after payment in full of all Bonds of said Series issued under the Indenture, the Trustee is authorized and directed to transfer said moneys to the City.

Section 3.3 Other Redemption Provisions. The Term Bonds of each Series may be subject, to the extent provided in the Supplemental Indenture authorizing each such Series of Bonds, to redemption prior to maturity by operation of Sinking Fund Installments required to be made to the Sinking Fund Account. The Bonds of each Series shall further be subject to redemption prior to maturity at the option of the Authority at such times and upon such terms as shall be fixed by such Supplemental Indenture. If fewer than all of the Bonds of any one maturity of a Series shall be called for redemption, the particular Bonds or portions thereof, as determined in accordance with Section 3.7 herein, to be redeemed shall be selected by the Trustee in such manner as the Trustee, in its discretion, may deem proper in order to assure each Registered Owner of Bonds of such Series or maturity a fair opportunity to have their Bond or Bonds or portions thereof selected.

Section 3.4 Notice of Redemption.

(a) In the event any of the Bonds are to be redeemed, the Bond Registrar shall cause notice to be given as provided in this Section 3.4. Unless otherwise specified in the Supplemental Indenture authorizing the issuance of the applicable Series of Bonds, notice of such redemption (i) shall be filed with the paying agent designated for the Bonds being redeemed; and (ii) shall be mailed by first class mail, postage prepaid, to all Registered Owners of Bonds to be redeemed at their addresses as they appear on the registration books of the Bond Registrar at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption. Such notice shall state the following information:

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

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

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

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

(v) the redemption price;

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

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

(b) In addition to the foregoing, further notice of any redemption of Bonds hereunder shall be given by the Trustee, to at least one national information service that disseminates notices of redemption of obligations such as the Bonds (which may be the Electronic Municipal Market Access System). Such further notice shall contain the information required in clause (a) above. Failure to give all or any portion of such further notice shall not in any manner defeat the effectiveness of a call for redemption.

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

(d) If at the time of mailing of any notice of optional redemption there shall not be on deposit with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that such redemption is subject to the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date and that such notice shall be of no effect unless such moneys are so deposited and transmitted to the Registered Owners of said Bonds on the redemption date.

(e) A second notice of redemption shall be given, not later than ninety (90) days subsequent to the redemption date, to Registered Owners of Bonds or portions thereof redeemed but who failed to deliver Bonds for redemption prior to the 60th day following such redemption date. Any notice mailed shall be conclusively presumed to have been duly given, whether or not the owner of such Bonds receives the notice. Receipt of such notice shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such registered Owners shall not affect the validity of the proceedings for the redemption of the Bonds.

(f) In case any Bond is to be redeemed in part only and subject to Section 3.7 hereof, the notice of redemption which relates to such Bond shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond in principal amount equal to the unredeemed portion of such Bond will be issued.

Section 3.5 Redemption Payments. On or prior to the date fixed for redemption, moneys shall be deposited by the Authority with the Trustee to pay to the Paying Agent, and the Paying Agent is hereby authorized and directed to apply such moneys to the payment of the Bonds, or portions thereof called, together with accrued interest thereon to the redemption date, and any required premium. Upon the giving of notice, the deposit of moneys for redemption with the Paying Agent and the sending of said moneys by the Paying Agent to the Holders of the Bonds to be redeemed, interest on the Bonds or portions thereof thus called shall no longer accrue after the date fixed for redemption and said Bonds shall cease to be entitled to any lien, benefit or security under the Indenture or the Security Documents, and the Bondholders of said Bonds shall have no rights in respect thereof except to receive payments of the redemption price thereof. Unless otherwise specified in a Supplemental Indenture, no payment shall be made by the Paying Agent upon any Bond or portion thereof called for redemption until such Bond or portion thereof shall have been delivered for payment or cancellation or the Trustee shall have received the items required by Section 2.6 hereof with respect to any mutilated, lost, stolen or destroyed Bond.

Section 3.6 Cancellation. All Bonds which have been redeemed shall not be reissued but shall be canceled and destroyed by the Trustee in accordance with Section 2.9 hereof.

Section 3.7 Partial Redemption of Bonds. Unless otherwise specified in the Supplemental Indenture authorizing the issuance of the applicable Series of Bonds, in case any registered Bond shall be redeemed in part only, upon the presentation of such Bond for such partial redemption, the Authority shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Authority, a Bond or Bonds of the same Series, interest rate and maturity, in aggregate principal amount equal to the unredeemed portion of such registered Bond. If less than all of the applicable Series of Bonds of any maturity are to be redeemed, the particular Bond or portion of Bonds of such maturity to be redeemed will be selected at random by the Bond Registrar in such manner as the Bond Registrar in its discretion may deem fair and appropriate, unless otherwise specified in the applicable Supplemental Indenture. Unless otherwise provided by Supplemental Indenture, a portion of any Bond of the authorized denomination of more than the authorized denomination to be redeemed will be in the principal amount of the authorized denomination or an integral multiple thereof and in selecting portions of such Bonds for redemption, the Trustee will treat each such Bond as representing that number of Bonds of the authorized denomination which is obtained by dividing the principal amount of such Bonds by the authorized denomination.

ARTICLE IV

GENERAL COVENANTS

Section 4.1 Payment of Principal and Premium, if any, and Interest. The Authority covenants that it will promptly pay the principal of and premium, if any, and interest on every Bond issued under this Indenture at the place, on the dates and in the manner provided herein and in the Bonds according to the true intent and meaning thereof, but solely from the Trust Estate created by the Indenture, including the Base Rentals and, if paid by the City under the Master Lease, the Purchase Option Price with respect to a Project or Projects, and other amounts pledged therefor which are from time to time held by the Trustee in the Bond Fund and the Debt Service Reserve Fund. The principal of and premium, if any, and interest on the Bonds are payable solely from the Trust Estate created by the Indenture, including the Base Rentals and, if paid by the City under the Master Lease, the Purchase Option Price with respect to a Project or Projects, and other amounts derived from the lease of the Projects and otherwise as provided herein, in the Security Documents, and in the Master Lease, which amounts are hereby specifically pledged to the payment thereof in the manner and to the extent herein and in the Master Lease specified, and nothing in the Bonds or in the Indenture shall be construed as pledging any other funds or assets of the Authority or the City. The Authority shall in no event be liable for the payment of the principal of and premium, if any, or interest on any of the Bonds or for the performance of any pledge, obligation or agreement undertaken by the Authority except to the extent that the moneys, properties, interests and assets constituting the Trust Estate are sufficient therefor.

Section 4.2 Performance of Covenants; Due Authority. The Authority covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions on its part contained in the Indenture, in the Master Lease, in the Security Documents, in any and every Bond executed, authenticated and delivered hereunder and in all of its proceedings pertaining hereto. The Authority represents and warrants that it is duly authorized under its Articles of Incorporation, the Constitution and laws of the State, including the Act, to issue the Bonds authorized hereby and to execute the Indenture, to assign the Master Lease and to pledge the Base Rentals, the Purchase Option Price and other amounts hereby pledged in the manner and to the extent herein set forth, that all action required on its part for the issuance of the Bonds and the execution and delivery of the Master Lease, the Security Documents and the Indenture has been duly and effectively taken, and that the Bonds are and will be valid and enforceable special, limited obligations of the Authority according to the terms thereof and hereof.

Section 4.3 Ownership; Instruments of Further Assurance. The Authority covenants that it will own the Projects, and any property becoming a part of the Projects shall be acquired and kept, free of all liens and encumbrances, except Permitted Encumbrances. The Authority will defend the title to and interest in the Projects and each part thereof to the Trustee, for the benefit of the Bondholders against the claims and demands of all persons whomsoever, except for claims and demands arising from Permitted Encumbrances as provided in the Master Lease. The Authority will do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such Supplemental Indentures and such further acts, instruments and transfers as the Trustee may reasonably require for the better assuring, transferring, conveying, pledging, assigning and confirming unto the Trustee the Projects, the Base Rentals, Purchase Option Price and other amounts pledged hereby to the payment of the principal of and premium, if any, and interest on the Bonds. The Authority, except as herein and in the Master Lease or Security Documents provided, will not sell, convey, mortgage, encumber or otherwise dispose of any part of the Projects or the Base Rentals, the Additional Rentals, the Purchase Option Price, the revenues and receipts therefrom or its rights under the Master Lease, together with any additions thereto and substitutions therefor, subject to Permitted Encumbrances.

Section 4.4 Perfection of Security Interest. The Indenture creates a valid and binding pledge and assignment of and security interest in all of the personal property pledged as part of the Trust Estate held by the Trustee under the Indenture in favor of the Trustee as security for payment of the Bonds and amounts owed to any Security Instrument Issuer or any Reserve Instrument Provider, enforceable by the Trustee in accordance with the terms thereof. Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-501, Utah Code Annotated 1953, as amended, and is and shall be prior to any judicial lien hereafter imposed on the personal property pledged as part of the Trust Estate to enforce a judgment against the Authority on a simple contract.

Section 4.5 Inspection of Project Books. All books and records of the Authority wherever located relating to the Projects and the Base Rentals, the Additional Rentals, Purchase Option Price and other amounts derived from the Projects shall at all reasonable times be open to inspection by such accountants or other agents as the Trustee or Bondholders may from time to time designate.

Section 4.6 List of Bondholders. The Trustee shall keep a list of names and addresses of the Bondholders as from time to time registered on the registration books of the Authority maintained by the Trustee as Bond Registrar, together with the principal amount and numbers of such Bonds. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the City or by Bondholders (or a designated representative thereof) of 15% or more in aggregate principal amount of Bonds then Outstanding, such ownership and the authority of such designated representative to be evidenced to the satisfaction of the Trustee.

Section 4.7 Rights Under Master Lease. The Master Lease, a duly executed counterpart of which has been filed with the Trustee, sets forth the covenants and obligations of the Authority and the City, including provisions that, subsequent to the issuance of Bonds and prior to their payment in full or provision for payment thereof in accordance with the provisions hereof, the Master Lease may not be effectively amended, changed, modified or altered without the written consent of the Trustee, and reference is hereby made to the same for a detailed statement of said covenants and obligations of the Authority and the City thereunder, and the Authority agrees that the Trustee in its name or in the name of the Authority may but shall not be obligated to enforce all rights of the Authority and all obligations of the City under and pursuant to the Master Lease for and on behalf of the Bondholders, whether or not the Authority is in default hereunder.

Section 4.8 Payment of Taxes, Charges, Insurance. etc. The Authority shall cause the City pursuant to the Master Lease to maintain certain insurance and pay all lawful taxes, assessments and charges at any time levied or assessed against or with respect to the Projects, the Base Rentals, the Additional Rentals, the Purchase Option Price, the Net Proceeds and any and all other amounts held pursuant to the Indenture, or any part thereof, which might impair or prejudice the lien and property of the Indenture; provided, however, that nothing contained in this Section 4.8 shall require the maintenance of insurance or payment of any such taxes, assessments or charges if the same are not required to be maintained or paid under the provisions of the Master Lease. The Authority shall maintain such insurance and pay such taxes, assessments and charges to the same extent as provided in the Master Lease as if said provisions were herein set forth in full, if and to the extent that the City fails to maintain such insurance or pay such taxes, assessments or charges, but the liability hereby imposed on the Authority shall only be paid from the Trust Estate as herein provided. At least 30 days prior to the last day of each Fiscal Year, the Authority shall file or cause to be filed with the Trustee evidence of the insurance required pursuant to Article VII (if applicable at the time) and Article IX of the Master Lease for the next succeeding Fiscal Year. In the event that any required insurance will terminate or expire, the Authority shall file or cause to be filed with the Trustee evidence of a replacement policy (or self-insurance, if permitted under the Master Lease) at least 30 days prior to the termination or expiration date; provided, however, if a policy is terminated without notice to the Authority or the City (and the actions or omissions of the Authority or the City were not responsible for such termination), the Authority shall provide or cause to be provided to the Trustee evidence of a replacement policy within 20 days after such termination.

Section 4.9 Maintenance and Repair. Pursuant to the Master Lease, the City has agreed at its own expense to maintain, manage and operate the Projects in good order, condition and repair, and the City may, at its own expense, make from time to time additions, modifications or improvements to the Projects under the terms and conditions set forth in the Master Lease.

Section 4.10 Warranty. The Authority has the right, power and authority to grant a mortgage lien on the Projects to the Trustee pursuant to the Security Documents and to pledge and assign a security interest in the Trust Estate to the Trustee pursuant to the Indenture, all for the uses and purposes herein set forth. The Authority warrants that there is no financing statement or other filed or recorded instrument in which the Authority is named as, or which the Authority has signed as, debtor now on file in any public office covering any of the Trust Estate excepting the financing statements or other instruments filed or to be filed in respect of and for the security interest provided for herein, or financing statements to be released in connection with the issuance of Bonds and that the lien and security interest herein created have been duly perfected and are prior to any other (other than the Permitted Encumbrances).

Section 4.11 Further Assurances. The Authority will, at the City's expense, do, execute, acknowledge and deliver all and every act, deed, conveyance, transfer and assurance necessary or proper for the perfection of the lien and security interest being herein provided for in the Trust Estate, whether now owned or held or hereafter acquired, including, but not limited to, such financing statements and continuation statements as shall be necessary under applicable law to perfect and maintain the security interest being herein provided for in the Trust Estate.

Section 4.12 Actions with Respect to Trust Estate. The Authority will not:

(a) Declare a default or exercise the remedies of the seller or lessor, as the case may be, under, or terminate, modify or accept a surrender of, or offer or agree to any termination, waiver, modification or surrender of, the Master Lease (except as otherwise expressly provided herein or in the Master Lease) or by affirmative act consent to the creation or existence of any lien or encumbrance (other than the security interest and lien of this Indenture and the Security Documents) to secure the payment of indebtedness upon the leasehold or other estate created by the Master Lease or any part of any thereof; or

(b) Receive or collect or permit the receipt or collection of any payment under the Master Lease prior to the date for the payment thereof provided for by the Master Lease or assign, transfer or hypothecate (other than to the Trustee hereunder) any revenues or other payment then due or to accrue in the future under the Master Lease in respect of the Projects; or

(c) Sell, mortgage, transfer, assign or hypothecate (other than to the Trustee hereunder) its interest in the Projects or any part thereof or interest therein or in any amount to be received by it from the disposition of the Projects except as herein provided under Article IX, and except as provided in the Master Lease and the Security Documents.

Section 4.13 Power of Attorney in Respect of the Master Lease. The Authority does hereby irrevocably constitute and appoint the Trustee its true and lawful attorney with an interest and full power of substitution, for it and in its name, place and stead (a) to ask, demand, collect, receive and receipt for any and all rents, income and other sums which are assigned under the Granting Clauses hereof, and (b) without limiting the provisions of the foregoing clause (a) hereof: during the continuance of any Event of Default under the Indenture, to exercise any remedies available under the Master Lease and the Security Documents as fully as the Authority could itself do, and to perform all other necessary or appropriate acts with respect to any such remedies, and in its discretion to file any claim or take any other action or proceedings, either in its own name or in the name of the Authority or otherwise, which the Trustee may deem necessary or appropriate to protect and preserve the right, title and interest of the Trustee (but only to the extent specifically provided herein) in the Master Lease and to the Base Rentals, the Additional Rentals, the Purchase

Option Price, the Net Proceeds and all other amounts payable under the Master Lease and other sums and the security intended to be afforded hereby, whether or not the Authority is in default hereunder.

ARTICLE V

REVENUES AND FUNDS

Section 5.1 Source of Payment of Bonds. The Bonds herein authorized and all payments by the Authority hereunder are not general obligations of the Authority but are special, limited obligations of the Authority payable solely as provided in Section 2.3 hereof.

The Projects have been leased under the Master Lease and the Base Rentals and the Purchase Option Price provided for in Sections 6.2 and 12.1, respectively, of the Master Lease are to be remitted directly to the Trustee for the account of the Authority and deposited in the Bond Fund and the Debt Service Reserve Fund along with all other moneys authorized or required to be deposited in the Bond Fund and Debt Service Reserve Fund under the Master Lease. Such Base Rentals and the Purchase Option Price are hereby pledged to such payment. Said pledge shall constitute a first and exclusive lien on the Base Rentals and the Purchase Option Price provided in the Master Lease for the payment of the principal of, and premium, if any, and interest on, the Bonds in accordance with the terms hereof and thereof.

Section 5.2 Creation of Bond Fund. There is hereby created by the Authority and ordered established in the custody of the Trustee a special trust fund to be designated "Municipal Building Authority of the City of South Jordan, Utah, Bond Fund" (herein defined as the "Bond Fund"), which shall be used to pay the principal of and premium, if any, and interest on the Bonds.

Section 5.3 Creation of Sinking Fund Account. There is hereby created by the Authority and ordered established in the custody of the Trustee a separate account within the Bond Fund to be designated "Municipal Building Authority of the City of South Jordan, Utah, Sinking Fund Account" (herein defined as the "Sinking Fund Account").

Section 5.4 Creation of Debt Service Reserve Fund. There is hereby created by the Authority and ordered established in the custody of the Trustee a special trust fund to be designated "Municipal Building Authority of the City of South Jordan, Utah, Debt Service Reserve Fund." By Supplemental Indenture, there may be established within the Debt Service Reserve Fund a separate account for each Series of Bonds. (Said Debt Service Reserve Fund and applicable accounts therein are herein referred to as the "Debt Service Reserve Fund.")

Section 5.5 Creation of Construction Fund. There is hereby created by the Authority and ordered established in the custody of the Trustee a special trust fund to be designated "Municipal Building Authority of the City of South Jordan, Utah, Construction Fund." There is hereby created and ordered established in the custody of the Trustee a separate account within the Construction Fund for each Series of Bonds. (Said Construction Fund and applicable accounts therein are herein referred to as the "Construction Fund.")

Section 5.6 Creation of Rebate Fund. There is hereby created by the Authority and ordered established in the custody of the Trustee a special trust fund to be designated "Municipal

Building Authority of the City of South Jordan, Utah, Rebate Fund" (herein defined as the "Rebate Fund").

Section 5.7 Creation of Funds. Notwithstanding anything contained herein to the contrary, the Trustee need not create any of the funds or accounts referenced in this Article V until such funds or accounts shall be utilized as provided in a Supplemental Indenture authorizing a Series of Bonds. By Supplemental Indenture the Authority may authorize the creation of additional funds and accounts within any funds.

Section 5.8 Use of Bond Fund.

(a) There shall be deposited into the Bond Fund all accrued interest received, if any, at the time of the issuance, sale and delivery of the Bonds. In addition, there shall be deposited into the Bond Fund, as and when received, (i) any amount directed to be paid into the Bond Fund pursuant to the Master Lease or any amount in the Debt Service Reserve Fund directed to be paid into the Bond Fund in accordance with the provisions of Section 5.10 hereof; (ii) any Net Proceeds of any insurance policy, performance bond or condemnation award to be deposited in the Bond Fund pursuant to the Master Lease; (iii) all Base Rentals, and, if paid by the City, that portion of the Purchase Option Price attributable to the retirement of the applicable Series of Bonds issued hereunder, as specified in the Master Lease; and (iv) any Direct Payments and all other moneys received by the Trustee under and pursuant to any of the provisions hereof or of the Master Lease which are required or which are accompanied by directions that such moneys are to be paid into the Bond Fund. The Authority hereby covenants and agrees that so long as any of the Bonds issued hereunder are Outstanding it will deposit, or cause to be paid to the Trustee for deposit in the Bond Fund for its account, any moneys which are pledged under this Indenture for the payment of the principal of and premium, if any, and interest on the Bonds and which are required to be deposited into the Bond Fund.

(b) Except as provided in Section 5.15 herein, moneys in the Bond Fund shall be used solely for the payment of the principal of and premium, if any, and interest on the Bonds and for the redemption of the Bonds prior to maturity.

(c) The Bond Fund shall be in the custody of the Trustee but in the name of the Authority, and the Authority hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of and premium, if any, and interest on the Bonds as the same become due and payable, which authorization and direction the Trustee hereby accepts.

Section 5.9 Use of Sinking Fund Account.

(a) As required by Supplemental Indenture, the Trustee shall apply moneys in the Sinking Fund Account to the retirement of any Term Bonds required to be retired by operation of the Sinking Fund Account under the provisions of and in accordance with the Supplemental Indenture authorizing the issuance of such Term Bonds, either by redemption in accordance with such Supplemental Indenture or, at the direction of the Authority, purchase of such Term Bonds in the open market prior to the date on which notice of the redemption of such Term Bonds is given pursuant hereto, at a price not to exceed the redemption price of such Term Bonds (plus accrued interest which will be paid from moneys in the Bond Fund other than those in the Sinking Fund Account). Sinking Fund Installments may also be collected in the Sinking Fund Account without redemption of Bonds prior to maturity.

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

Section 5.10 Use of Debt Service Reserve Fund.

(a) Except as otherwise provided in this Section, moneys in accounts within the Debt Service Reserve Fund shall at all times be maintained in an amount not less than the Debt Service Reserve Requirement. In calculating the amount on deposit in each account of the Debt Service Reserve Fund, the amount available under the Reserve Instrument Coverage will be treated as an amount on deposit therein. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify that the amount, if any, of the Debt Service Reserve Requirement applicable to such Series which shall be deposited immediately upon the issuance and delivery of such Series either from (a) proceeds from the sale thereof or from any other legally available source or may be built up over time as provided by the Supplemental Indenture, or (b) by a Reserve Instrument, or (c) any combination thereof. Funds on deposit in accounts within the Debt Service Reserve Fund shall be used only to make up any deficiencies in accounts within the Bond Fund with respect to the related Series of Bonds.

(b) If on any Interest Payment Date the moneys held in the Bond Fund are insufficient to pay all interest, premium, if any, and principal then becoming due on the Bonds of a Series for which an account of the Debt Service Reserve Fund has been established, the Trustee shall transfer, on or before such date, moneys from the applicable accounts within the Debt Service Reserve Fund to the Bond Fund to the extent necessary so that the amount of money so transferred plus all moneys then held in the Bond Fund for such Series of Bonds shall be sufficient to pay all interest, premium, if any, and principal payments then becoming due and payable on such date;

(c) In the event funds on deposit in the Debt Service Reserve Fund are needed to make up any deficiencies in the Bond Fund as aforementioned, and there is insufficient cash available in an account of the Debt Service Reserve Fund to make up such deficiency and a Reserve Instrument applicable to such Series of Bonds is in effect, the Trustee shall immediately make a demand for payment on such Reserve Instrument, to the maximum extent authorized by such Reserve Instrument, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof into the Bond Fund. Thereafter, the Authority shall be obligated to reinstate the Reserve Instrument from Base Rentals received from the City under Section 6.2 of the Master Lease, including any interest owing on any draws on the Reserve Instrument.

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

(e) In the event that the City shall exercise its option to purchase a Project or Projects and terminate its payment obligations under the Master Lease upon payment of the Purchase Option Price with respect to said Project or Projects, the Trustee shall transfer all moneys held in the Debt Service Reserve Fund (other than any amount drawn under any Reserve Instrument) applicable to said Project or Projects to the Bond Fund in accordance with the written direction of the City.

(f) In the event moneys are drawn from the related account of the Debt Service Reserve Fund to pay principal, premium or interest on the related Series of Bonds, such that there shall be remaining in said account an amount less than the Debt Service Reserve Requirement, the Trustee shall immediately give notice to the Authority and the City of such deficiency. Such account shall be replenished to the Debt Service Reserve Requirement upon the deposit by the Trustee of the additional Base Rental payment to be paid by the City pursuant to the Master Lease.

(g) Any moneys (other than any amount drawn under any Reserve Instrument) remaining in the related account of the Debt Service Reserve Fund with respect to a Series of Bonds on the final maturity of said Series of Bonds (whether at stated maturity or upon prior redemption) shall be transferred on such date into the Bond Fund.

(h) If, following the payment of principal and interest due on a Series of Bonds on each Interest Payment Date, the moneys (other than any amount drawn under any Reserve Instrument) held in the related account of the Debt Service Reserve Fund exceed the related Debt Service Reserve Requirement, all moneys in excess of said sum shall be immediately transferred to the Bond Fund. To the extent so paid, such excess shall reduce the amount of the succeeding Base Rental otherwise payable under the Master Lease.

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

Section 5.11 Use of Construction Fund; Disbursements.

(a) The moneys in the Construction Fund shall be expended in accordance with the provisions of the Master Lease and the Supplemental Indenture authorizing such Series of Bonds.

(b) The Authority covenants and agrees to take all necessary and appropriate action promptly in approving and ordering disbursements from the Construction Fund in accordance with provisions of the Master Lease. The Trustee is hereby authorized and directed to make each disbursement so requested by the City on behalf of the Authority and to issue its checks therefor, but only in compliance with the provisions of the Master

Lease. The Trustee shall keep and maintain adequate records pertaining to each account within the Construction Fund and all disbursements therefrom, and after the related Project has been completed and a certificate of payment of all costs is, or has been, filed as provided in Section 7.4 of the Master Lease, the Trustee shall file an account thereof with the Authority and the City.

Section 5.12 Completion of Project. Any balance remaining in the Construction Fund following the establishment of the Completion Date for a Project pursuant to the Master Lease (except amounts the City shall have directed the Trustee to retain for any Cost of Acquisition and Construction not then due and payable) shall at the direction of the City and the Authority, be used as provided in the related Supplemental Indenture.

Section 5.13 Rebate Fund and Arbitrage Rebate.

(a) When directed in writing to do so by the Authority, the Trustee shall establish and thereafter maintain, so long as the Bonds are Outstanding, a Rebate Fund and an account therein for each such Series, which shall be held separate and apart from all other funds and accounts established under the Indenture and from all other moneys of the Trustee.

(b) All amounts in the Rebate Fund, including income earned from investment of the fund, shall be held by the Trustee free and clear of the lien of the Indenture. In the event the amount on deposit in the Rebate Fund exceeds the aggregate amount of Rebatable Arbitrage for all Series of Bonds, as verified in writing by an independent public accountant or other qualified professional at the time the Rebatable Arbitrage is determined, less amounts of Rebatable Arbitrage theretofore paid to the United States for all Series of Bonds, the Trustee shall, upon the Authority's request, withdraw from the Rebate Fund and pay to the Authority an amount not to exceed such excess.

(c) The Authority shall determine the amount of Rebatable Arbitrage and the corresponding Required Rebate Deposit with respect to each Series of Bonds on each applicable Rebate Calculation Date. The Authority shall deposit into the Rebate Fund the Required Rebate Deposit, if any, with respect to each Series of Bonds (or instruct the Trustee to transfer to the Rebate Fund moneys representing such Required Rebate Deposit from the Funds and Accounts held under the Indenture other than the Rebate Fund) within 30 days of each such Rebate Calculation Date. The Authority shall instruct the Trustee to withdraw from the Rebate Fund and pay over to the United States Government with respect to each Series of Bonds: (1) not less frequently than once each five years commencing no later than 60 days after the first Rebate Calculation Date for such Series of Bonds and upon each fifth anniversary of such date, an amount which when added to all previous rebate payments made with respect to such Series of Bonds equals 90% of the sum of the Rebatable Arbitrage pertaining to such Series of Bonds, and (2) not later than 60 days after the retirement of the last Bond of such Series, 100% of the Rebatable Arbitrage with respect to such Series. The determination of Rebatable Arbitrage made with respect to each such payment date and with respect to any withdrawal and payment to the Authority from the Rebate Fund pursuant to the Indenture must be verified in writing by an independent public accountant or other qualified professional.

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

(e) The Trustee, on behalf of the Authority shall keep and retain, until the date six years after the retirement of the last of the Bonds of each series, records with respect to each Series of the Bonds and the investment and expenditure of proceeds thereof to comply with the arbitrage rebate requirements of this Section, including without limitation a complete list of all investments and reinvestments of proceeds of each Series of the Bonds. For purposes of the computation required by this Section, the Trustee shall upon request, furnish to the Authority all information in the Trustee's control which is necessary for such computations.

(f) The Authority hereby covenants and agrees that it will not enter into any transaction or cause any transaction to be entered into with respect to the investment of proceeds of the Bonds, or otherwise, which reduces the amount which may be required to be paid to the United States pursuant to the arbitrage rebate requirements specified hereinabove, because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the yield on each Series of the Bonds not been relevant to either party.

(g) The provisions of this Section may be amended or deleted, with respect to any or all Series of the Bonds, from this Indenture upon receipt by the Authority and the Trustee of an opinion of nationally recognized bond counsel that such amendment or deletion will not adversely affect (i) the exclusion from gross income of interest in the case of Tax-Exempt Bonds or (ii) the qualification of the Bonds for tax credits or Direct Payments in the case of Tax Credit Bonds.

Section 5.14 Moneys to be Held in Trust. All moneys required to be deposited with or paid to the Trustee for account to any fund referred to in any provision of the Indenture or the Master Lease shall be held by the Trustee in trust, and except for moneys deposited with or paid to the Trustee for the payment of Bonds not then deemed Outstanding shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the lien or security interest created hereby.

Section 5.15 Repayment to the City from Bond Fund or Debt Service Reserve Fund. Any amounts remaining in the Bond Fund or the applicable account within the Debt Service Reserve Fund after payment in full of the principal of and premium, if any, and interest on the Bonds of a Series, the fees, charges and expenses of Trustee and all other amounts required to be paid hereunder (including amounts owed to a Security Instrument or a Reserve Instrument Provider) shall be paid immediately to the City as an overpayment of Base Rentals or Additional Rentals. In the event that Direct Payments are deposited with the Trustee after the City has made the related payment of Base Rentals, the City may elect to have the Trustee return to the City an amount equal to such Direct Payments or to have the Trustee retain the Direct Payments in the Bond Fund and take the credit with respect to the next required Base Rentals payment.

Section 5.16 Custody of Separate Trust Fund. The Trustee is authorized and directed to establish a separate trust fund after the Completion Date to hold all Net Proceeds from any insurance policies, performance bonds or condemnation awards and disburse such proceeds in accordance with the Master Lease, or if the City directs that the Net Proceeds be applied to redeem Bonds pursuant to the Master Lease, the Authority covenants and agrees to transfer all of the Net Proceeds in such fund to the Bond Fund and to redeem the Bonds as provided in the Indenture.

Section 5.17 Cost of Issuance Fund. The Trustee shall establish a Cost of Issuance Fund, into which shall be deposited upon delivery of a Series of Bonds, sufficient moneys to pay costs of issuance of such Series of Bonds. The Trustee shall disburse said moneys upon receipt of written authorization to pay costs of issuance executed by an Authority Representative. Any remaining moneys on deposit therein after payment in full of all costs of issuance shall be transferred by the Trustee to the Construction Fund, unless otherwise specified by Supplemental Indenture.

Section 5.18 Creation of Reserve Instrument Fund. There is hereby created and ordered established in the custody of the Trustee a special trust fund to be designated the "Municipal Building Authority of the City of South Jordan, Utah Reserve Instrument Fund" (herein defined as the "Reserve Instrument Fund"). By Supplemental Indenture, there may be established within the Reserve Instrument Fund a separate account for each Series of Bonds.

Section 5.19 Use of Reserve Instrument Fund. There shall be paid into the Reserve Instrument Fund the amounts required hereby and by a Supplemental Indenture to be so paid in order to reimburse or repay a Reserve Instrument Provider. The amounts in the Reserve Instrument Fund shall, from time to time, be applied by the Trustee on behalf of the Authority to pay the amounts which are due and payable to any Reserve Instrument Provider under any applicable Reserve Instrument Agreement.

ARTICLE VI

INVESTMENT OF MONEYS

Section 6.1 Trustee to Invest Funds. The City will direct the Trustee in investing amounts held in the funds created hereunder. Any moneys held as part of the Construction Fund, the Debt Service Reserve Fund, the Rebate Fund or any other fund shall be invested and reinvested by the Trustee in Investment Obligations at the written direction of the City in accordance with the provisions hereof and the Master Lease; provided, however that in the absence of such written direction, the Trustee shall hold such moneys in cash, uninvested. Any such investments shall be held by or under the control of the Trustee. The Trustee shall sell and reduce to cash a sufficient amount of such investments within the Bond Fund whenever the cash balance therein is insufficient to pay the principal of and premium, if any, and interest on the Bonds when due. All income and earnings from the investment of amounts on deposit in any fund shall be retained therein; provided, however, that any moneys held in the Debt Service Reserve Fund in excess of the Debt Service Reserve Requirement shall be transferred to the Bond Fund at least annually.

Section 6.2 Method of Valuation and Frequency of Valuation. In computing the amount in any fund or account, Investment Obligations shall be valued at the fair market value of such Obligations, exclusive of accrued interest. All funds and accounts are to be valued on the basis of a market valuation conducted annually by the Trustee.

ARTICLE VII

RIGHTS OF THE CITY

Section 7.1 Subordination of Master Lease to Indenture; Certain Rights to City. As provided in the Master Lease, the Master Lease and the City's interest in the Projects and its interest as lessee under the Master Lease shall at all times be subject to the lien of the Indenture; provided, however, that so long as no Event of Default hereunder or an Event of Nonappropriation has occurred and is then continuing, the Master Lease shall remain in full force and effect notwithstanding such subordination, and the City shall not be disturbed by the Authority or the Trustee in its possession, use and enjoyment of the Projects during the term of the Master Lease or in the enjoyment of its rights under the Master Lease; provided further that this Indenture and the rights and privileges hereunder of the Trustee and Bondholders are specifically made subject and subordinate to the rights and privileges of the City set forth in the Master Lease to exercise its option to purchase the Projects in the event of, and subsequent to, the occurrence of an Event of Default, but prior to the liquidation of the Authority's interest in the Projects. As a condition of the exercise of such option, the City under the Master Lease must pay, in addition to the Purchase Option Price, any interest payment deficiencies accruing from the date of the Event of Default or Event of Nonappropriation. The Trustee agrees that it shall execute and deliver any instrument necessary or appropriate at any time to confirm, evidence or enable the City to enjoy such rights and privileges, including without limitation, those referred to in Section 7.2 hereof.

Section 7.2 Granting of Rights in and to the Projects. Reference is made to the provisions of the Master Lease, whereby the Authority and the City have reserved the right to grant rights in and to certain portions of the Projects and to withdraw portions of the Projects from the terms of the Master Lease and the lien of this Indenture and the Security Documents upon compliance with the terms and conditions of the Master Lease, unless otherwise provided by Supplemental Indenture.

Section 7.3 Release of Equipment Forming a Part of the Projects. Reference is made to the provisions of the Master Lease, whereby the City, may withdraw certain items of equipment forming a part of the Projects upon substitution of other property of comparable or greater value, or upon deposit of sale proceeds in the Bond Fund, in conformity with the terms and conditions of the Master Lease, unless otherwise provided by Supplemental Indenture.

Section 7.4 Release of Portions of Project Upon Payment of Related Series of Bonds. Pursuant to the Master Lease the City has been granted the option of purchasing a Project in advance of the final maturity of the related Series of Bonds. So long as no Event of Default shall have occurred and be continuing under the Indenture and so long as no Event of Default or Event of Nonappropriation shall have occurred and be continuing under the Master Lease, a Project may be released from the lien created with respect to the related Series of Bonds and the Indenture and the Master Lease and transferred to the City if (a) the City shall deposit with the Trustee and the

Trustee shall send to the applicable Bondholders the Purchase Option Price for such Project; and (b) if any of the related Series of the Bonds are Tax-Exempt Bonds or Tax Credit Bonds qualifying for Direct Payments, there shall have been delivered to the Trustee an opinion of nationally recognized bond counsel to the effect that the release of the Project will not adversely affect the excludability of interest on said Bonds, if applicable, from the federal gross income of the owners thereof or affect the status of the Bonds as Tax Credit Bonds qualifying for Direct Payments.

For purposes of this Section 7.4 the Authority may, in the Supplemental Indenture authorizing a Series of Bonds, designate a subseries of such Series of Bonds with respect to any discrete portion of a Project financed with such Series of Bonds and in the Master Lease or an amendment to Master Lease provide for a separate schedule of Base Rental payments and Purchase Option Price for such subseries. The City shall be entitled to the option to purchase such discrete portion of a Project upon payment of the related Purchase Option Price for such portion of the Project and compliance with the provisions of the preceding paragraph.

ARTICLE VIII

DISCHARGE OF LIEN

If the Authority shall pay or cause to be paid, or there shall be otherwise paid or unconditional provisions for payment made to or for the Bondholders, the principal of and premium, if any, and interest due or to become due on the Bonds at the times and in the manner stipulated therein, and shall pay or cause to be paid to the Trustee and any paying agents, all Security Instrument Issuers and all Reserve Instrument Providers all sums of money due or to become due according to the provisions hereof and any Supplemental Indenture (including any make whole interest payment or redemption premiums), then these presents and the estate and rights hereby granted shall cease, terminate and be void, whereupon the Trustee shall cancel and discharge the lien of the Indenture, and release, assign and deliver unto the Authority and the City any and all the estate, right, title and interest in and to any and all rights assigned to the Trustee or otherwise subject to the lien of the Indenture, including amounts in the Bond Fund and the Debt Service Reserve Fund and all rights granted under the Security Documents, except moneys or securities held by the Trustee for the payment of the principal of and premium, if any, and interest on the Bonds.

Any Bond shall be deemed to be paid within the meaning of this Article and for all purposes of the Indenture when (a) payment of the principal of and the applicable redemption premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in the Indenture, or otherwise), either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided by irrevocably depositing with or for the benefit of the Trustee, in trust, and the Trustee shall have irrevocably set aside exclusively for such payment, (1) moneys sufficient to make such payment, and/or (2) Direct Obligations maturing as to principal and interest in such amount and at such times as will insure, without reinvestment, the availability of sufficient moneys to make such payment as verified by a Certified Public Accountant, and (b) all necessary and proper fees, compensation and expenses of the Trustee and any paying agents pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such time as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits of the Indenture, except for the purposes of any such payment from such moneys or Direct Obligations.

Notwithstanding the foregoing, no deposit under clause (a)(ii) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until: (a) proper notice of redemption of such Bonds shall have been previously given in accordance with Article III of this General Indenture, or in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty days, until the Authority shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions to notify, as soon as practicable, the Bondholders of the Bonds, in accordance with Article III hereof, that the deposit required by (a)(ii) above has been made with or for the benefit of the Trustee and that said Bonds are deemed to have been paid in accordance with this Article VIII, and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds and to call for redemption pursuant to the Indenture any Bonds to be redeemed prior to maturity; or (b) the maturity of such Bonds.

All moneys so deposited with or for the benefit of the Trustee as provided in this Article VIII may at the direction of the Authority also be invested and reinvested in Direct Obligations, maturing in the amounts and at times as hereinbefore set forth, and all income from all Direct Obligations pursuant to this Article VIII which is not required for the payment of the Bonds and interest and premium, if any, thereon with respect to which such moneys shall have been so deposited, shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund.

The Authority hereby covenants that no deposit will be made hereunder and no use made of any such deposit which would cause the Tax-Exempt Bonds to be treated as arbitrage bonds within the meaning of Section 148 of the Code.

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

ARTICLE IX

DEFAULT PROVISIONS AND REMEDIES OF THE TRUSTEE AND BONDHOLDERS

Section 9.1 Events of Default. If any of the following events occur, it is hereby declared to constitute an "Event of Default" under this Indenture:

(a) Failure to pay when due interest on any Bond;

(b) Failure to pay when due the principal of, or premium, if any, on any Bond, whether at the stated maturity thereof, or upon proceedings for redemption thereof (other than the event contemplated in Section 3.4(d) herein, which shall not be an Event of Default);

(c) Failure to perform or observe any other of the covenants, agreements or conditions on the part of the Authority contained in the Indenture or in the Bonds and failure to remedy the same after notice thereof pursuant to Section 9.13 hereof;

(d) The occurrence of an event of default under the terms of any of the other Bond Documents on the part of either the Authority or the City;

(e) The Authority shall for any reason be rendered incapable of fulfilling its obligations hereunder;

(f) The Authority (1) is adjudged insolvent by a court of competent jurisdiction, (2) admits in writing its inability to pay its debts generally as they become due, (3) files a petition in bankruptcy, (4) makes an assignment for the benefit of creditors, or (5) consents to the appointment of a receiver of itself or property with respect to the Projects;

(g) An order, judgment or decree shall be entered by any court of competent jurisdiction appointing, without the consent of the Authority, a receiver of the Authority or of the property with respect to the Projects, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty days from the date of such appointment;

(h) A court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against the Authority under the provisions of any bankruptcy act and such order, judgment or decree shall not be vacated or set aside or stayed within sixty days from the date of entry of such order, judgment or decree;

(i) Under the provisions of any other law now or hereafter existing for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Authority or of the property with respect to the Projects or any part thereof, and such custody or control shall not be terminated within sixty days from the date of assumption of such custody or control; or

(j) Subject to the limitations contained in the Master Lease, the Authority shall unreasonably delay or fail to carry on with reasonable dispatch, or shall discontinue construction of any substantial part of a Project.

Section 9.2 Acceleration, Limitation on Remedies. Upon the occurrence and continuation of an Event of Default, the Trustee shall (subject to (a) the applicable provisions of the related Supplemental Indenture and (b) the rights of any Security Instrument Issuer contained in a Supplemental Indenture) have all the rights and remedies with respect to the Trust Estate as the Authority, as lessor, has against the Projects and the City under the pertinent provisions of the Master Lease; and the Trustee may, and upon the written request of Bondholders of not less than 25% in aggregate principal amount of the Bonds Outstanding shall, by notice in writing delivered to the Authority, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable without further action. Such amounts of principal and interest shall bear interest from the date of acceleration, as herein provided, until paid at the same rate borne by the accelerated Bonds prior to acceleration.

Upon any sale made either under the power of sale given in this Article IX or given in the Security Documents or under a judgment, order or decree made in any judicial proceedings for the foreclosure or enforcement of this Indenture and/or the Security Documents, the principal of all Bonds then outstanding, if not previously due, shall at once become and be immediately due and payable without declaration or notice by the Trustee or the Bondholders.

Notwithstanding anything to the contrary contained in the Indenture, no deficiency judgment upon foreclosure of the lien of the Indenture or of the Security Documents against the Projects may be entered against the City or the Authority, and no breach of any provision of the Master Lease, the Security Documents or this Indenture shall impose any general obligation or liability upon or a charge against the City or the Authority or upon the general credit or taxing powers of the City. Additionally, no judgment requiring a payment of money may be entered against the City by reason of an Event of Default or an Event of Nonappropriation under the Master Lease; provided to the extent permitted by law that the Trustee may, subject to compliance with the applicable provisions of the "one action rule" set forth in Title 78B, Chapter 6, Utah Code Annotated 1953, as amended, recover from the City (a) the portion of Base Rentals and Additional Rentals (including amounts owed to any Security Instrument Issuer and any Reserve Instrument Provider) which are or would otherwise have been payable under the Master Lease during any period in which the City continues to use, occupy and operate a Project or Projects or any portion thereof; and (b) Base Rentals and Additional Rentals which are or would otherwise have been payable by the City under the Master Lease during the remainder, after the City vacates the applicable Project or Projects, of the then current annual term of the Master Lease in which such Event of Default occurs for which term the City had lawfully appropriated moneys for purposes of paying such Base Rentals and Additional Rentals; provided, however, that the Authority shall be obligated to the City to use its best efforts to lease or sublease the Project or Projects for the remainder of such annual term, and the Net Proceeds of such leasing shall be offset against the amount recoverable from the City under this clause (b).

Notwithstanding anything contained herein to the contrary, the rights and privileges of the Trustee and the Bondholders are subject to the right of the City to purchase the Project or Projects as set forth in the Master Lease and the Trustee shall make no final sale or other final disposition of any interest in said Project or Projects pursuant to any available foreclosure remedy without notifying the City in writing of the occurrence of an Event of Default, and allowing the City ninety days from the mailing of such notice to exercise its option and purchase the Project or Projects.

Section 9.3 Surrender of Possession of Projects; Rights and Duties of Trustee in Possession. Subject to Section 9.2 hereof, upon the occurrence and continuation of an Event of Default under the Indenture, the Authority, upon demand of the Trustee, shall forthwith surrender possession of the Projects, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Projects together with the books, papers and accounts of the Authority pertaining thereto, and including the rights and the position of the Authority with respect to the Projects under the Master Lease and to make all needful repairs and improvements as the Trustee shall deem wise. Upon the occurrence and continuation of an Event of Default, the Trustee may execute a written notice of default and an election to cause the Authority's interest in the Projects or any portion thereof to be sold (subject to any reversionary rights of the City which may be retained in the Project site or sites in the event any ground lease may be executed between the Authority and the City) to satisfy the obligations of the Authority under the Indenture in accordance with the provisions of the Security Documents and/or may cause a sale of personal property as provided by law. The Trustee may also lease or otherwise dispose of the Authority's interest in the Projects in the name and for the account of the Authority and in such manner as the Trustee, in its sole discretion, may elect. In connection with any such sale or leasing of the Projects, the Trustee may collect, receive and sequester the rental payments, revenues, earnings, income, products and profits therefrom, and out of the same and any moneys received from any receiver pay, or set up the proper reserve for the payment of, all proper costs and expenses of so taking, holding, leasing, selling and managing the same, including reasonable compensation to the Trustee, its agents and counsel, and any charges of the Trustee hereunder, and any taxes and assessments and other charges prior to the lien of the Indenture and the Security Documents which the Trustee may deem it wise to pay, and all expenses of such repairs and improvements, and apply the remainder of the moneys so received in accordance with the provisions of Section 9.8 hereof. Whenever all that is due upon the Bonds and all other obligations secured hereby shall have been paid and all defaults made, cured or waived, the Trustee shall surrender whatever possession the Trustee shall retain to the Authority; the same right of entry, however, to exist upon any subsequent Event of Default.

While in possession of such property the Trustee shall render annually to the Authority and the City and, at the request and at the expense of any Bondholder, at its address set forth in the registration book required by Section 4.6 hereof, a summarized statement of income and expenditures in connection therewith.

While any Bonds are Outstanding, the Authority shall not exercise any of the remedies on default specified in the Master Lease without the prior written consent of the Trustee and any Security Instrument Issuer.

Section 9.4 Other Remedies; Rights of Bondholders. Except as otherwise limited by the provisions of the Indenture and subject to the rights of any Security Instrument Issuer, upon the occurrence of an Event of Default under the Indenture, the Trustee may, upon being satisfactorily indemnified, pursue any available remedy that it deems to be in the best interest of the Bondholders by suit at law or in equity to enforce the payment of the principal of and premium, if any, and interest on the Bonds then Outstanding.

Subject to Section 9.5, if an Event of Default shall have occurred under the Indenture, and if requested so to do by the Bondholders of 25% in aggregate principal amount of Bonds then Outstanding and indemnified as provided in Section 10.1 hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section 9.4 and by Section 9.2 hereof, as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondholders.

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee (or the Bondholders) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity.

No delay or omission to exercise any right or power accruing upon any default or Event of Default under the Indenture shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein; and such right and power may be exercised from time to time as often as may be deemed expedient. Every power or remedy given by the Indenture, the Master Lease or the Security Documents or to which the Trustee may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by the Trustee, and the Trustee may pursue inconsistent remedies.

No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

Notwithstanding anything contained herein or in the Security Documents to the contrary, upon the occurrence and continuance of an Event of Default, before taking any foreclosure action or any action which may subject the Trustee to liability under any Environmental Law, the Trustee may require that a satisfactory indemnity bond, indemnity or environmental impairment insurance be furnished for the payment or reimbursement of all expenses to which it may be put and to protect it against all liability resulting from any claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability) and expenses which may result from such foreclosure or other action. The term "Environmental Law" shall mean all federal, state and local environmental, land use, zoning, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating to the protection of the environment or governing the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances and the rules, regulations, policies, guidelines, interpretations, decisions, orders and directives of federal, state and local governmental agencies and authorities with respect thereto. The term "Hazardous Substances" shall mean any chemical, substance or material classified or designated as hazardous, toxic or radioactive, or other similar term, and now or hereafter regulated under any Environmental Law, including without limitation, asbestos, petroleum and hydrocarbon products. If the approval of a government regulator shall be a condition precedent to taking any foreclosure action, then the Trustee shall not be required to take such action until such approval is obtained.

Section 9.5 Right of Bondholders to Direct Proceedings. Except as otherwise provided by Supplemental Indenture, the Bondholders of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture and such bondholders have provided the Trustee indemnification as it is provided in Article X. Unless indemnified therefore, the Trustee shall have the right to decline to follow any direction of Bondholders that in the sole discretion of the Trustee would be unjustly prejudicial to the Trustee or to Bondholders not parties to such direction, that would expose the Trustee to unreasonable liability or financial exposure or that is not in accordance with law or the provisions of this Indenture, shall be entitled to rely without further investigation or inquiry upon any direction given by the Owners of a majority in aggregate principal amount of the Bonds Outstanding, and shall not be responsible for the propriety of or liable for the consequences of following any such direction. Notwithstanding anything to the contrary contained herein, unless indemnified therefor, the Trustee shall not be required to foreclose the lien of the Security Documents or bid on behalf of Bondholders at any foreclosure sale (a) if, in the Trustee's sole discretion, such action would subject the Trustee to personal liability for the cost of investigation, removal and/or other remedial activity with respect to Hazardous Substances or (b) if the presence of Hazardous Substances on the property subject to the lien of the Security Documents results in such property having no or nominal value. It is acknowledged and agreed that the Trustee has no authority to manage, own or operate the Project, or any portion thereof, except as necessary to exercise remedies upon default.

Section 9.6 Appointment of Receivers. Upon the occurrence of an Event of Default under the Indenture and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders under the Indenture, the Trustee shall be entitled to the appointment of a receiver or receivers of the Trust Estate and of the rents, revenues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Section 9.7 Waiver. Upon the occurrence of an Event of Default under the Indenture, to the extent that such rights may then lawfully be waived, neither the Authority, nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any appraisement, valuation, stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of the Indenture, and the Authority, for itself and all who may claim through or under it, hereby waives, to the extent that it lawfully may do so, the benefit of all such laws.

Section 9.8 Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee, including any Trustee fees and the fees and expenses of its counsel, be deposited in the Bond Fund and all moneys in the Bond Fund (except as otherwise provided herein or in a Supplemental Indenture) shall be applied as follows:

(a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

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

SECOND-To the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of the Bonds which shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), in the order of their due dates, with interest on such Bonds from the respective dates upon which they became due (with interest on overdue installments of interest, at the same rate as the rate of the respective Bond or Bonds, or rate as otherwise specified in the applicable Supplemental Indenture, which are past due) and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege; and

THIRD-To be held for the payment of the persons entitled thereto as the same shall become due of the principal of and premium, if any, and interest on the Bonds which may thereafter become due either at maturity or upon call for redemption prior to maturity and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with interest then due and owing thereon, payment shall be made ratably according to the amount of principal due on such date to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege, plus, to the extent permitted by law, interest on overdue installments of interest or principal at the same rate as the rate of the respective Bond or Bonds, or rate as otherwise specified in a related Supplemental Indenture which are past due.

(c) If the principal of all the Bonds shall have been declared due and payable, and if such declarations shall thereafter have been rescinded and annulled under the provisions of this Article IX then, subject to the provisions of Section 9.8(b) hereof in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of Section 9.8(a) hereof.

(d) Following the payment of amounts due with respect to the Bonds, remaining amounts shall be applied to the payment of all obligations then due and payable to any Security Instrument Issuer or Reserve Instrument Provider in connection with any Security Instrument or applicable Reserve Instrument, respectively.

Whenever moneys are to be applied pursuant to the provisions of this Section 9.8, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Setting aside such moneys in trust for the proper purpose shall constitute proper application by the Trustee, and the Trustee shall have no liability whatsoever to the Authority, to any Bondholder, or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with the circumstances known at the time of the application by the Trustee. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue, provided the Trustee sends the money to the Bondholders. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date and shall not be required to make payment to the Bondholder of any Bond until such Bond shall be presented to Trustee for appropriate endorsement or for cancellation if fully paid (unless otherwise specified by Supplemental Indenture).

Whenever the principal of and premium, if any, and interest on all Bonds and all Reserve Instrument Repayment Obligations have been paid under the provisions of this Section 9.8 and all fees, expenses and charges of the Trustee and its counsel have been paid, any balance remaining in the Bond Fund shall be paid to the City as provided in Section 5.15 of this General Indenture as overpayment of Base Rentals.

Section 9.9 Remedies Vested in the Trustee. All rights of action (including the right to file proof of claims) under the Indenture or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceeding relating thereto and any such 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 Bondholders, and any recovery of judgment shall be for the equal and ratable benefit of the Bondholders of the Outstanding Bonds.

Section 9.10 Rights and Remedies of Bondholders. Unless otherwise provided by Supplemental Indenture, no Bondholder shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of the Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless a default has occurred of which the Trustee has been notified as provided in Section 10.1(h) hereof, or of which by said subsection it is deemed to have notice, nor unless also such default shall have become an Event of Default under the Indenture and the Bondholders of 25% in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in their own name or names, nor unless also they have offered to the Trustee indemnity as provided in Section 10.1(l) hereof, nor unless 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; and such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Bondholders shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture by its, his, her 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 and ratable benefit of the Bondholders of all Bonds then Outstanding. However, nothing contained in the Indenture shall affect or impair the right of any Bondholder to enforce the payment of the principal of and premium, if any, and interest on any Bond at and after the maturity thereof or the redemption date established therefor, or the obligation of the Authority to pay the Bonds issued hereunder to the respective Bondholders thereof at the time, place, from the source and in the manner in the Bonds expressed.

Section 9.11 Termination of Proceedings. In case the Trustee shall have proceeded to enforce any right under the Indenture by the appointment of a receiver or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely, then and in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder respectively, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 9.12 Waivers of Events of Default. The Trustee may, with the consent of all Security Instrument Issuers and upon the written direction of Security Instrument Issuers insuring a majority of the Bonds then Outstanding or, if some Bonds are uninsured, any combination of Bondholders and Security Instrument Issuers representing a majority of the Bonds then Outstanding, waive any Event of Default under the Indenture and its consequences and rescind any declaration of maturity of the principal of the Bonds; provided, however, that there shall not be waived (1) any Event of Default under the Indenture in the payment of the principal of any Outstanding Bonds at the date of maturity specified therein, or (2) any Event of Default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission, all arrears of interests (including interest on overdue installments of interest) or all arrears of payments of principal when due, as the case may be, both with interest at the same rate as the rate of the respective Bond or Bonds which are past due, and all fees and expenses of the Trustee and its counsel, in connection with such Event of Default shall have been paid or provided for, and in cases of any such waiver or rescission, or in case any proceeding taken by Trustee, the Security Instrument Issuers on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon. This Section 9.12 is subject to additional stipulations as may be provided by Supplemental Indenture.

Section 9.13 Notice of Events of Default under Section 9.l(c); Opportunity of the Authority and the City to Cure Such Events of Default. Anything herein to the contrary notwithstanding and except as otherwise provided by Supplemental Indenture, no default under Section 9.1(c) hereof shall constitute an Event of Default under the Indenture until actual notice of such default by registered or certified mail shall be given to the Authority and the City by the Trustee or by the Bondholders of not less than 25% in aggregate principal amount of all Bonds Outstanding, and the Authority and the City shall have had thirty 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, that, if said default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default under the Indenture if corrective action is instituted by the Authority and the City within the applicable period and diligently pursued, to the satisfaction of the Trustee until the default is corrected (provided that no such grace period shall exceed 90 days unless the Security Instrument Issuers shall have consented thereto).

With regard to any default concerning which notice is given to the Authority and the City under the provisions of this Section 9.13, the Authority hereby grants the City full authority for account of the Authority to perform any covenant or obligation alleged in said notice to constitute a default, in the name and stead of the Authority with full power to do any and all things and acts to the same extent that the Authority could do and perform any such things and acts and with power of substitution.

Section 9.14 Cooperation of Authority. The Authority covenants and agrees that should there be an Event of Default under the Master Lease with the result that the right of possession of the Projects is returned to the Authority, the Authority shall fully cooperate with the Trustee and with the Bondholders to fully protect the rights and security of the Bondholders and shall diligently proceed in good faith and, if requested by the Trustee or any Bondholder, shall use its best efforts to secure a purchaser or another lessee of the Projects so that at all times sufficient rents and other amounts will be derived from the Projects promptly to meet and pay the principal of and premium, if any, and interest on the Bonds as the same become due and payable, as well as to cover the cost of all Additional Rentals with respect to the Projects required under the Master Lease. Nothing herein shall be construed as requiring the Authority to operate the Projects or to use any funds or revenues from any source other than the rents and other amounts derived from the Projects.

Section 9.15 Limitation on Remedies and Acceleration During Acquisition and Construction of Portions of Projects. Notwithstanding the provisions of this Article IX or other provisions of the Indenture, the Master Lease or of the Security Documents to the contrary, in the event that (a)(i) a portion of the Projects (the "Completed Portion of the Projects") financed with a separate Series of Bonds is accepted by the City for use and occupancy under the Master Lease, and (ii) the acquisition and construction of additional portions of the Projects (the "Uncompleted Portion of the Projects") financed with one or more Series of Bonds (other than the Series of Bonds described in (i) above) have yet to be completed, and (b) an Event of Default occurs due to the failure to complete the Uncompleted Portion of the Projects, the following limitations shall apply:

(a) Such Event of Default shall be limited to the Series of Bonds issued to finance the Uncompleted Portion of the Projects and not the Series of Bonds issued to finance the Completed Portion of the Projects;

(b) The City shall, subject to the occurrence of an Event of Nonappropriation, continue to pay Base Rentals and Additional Rentals with respect to the Completed Portion of the Projects, and the Master Lease shall remain in full force and effect with respect to the Completed Portion of the Projects;

(c) The Trustee shall use the amounts on deposit in the related account of the Debt Service Reserve Fund to pay amounts due on the Series of Bonds issued to finance the Uncompleted Portion of the Projects and amounts on deposit in the account of the Debt Service Reserve Fund relating to the Series of Bonds issued to finance the Completed Portion of the Projects shall not be used to pay amounts due on the Series of Bonds issued to finance the Uncompleted Portion of the Projects;

(d) The Series of Bonds issued to finance the Completed Portion of the Projects shall not be accelerated or otherwise affected by the Event of Default described in this Section 9.15; and

(e) The Trustee shall not proceed to exercise any remedies under the Indenture or the Security Documents relating to the Completed Portion of the Projects with respect to the Event of Default described in this Section 9.15.

ARTICLE X

THE TRUSTEE

Section 10.1 Acceptance of Trusts. The Trustee hereby accepts the trusts imposed upon it by the Indenture, and agrees to perform said trusts, but only upon and subject to the following express terms and conditions:

(a) The Trustee, prior to the occurrence of an Event of Default under the Indenture and after the curing of all Events of Default under the Indenture which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in the Indenture. In case an Event of Default has occurred under the Indenture (which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by the Indenture and use the same degree of care and skill in their exercise, as a corporate trustee would exercise or use under the circumstances in the conduct of its own affairs.

No provision of the Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act or its own willful misconduct, except that (i) prior to the occurrence of an Event of Default and after the curing of all Events of Default which may have occurred:

(A) The duties and obligations of the Trustee shall be determined solely by the express provisions of the Indenture, and the Trustee shall be liable only for the performance of such duties and obligations as are specifically set forth in the Indenture, and no implied covenant or obligation shall be read into the Indenture against the Trustee; and

(B) In the absence of bad faith on the part of the Trustee, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon any certificates or opinions furnished to the Trustee conforming to the requirements of the Indenture; but in the case of any such certificate or opinion which by any provision hereof is specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they, on their face, conform to the requirements of the Indenture;

and (ii) the Trustee shall not be liable for any other judgment made in good faith by a responsible officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

(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 not be answerable for the conduct of the same appointed in accordance with the standard specified above, and shall be entitled to advice of counsel (including its own in-house counsel) concerning its duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney (who may be the attorney or attorneys for the Authority or the City), approved by the Trustee in the exercise of reasonable care. The Trustee shall not be responsible for any loss or damage resulting from any action or inaction in good faith in reliance upon such opinion or advice.

(c) Except for those pertaining to it, the Trustee shall not be responsible for any recital herein or in any official statement or in the Bonds (except with respect to the certificate of the Trustee endorsed on the Bonds), or for insuring the Projects or collecting any insurance moneys, or for the validity of the execution by the Authority of the Indenture, or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, or for the value of title of the Projects or any lien waivers with respect to the Projects; provided, however, that 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 Authority or on the part of the City under the Master Lease in connection with the matters referred to in Article XIV of the Master Lease, except as hereinafter set forth; but the Trustee may require of the Authority or the City full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the property herein conveyed and the Trustee shall not be responsible for any loss suffered in connection with any investment of funds made by it in accordance with Article VI hereof.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder.

(e) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to the 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 Bondholder of any Bonds, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefor or 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 proceeding, the Trustee shall be entitled to rely upon a certificate signed by the Authority Representative or the City Representative 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 10.l(h) hereof, or of which by said Section 10.l(h) 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 by it to be necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of any of the officers of the Authority who have executed the Bonds (or their successors), and of any member of the governing body of the City, to the effect that a resolution in the form therein set forth has been adopted by the Authority or the City, as the case may be, as conclusive evidence that such resolution has been duly adopted and is in full force and effect.

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

(h) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default under the Indenture except an Event of Default under Section 9.l(a) or 9.l(b) hereof or the failure by the Authority to cause to be made any of the payments to the Trustee required to be made by Article IV hereof or failure by the Authority, any Security Instrument Issuer or the City to file with the Trustee any document required by the Indenture or the Master Lease to be so filed subsequent to the issuance of the Bonds, unless the Trustee shall be specifically notified in writing of such default by the Authority or by the Holders of at least 25% in aggregate principal amount of any Series of Bonds then Outstanding (or as otherwise provided by Supplemental Indenture), and all notices or other instruments required by the Indenture to be delivered to the Trustee, must, in order to be effective, be delivered at the principal office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(i) At any and all reasonable times the Trustee and the Bondholders, and their duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all of the property herein conveyed, including all books and records of the Authority pertaining to the Projects and the Bonds, and to take such memoranda from and with regard thereto as may be desired.

(j) 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.

(k) Notwithstanding anything elsewhere in the Indenture with respect to the authentication of any Bonds, the withdrawal of any cash or the taking of any action whatsoever, within the purview of the Indenture, the Trustee shall have the right, but shall not be required, to demand any showings, certifications, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, by the Trustee deemed desirable for the purpose of establishing the right of the Authority to the authentication of any Bonds, the withdrawal of any cash or the taking of any other action by the Trustee.

(l) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by the Indenture at the request, order or direction of any of the Bondholders, pursuant to the provisions of the Indenture, unless such Bondholders shall have offered to the Trustee security or indemnity acceptable to it against the fees, costs, expenses and liabilities, including fees and expenses of its counsel, which may be incurred therein or thereby.

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

(n) 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, pandemics, epidemics, recognized public emergencies, quarantine restrictions, nuclear or natural catastrophes or acts of God, interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services, and hacking, cyber-attacks, or other use or infiltration of the Trustee's technological infrastructure exceeding authorized access; it being understood that the Trustee shall use reasonable efforts that are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances.

Section 10.2 Fees, Charges and Expenses of the Trustee. The Trustee shall be entitled to payment and reimbursement for reasonable fees for its services rendered hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services and such other compensation as may be authorized under the Master Lease. Upon an Event of Default under the Indenture, but only upon such an Event of Default, the Trustee shall have a first lien with right of payment, prior to payment on account of principal of and premium, if any, and interest on any Bond, upon the Trust Estate for the foregoing fees, charges and expenses incurred by it.

Section 10.3 Notice to Bondholders. The Trustee shall give to the Bondholders notice of each default hereunder actually known to the Trustee (or of which the Trustee is deemed to have notice by Section 10.l(h) hereof) within fifteen (15) days after the occurrence thereof, unless such default shall have been remedied or cured before the giving of such notice. Each such notice of default shall be given by the Trustee by mailing written notice thereof to all Bondholders of Bonds then outstanding whose names appear on the list of Bondholders as provided in Section 4.6 hereof.

Section 10.4 Intervention by the Trustee. In any judicial proceeding to which the Authority is a party and which, in the opinion of the Trustee and its counsel, has a substantial bearing on the interest of owners of the Bonds, the Trustee may intervene on behalf of Bondholders and shall do so if requested in writing by the Bondholders of at least 25% of the aggregate principal amount of Bonds then Outstanding.

Section 10.5 Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, shall be and become successor to the Trustee hereunder and vested with all of the title to the Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed or conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 10.6 Resignation by the Trustee. The Trustee and any successor to the Trustee may at any time resign from the trusts herein created by giving sixty (60) days' written notice by registered or certified mail to the Authority and to the Bondholders of each Bond as shown by the list of Bondholders required by Section 4.6 hereof to be kept by the Trustee, and such resignation shall take effect only upon the appointment of a successor Trustee by the Bondholders or by the Authority; provided, however that if no successor Trustee has been appointed within 60 days of the date of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice, if any, as it deems proper and prescribes, appoint a successor Trustee.

Section 10.7 Removal of the Trustee. The Trustee may be removed by the Authority at any time, by an instrument or concurrent instruments in writing delivered to the Trustee, provided that such instrument or instrument concurrently appoint a successor Trustee meeting the qualifications set forth herein.

Section 10.8 Appointment of Successor Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Authority by an instrument or concurrent instruments executed by its Chair/President or Vice President and attested by its Secretary-Treasurer under its seal (or, if an Event of Default exists, by the Registered Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such Owners, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of such vacancy the Authority by an instrument executed by the Chair/President or Vice President and attested by the Secretary-Treasurer under its seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Registered Owners in the manner above provided; and any such temporary Trustee so appointed by the Authority shall immediately and without further act be superseded by the Trustee so appointed by such Registered Owners). The original Trustee and every such Trustee appointed pursuant to the provisions of this Section 10.8 shall be a trust company or bank in good standing located in or incorporated under the laws of the State duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than Seventy-Five Million Dollars ($75,000,000).

Section 10.9 Concerning Any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Authority and the City an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the written request of the Authority, or of its successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Authority be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Authority. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article X, shall be filed or recorded by the successor Trustee in each recording office where the Indenture shall have been filed or recorded. Additionally, all substitutions of Trustee under the Security Documents shall be filed or recorded in accordance with the laws of the State.

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

Section 10.10 Right of the Trustee to Pay Taxes and Other Charges. In case any tax, assessment, governmental or other charge upon, or insurance premium with respect to, any part of a Project or Projects is not paid as required herein or in the Master Lease or the Security Documents, the Trustee may pay such tax, assessment, governmental or other charge, or insurance premium, without prejudice, however, to any rights of the Trustee or the Bondholders arising in consequence of such failure; and any amount at any time so paid under this Section 10.10, with interest thereon from the date of payment at a rate per annum equal to the then prevailing one-month U.S. Federal Treasury Rate as of the date of payment, but in no event less than a rate of 3.5% per annum, shall become so much additional indebtedness secured by the Indenture, and the same shall be given a preference in payment over any of the Bonds, and shall be paid out of the proceeds of Base Rentals or Additional Rentals collected from the Projects, if not otherwise caused to be paid; but the Trustee shall not be under any obligation to make any such payment unless it shall have been requested to do so by the Bondholders of at least 25% of the aggregate principal amount of Bonds then Outstanding and shall have been provided with adequate funds for the purpose of such payment.

Section 10.11 Appointment of Co-Trustee. It is the purpose of the Indenture that there shall be no violation of any law of any jurisdiction (including particularly the laws of the State) denying or restricting the right of banking corporations or associations to transact business as the Trustee in such jurisdiction. It is recognized that in case of litigation under the Indenture, the Master Lease, or the Security Documents, and in particular in case of the enforcement of either upon an Event of Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights or remedies herein granted to the Trustee or hold title to the properties, in trust, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or Co-Trustee. The following provisions of this Section 10.11 are adapted to these ends. The Trustee may appoint an additional individual or institution as a separate or Co-Trustee, in which event each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by the Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vested in such separate or Co-Trustee, but only to the extent necessary to enable such separate or Co-Trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or Co-Trustee shall run to and be enforceable by either of them.

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

Section 10.12 Trustee Not Responsible for Actions of Authority. The Trustee shall not be liable or responsible because of the failure of the Authority or of any of its officers, employees or agents to make any collections or deposits, or to perform any act herein required of the Authority or its officers, directors, employees or agents. The Trustee shall not be responsible for the application of any of the proceeds of the Bonds or any other moneys deposited with it and paid out, invested, withdrawn or transferred so long as such actions were done in strict conformance in accordance with the provisions of the Indenture. The immunities and exemptions from liability of the Trustee hereunder shall extend to its directors, officers, employees and agents.

Section 10.13 Trustee's Right to Own and Deal in Bonds. The bank or trust company acting as Trustee under the Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued hereunder and secured by the Indenture, and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under the Indenture.

Section 10.14 Requirements as to Trustee's Records. So long as any of the Bonds shall remain outstanding:

(a) the records of the Trustee pertaining to the Bonds and to the Trustee hereunder shall be available to and open for inspection at all reasonable times by the Bondholders (at no cost or expense to the Bondholders), the Authority, the City and all other governmental bodies legally entitled to inspect such records, and

(b) the Trustee shall retain in its possession all financial statements furnished to it pursuant to the Indenture. The Trustee shall transfer to any successor trustee copies of the records of the Trustee pertaining to the Bonds.

Section 10.15 Trustee's Own Funds. No provision of the Indenture or of the Bond Documents shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it has reasonable grounds for believing that the repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

Section 10.16 Direct Payment Authorization. (a) The Authority hereby authorizes and directs the Trustee to take all necessary actions to effectively carry out the duties required to apply for and accept Direct Payments from the Internal Revenue Service on behalf of the Authority under Sections 54AA, 1400U-2, and 6431 of the Code or such other tax provisions of substantially similar nature which may be hereafter authorized. In connection with such application and acceptance of Direct Payments, the Authority shall provide to the Trustee (i) a copy of the executed Form 8038-TC filed in connection with the issuance of the Bonds, (ii) an incumbency certificate listing the officers of the Authority authorized to act on behalf of the Authority under this Indenture and (iii) such other instruments, opinions and certificates as the Trustee may reasonably request. Upon receipt of any Direct Payments, the Trustee shall promptly deposit such payment in the Bond Fund for use in paying debt service on the Bonds. Failure by the Trustee to prepare or file the Form 8038-CP shall not affect any payment obligations of the Authority hereunder. The Authority hereby authorizes and directs the Trustee to prepare and file the IRS Form 8038-CP as may be required from time to time under the Code as are within its power and are requested by and at the expense of the Authority and agreed to by the Trustee, to request the Direct Payments. The Form 8038-CP shall authorize the Direct Payments requested in accordance with this clause (a) to be paid to the Trustee.

(b) For fixed rate bonds, at least ninety (90) days prior to each Interest Payment Date with respect to the Bonds, the Trustee shall deliver to the Authority by a delivery method that provides the Trustee with evidence of delivery a completed Form 8038-CP, which is to be signed by an Authority Representative. The form and the certification shall be sent to the attention of an Authority Representative for the Authority's signature. The Authority shall return such signed Form 8038-CP to the Trustee not later than eighty (80) days prior to each Interest Payment Date with respect to the Bonds, by a delivery method which provides the Authority with evidence of delivery. Not more than ninety (90) and not less than seventy (70) days prior to each Interest Payment Date for the Bonds, the Trustee shall file, or cause to be filed a Form 8038-CP with the Internal Revenue Service Center, Ogden, Utah 84201, or any successor location specified by the Internal Revenue Service, or take such other or additional actions as may be required from time to time under the Code as are within its power and are requested by the Authority and agreed to by the Trustee, to request the Direct Payments with respect to such Interest Payment Date. Upon completion of filing, the Trustee shall deliver a copy of such Form 8038-CP to the Authority.

(c) For variable rate bonds, no more than five (5) days after the last Interest Payment Date within the calendar quarter period for which reimbursement is being requested, the Trustee shall deliver to the Authority by a delivery method that provides the Trustee with evidence of delivery a completed Form 8038-CP, which is to be signed by an Authority Representative. The form and certification shall be sent to the attention of an Authority Representative. The Authority shall return such signed Form 8038-CP to the Trustee not later than twenty (20) days after the last Interest Payment Date within the calendar quarter period for which reimbursement is being requested with respect to the Bonds, by a delivery method which provides the Authority with evidence of delivery. Not more than 35 days after the last Interest Payment Date within the calendar quarter period for which reimbursement is being requested, the Trustee shall file or cause to be filed a Form 8038-CP with the Internal Revenue Service Center, Ogden, Utah 84201, or any successor location specified by the Internal Revenue Service, or take such other or additional actions as are within its power and are requested by the Authority and agreed to by the Trustee, to request the Direct Payments with respect to such prior Interest Payment Dates. Upon completion and filing, the Trustee shall deliver a copy of such Form 8038-CP to the Authority.

Section 10.17 U.S.A. Patriot Act Requirements of the Trustee. To help the government of the United States of America fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual Person such as a business entity, a charity, a trust or other legal entity, the Trustee may request documentation to verify such Person's formation and existence as a legal entity and the identity of the owners or controlling persons thereof. The Trustee may also request financial statements, licenses, identification and authorization documents from individuals claiming authority to represent such Person or other relevant documentation.

ARTICLE XI

SUPPLEMENTAL INDENTURES

Section 11.1 Supplemental Indentures Not Requiring Consent of Bondholders. The Authority and the Trustee may (subject to the rights of any Security Instrument Issuer under any Supplemental Indenture), without consent of, or notice to, any of the Bondholders enter into an indenture or indentures supplemental to the Indenture which shall not be inconsistent with the general terms and provisions hereof for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in the Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee;

(c) To subject to the Indenture additional revenues, properties or collateral;

(d) To modify, amend or supplement the Indenture or any indenture supplemental hereto in such matter as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States of America;

(e) To evidence the appointment of a separate Trustee or a Co-Trustee or paying agent or the succession of a new Trustee or paying agent hereunder;

(f) To issue the Initial Bonds, Refunding Bonds or Additional Bonds in accordance with the Indenture and the Master Lease; and

(g) To make any other change which, in the judgment of the Trustee is not materially adverse to the Trustee or, as evidenced by an opinion of counsel delivered to the Trustee, the Holders of the Bonds.

Section 11.2 Supplemental Indentures Requiring Consent of Bondholders. Exclusive of Supplemental Indentures covered by Section 11.1 hereof and subject to the terms and provisions contained in this Section 11.2, and not otherwise, the Bondholders of not less than 66 2/3% in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to consent to and approve the execution by the Authority and the Trustee of such Supplemental Indentures hereto as shall be deemed necessary and desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture; provided, however, that nothing in this Section 11.2 or in Section 11.1 hereof contained shall permit, or be construed as permitting, (i) an extension of the maturity of the principal of, or the interest on, any Bond issued hereunder, or (ii) a reduction in the principal amount of, or redemption premium on, any Bond or the rate of interest thereon, or (iii) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indentures, or (v) permit the creation of any lien ranking prior to or on a parity with the lien of the Indenture and the Security Documents on the Trust Estate or any part thereof (except in connection with the issuance of Refunding Bonds or Additional Bonds), or (vi) deprive the Bondholder of any Bond then Outstanding of the lien hereby created on any material portion of the Trust Estate, without the prior consent of the Bondholders of 100% of the Bonds affected by such action. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which adversely affects the Trustee's rights, deeds or immunities under the Indenture or the Master Lease.

If at any time the Authority shall request the Trustee to enter into any such Supplemental Indenture for any of the purposes of this Section 11.2, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of the proposed execution of such Supplemental Indenture to be given by registered or certified mail to the Bondholder of each Bond shown by the list of Bondholders required by the terms of Section 4.6 hereof to be kept at the office of the Trustee. Such notices shall be prepared by bond counsel and briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the principal office of the Trustee for inspection by all Bondholders. If the Bondholders of not less than 66 2/3% in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no Holder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as in this Article XI permitted and provided, the Indenture shall be and be deemed to be modified and amended in accordance therewith.

Anything therein to the contrary notwithstanding, so long as no Event of Default or Event of Nonappropriation with respect to the Projects shall have occurred and be continuing under the Master Lease, a Supplemental Indenture under this Article shall not become effective unless and until the City shall have consented to the execution and delivery of such Supplemental Indenture. In this regard and except with respect to Supplemental Indentures for which the City has otherwise been notified, the Trustee shall cause notice of the proposed execution of any such Supplemental Indenture together with a copy of the proposed Supplemental Indenture to be mailed by certified or registered mail to the City at least fifteen days prior to the proposed date of execution and delivery of any such Supplemental Indenture. The City shall be deemed to have consented to the execution and delivery of any such Supplemental Indenture if the Trustee does not receive a letter of protest or objection thereto signed by or on behalf of the City on or before the fifteenth day after the mailing of said notice.

ARTICLE XII

AMENDMENT OF MASTER LEASE

Section 12.1 Amendments, etc., to Master Lease Not Requiring Consent of Bondholders. The Authority and the Trustee shall without the consent of or notice to the Bondholders (subject to the rights of any Security Instrument Issuer in a Supplemental Indenture) consent to any amendment, change or modification of the Master Lease as may be required (i) by the provisions of the Indenture and the Master Lease (including those provisions applicable to the issuance of the Initial Bonds, Refunding Bonds and Additional Bonds), (ii) for the purpose of curing any ambiguity or formal defect or omission, (iii) so as to more precisely identify the Projects, or the Project sites or substitute or add additional improvements or equipment to the Projects or additional rights or interests in property acquired in accordance with the provisions of the Master Lease, or (iv) in connection with any amendment to the Indenture pursuant to Section 11.1 hereof, or (v) in connection with any other change therein which, in the judgment of the Trustee is not materially adverse to the Trustee or, as evidenced by an opinion of counsel delivered to the Trustee, the Holders of the Bonds.

Section 12.2 Amendments, etc., to the Master Lease Requiring Consent of Holders of the Bonds. Except for the amendments, changes or modifications as provided in Section 12.1 hereof, neither the Authority nor the Trustee shall consent to any other amendment, change or modification of the Master Lease without mailing of notice and receipt of the written approval or consent of the Holders of not less than 66 2/3% in aggregate principal amount of the Bonds at the time outstanding given as in this Section 12.2 provided and the consent of any Security Instrument Provider as provided in any Supplemental Indenture. If at any time the Authority and the City shall request the consent of the Trustee to any such proposed amendment, change or modification of the Master Lease, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be given in the same manner as provided by Section 11.2 of the Indenture with respect to Supplemental Indentures. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the principal office of Trustee for inspection by all Holders of the Bonds. No such amendment, change or modification of the Master Lease shall reduce the aggregate principal amount of the Bonds the Bondholders of which are required to consent to any amendment, change or modification of such Master Lease, or materially reduce or postpone payments required to be made under the Master Lease without the consent of all of the Holders of the Bonds Outstanding. Approval or consent shall be evidenced in a manner acceptable to the Trustee and the Authority.

ARTICLE XIII

MISCELLANEOUS

Section 13.1 Consents, etc. of Bondholders. Any consent, request, direction, approval, objection or other instrument required by the Indenture to be signed and executed by the Bondholders may be in any number of concurrent documents and may be executed by such Bondholders in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes of the Indenture, and shall be conclusive in favor of the Trustee with regard to any action taken by it under such request or other instrument, namely:

(a) The fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction that the person signing such writing acknowledged before him the execution thereof, or by an affidavit of any witness to such execution.

(b) The fact of ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same, shall be proved by the registration books of the Authority maintained by the Trustee pursuant to Section 4.6 of the Indenture.

Section 13.2 Limitation of Rights. With the exception of any rights herein expressly conferred, nothing expressed or mentioned in or to be implied from the Indenture or the Bonds is intended or shall be construed to give to any person or company other than the parties hereto, any Security Instrument Provider, any Reserve Provider, and the Holders of the Bonds, any legal or equitable right, remedy or claim under or with respect to the Indenture or any covenants, conditions and provisions herein contained; the Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the City, any security Instrument Provider, any Reserve Provider and the Bondholders as herein provided.

Section 13.3 Severability. If any provision of the Indenture shall be held or deemed to be or shall, in fact, be illegal, inoperative or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative or unenforceable to any extent whatsoever.

Section 13.4 Notices. Any notice, request, complaint, demand, communication or other paper shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, or sent by facsimile addressed as follows: If to the Authority, to the Municipal Building Authority of the City of South Jordan, Utah, 1600 W. Towne Center Drive, South Jordan, Utah, 84095, Attention: Chair/President; if to the Trustee, to U.S. Bank Trust Company, National Association, 170 South Main Street, Suite 600, Salt Lake City, Utah 84101, Attention: Corporate Trust Department; if to the City, 1600 W. Towne Center Drive, South Jordan, Utah, 84095, Attention: Mayor. A duplicate copy of each notice required to be given hereunder by the Trustee to either the Authority or the City shall also be given to the others. The Authority, the City, and the Trustee may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 13.5 Payments Due on Days other than Business Days. In any case where the date of maturity of interest on or principal of the Bonds or the date fixed for redemption of any Bonds shall be other than a Business Day, then payment of principal and premium, if any, or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date, provided that payment is received by the Holders of the Bonds on such next succeeding Business Day.

Section 13.6 Counterparts. This General Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.7 Applicable Provisions of Law. The Indenture shall be governed by and construed in accordance with the laws of the State.

IN WITNESS WHEREOF, the Authority has caused these presents to be signed in its corporate name and with its official seal hereunto affixed and attested by its duly authorized officers, and to evidence its acceptance of the trust hereby created, the Trustee has caused these presents to be executed in its corporate name by its duly authorized officers, as of the date first above written.

MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH

(SEAL)

By: ________________________________
Chair/President

ATTEST AND COUNTERSIGN:

By: ________________________________
Secretary-Treasurer

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

By: ________________________________

Title: ________________________________

FIRST SUPPLEMENTAL INDENTURE OF TRUST

Dated as of [______], 2026

between

MUNICIPAL BUILDING AUTHORITY OF
THE CITY OF SOUTH JORDAN, UTAH

and

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION

Supplementing the General Indenture of Trust Dated as of [______], 2026

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This FIRST SUPPLEMENTAL INDENTURE OF TRUST, dated as of [______], 2026 (the "First Supplemental Indenture"), by and between the MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH, a nonprofit corporation duly organized and existing under the laws of the State of Utah (the "Authority"), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah (the "Trustee"),

W I TN E S S E T H:

WHEREAS, the Authority has entered into a General Indenture of Trust, dated as of [______], 2026 (the "General Indenture") with the Trustee; and

WHEREAS, the City of South Jordan, Utah (the "City") has previously authorized and directed the creation of the Authority; and

WHEREAS, the Authority has been duly and regularly created, established and is organized and existing as a nonprofit corporation under and by virtue of the provisions of the laws of the State of Utah, including, in particular, the provisions of the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the "Building Authority Act"), and the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended (the "Nonprofit Corporation Act"); and

WHEREAS, under the Articles of Incorporation of the Authority (the "Articles") and the Act (hereinafter defined), the objects and purposes for which the Authority has been founded and incorporated are to acquire, improve or extend one or more projects and to finance their costs on behalf of the City in accordance with the procedures and subject to the limitations of the Local Building Authority Act and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Local Government Bonding Act and together with the Building Authority Act and the Nonprofit Corporation Act, the "Act") in order to accomplish the public purposes for which the City exists; and

WHEREAS, the Authority is possessed under the Articles with all powers set forth in the Act and the Constitution and other laws of the State of Utah, including, without limitation, the power to acquire, own, hold, lease and improve real and personal property, and to enter into agreements providing for a lease, mortgage or other conveyance of real and personal property and to issue its notes, bonds or other obligations; and

WHEREAS, at the request of the City, the Authority desires to issue bonds for the purpose of financing the acquisition and construction of a new fire station and related improvements (the "Series 2026 Project") as provided in the Act; and

WHEREAS, in order to (i) finance the Series 2026 Project, (ii) fund any required deposits to a debt service reserve fund and (iii) pay costs associated with the issuance of the Series 2026 Bonds (hereinafter defined), the Authority has determined to issue its Lease Revenue Bonds, Series 2026, in the aggregate principal amount of $[__________] (the "Series 2026 Bonds"); and

WHEREAS, the City is the owner of fee simple title or have a leasehold interest to the site[s] whereon the Series 2026 Project will be located (the "Project Site") and has agreed to lease such Project Site to the Authority pursuant to a Ground Lease Agreement dated as of [______], 2026 (the "Ground Lease"); and

WHEREAS, the Series 2026 Bonds will be authorized, issued and secured under the General Indenture, as amended and supplemented by this First Supplemental Indenture (together with the General Indenture, and any amendments thereto or hereto, the "Indenture"); and

WHEREAS, pursuant to a Master Lease Agreement dated as of [______], 2026 (the "Master Lease"), between the Authority and the City, the City, as lessee, has leased the Series 2026 Project from the Authority, as lessor, on an annually renewable basis; and

WHEREAS, under the provisions of a resolution adopted by the City Council of the City on September 15, 2026 (the "City Resolution"), the City has authorized and approved the execution of the Master Lease and the Ground Lease and has authorized and approved certain actions to be taken by the Authority in connection with the issuance of the Series 2026 Bonds, including the execution, delivery and performance of the Authority under the General Indenture and this First Supplemental Indenture; and

WHEREAS, under the provisions of a resolution adopted on September 15, 2026 (the "Authority Resolution"), the Board of Trustees of the Authority (the "Governing Board") has authorized, approved and directed the execution of the Master Lease, the General Indenture and this First Supplemental Indenture and has authorized and approved certain actions to be taken by the Authority in connection with the issuance of the Series 2026 Bonds hereunder; and

WHEREAS, the execution and delivery of the Series 2026 Bonds, the General Indenture and of this First Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2026 Bonds, when executed by the Authority and authenticated by the Trustee, the valid and binding legal obligations of the Authority and to make the General Indenture, as amended and supplemented by this First Supplemental Indenture, a valid assignment and pledge of the amounts pledged to the payment of the principal of and premium, if any, and interest on the Series 2026 Bonds and a valid assignment of the rights of the Authority with respect to the Series 2026 Project under the Master Lease (except the rights of the Authority under Sections 6.3(d), 6.3(j), 13.3 and 14.5 of the Master Lease) have been done and performed.

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

ARTICLE I

SUPPLEMENTAL INDENTURE; DEFINITIONS

Section 1.1 <u>Supplemental Indenture.</u> This First Supplemental Indenture is supplemental to and is adopted in accordance with and pursuant to Articles II and XI of the General Indenture.

Section 1.2 Uniform Definitions. Unless the context clearly requires otherwise and except as otherwise defined in Section 1.3 hereof, all terms used herein shall have the meanings set forth in Article I of the General Indenture and Article I of this First Supplemental Indenture, and Article I of the Master Lease.

Section 1.3 Amended Definitions. The following definitions contained in Article I of the General Indenture are hereby amended to read as follows:

"Interest Payment Date" means with respect to the Series 2026 Bonds, each [______] and [______], commencing [___________].

Section 1.4 Additional Definitions. Defined terms used in the preambles to this First Supplemental Indenture shall have the meanings given to such terms therein. In addition, for purposes of the General Indenture, this First Supplemental Indenture and the Master Lease, the following terms shall, unless the context clearly requires otherwise, have the meanings as follows:

"Assignment of Ground Lease Agreement" means the agreement dated as of [______], 2026, by and between the Authority and the Trustee.

["Bond Purchase Contract" means the Bond Purchase Contract dated [October/November 2026] by and between the Authority, the City and the Underwriter.]

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

"Debt Service Reserve Requirement" means, with respect to the Series 2026 Bonds, [$0].

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

"First Supplemental Indenture" means this First Supplemental Indenture dated as of [______], 2026, between the Authority and the Trustee.

"Leasehold Deed of Trust" means the Leasehold Deed of Trust, Assignment of Rents and Security Agreement dated as of [______], 2026 by and between the Authority and the Trustee.

"Original Issue Date" means with respect to the Series 2026 Bonds, [_____], 2026, the date the Series 2026 Bonds are initially issued.

"Register" means the record of ownership of the Series 2026 Bonds maintained by the Bond Registrar.

"Security Documents" means collectively (i) the Leasehold Deed of Trust and (ii) the Assignment of Ground Lease Agreement.

"Series 2026 Bonds" means the Authority's Lease Revenue Bonds, Series 2026, issued in the aggregate principal amount of $[__________] herein authorized.

"Series 2026 Construction Account" means the account established within the Construction Fund used to pay the costs of construction of the Series 2026 Project.

"Series 2026 Cost of Issuance Account" means the account established in Section 3.3 herein.

"Series 2026 Ground Lease" means the Ground Lease Agreement, dated as of [______], 2026 by and between the City and the Authority pursuant to which the City will lease the site on which the Series 2026 Project will be constructed.

"Series 2026 Project" means the acquisition and construction of a new fire station and related improvements.

"Underwriter" means [____________________________], as underwriter of the Series 2026 Bonds pursuant to a Bond Purchase Agreement dated [_____], 2026 by and between the Underwriter and the Authority.

ARTICLE II

ISSUANCE OF THE SERIES 2026 BONDS

Section 2.1 Principal Amount, Designation and Series. The Series 2026 Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to (i) pay the costs of the Series 2026 Project and (ii) pay costs of issuance of the Series 2026 Bonds. The Series 2026 Bonds shall be limited to $[__________] in aggregate principal amount, shall be issued in fully registered form, in Five Thousand Dollar ($5,000) denominations each or any integral multiple thereof, and shall be in substantially the form and contain substantially the terms contained in Exhibit A attached hereto and made a part hereof, and shall bear interest at the rates and be payable as to principal or redemption price as specified herein. The Series 2026 Bonds shall be designated as, and shall be distinguished from the Bonds of all other series by the title, "Municipal Building Authority of the City of South Jordan, Utah Lease Revenue Bonds, Series 2026."

Section 2.2 Date, Maturity and Interest Rates. The Series 2026 Bonds shall be dated as of the Dated Date, and shall mature in the years and in the amounts and shall bear interest from the Interest Payment Date next preceding their date of authentication thereof unless authenticated as of an Interest Payment Date, in which event such Bonds shall bear interest from such date, or unless such Bonds are authenticated prior to the first Interest Payment Date, in which event such Bonds shall bear interest from their Dated Date or unless, as shown by the records of the Trustee, interest on the Series 2026 Bonds shall be in default, in which event such Bonds shall bear interest from the date to which interest has been paid in full, or unless no interest shall have been paid on such Bonds, in which event such Bonds shall bear interest from their Dated Date, payable on each Interest Payment Date at the rates per annum as set forth below:

Maturity ([______])	Principal Amount	Interest Rate

The interest on Series 2026 Bonds so payable, and punctually paid and duly provided for, on any Interest Payment Date will be paid to the Registered Owner thereof at the close of business on the Regular Record Date for such interest. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Owner of any Series 2026 Bonds on such Regular Record Date, and may be paid to the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such Registered Owner not less than ten days prior to such Special Record Date. The principal of and premium, if any, on the Series 2026 Bonds are payable upon presentation and surrender thereof at the principal corporate trust office of the Trustee. Interest shall be paid by check or draft mailed by certified mail on each Interest Payment Date to the Holder of each of the Series 2026 Bonds as the name and address of such Holder appears on the Record Date in the Register. Interest on the Series 2026 Bonds shall be calculated on the basis of a 360-day year consisting of twelve 30-day months.

Section 2.3 Redemption.

(a) [Optional Redemption. The Series 2026 Bonds maturing on or prior to [__________], are not subject to redemption prior to maturity. The Series 2026 Bonds maturing on or after [__________] are subject to redemption at the option of the Authority, in whole or in part, on any time on and after [__________], in such order of maturity as may be directed by the Authority at a redemption price equal to 100% of the principal amount of the Series 2026 Bonds to be redeemed plus accrued interest to the date of redemption.

(b) [Extraordinary Redemption. The Series 2026 Bonds shall be callable for redemption prior to maturity in whole on any date, if (i) the Series 2026 Project or a material portion thereof is damaged or destroyed or taken in a condemnation proceeding, or a material defect in the construction of the Series 2026 Project shall become apparent, or title to or the use of all or any material portion of the Series 2026 Project shall be lost by reason of a defect in title thereto, (ii) the Net Proceeds of any insurance policy, performance bond or condemnation award made available by reason of one or more such occurrences shall be insufficient to pay in full the cost of repairing or replacing such portion of the Series 2026 Project, and (iii) the City elects to discharge its obligation to repair and replace such portion of the Series 2026 Project by depositing such Net Proceeds into the Bond Fund, as provided in Section 10.2 of the Master Lease. Upon the deposit of such Net Proceeds in the Bond Fund, the payment obligations of the City with respect to the Series 2026 Project under the Master Lease shall terminate and the City shall have no further obligation for the payment of Base Rentals and Additional Rentals thereunder with respect to the Series 2026 Project, and possession of the Series 2026 Project, as well as all right, title and interest of the City and the Authority in any funds or accounts created under the Indenture with respect to the Series 2026 Project shall be surrendered to the Trustee, as trustee for the Bondholders. Thereafter, the Indenture and the Security Documents applicable to the Series 2026 Project may, subject to the limitations of Article IX of the General Indenture, be foreclosed and the Authority's interest in the Series 2026 Project liquidated and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Indenture with respect to the Series 2026 Project (except moneys held in the Rebate Fund or for the payment of Bonds not then deemed outstanding), shall be applied to the redemption of the Series 2026 Bonds at the earliest date practicable, as specified in a written notice from the Authority to the Trustee. Any such redemption of the Series 2026 Bonds shall be made upon payment of all or a prorated portion of the principal amount thereof plus accrued interest thereon to the redemption date. IN THE EVENT THE SERIES 2026 BONDS ARE TO BE REDEEMED PURSUANT TO THE PROVISIONS OF THIS PARAGRAPH (B), BY PAYMENT OF AN AMOUNT LESS THAN THE OUTSTANDING PRINCIPAL AMOUNT THEREOF, AND ACCRUED INTEREST TO THE REDEMPTION DATE, NO FURTHER CLAIM FOR PAYMENT MAY BE HAD BY THE BONDHOLDERS AGAINST THE AUTHORITY, THE CITY, OR THE TRUSTEE WITH RESPECT TO SAID SERIES 2026 BONDS. In the event there are moneys remaining in the Bond Fund after payment in full of the Series 2026 Bonds, the Trustee is authorized and directed to transfer said moneys to the City.]

Section 2.4 Execution of Bonds. The Chair/President or Vice President is hereby authorized to execute by facsimile or manual signature the Series 2026 Bonds and the Secretary-Treasurer to countersign by facsimile or manual signature the Series 2026 Bonds and to have imprinted, engraved, lithographed, stamped or otherwise placed on the Series 2026 Bonds a facsimile of the official seal of the Authority, and the Trustee shall manually authenticate the Series 2026 Bonds.

Section 2.5 Delivery of Bonds. Upon the execution and delivery of this First Supplemental Indenture, the Authority shall execute and deliver to the Trustee and the Trustee shall authenticate the Series 2026 Bonds deliver the Series 2026 Bonds to the Underwriter thereof as directed by the Authority.

The Series 2026 Bonds issued pursuant to this First Supplemental Indenture shall be equally and ratably secured under the Indenture with all other series of Additional Bonds and Refunding Bonds, if any, issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

Section 2.6 Limited Obligation. The Series 2026 Bonds, together with interest thereon, shall be special, limited obligations of the Authority as described in the General Indenture.

Section 2.7 Series 2026 Bonds to Remain Tax-Exempt. The Authority covenants and agrees to and for the benefit of the Bondholders that the Authority (i) will not take any action that would cause interest on the Series 2026 Bonds to become includible in gross income for purposes of federal or state income taxation, (ii) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause the interest on the Series 2026 Bonds to become includible in gross income for purposes of federal or state income taxation, and (iii) will comply with any other requirements of federal and state tax law applicable to the Series 2026 Bonds in order to preserve the exclusion from gross income, for purposes of federal income taxation, of interest on the Series 2026 Bonds.

Section 2.8 Record of Payment. In the event of a redemption, acceleration, or any other similar transaction necessitating a reduction in aggregate principal amount of any of the Series 2026 Bonds outstanding, a Bondholder shall make an appropriate notation on the Series 2026 Bonds certificate indicating the date and amounts of such reduction in principal, except in the case of final maturity in which case the certificate must be presented to the Paying Agent (or as otherwise provided herein) prior to payment. In the case of a discrepancy between the record of payments on the Series 2026 Bonds and the Bond Registrar's records, the Bond Registrar's records shall govern.

Section 2.9 Book-Entry Only System.

(a) Except as provided in paragraphs (b) and (c) of this Section 2.9, the Registered Owner of all Series 2026 Bonds shall be, and the Series 2026 Bonds shall be registered in the name of, Cede and Co. ("Cede"), as nominee of The Depository Trust Company, New York, New York (together with any substitute securities depository appointed pursuant to paragraph (c)(iii) of this Section 2.9, ("DTC"). Payment of interest for any Series 2026 Bond, as applicable, shall be made in accordance with the provisions of this Indenture to the account of Cede on the Interest Payment Date for the Series 2026 Bonds at the address indicated for Cede in the registry books of the Trustee.

(b) The Series 2026 Bonds shall be initially issued in the form of a separate registered Bond in the amount of each separate stated maturity of the Series 2026 Bonds. Upon initial issuance, the ownership of each such Series 2026 Bond shall be registered in the registry books of the Authority kept by the Trustee, in the name of Cede, as nominee of DTC. With respect to Series 2026 Bonds so registered in the name of Cede, the Authority, the Trustee and any Paying Agent shall have no responsibility or obligation to any DTC participant or to any Beneficial Owner of any of such Series 2026 Bonds. Without limiting the immediately preceding sentence, the Authority, the Trustee and any Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC participant with respect to any Beneficial Ownership Interest in the Series 2026 Bonds; (ii) the delivery of any DTC participant, Beneficial Owner or other person, other than DTC, of any notice with respect to the Series 2026 Bonds, including any notice of redemption; or (iii) the payment to any DTC participant, Beneficial Owner or other person, other than DTC, of any amount with respect to the principal or redemption price of, or interest on, any of the Series 2026 Bonds. Except as provided herein or in the General Indenture, the Authority, the Trustee and any Paying Agent may treat DTC as, and deem DTC to be, the absolute owner of each Series 2026 Bond for all purposes whatsoever, including (but not limited to) (1) payment of the principal or redemption price of, and interest on, each such Series 2026 Bond, (2) giving notices of redemption and other matters with respect to such Series 2026 Bonds and (3) registering transfers with respect to such Series 2026 Bonds. The Paying Agent shall pay the principal or redemption price of, and interest on, all Series 2026 Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to satisfy fully and discharge the Authority's obligations with respect to such principal, or redemption price, and interest, to the extent of the sum or sums so paid. Except as provided in paragraph (c) of this Section 2.9, no person other than DTC shall receive a Series 2026 Bond evidencing the obligation of the Authority to make payments of principal or redemption price of, and interest on, any such Series 2026 Bond pursuant to this Indenture. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of this Indenture, the word "Cede" in this Indenture shall refer to such new nominee of DTC.

Except as provided in paragraph (c)(iii) of this Section 2.9, and notwithstanding any other provisions of this Indenture, the Series 2026 Bonds may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

(c) (i) DTC may determine to discontinue providing its services with respect to the Series 2026 Bonds at any time by giving written notice to the Authority, the Trustee and the Paying Agent, which notice shall certify that DTC has discharged its responsibilities with respect to the Series 2026 Bonds under applicable law.

(ii) The Authority, in its sole discretion and without the consent of any other person, may, by notice to the Trustee, terminate the services of DTC with respect to the Series 2026 Bonds if the Authority determines that the continuation of the system of book-entry-only transfers through DTC is not in the best interests of the Beneficial Owners of the Series 2026 Bonds or the Authority; and the

Authority shall, by notice to the Trustee, terminate the services of DTC with respect to the Series 2026 Bonds upon receipt by the Authority, the Trustee, and the Paying Agent of written notice from DTC to the effect that DTC has received written notice from DTC participants having interests, as shown in the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then outstanding Series 2026 Bonds to the effect that: (1) DTC is unable to discharge its responsibilities with respect to the Series 2026 Bonds; or (2) a continuation of the requirement that all of the outstanding Series 2026 Bonds be registered in the registration books kept by the Trustee in the name of Cede, as nominee of DTC, is not in the best interests of the Beneficial Owners of the Series 2026 Bonds.

(iii) Upon the termination of the services of DTC with respect to the Series 2026 Bonds pursuant to subsection (c)(ii)(2) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Series 2026 Bonds pursuant to subsection (c)(i) or subsection (c)(ii)(1) hereof the Authority may within 90 days thereafter appoint a substitute securities depository which, in the opinion of the Authority, is willing and able to undertake the functions of DTC hereunder upon reasonable and customary terms. If no such successor can be found within such period, the Series 2026 Bonds shall no longer be restricted to being registered in the registration books kept by the Trustee in the name of Cede, as nominee of DTC. In such event, the Authority shall execute and the Trustee shall authenticate Bond certificates as requested by DTC of like principal amount, maturity and series, in authorized denominations to the identifiable Beneficial Owners in replacement of such Beneficial Owners' Beneficial Owner Interest in the Series 2026 Bonds.

(iv) Notwithstanding any other provision of this Indenture to the contrary, so long as any Series 2026 Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to the principal or redemption price of, and interest on, such Series 2026 Bond and all notices with respect to such Series 2026 Bond shall be made and given, respectively, to DTC as provided in the hereinafter defined Representation Letter of the Authority addressed to DTC and in DTC's operational arrangements.

(v) In connection with any notice or other communication to be provided to Owners of Series 2026 Bonds registered in the name of Cede pursuant to the Indenture by the Authority or the Trustee with respect to any consent or other action to be taken by such Owners, the Authority shall establish a record date for such consent or other action by such Owners and give DTC notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

(vi) A blanket Representation Letter (the "Representation Letter") has been executed and delivered by the Authority. The execution and delivery of the Representation Letter shall not in any way limit the provisions of this Section 2.9 hereof or in any other way impose upon the Authority or the Trustee any obligation whatsoever with respect to persons having interests in the Series 2026 Bonds other than the registered owners of the Series 2026 Bonds, as shown on the registration books kept by the Trustee. The Trustee shall take all action necessary for all representations of the Authority and the Trustee in the Representation Letter or any other comparable agreement with a securities depository with respect to the Trustee and in DTC's operational arrangements shall at all times be complied with.

ARTICLE III

FUNDS AND ACCOUNTS

Section 3.1 <u>Creation of Series 2026 Accounts.</u> There is hereby established with the Trustee a Series 2026 Bond Account within the Bond Fund, a Series 2026 Cost of Issuance Account within the Cost of Issuance Fund, and a Series 2026 Construction Account within the Construction Fund.

Section 3.2 <u>Disbursement of Series 2026 Bond Proceeds.</u> The Authority shall deposit with the Trustee the proceeds from the sale of the Series 2026 Bonds in the amount of $[_________], (being the par amount of the Series 2026 Bonds, plus a net reoffering premium of $[__________], and less an Underwriter's discount of $[_________]), and the Trustee shall transfer and deposit such amounts as follow:

(a) An amount equal to $[_______] shall be deposited into the Series 2026 Construction Account within the Construction Fund; and

(b) The remaining amount into the Series 2026 Cost of Issuance Account within the Construction Fund held by the Trustee to be used to pay costs of issuance of the Series 2026 Bonds.

Section 3.3 <u>Costs of Issuance Account; Payment of Costs of Issuing Series 2026 Bonds.</u> An amount equal to $[________] of the proceeds of the Series 2026 Bonds shall be deposited into the Series 2026 Cost of Issuance Account. At or about the time of the issuance of the Series 2026 Bonds, the Trustee shall apply the amounts on deposit in the Series 2026 Cost of Issuance Account to pay costs of issuing the Series 2026 Bonds, as instructed in the Cost of Issuance Disbursement in substantially the form of <u>Exhibit B</u> attached hereto to be signed by the Chair/President or Vice President of the Authority. Any amounts remaining in the Series 2026 Cost of Issuance Account 90 days after the delivery of the Series 2026 Bonds shall be transferred to the Series 2026 Construction Account of the Construction Fund and applied to the uses therein authorized.

Section 3.4 <u>Debt Service Reserve Requirement.</u> The Debt Service Reserve Requirement with respect to the Series 2026 Bonds shall be [$0].

Section 3.5 <u>Deposit to and Use of Series 2026 Construction Account of Construction Fund.</u> The balance of the proceeds of the Series 2026 Bonds remaining after depositing $[________] to the Series 2026 Cost of Issuance Account for payment of certain costs of issuance of the Series 2026 Bonds as contemplated by Section 3.3 of this First Supplemental Indenture, shall be deposited into the Series 2026 Construction Account in the Construction Fund. The amount on deposit in the Series 2026 Construction Account of the Construction Fund shall be disbursed by the Trustee for the purpose for which the Series 2026 Bonds were issued (including any capitalized interest thereon) in accordance with the provisions of the Master Lease and the Indenture. Upon completion of the Series 2026 Project, as evidenced by delivery of a completion certificate, amounts remaining on deposit in the Series 2026 Construction Account of the Construction Fund shall be applied to the redemption of Series 2026 Bonds as soon as practicable.

No amounts shall be disbursed from the Series 2026 Construction Account of the Construction Fund for payment of Contractors with respect to the Series 2026 Project until the applicable requirements of the Master Lease and the Indenture have been met and reasonable evidence of the same (including the insurance requirements in Article VII and Article IX of the Master Lease) has been delivered to the Trustee.

Section 3.6 Series 2026 Bonds as Initial Bonds. The Series 2026 Bonds are issued as the Initial Bonds under the Indenture. The Authority hereby certifies that the requirements set forth herein and in Section 2.4 of the General Indenture have been and will be complied with in connection with the issuance of the Series 2026 Bonds.

ARTICLE IV

CONFIRMATION OF GENERAL INDENTURE

Section 4.1 Confirmation of General Indenture. As modified and supplemented by this First Supplemental Indenture, the General Indenture is in all things and respects hereby ratified and confirmed. The provisions of the General Indenture shall apply to this First Supplemental Indenture to the extent that such provisions have not been deleted or modified by or are not inconsistent with the specific provisions of this First Supplemental Indenture.

ARTICLE V

MISCELLANEOUS

Section 5.1 Confirmation of Sale of Series 2026 Bonds. The sale of the Series 2026 Bonds to the Underwriter at a price of $[_________] is hereby ratified, confirmed and approved.

Section 5.2 Illegal, etc. Provisions Disregarded. In case any provision in this First Supplemental Indenture shall for any reason be held invalid, illegal, or unenforceable in any respect, this First Supplemental Indenture shall be construed as if such provision had never been contained herein.

Section 5.3 Applicable Law. This First Supplemental Indenture shall be governed by and construed in accordance with the laws of the State of Utah.

Section 5.4 Headings for Convenience Only. The descriptive headings in this First Supplemental Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

Section 5.5 Counterparts. This First Supplemental Indenture may be executed in any number of counterparts, each of which shall be deemed an original and all of which, when so executed and delivered, shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Authority has caused these presents to be signed in its corporate name and with its official seal hereunto affixed and attested by its duly authorized officers, and to evidence its acceptance of the trust hereby created, the Trustee has caused these presents to be executed in its corporate name with its corporate seal hereunto affixed all by its duly authorized officers, as of the date first above written.

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

By: ________________________________
Chair/President

(SEAL)

ATTEST AND COUNTERSIGN:

By: ________________________________
Secretary-Treasurer

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

By: ________________________________

Title: ________________________________

EXHIBIT A

FORM OF SERIES 2026 BONDS

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

UNITED STATES OF AMERICA
STATE OF UTAH
MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH
LEASE REVENUE BOND, SERIES 2026

REGISTERED REGISTERED

NUMBER R-1 $______________

Interest Rate	Maturity Date	Original Issue Date	CUSIP
	__________	____________	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: ______________________AND NO/100 DOLLARS****

The Municipal Building Authority of the City of South Jordan, Utah, a nonprofit corporation duly organized and existing under the laws of the State of Utah (the "Authority"), performing essential governmental functions on behalf of the City of South Jordan, Utah, a body corporate and politic of the State of Utah (the "City") for value received, promises to pay solely and to the extent available from the sources hereinafter provided, to the Registered Owner named above, or registered assigns, on the Maturity Date specified above, the Principal Amount specified above, and in like manner to pay interest on said amount at the Interest Rate specified above (calculated on the basis of a 360-day year consisting of twelve 30-day months), payable on [______] and [______] of each year (each an "Interest Payment Date") commencing [______], except as the provisions hereinafter set forth with respect to redemption of this Bond prior to maturity may become applicable hereto. The principal amount of this Bond shall be reduced by the payment of principal thereof on the dates and amounts indicated on such Record of Principal Payments without the surrender of the Bond to the Paying Agent. Interest on this Bond shall be payable by wire transfer to an account located in the United States or check or draft mailed to the Registered Owner hereof at his address as it appears on the registration books of the Paying Agent, who shall also act as the Registrar for the Issuer, or at such other address as is furnished to the

Paying Agent in writing by such Registered Owner. Interest hereon shall be deemed to be paid by the Paying Agent when wired or mailed by certified mail. Both principal and interest shall be payable in lawful money of the United States of America designated by the Registered Owner in written instructions furnished to the Trustee.

The Series 2026 Bonds (hereinafter defined) are dated as of the Original Issue Date shown above. Interest on the Series 2026 Bonds authenticated prior to the first Interest Payment Date shall accrue from and including the Original Issue Date. Interest on the Series 2026 Bonds authenticated on or subsequent to the first Interest Payment Date shall accrue from the Interest Payment Date next preceding their date of authentication, or if authenticated on an Interest Payment Date, from that date.

This Bond is one of an authorized issue of Lease Revenue Bonds, Series 2026, of the Authority limited in aggregate principal amount to $[__________] (the "Series 2026 Bonds") issued to (a) finance the acquisition and construction of a new fire station and related improvements (the "Series 2026 Project"), (b) fund any required deposits to a debt service reserve fund and (c) pay costs associated with the issuance of the Series 2026 Bonds. The Series 2026 Project has been leased by the Authority to the City under the terms of a Master Lease Agreement dated as of [______], 2026 (which agreement, as from time to time amended and supplemented, is hereinafter referred to as the "Master Lease"). The obligation of the City to make lease payments under the Master Lease is subject to the annual renewal of the Master Lease and to the right of the City to terminate its payment obligations with respect to the Series 2026 Project under the Master Lease in the event that the City fails to appropriate moneys to pay such rentals. In the event that the City's payment obligations under the Master Lease shall be terminated by reason of a failure to appropriate (referred to herein as "Event of Nonappropriation") or by reason of an Event of Default (as defined in the Master Lease), the principal amount of this Series 2026 Bond and interest hereon will be payable from such moneys, if any, as may be available under the Indenture for such purpose, including any moneys received by the Trustee from a liquidation or other disposition of the Authority's interest in the Series 2026 Project including a foreclosure of the lien of the Indenture (hereinafter defined) and the Security Documents (as defined in the Indenture), subject to the limitations contained in the Indenture. Under certain circumstances, this Series 2026 Bond and the interest hereon may also be payable from Net Proceeds (as defined in the Master Lease) of insurance policies, performance bonds, condemnation awards and liquidation proceeds with respect to the Series 2026 Project.

The Series 2026 Bonds are issued pursuant to the authority contained in the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended and the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (collectively, the "Act"), and under and are equally and ratably secured by and entitled to the protection of a General Indenture of Trust dated as of [______], 2026 (the "General Indenture") and a First Supplemental Indenture of Trust dated as of [______], 2026 (the "First Supplemental Indenture," and together with the General Indenture, the "Indenture"), each by and between the Authority and the Trustee, duly executed and delivered by the Authority to the Trustee and pursuant to which the Base Rentals (as defined in the Master Lease) payable by the City, under the Master Lease and, if paid by the City, the Purchase Option Price (as defined in the Master Lease), are assigned to the Trustee to secure the payment of principal of, premium, if any, and interest on the Series 2026 Bonds. Additionally, the Authority has granted a security interest in the Series

2026 Project, pursuant to certain Security Documents to the Trustee to further secure its obligations under the Indenture.

The Indenture provides that, upon the conditions and restrictions therein, the Authority may hereafter issue Refunding Bonds or Additional Bonds (each as defined in the Indenture) from time to time to finance or refinance the costs of the Series 2026 Project or other facilities and improvements under certain terms and conditions contained in the Indenture and in the Master Lease and, if issued, the Refunding Bonds and/or the Additional Bonds will rank pari passu with the Series 2026 Bonds then Outstanding (as defined in the Indenture) and be equally and ratably secured and entitled to the protection of the Indenture and the Security Documents (the Series 2026 Bonds, the Refunding Bonds and the Additional Bonds are collectively referred to herein as the "Bonds"). Reference is hereby made to the Master Lease, the Security Documents and the Indenture for a description of the property pledged and assigned, the provisions, among others, with respect to the nature and extent of the security, the rights, duties and obligations of the City, the Authority, the Trustee and the holders of the Series 2026 Bonds, the issuance of Refunding Bonds or Additional Bonds, the terms upon which the Series 2026 Bonds are issued and secured, the terms and conditions upon which the Series 2026 Bonds will be deemed to have been paid, at or prior to maturity or redemption of the Series 2026 Bonds, and the rights of the holders of the Series 2026 Bonds upon the occurrence of an Event of Default or an Event of Nonappropriation.

The Series 2026 Bonds and the interest thereon constitute special, limited obligations of the Authority. Except to the extent payable from the proceeds of the Series 2026 Bonds and the income from the investment thereof, the proceeds of certain funds held by the Trustee, the Net Proceeds of certain insurance policies, performance bonds and condemnation awards or the proceeds, if any, from a liquidation or other disposition of the Authority's interest in the Series 2026 Project subsequent to foreclosure of the lien of the Indenture and the Security Documents, the Series 2026 Bonds and the interest thereon are payable solely from Base Rentals, and, if paid, the Purchase Option Price paid by the City under the Master Lease. Payments under the Master Lease may be made only from City Funds (as defined in the Master Lease) which are legally available for such purpose.

Neither the Master Lease, the Series 2026 Bonds, nor the interest thereon shall constitute or give rise to a general obligation indebtedness of the City, or a charge against the City or its general credit or the taxing power of the City. Neither the City nor the Authority on its behalf, has pledged the credit of the City to the payment of the Series 2026 Bonds, the interest thereon or amounts due or to become due under the Master Lease. The Authority has no taxing power.

THE CITY IS NOT OBLIGATED TO APPROPRIATE CITY FUNDS FOR THE PURPOSE OF PAYING BASE RENTALS, ADDITIONAL RENTALS OR THE PURCHASE OPTION PRICE UNDER THE MASTER LEASE, AND NO JUDGMENT MAY BE ENTERED AGAINST THE CITY IN THE EVENT OF AN INSUFFICIENCY OF MONEYS TO PAY THE PRINCIPAL OF, PREMIUM, IF ANY, AND INTEREST ON THE SERIES 2026 BONDS. THE MASTER LEASE IS SUBJECT TO ANNUAL RENEWAL AND THE CITY'S PAYMENT OBLIGATIONS UNDER THE MASTER LEASE WILL BE TERMINATED UPON THE OCCURRENCE OF AN EVENT OF DEFAULT. IN SUCH EVENT, ALL PAYMENTS FROM THE CITY UNDER THE MASTER LEASE WILL TERMINATE AND THE SERIES 2026 BONDS AND THE INTEREST THEREON WILL BE PAYABLE SOLELY FROM AND TO

THE EXTENT OF SUCH MONEYS, IF ANY, AS MAY BE HELD BY THE TRUSTEE UNDER THE INDENTURE AND ANY MONEYS MADE AVAILABLE FROM A LIQUIDATION OR OTHER DISPOSITION OF THE AUTHORITY'S INTEREST IN THE SERIES 2026 PROJECT SUBSEQUENT TO FORECLOSURE OF THE LIEN OF THE INDENTURE AND THE SECURITY DOCUMENTS, SUBJECT TO THE LIMITATIONS SET FORTH IN THE INDENTURE. A BONDHOLDER SHOULD NOT ANTICIPATE THAT IT WILL BE POSSIBLE TO FORECLOSE THE AUTHORITY'S INTEREST IN THE SERIES 2026 PROJECT AND LIQUIDATE, RELET OR SELL SUCH INTEREST AFTER THE OCCURRENCE OF AN EVENT OF DEFAULT FOR AN AMOUNT EQUAL TO THE AGGREGATE PRINCIPAL AMOUNT OF THE SERIES 2026 BONDS THEN OUTSTANDING PLUS ACCRUED INTEREST THEREON.

No deficiency judgment upon foreclosure may be entered against the City or the Authority and no breach of any provision of the Master Lease, the Security Documents, the Series 2026 Bonds or the Indenture shall impose any general obligation or liability upon or a charge against the City, the Authority, or the general credit or taxing powers of the City.

This Series 2026 Bond is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal corporate trust office of the Trustee in Salt Lake City, Utah, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture, and upon surrender and cancellation of this Series 2026 Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Authority, the Paying Agent and the Trustee may deem and treat the Registered Owner hereof as the absolute owner hereof (whether or not this Series 2026 Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof and premium, if any, and interest due hereon and for all other purposes and the Authority, the Paying Agent and the Trustee shall not be affected by any notice to the contrary.

The Series 2026 Bonds are subject to redemption prior to maturity at the times, upon the occurrence of the events and with notice all as found in the Indenture.

In the event of a redemption, acceleration, or any other similar transaction necessitating a reduction in aggregate principal amount of the Series 2026 Bonds, including any mandatory sinking fund redemption, a Bondholder shall make an appropriate notation on the Series 2026 Bonds certificate indicating the date and amounts of such reduction in principal, except in the case of final maturity in which case the certificate must be presented to the Paying Agent prior to payment. In the case of a discrepancy between the record of payments on the Series 2026 Bonds and the Bond Registrar's records, the Bond Registrar's records shall govern.

The Registered Owner of this Series 2026 Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Master Lease or any Event of Default under the Indenture or the Security Documents, or to institute, appear in or defend any suit or other proceedings with respect thereto, except as provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Authority and the rights of the holders of the Series 2026 Bonds at any time by the Authority with the consent of the City (if an Event of Default does not then exist under the Master Lease) and the Registered Owners of not less than 66 2/3% in aggregate principal amount of the Series 2026 Bonds at the time Outstanding. The Indenture also permits waiver of compliance by the Authority with any terms of the Indenture with the consent of the City (if an Event of Default does not then exist under the Master Lease) and the Registered Owners of not less than 66 2/3% in aggregate principal amount of the Series 2026 Bonds at the time Outstanding. Any such consent or waiver by the Registered Owner of this Series 2026 Bond shall be conclusive and binding upon such Owner and upon all future holders of this Series 2026 Bond and of any Bond issued upon the transfer or exchange of this Series 2026 Bond whether or not notation of such consent or waiver is made upon this Series 2026 Bond. The Indenture also contains provisions permitting the Trustee to waive certain Events of Default under the Indenture and their consequences. The Indenture requires the written consent of the Trustee to any waiver or amendment of any provision of the Indenture or any supplemental indenture which modifies the rights, duties or immunities of the Trustee.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Series 2026 Bond do exist, have happened and have been performed in due time, form and manner as required by law; that the issuance of this Series 2026 Bond and the issue of which it forms a part, together with all other obligations of the Authority, do not exceed or violate any constitutional or statutory debt limitation. As required by the Act, the City has by resolution authorized the Authority to issue the Series 2026 Bonds and to execute and deliver the Master Lease, the Security Documents and the Indenture.

This Series 2026 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 WITNESS WHEREOF, the Authority has caused this Series 2026 Bond to be executed in its name by the facsimile or manual signature of its Chair/President and its corporate seal to be hereunto impressed or imprinted hereon and attested by the manual or facsimile signature of its Secretary-Treasurer, and said officials do by the execution hereof adopt as and for the respective proper signatures their respective facsimile or manual signatures appearing hereon.

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

(SEAL)

By: ________________________________
Chair/President

ATTEST AND COUNTERSIGN:

By: ________________________________
Secretary-Treasurer

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2026 Bonds of the issue described in the within- mentioned First Supplemental Indenture of Trust.

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

By: ________________________________
Authorized Officer

Date of Authentication: __________________

ASSIGNMENT

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

____
(Social Security or Other Identifying Number of Assignee)

____
(Please Print or Typewrite Name and Address of Assignee)

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

DATED: _______________________

Signature ___________________________

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

Signature Guaranteed:

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

EXHIBIT B

COST OF ISSUANCE DISBURSEMENT REQUEST

U.S. Bank Trust Company, National Association
170 South Main Street, SUITE 600
Salt Lake City, Utah 84101

Pursuant to Section 3.3 of the First Supplemental Indenture of Trust dated as of [______], 2026, you are hereby authorized to pay the following costs of issuance from the Series 2026 Costs of Issuance Account:

[See Attached Schedule]

MUNICIPAL BUILDING AUTHORITY OF
THE CITY OF SOUTH JORDAN, UTAH

By: ________________________________
Chair/President

COSTS OF ISSUANCE

Payee	Purpose	Amount

EXHIBIT C

GROUND LEASE AGREEMENT

WHEN RECORDED, RETURN TO:

Randall M. Larsen
Gilmore & Bell, P.C.
15 W. South Temple, Suite 1400
Salt Lake City, Utah 84101

Tax Parcel ID[s]:
[____________]
[____________]

GROUND LEASE AGREEMENT

Dated as of [_______, 2026]

between

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH, AS LESSEE

A Nonprofit Corporation Organized Under the Laws
of the State of Utah

and

THE CITY OF SOUTH JORDAN, AS LESSOR

A Body Corporate and Politic
of the State of Utah

THIS GROUND LEASE AGREEMENT (this "Ground Lease") dated as of [_______, 2026], entered into by and between the MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH (the "Authority"), as lessee hereunder, a nonprofit corporation duly organized, existing and in good standing under the laws of the State of Utah, and also acting as grantor under a certain General Indenture of Trust of even date herewith, and the CITY OF SOUTH JORDAN (the "City"), as lessor hereunder, a body corporate and politic duly existing under the laws of the State of Utah;

WITNESSETH:

WHEREAS, the City is the owner in fee simple of the real property described in the attached Exhibit A (the "Property"); and

WHEREAS, at the request of the City, the Authority desires to issue its Lease Revenue Bonds, Series 2026, in the aggregate principal amount of [$__________] (the "Series 2026 Bonds") for the purpose of (a) financing the acquisition and construction of a new fire station and related improvements (the "Series 2026 Project"), (b) funding any required deposits to a debt service reserve fund and (c) paying costs associated with the issuance of the Series 2026 Bonds; and

WHEREAS, the Authority desires to lease, as ground lessee, from the City, the Property upon which the Series 2026 Project will be located; and

WHEREAS, the City desires to lease the Property, as ground lessor, to the Authority under the terms and provisions set forth in this Ground Lease; and

WHEREAS, under the provisions of a resolution dated September 15, 2026, the City has authorized and approved (i) the execution of this Ground Lease, (ii) a Master Lease Agreement dated as of [_______, 2026] (the "Master Lease") between the City and the Authority, wherein the Authority will lease to the City the Series 2026 Project and (iii) certain actions to be taken by the Authority in connection with the financing of the Series 2026 Project, including the issuance by the Authority of the Series 2026 Bonds under a General Indenture of Trust and a First Supplemental Indenture of Trust each dated as of [_______, 2026] (together, the "Indenture"), each between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"); and

WHEREAS, pursuant to the provisions of a resolution dated September 15, 2026, the Authority has authorized, approved and directed the execution of this Ground Lease, has authorized and approved the execution of the Master Lease, the Indenture and the other Security Documents (as defined in the Indenture) and has authorized, approved and directed certain actions to be taken by the Authority in connection with the financing of the Series 2026 Project, including the issuance of the Series 2026 Bonds;

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

ARTICLE I

DEFINITIONS

Terms defined in the above recitals shall have the same meaning when used herein. Unless the context otherwise requires or unless otherwise specified herein, all terms defined in Article I of the General Indenture, Article I of the First Supplemental Indenture and Article I of the Master Lease shall have the same meaning where used in this Ground Lease. In addition, unless the context otherwise requires, the terms defined in this Article I shall, for purposes of this Ground Lease, have the meaning herein specified.

"Event of Default" means one or more events of default as defined in Section 12.1 of this Ground Lease.

"Ground Lease Term" means the duration of the leasehold estate created in the Property as provided in Article IV of this Ground Lease.

"Property" has the meaning ascribed thereto in the recitals to this Ground Lease.

"Rentals" means the rental payments payable by the Authority hereunder.

"State" means the State of Utah.

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1 Representations, Covenants and Warranties of the City. The City represents, covenants and warrants for the benefit of the Authority and the Trustee as follows:

(a) The City is a duly existing political subdivision and body corporate and politic within the State under the Constitution and laws of the State. Under the provisions of the Constitution and laws of the State, the City is authorized to enter into the transactions contemplated by this Ground Lease and to carry out its obligations hereunder. The City has duly authorized and approved the execution and delivery of this Ground Lease.

(b) The City warrants that it holds the fee simple interest in the Property and that all the Property is free from any encumbrances other than Permitted Encumbrances.

Section 2.2 Representations, Covenants and Warranties of the Authority. The Authority represents, covenants and warrants for the benefit of the City and the Trustee as follows:

(a) The Authority is a nonprofit corporation duly incorporated and in good standing in the State of Utah and is duly qualified to transact business in the State of Utah, is not in violation of any provision of its Articles of Incorporation or its Bylaws, has the corporate power and authority to enter into this Ground Lease and has duly authorized and approved the execution and delivery of this Ground Lease by proper corporate action.

(b) The Authority will take no action or fail to take any action, which action or failure to act would constitute a default under the Master Lease or this Ground Lease.

ARTICLE III

DEMISING CLAUSE

The City hereby demises and leases the Property to the Authority and the Authority leases the Property from the City, subject only to Permitted Encumbrances, in accordance with the provisions of this Ground Lease, to have and to hold for the Ground Lease Term unless sooner terminated as expressly provided herein.

ARTICLE IV

GROUND LEASE TERM

Section 4.1 Commencement of Ground Lease Term. The Ground Lease Term shall commence as of the date of issuance of the Series 2026 Bonds, and shall terminate on [___________], unless sooner terminated in accordance with the provisions of Section 4.2 hereof.

Section 4.2 Section 4.2 Termination of Ground Lease Term. The Ground Lease Term shall terminate upon the first to occur of any of the following events:

(a) The expiration of the Ground Lease Term as provided in Section 4.1 hereof; or

(b) The conveyance of the Series 2026 Project to the City under the provisions of Section 12.1 of the Master Lease.

Section 4.3 Option to Renew Ground Lease. Notwithstanding anything contained elsewhere herein to the contrary, in the event the capital actually invested (as defined in the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated, 1953 as amended) by the Authority in improvements constructed upon the Property has not been fully repaid by the City at the expiration of the term of this Ground Lease, or upon an Event of Nonappropriation or Event of Default as described in Sections 6.6 and 14.1 respectively of the Master Lease, the Ground Lease shall automatically be renewed on the same terms and conditions as set forth herein, for an additional term sufficient to repay said capital, which term, when added to the number of years for which this Ground Lease has theretofore been in effect, shall not exceed twenty five (25) years.

ARTICLE V

ENJOYMENT OF PROPERTY

Subject to the provisions of the Master Lease, the City hereby covenants to provide the Authority during the Ground Lease Term with quiet use and enjoyment of the Property and the Authority shall during the Ground Lease Term peaceably and quietly have and hold and enjoy the Property, without suit, trouble or hindrance from the City, except as expressly set forth herein. The City shall not interfere with such quiet use and enjoyment during the Ground Lease Term so long as no Event of Default shall have occurred. The City shall at the request of the Authority join in any legal action in which the Authority asserts its right to such possession and enjoyment, to the extent that the City may lawfully do so. In addition, the Authority may at its own expense join in any legal action affecting its possession and enjoyment of the Property and shall be joined in any action affecting its liabilities hereunder.

The City shall have the right at all reasonable times during business hours to enter into and upon the Property for the purpose of inspecting the same.

ARTICLE VI

PAYMENTS BY THE AUTHORITY

The Authority shall pay Rental Payments to the City in the sum of twenty five Dollars ($25.00) (being one dollar ($1) per year for a maximum of (25 years), which amount represents the total Rental Payments due hereunder during the Ground Lease Term (including all renewal option periods). The parties hereto hereby acknowledge that said Rental Payments have been paid in full on the date hereof in lawful money of the United States of America at the principal office of the Board of Trustees of the City. The City and the Authority hereby determine and agree that the Rental Payments payable hereunder during the Ground Lease Term, together with other good and valuable consideration received by the City under and pursuant to the Master Lease, represent reasonable rental for the use of the Property. In making such determination, the City and the Authority have given consideration to the current value of the Property, the execution by the City and the Authority of the Master Lease and the rentals payable thereunder, the financing by the Authority of the Series 2026 Project, the uses and purposes for which the Series 2026 Project will be employed by the City, the benefit to the citizens of the City by reason of the improvement of the Series 2026 Project and the use and occupancy of such facilities pursuant to the terms and provisions of the Master Lease.

ARTICLE VII

NONSUBORDINATION OF THE CITY'S INTEREST

The Authority intends to finance the Series 2026 Project by the issuance of the Series 2026 Bonds in accordance with the provisions of the Master Lease and Indenture; however, it is understood and agreed that only the Authority's leasehold interest in the Property will be used as security for the payment of the principal, premium, if any, and interest on such Series 2026 Bonds. Consequently, it is understood and agreed by and between the City and the Authority that the City has not subordinated, and shall not be required to subordinate, its interest in and to the Property to secure such financing. However, it is hereby acknowledged that improvements constructed on the Property, including but not limited to the Series 2026 Project, will or may be used as security for the Series 2026 Bonds. In addition, it is understood that the Authority intends to assign its interest, as lessee, in and to this Ground Lease to the Trustee to secure the Series 2026 Bonds. The City hereby consents to such assignment.

ARTICLE VIII

TITLE; LIMITATIONS ON ENCUMBRANCES

Section 8.1 Title to the Property and the Series 2026 Project. Subject to the leasehold interest created hereby, title to the Property shall at all times be held in the name of the City. Except personal property purchased by the City at its own expense, title to the Series 2026 Project and any and all additions and modifications thereto and replacements thereof shall be held in the name of the Authority. The City shall have no right, title or interest in the Series 2026 Project or any additions and modifications thereto or replacements thereof, except its reversionary rights by law as lessor and except as expressly set forth herein and in the Master Lease. On termination of this Ground Lease, the City shall become the title owner of all improvements affixed to the Property, including the Series 2026 Project. The Authority agrees to execute such documents on termination of this Ground Lease as are required to convey said improvements to the City as herein provided.

Section 8.2 No Encumbrance, Mortgage or Pledge. Neither the Authority nor the City shall directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Property, except for Permitted Encumbrances as defined in the Master Lease.

Section 8.3 Encumbrance of Leasehold Interest. The Authority may encumber by mortgage or deed of trust, and may convey, assign or sublease, its leasehold interest and estate in the Property, alone or together with its interests in the Series 2026 Project as a whole, for the benefit of the holders of the Series 2026 Bonds. The execution of any such mortgage, deed of trust, assignment or other instrument or the foreclosure thereof or any sale thereunder, either by judicial proceeding or by virtue of any power reserved in such mortgage, deed of trust, assignment or conveyance by the Authority for the benefit of the holders of the Series 2026 Bonds, or the exercising of any right, power or privilege set forth therein, shall not be held as a violation of any of the terms or conditions hereof. The assignee or grantee of any conveyance or assignment of the Authority may, at its option, at any time before the rights of the Authority have been terminated as provided herein, pay any of the Rentals due hereunder or pay any taxes and assessments, or do any other act or thing required of the Authority by the terms hereof, or do any act or thing which may be necessary or proper to be done in the observance of the covenants and conditions thereof, or to prevent the termination hereof; all payments so made, and all things so done and performed by such party or entity shall be effective to prevent a forfeiture of the rights of the Authority hereunder as the same would have been if done and performed by said Authority.

ARTICLE IX

MAINTENANCE, TAXES AND OTHER CHARGES

Section 9.1 Maintenance of the Property by the Authority. In the event that the Ground Lease Term extends beyond the date of termination of the Master Lease, the Authority agrees that at all times during the Ground Lease Term the Authority will maintain, preserve and keep the Property or cause the Property to be maintained, preserved and kept with the appurtenances and every part and parcel thereof, in good repair, working order and condition and that the Authority will from time to time make or cause to be made all necessary and proper repairs, replacements and renewals with respect to the Property, so that it will continue to be suitable for use as contemplated by the Master Lease.

Section 9.2 Other Governmental Charges and Utility Charges. In the event that the Ground Lease Term extends beyond the date of termination of the Master Lease and in the event that the Property or any portion thereof shall, for any reason, be deemed subject to taxation, assessments or charges lawfully made by any governmental body which may be secured by a lien against the Property, the Authority shall pay an amount equal to the amount of all such taxes, assessments and governmental charges then due. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the Authority shall be obligated to pay such amounts only for such installments as are required to be paid during the Ground Lease Term. In the event that the Ground Lease Term extends beyond the date of termination of the Master Lease, the Authority shall also pay as the same respectively become due, all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Property.

The Authority may, at the expense and in the name of the Authority, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom. In the event that the Authority shall fail to pay any of the foregoing items required by this Section 9.2 to be paid by the Authority, the City may (but shall be under no obligation to) pay the same, which amounts, together with interest thereon at the rate of ten percent (10%) per annum, the Authority agrees to pay.

ARTICLE X

CONDEMNATION; DESTRUCTION

If during the Ground Lease Term, title to, or the temporary or permanent use of the Property or any portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, the Authority and the City shall cooperate in the collection and disposition of the proceeds of condemnation such that the net proceeds of such condemnation allocable to the Property and to the Authority’s leasehold interest in the Property created hereunder shall be deposited and utilized by the Trustee in accordance with the provisions of the Master Lease and the Indenture and the net proceeds of such condemnation allocable solely to the City’s reversionary interest in the Property will be payable to the City. Except as otherwise provided in the Master Lease, if during the Ground Lease Term, the Series 2026 Project or any material portion thereof, shall be destroyed (in whole or in part), or damaged by fire or other casualty, the Net Proceeds of any insurance policy shall be deposited and utilized by the Trustee in accordance with the provisions of the Master Lease and the Indenture.

ARTICLE XI

DISCLAIMER OF WARRANTIES; COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 11.1 Further Assurances and Corrective Instruments. The City and the Authority agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property hereby leased or intended so to be, or for carrying out the intention hereof.

Section 11.2 City and Authority Representatives. Whenever under the provisions hereof the approval of the City or the Authority is required, or the City or the Authority is required to take some action at the request of the other, such approval or such request shall be given for the City by the City Representative and for the Authority by the Authority Representative, and any party hereto and the Trustee shall be authorized to act on any such approval or request.

Section 11.3 Requirements of Law. During the Ground Lease Term, the City and the Authority shall observe and comply promptly with all laws, ordinances, orders, rules and regulations of the federal, state, county and city governments and of all courts or other governmental authorities having jurisdiction over the Series 2026 Project or any portion thereof and of all their respective departments, bureaus and officials, and of the insurance regulatory agencies having jurisdiction over the Series 2026 Project, or any portion thereof, or any other body exercising similar functions, and of all insurance companies writing policies covering the Series 2026 Project or any portion thereof, whether the same are in force at the commencement of the Ground Lease Term or may in the future be passed, enacted or directed.

ARTICLE XII

EVENTS OF DEFAULT AND REMEDIES

Section 12.1 Events of Default Defined. The following shall be an “Event of Default” under this Ground Lease: failure by the Authority to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, for a period of ninety (90) days after written notice, specifying such failure and requesting that it be remedied, has been given to the Authority and the Trustee by the City, unless the City shall agree in writing to an extension of time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the City shall not unreasonably withhold its consent to an extension of such time if corrective action shall be instituted by the Authority or the Trustee within the applicable period and diligently pursued until the default is corrected.

The foregoing provisions of this Section are subject to the following limitations: if, by reason of force majeure, the Authority shall be unable in whole or in part to carry out any agreement on its part herein contained, the Authority shall not be deemed in default during the continuance of such inability. The Authority agrees, however, to remedy with all reasonable dispatch the cause or causes preventing the Authority from carrying out its agreement; provided, however, that the settlement of strikes, lockout and other industrial disturbances shall be entirely within the discretion of the Authority, and the Authority shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is in the judgment of the Authority unfavorable to the Authority. A copy of any notice required by this Section shall also be provided to the Trustee.

Section 12.2 Remedies on Default. Whenever any Event of Default referred to in Section 12.1 of this Ground Lease shall have happened and be continuing, the City, shall have the right, at its option without any further demand or notice, to take whatever action at law or in equity may appear necessary or desirable to enforce its rights under this Ground Lease.

Section 12.3 No Remedy Exclusive. No remedy herein conferred upon or reserved to the City is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the City to exercise any remedy reserved in this Article XII, it shall not be necessary to give any notice, other than such notice as may be required in this Article XII.

Section 12.4 Agreement to Pay Attorney's Fees and Expenses. In the event that either party hereto shall default under any of the provisions hereof and the nondefaulting party shall employ attorneys or incur other expenses for the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it shall on demand therefor pay to the nondefaulting party the fees of such attorneys and such other expenses so incurred by the nondefaulting party, to the extent that such attorney's fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the City under this Section 12.4 shall be subject to the availability of City Funds and the obligation of the Authority shall be subject to the legal availability of such funds.

Section 12.5 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

Section 12.6 No Termination of Ground Lease Term. Notwithstanding the remedies provided above, the Ground Lease Term of this Ground Lease may not be terminated prior to the end of the Ground Lease Term described in Article IV hereof by reason of an Event of Default hereunder.

ARTICLE XIII

INSURANCE, INDEMNIFICATION AND ENVIRONMENTAL MATTERS

Section 13.1 Insurance. The Authority hereby covenants and agrees to at all times provide, maintain and keep in force or cause to be kept in force such insurance as set forth in Article IX of the Master Lease with respect to the Series 2026 Project.

Section 13.2 Public Liability Insurance. Unless the City is otherwise required to carry the insurance required by Section 9.5 of the Master Lease, the Authority agrees to carry, or cause to be carried public liability insurance with one or more reputable insurance companies in minimum amounts of the limits on governmental liability established by Title 63G, Chapter 7, Utah Code Annotated 1953, as amended. In the event that such limits on governmental liability are increased, the amounts required by this Section 13.2 shall be deemed to be increased to such higher amounts. The insurance required by this Section may be by blanket insurance policy or policies or self-insurance. If self-insurance is not utilized, the policies may have a deductible clause in such amount as shall be approved by the Authority, the City, and the Trustee or absent.

Section 13.3 Workers' Compensation Coverage. Unless the City is otherwise required to carry such insurance pursuant to the Master Lease, at all times from the date hereof until the end of the Master Lease Term, the Authority shall maintain, or cause to be maintained, workers' compensation coverage with respect to officers, agents and employees of the Authority working in, on or about the Series 2026 Project, including coverage for occupational diseases.

Section 13.4 Indemnification Covenants. To the extent of the net proceeds of the insurance coverage of the Authority, the Authority shall and hereby agrees to indemnify and save the City harmless against and from all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the conduct or management of, or from any work or thing done on, the Series 2026 Project during the Lease Term from: (i) any condition of the Series 2026 Project and (ii) any act or negligence of the Authority or of any of its agents, contractors or employees or any violation of law or the breach of any covenant or warranty hereunder. To the extent of available moneys as set forth above, or in the event the Authority is self-insured, or the insurance coverage has a deductible amount, then from moneys to be appropriated under budget proceedings for future years, if such appropriations are then made, the Authority shall indemnify and save the City harmless, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the City, shall defend it in any action or proceeding.

In exchange for the Authority's agreement to indemnify the City as provided in this Section, the City hereby agrees to assert any cause of action that it might individually have against any third parties for the benefit of the Authority. Furthermore, in no event will the City voluntarily settle or consent to the settlement of any proceeding arising out of any claim applicable to the Series 2026 Project without the written consent of the Authority.

Section 13.5 Environmental Matters. The City hereby makes the following covenants, warranties, representations and promises with respect to the Property for the benefit of the Authority, the Trustee and the owner of the Bonds:

(a) The City will comply with any and all applicable federal, State, and local laws, rules, regulations or orders with respect to the discharge and remediations of any hazardous or toxic wastes, and shall pay, to the extent permitted by law and solely from and to the extent of City Funds (as defined in the Master Lease) at its sole cost and expense when due, the cost of any future reasonable and appropriate remediations of any such wastes, and shall take appropriate steps to keep the Property free of any lien imposed pursuant to such laws, rules, regulations or orders.

(b) In the event that the Environmental Protection Agency, any agency of the State, or any other federal, State or local governmental agency should rightfully initiate any action for the remediation of any "hazardous substance," as that term is defined in Title 42 of the United States Code, Section 960 1(14), from the Property, the City hereby agrees, to the extent permitted by law and solely from and to the extent of City Funds, to indemnify and hold harmless the Authority, the Trustee and the owners of the Bonds from any liability, costs and expenses, including reasonable attorney's fees, incurred in such action.

(c) To the best knowledge of the City and after reasonable investigation, the Property does not contain any hazardous or toxic substances, wastes or materials as defined in any applicable federal, State or local laws or regulations.

ARTICLE XIV

MISCELLANEOUS

Section 14.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, addressed as follows: if to the Authority, Municipal Building Authority of the City of South Jordan, Utah, 1600 W. Towne Center Drive, South Jordan, Utah 84095, Attention: Chair/President; if to the City, 1600 W. Towne Center Drive, South Jordan, Utah 84095, Attention: Mayor; and if to the Trustee, as provided in the Master Lease. The Authority, the City and the Trustee, may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 14.2 Binding Effect. This Ground Lease shall inure to the benefit of and shall be binding upon the Authority, the City and their respective successors and assigns.

Section 14.3 Severability. In the event any provision of this Ground Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14.4 Amendments, Changes and Modifications. (a) Except as provided in subsection (b) below, subsequent to the issuance of the Series 2026 Bonds and prior to their payment in full (or provision for the payment thereof having been made in accordance with the provisions of the Indenture), and except as otherwise herein expressly provided, this Ground Lease may not be effectively amended, changed, modified, altered or terminated without the written consent of Trustee.

(b) Other real property (the "Substitute Property") may be substituted for the real property that is the subject to this Ground Lease, the description of which is contained on Exhibit A hereto, as long as the following conditions are satisfied:

(i) a property description of the Substitute Property shall be delivered to the Authority and the Trustee and a new Exhibit A containing a legal description of the Substitute Property shall be attached hereto;

(ii) a title insurance policy satisfying the requirements of Section 2.4(c)(v)(A) of the General Indenture shall be delivered to the Trustee;

(iii) a certificate signed by a City Representative to the effect that the Substitute Property is suitable for use as a fire station or training center and that the Substitute Property has all means of ingress and egress so that the fire stations, training tower or training facility may be accessed;

(iv) an opinion of the City Attorney of the City addressed to the Trustee and the City to the effect that the provisions of this Section 14.(4)(b) have been satisfied and that any exceptions appearing in the Title Report to the Substitute Property will not interfere with the operation of the Series 2026 Project or impair the marketability of the title to Series 2026 Project or the general security provided for holders of the Series 2026 Bonds issued under the Indenture; and

(v) and all documents relating to the substitution of property shall be properly recorded with the Salt Lake County Recorder.

Section 14.5 Execution in Counterparts. This Ground Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 14.6 Applicable Law. This Ground Lease shall be governed by and construed in accordance with the laws of the State.

Section 14.7 Captions. The captions or headings in this Ground Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Ground Lease.

Section 14.8 Assignment. This Ground Lease may be assigned and reassigned by the Authority and the Authority's interest in the Property transferred in accordance with the terms hereof and of the Master Lease. This Ground Lease may not be assigned by the City for any reason.

Section 14.9 No Merger. The parties hereto agree that the doctrine of merger shall not operate to destroy or terminate the leasehold interest granted to the Authority under this Ground Lease.

IN WITNESS WHEREOF, the Authority has caused this Ground Lease to be executed with its corporate seal hereunto affixed and attested by its duly authorized officers. The City has executed this Ground Lease in its name with its seal hereunto affixed and attested by its duly authorized officers. All of the above occurred as of the date first above written.

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

(SEAL)

____
By: Dawn Ramsey
Its: Chair/President

ATTEST AND COUNTERSIGN:

____
By: Anna Crookston
Its: Secretary-Treasurer

THE CITY OF SOUTH JORDAN, UTAH

____
By: Dawn Ramsey
Its: Mayor

(SEAL)

ATTEST AND COUNTERSIGN:

____
By: Anna Crookston
Its: City Recorder

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

On _____________, 2026, Dawn Ramsey and Anna Crookston, the Chair/President and Secretary-Treasurer, respectively, of the Municipal Building Authority of the City of South Jordan, Utah, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to on this instrument, and acknowledged that they executed the same.

____
NOTARY PUBLIC

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

On _____________, 2026, Dawn Ramsey and Anna Crookston, the Mayor and City Recorder, respectively, of the City of South Jordan, Utah, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to on this instrument, and acknowledged that they executed the same.

____
NOTARY PUBLIC

EXHIBIT A

DESCRIPTION OF PROPERTY

A description of that certain real property located in Salt Lake County, Utah, to wit:

EXHIBIT D

MASTER LEASE AGREEMENT

MASTER LEASE AGREEMENT

Dated as of [________, 2026]

between

MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH,
as Lessor

A Nonprofit Corporation Organized Under the Laws of the State of Utah

and

THE CITY OF SOUTH JORDAN,
as Lessee

A Political Subdivision and Body Politic Under the Laws of the State of Utah

Various interests of the Municipal Building Authority of the City of South Jordan, Utah, in this Master Lease Agreement have been assigned to U.S. Bank Trust Company, National Association, as Trustee under the General Indenture of Trust, as amended and supplemented by a First Supplemental Indenture of Trust, each dated as of the date hereof and by and between the Municipal Building Authority of the City of South Jordan, Utah, and U.S. Bank Trust Company, National Association, as Trustee, and is subject to the security interest of U.S. Bank Trust Company, National Association, as Trustee under said Indenture.

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MASTER LEASE AGREEMENT

THIS MASTER LEASE AGREEMENT (the "Master Lease") dated as of [________, 2026], entered into by and between the MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH (the "Authority"), as lessor hereunder, a nonprofit corporation duly organized, existing and in good standing under the laws of the State of Utah, and also acting as grantor under a General Indenture of Trust of even date herewith (the "General Indenture"), and THE CITY OF SOUTH JORDAN, UTAH (the "City"), as lessee hereunder, a political subdivision body politic under the laws of the State of Utah:

W I TN E S S E T H:

WHEREAS, the City is a political subdivision and body politic under the laws of the State of Utah; and

WHEREAS, the City has previously authorized and directed the creation of the Authority pursuant to the provisions of a resolution (the "Creating Resolution") by the City; and

WHEREAS, the Authority has been duly and regularly created, established and is organized and existing as a nonprofit corporation under and by virtue of the provisions of the laws of the State of Utah, including, in particular, the provisions of the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the "Building Authority Act"), and the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended (the "Nonprofit Corporation Act"); and

WHEREAS, under the articles of incorporation of the Authority (the "Articles") and the Building Authority Act, the objects and purposes for which the Authority has been founded and incorporated are to acquire, construct, improve or extend any improvements, facilities or properties (whether real or personal) and appurtenances to them which the City is authorized or permitted by law to acquire, including, but not limited to, public buildings or other structures of every nature or any joint or partial interest in the same, which improvements, facilities, properties and appurtenances need not be situated within the boundaries of the City (collectively, the "Projects") and to finance or refinance the costs thereof on behalf of the City in accordance with the procedures and subject to the limitations of the Building Authority Act, the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended and the Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (collectively, the "Act") in order to accomplish the public purposes for which the City exists; and

WHEREAS, the Authority is possessed under the Articles and the Act of all powers set forth in the Act, the Constitution and other laws of the State of Utah, including, without limitation, the power to acquire, own, hold, lease and improve real and personal property and to enter into agreements providing for a lease, mortgage or other conveyance of real and personal property; and

WHEREAS, the Authority desires to issue its Lease Revenue Bonds, Series 2026, in the aggregate principal amount of $__________ (the "Series 2026 Bonds") to (a) finance the acquisition and construction of a fire station and related improvements (the "Series 2026 Project"),

(b) fund any required deposits to a debt service reserve fund and (c) pay costs associated with the issuance of the Series 2026 Bonds; and

WHEREAS, the City has reviewed and approved (i) the estimated costs of the Series 2026 Project and (ii) the plans and specifications for the Series 2026 Project; and

WHEREAS, the City is the owner of the fee simple title to the sites wherein the Series 2026 Project will be located (the "Project Sites") and has agreed to lease the Project Sites to the Authority pursuant to a Ground Lease Agreement dated as of [________, 2026] (the "Ground Lease"); and

WHEREAS, the City desires to lease, as lessee, on an annually renewable basis, the Series 2026 Project and any other Projects hereafter acquired by the Authority for lease to the City and the Authority desires to lease, as lessor, the Series 2026 Project and any other Projects hereafter acquired under the terms and provisions set forth in this Master Lease; and

WHEREAS, under the provisions of a resolution adopted on September 15, 2026 (the "City Resolution"), the City has authorized and approved the execution of this Master Lease, the General Indenture and a First Supplemental Indenture of Trust of even date herewith (together with the General Indenture, the "Indenture") between the Authority and U.S. Bank Trust Company, National Association, as trustee, and the issuance of the Series 2026 Bonds; and

WHEREAS, pursuant to the provisions of a resolution adopted on September 15, 2026 (the "Authority Resolution"), the governing board of the Authority (the "Governing Board") has authorized, approved and directed the execution of this Master Lease and the Indenture and the issuance of the Series 2026 Bonds; and

WHEREAS, pursuant to and in accordance with the provisions of the Act and the Articles, the Authority proposes to undertake the financing or refinancing of Projects (including the financing of the Series 2026 Project) and the leasing of such Projects to the City under the terms and provisions of this Master Lease; and

WHEREAS, the Authority may finance or refinance all or a portion of the Costs of Acquisition and Construction of other Projects through the issuance of its Bonds under the General Indenture; and

WHEREAS, all Bonds issued under the General Indenture will be secured as provided in the General Indenture including by means of the Security Documents and a pledge and assignment of this Master Lease and certain revenues and receipts derived by the Authority from the Projects, all as more fully set forth in the Indenture.

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

ARTICLE I

DEFINITIONS

All terms defined in Article I of the General Indenture and Article I of the First Supplemental Indenture, unless the context otherwise requires, shall have the same meaning in this Master Lease. In addition, unless the context otherwise requires, the terms defined in this Article I shall, for all purposes of this Master Lease and the Indenture, have the meaning herein specified.

"Act" means collectively, the Building Authority Act, the Local Government Bonding Act, the Nonprofit Corporation Act and, to the extent applicable, the Refunding Bond Act.

"Additional Rentals" means the cost of all taxes, insurance premiums and expenses payable by, and fees and expenses of, the Trustee and its counsel with respect to the Bonds and other charges and costs which the City assumes or agrees to pay exclusively from City Funds under Section 6.3 of this Master Lease, together with all interest and penalties that may accrue thereon in the event that the City shall fail to pay the same, as specifically set forth herein, including all Security Instrument Repayment Obligations, Security Instrument Costs, Reserve Instrument Repayment Obligations and Reserve Instrument Costs.

"Amendment to Master Lease" means any amendment to this Master Lease between the Authority, as lessor, and the City, as lessee, entered into pursuant to and in compliance with the provisions of Section 15.6 of this Master Lease and Article XII of the General Indenture.

"Authority" means the Municipal Building Authority of the City of South Jordan, Utah, a nonprofit corporation organized under the laws of the State, acting in the capacity of lessor under this Master Lease and as grantor under the Indenture, and any successor to the duties and functions of the Authority.

"Authority Representative" means the Chair/President, Vice President, Secretary-Treasurer and any other person or persons at any time designated to act on behalf of the Authority for purposes of performing any act on behalf of the Authority with respect to a Project by a written certificate furnished to the City and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Authority by any duly authorized officer of the Authority. Such certificate may designate an alternate or alternates. The Authority Representative may be an officer or employee of the Authority or the City.

"Base Rentals" means the payments payable by the City exclusively from City Funds pursuant to Section 6.2 hereof during the Lease Term hereof, which constitute the payments payable by the City for and in consideration of the right of use of the Projects during such Lease Term and the purchase option granted herein.

"Building Authority Act" means the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended.

"Business Day" means a legal business day on which banking business is transacted in the cities in which the Trustee or Paying Agent has its principal corporate trust offices.

"City" means the City of South Jordan, a political subdivision and body politic under the laws of the State of Utah, and any entity succeeding to its rights and obligations under this Master Lease. Any reference herein to the "governing body" of the City shall refer to the City Council and to any successor governing body as authorized by applicable law.

"City Funds" means all revenues and receipts derived by the City from the operation of the Projects, including, without limitation, funds of the City legally available therefor, all to the extent the same are budgeted and appropriated by the governing body of the City for the purpose of paying Base Rentals, Additional Rentals or the Purchase Option Price hereunder during the Lease Term in which this Master Lease may be in effect.

"City Representative" means the Mayor, [City Manager] and City Recorder of the City and any other person at any time designated to act on behalf of the City for purposes of performing any act with respect to a Project by a written certificate furnished to the Authority and the Trustee containing the specimen signature of such person and signed on behalf of the City or any duly authorized officer thereof. Such certificate may designate an alternate or alternates. The City Representative may be an officer or employee of the Authority or the City.

"Completion Date" means the date of completion of acquisition and/or construction of a Project, within the meaning of Section 17D-2-401(2) of the Building Authority Act, and of final acceptance by the City of such Project.

"Construction Contract" means any contract or agreement relating to the acquisition, development or construction of a Project or portion thereof.

"Contractor" means that party to a Construction Contract or Design Contract providing services related to a Project or portion thereof.

"Costs of Acquisition and Construction" means:

(1) obligations of the City or the Authority incurred for labor, materials and equipment in connection with a Project or the cost of acquiring a Project;

(2) the cost of payment, performance or other bonds and any and all types of insurance (including but not limited to title insurance) that may be necessary or appropriate to have in effect during the course of a Project;

(3) all costs of planning and designing a Project, including architectural, planning, engineering, legal and fiscal advisors' fees and the costs incurred by the City or the Authority for test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction, as well as for the performance of all other duties required by or consequent to the proper and timely completion of such Project;

(4) payment of expenses incurred in seeking to enforce any remedy against any contractor or subcontractor in respect of any default under a contract relating to the acquisition and construction of a Project;

(5) the cost of equipment and furnishings for a Project, the cost of acquiring a site for a Project (or any interest therein) and all other costs authorized by the Building Authority Act which are considered to be a part of the costs of a Project in accordance with generally accepted accounting principles, including but not limited to interest accruing on the Bonds during the period required to complete the acquisition and construction of such Project and for not more than twelve (12) months after the Completion Date;

(6) any sums required to reimburse the Authority or the City for advances by either of them for any of the above items or for any other costs incurred and for work done by either of them which are properly chargeable to a capital account in respect of a Project;

(7) such amounts as the governing body of the Authority shall find to be necessary to provide necessary working capital in connection with a Project; and

(8) all expenses connected with the authorization, sale and issuance of a series of Bonds and the refunding of any Bonds, including the initial fees of the Trustee, escrow agent, rating agency fees, bond insurance premiums, fees for outside attorneys or accountants, whose opinions are required to obtain the issuance of the Bonds, municipal advisors' fees and commissions and printing costs, those amounts as the Authority shall find necessary to establish reserves and maintenance, repair, replacement, and contingency funds and accounts, and the interest on Bonds for a reasonable time prior to, during, and for a reasonable period of time after completion of a Project.

"Design Contract" means any contract or agreement relating to the architecture, design, engineering or planning of a Project or portion thereof.

"Event of Default" means one or more events of default as defined in Section 14.1 herein.

"Event of Nonappropriation" means a failure by the City to renew this Master Lease by failing or refusing to budget and appropriate sufficient City Funds for the payment of all or any part of the Base Rentals and Additional Rentals for any Renewal Term hereof as set forth in Section 4.1 and Section 6.6 hereof. The existence or nonexistence of an Event of Nonappropriation shall be determined as of the date on which the governing body of the City fails or refuses to adopt a final budget in accordance with applicable law which appropriates sufficient moneys to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term as contemplated by Section 4.1 hereof or on any earlier or later date on which the Trustee receives written notice from the City that the governing body of the City has failed or refused to make such appropriations and the term of this Master Lease will not be renewed; provided, however, that the Trustee, with the consent of any Security Instrument Issuer, may waive any Event of Nonappropriation which is cured by the City within a reasonable time if, in the Trustee's judgment, such waiver is in the best interests of the Bondholders, except as otherwise provided in Section 4.1 hereof or as otherwise provided by Supplemental Indenture. Notwithstanding anything herein to the contrary, the City's failure or refusal to adopt a final budget in accordance with applicable law within the time provided by Section 4.1 hereof which appropriates sufficient moneys to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term shall constitute an Event of Nonappropriation.

"Fiscal Year" means the twelve-month period used from time to time by the City for its financial accounting purposes (currently January 1 to December 31).

"Force Majeure" means, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies and terrorists; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; storms; droughts; floods; explosions; breakage or accidents to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of the City and not due to its negligence.

"Ground Lease" means the Ground Lease Agreement dated as of [________, 2026], by and between the City and the Authority.

"Ground Lease Term" means the duration of the leasehold estate created in the Project Sites as provided in Article IV of the Ground Lease.

"Independent Counsel" means an attorney duly admitted to the practice of law before the highest court of the State and who is not a full-time employee of the Authority, the City or the Trustee.

"Lease Term" means the duration of the leasehold estate created in the Projects as provided in Article IV of this Master Lease.

"Local Government Bonding Act" means the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended.

"Net Proceeds," when used with respect to (i) proceeds from policies of insurance required hereby (including any self-insurance), (ii) any condemnation award, (iii) proceeds resulting from a default under a contract relating to the acquisition and construction of a Project (including liquidated damages, if any), or (iv) the proceeds of any liquidation of all or portions of a Project, means the amount remaining after deducting all expenses (including, without limitation, attorneys' fees and costs) incurred in the collection of such proceeds or award from the gross proceeds thereof.

"Nonprofit Corporation Act" means the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended.

"Original Term" means the initial portion of the Lease Term which terminates on June 30, 2026.

"Permitted Encumbrances" means, as of any particular time, (i) liens for taxes and assessments not then delinquent, or which the City may, pursuant to the provisions of Article IX of this Master Lease, permit to remain unpaid; (ii) this Master Lease, including any security interests granted herein or therein; (iii) utility access and other easements and rights of way, restrictions and exceptions which the City Representative and the Authority Representative certify in writing to the Trustee will not interfere with the operation of the Projects or impair the marketability of title to the Projects or the general security provided for the Bondholders of the

Bonds; (iv) the Indenture, the Security Documents and related financing statements; (v) the ownership interests of the City in any real or personal property which is the subject of any lease between the City, as lessor and the Authority, as lessee that is entered into in furtherance of any Project; (vi) any mechanic's, laborer's, materialmen's, supplier's or vendor's lien or right in respect thereof if payment is not yet due under the contract in question; (vii) such minor defects, irregularities, encumbrances and clouds on title as normally exist with respect to property of the general character of the Projects and as do not materially impair the operation or marketability of title to the Projects; and (viii) any items contained in a Title Insurance Policy delivered in accordance with Sections 2.4, 2.13 or 2.14 of the General Indenture.

"Project or Projects" has the meaning ascribed to that term in the Indenture and includes the Series 2026 Project.

"Project Sites" means the real property, as more fully described in Exhibit B hereof, where the Project is to be constructed.

"Purchase Option Price" means an amount payable, at the option of the City, at any time for the purpose of terminating the payment obligation of the City under this Master Lease with respect to a Project and purchasing the Authority's interest in such Project, which amount, when added to the amounts then on deposit in the Bond Fund and the subaccount within the Debt Service Reserve Fund with respect to such Project (other than moneys held by the Trustee for the payment of the Bonds under the Indenture not deemed Outstanding), shall be sufficient (i) to pay, defease, retire and/or redeem all the Outstanding Bonds of the Series of Bonds issued to finance or refinance the particular Project in accordance with the provisions of the Indenture (including, without limiting the generality of the foregoing, the principal of and interest to maturity or earliest applicable redemption date of the relevant Bonds and premium, if any, thereon, the expenses of defeasance and/or redemption, including escrow agent fees, if any, and fee and expenses of the City, the Authority and the Trustee and all Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations); (ii) in case of redemption, to make arrangements satisfactory to the Trustee for the giving of the required notice of redemption; and (iii) to make any necessary payment of rebate with respect to any Bonds to be paid, defeased, retired and/or redeemed.

"Refunding Bond Act" means the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended.

"Renewal Terms" means the optional Renewal Terms of the Lease Term as provided in Article IV of this Master Lease.

"Rentals" means all Base Rentals and Additional Rentals payable during the Lease Term under this Master Lease.

"Series 2026 Bonds" means the Authority's Lease Revenue Bonds, Series 2026, issued in an aggregate principal amount of $__________ herein authorized.

"Series 2026 Project" means, collectively, the acquisition and construction of a fire station and related improvements (as more fully described in Exhibit A hereto).

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of the City. The City represents, covenants, and warrants for the benefit of the Authority and the Trustee as follows:

(a) The City is a political subdivision and body politic under the laws of the State of Utah. Under the provisions of the Constitution and laws of the State, the City is authorized to enter into the transactions contemplated by this Master Lease and to carry out its obligations hereunder. The City has duly authorized and approved the execution and delivery of this Master Lease. The City agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

(b) The Authority has by this Master Lease leased the Project and may pursuant to this Master Lease lease other Projects to the City as hereinafter provided. It is understood by the parties hereto that the Authority has all rights, title and interest in the Project, subject to Permitted Encumbrances.

(c) During the Lease Term, the Project will at all times be used for purposes which are within and consistent with the legal rights, powers and authority of the Authority and the City under the Constitution and laws of the State.

(d) The City is not in default under any of the provisions of the laws of the State which default would affect its existence or its powers referred to in Section 2.l(a) hereof. Neither the execution and delivery of this Master Lease nor the issuance and sale by the Authority of its Bonds, nor the performance by the City of its obligations under this Master Lease will constitute on the part of the City a breach of or a default under, any existing law, court or administrative regulation, decree, order or any material agreement, indenture, mortgage, lease or any other instrument to which the City is subject or by which it is or may be bound.

(e) There is no action, suit or proceeding pending or, to the best knowledge of the City, threatened, or any basis therefor, before any court or administrative agency which may adversely affect the City or ability of the City to perform its obligations under this Master Lease. All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by the City of this Master Lease or in connection with the carrying out by the City of its obligations under this Master Lease have been obtained.

(f) The Project (including the Series 2026 Project) constitutes a "project" within the meaning of the Building Authority Act.

(g) The acquisition and construction of the Project will be accomplished in accordance with all applicable laws and the construction and financing of the Project is necessary and appropriate for accomplishing one or more of the authorized functions or public purposes of the City and is suitable for such purpose and in furtherance of the purposes of the City and the best interests of the citizens of the City.

(h) To the extent allowed by law, if an Event of Nonappropriation has occurred, the City shall not purchase, lease or rent substantially equivalent buildings or building space for the City's or Authority's use for functions that are substantially the same as those functions the Series 2026 Project has been used for until all of the principal and interest on the Series 2026 Bonds has been paid in full.

(i) No voter approval was sought on the question of whether general obligation bonds of the City should be issued to finance the Project.

Section 2.2. Representations, Covenants and Warranties of the Authority. The Authority represents, covenants, and warrants for the benefit of the City and the Trustee as follows:

(a) The Authority is a nonprofit corporation duly incorporated and in good standing under the laws of the State and is duly qualified to transact business in the State, is not in violation of any provision of its articles of incorporation or its bylaws, has the corporate power and authority to enter into this Master Lease and has duly authorized and approved the execution and delivery of this Master Lease by proper corporate action.

(b) The Authority agrees that, so long as this Master Lease has not been terminated, it will maintain its corporate existence, will continue to be a corporation in good standing under the laws of the State, will not dissolve or otherwise dispose of all or substantially all of its assets, except as provided in this Master Lease (or similar leases), and will not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it.

(c) The Authority will cause the Project to be acquired and constructed (subject to Permitted Encumbrances) and will complete or cause to be completed the acquisition and construction of the Project in accordance with the plans and specifications therefor. The Authority will lease the Project to the City as hereinafter provided. It is understood by the parties hereto that the Authority shall have all rights, title and interest in the Project, subject to Permitted Encumbrances.

(d) The Authority will not pledge the Base Rentals, the Additional Rentals, Purchase Option Price or any of its other rights under this Master Lease and will not assign its interest in or encumber the Project except as provided hereunder or under the Indenture and the Security Documents. All property and moneys received by the Authority from the City will, so long as no Event of Nonappropriation or no Event of Default shall occur, be applied for the benefit of the City, and all property and moneys received by the Authority under this Master Lease with respect to the Project and under the Indenture for the Bondholders of the Bonds will be applied for the proportionate benefit of said Bondholders.

(e) Neither the execution and delivery hereof, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Authority is now a party or by which the Authority is bound, or constitutes a default under any of the foregoing or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Authority except Permitted Encumbrances.

(f) Except as otherwise provided in this Master Lease, the Indenture and the Security Documents, the Authority will not assign this Master Lease, its rights to payments from the City or its duties and obligations under this Master Lease to any other person, firm or corporation so as to impair or violate the representations, covenants and warranties contained in this Section 2.2.

(g) The Authority will not use any of the proceeds of the sale of the Series 2026 Bonds in a manner not authorized by the terms of this Master Lease, the Indenture or the exhibits hereto and thereto.

(h) There is no action, suit or proceeding pending or, to the best knowledge of the Authority, threatened, or any basis therefor, before any court or administrative agency which might adversely affect the Authority or the ability of the Authority to perform its obligations under this Master Lease, the Indenture and the Security Documents. All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by the Authority of this Master Lease, the Indenture, the Security Documents or in connection with the carrying out by the Authority of its obligations under this Master Lease, the Indenture and the Security Documents have been obtained.

(i) The Authority gave notice of its intent to issue the Series 2026 Bonds and no petition meeting the requirements of Section 17D-2-602 or 17D-2-502 of the Building Authority Act was submitted during the 30-day period following publication of such notice. The Authority gave notice of a public hearing and held such public hearing with respect to the issuance of the Series 2026 Bonds all in accordance with the provisions of Section 11-14-318 of the Act.

ARTICLE III

DEMISING CLAUSE

The Authority hereby demises and leases the Project, and the City leases the same from the Authority, subject only to Permitted Encumbrances in accordance with the provisions of this Master Lease, to have and to hold under this Master Lease unless sooner terminated as expressly provided herein. Nothing in this Master Lease shall be construed to require the City to operate the Project other than as the lessee hereunder or to exercise its right to purchase any or all of the Project or any portion thereof as provided in Article XII of this Master Lease.

The Trustee shall be empowered, after an Event of Nonappropriation or an Event of Default and the foreclosure of the security afforded under this Master Lease, the Indenture or the Security Documents, to collect the amount of the Base Rentals and Additional Rentals allocable to any sublease from any and all sublessees, and apply the net amount collected to the Base Rentals and Additional Rentals required herein, but no such collection shall be deemed a waiver of any agreement, term, covenant or condition hereof, or the acceptance of any sublessee as lessee hereunder.

The Authority warrants and covenants that it will acquire the Projects for the exclusive use of the City (subject to the occurrence of an Event of Default or an Event of Nonappropriation), subject to Permitted Encumbrances. The Authority will cause to be furnished to the Trustee a commitment for title insurance policy which meets the requirements of Section 2.4 of the General Indenture.

ARTICLE IV

LEASE TERM

Section 4.1. Commencement of Lease Term. The Lease Term shall commence as of the date of delivery of the Series 2026 Bonds and shall terminate at midnight on June 30, 2027. The Lease Term may be continued, solely at the option of the City, beyond the expiration of the Original Term for an additional one year, (the first "Renewal Term") and for additional Renewal Terms thereafter each of one year in duration (except that the final Renewal Term shall commence [July 1, 20__] and end on [___________]), upon the City having adopted a final budget in accordance with applicable law prior to the end of the then-current Original Term or Renewal Term, as the case may be, that appropriates specifically with respect to this Master Lease sufficient City Funds for the payment of Base Rentals and reasonably estimated Additional Rentals to become due during the next following Renewal Term, it being understood that by budgeting and appropriating such amounts, the City shall have elected to continue the Lease Term for the next following Renewal Term and shall have given adequate notice thereof as contemplated by Section l7D-2-402(1)(b) of the Building Authority Act. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Base Rentals shall be as otherwise specified in Exhibit D attached hereto, for each such Renewal Term, as such Schedule may be revised as provided in Section 6.2 hereof.

Within five (5) days after the adoption of such final budget, the City shall deliver written notice to the Trustee stating that the City has extended the term of this Master Lease for the succeeding Renewal Term, describing in reasonable detail the actions taken by the governing body of the City (if such actions are then required to pay any Rentals hereunder or, if no such actions are then required, explaining the reasons therefor) to appropriate funds sufficient for the purpose of paying the Base Rentals and reasonably estimated Additional Rentals (as provided in Sections 6.2 and 6.3 hereof) to become due during such succeeding Renewal Term. Unless the Trustee shall have previously received the foregoing notice applicable to the next succeeding Renewal Term, the Trustee shall, at least 20 days prior to the last day of each Fiscal Year, make written inquiry of the City as to whether the City has extended the term of this Master Lease and whether the governing body of the City shall have made the appropriation necessary to pay the Base Rentals and reasonably estimated Additional Rentals to become due during such succeeding Renewal Term. The City shall deliver written notice to the Trustee as soon as practicable, but in no event later than the expiration of the Original Term or the then current Renewal Term, stating (as the case may be) that: (i) the governing body of the City has failed or refused to appropriate, specifically with respect to this Master Lease, moneys sufficient to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term and stating what actions the City and its officials propose to take with respect to this Master Lease, the Projects and any budgetary procedures for any Base Rentals and Additional Rentals that may thereafter accrue; or (ii) that the City is precluded from adopting its final budget for the fiscal year in question due to the procedural requirements of State law described below.

In the event the governing body of the City is precluded, solely as a result of notice, hearing or other procedural requirements imposed by State law in connection with the adoption of a final budget, from adopting a final budget on or prior to the last day of any Fiscal Year, no Event of Nonappropriation shall be deemed to have occurred as a result of the failure to so adopt a final budget, provided that: (i) prior to the last day of such Fiscal Year, the governing body of the City shall have adopted a tentative budget which includes a tentative appropriation of City Funds sufficient to pay the Base Rentals and reasonably estimated Additional Rentals to become due during the succeeding Renewal Term; (ii) prior to the last day of such Fiscal Year, the City shall have delivered to the Trustee and any Security Instrument Issuer, a copy of the tentative budget adopted by its governing body and a notice stating that it is the intention of the governing body to renew the Lease Term upon the adoption of the final budget; (iii) any Base Rentals or Additional Rentals described in the preceding paragraph and provided further that any Rentals which become due and payable pursuant to the terms of this Master Lease prior to the adoption of such final budget shall be paid by the City in accordance with the tentative budget adopted by the governing body of the City; and (iv) the governing body of the City shall adopt a final budget on or before the last date allowable under applicable law that includes the appropriation of City Funds required under this Section 4.1 to renew the Lease Term. The City shall promptly file a copy of the final budget so adopted by its governing body with the Trustee.

Section 4.2. Termination of Lease Term. The Lease Term shall terminate upon the first to occur of the following events:

(a) the exercise by the City of its option to purchase the Authority's interest in all of the Projects, granted under the provisions of this Master Lease;

(b) an Event of Default and the election of the Authority or the Trustee to terminate this Master Lease under Article XIV hereof;

(c) the discharge of the lien of the Indenture under Article VIII thereof;

(d) the expiration or termination of the Lease Term pursuant to an Event of Nonappropriation or Section 10.3 of this Master Lease under the conditions provided therein; or

(e) the last day of the Lease Term of this Master Lease, upon payment of all Base Rentals and Additional Rentals required hereunder.

Section 4.3. Effect on the City of Expiration or Termination of the Term of this Master Lease. The expiration or termination of the term of this Master Lease as to the City's right of possession and use of the Projects pursuant to Section 4.2(b) or (d) hereof shall terminate all obligations of the City under this Master Lease (except to the extent of legally available City Funds from the Project) and shall terminate the City's rights of use, occupancy and operation of the Projects; provided, however, that all other terms of this Master Lease and the Indenture, including all obligations of the Trustee with respect to the Bondholders and the receipt and disbursement of funds, shall be continuing until the lien of the Indenture is discharged or foreclosed, as provided in the Indenture, except that all obligations of the City to pay any amounts to the Bondholders and the Trustee hereunder shall thereafter be satisfied only as provided in the Indenture. The termination or expiration of the term of this Master Lease as to the City's right of possession and use pursuant to Section 4.2(b) or (d) hereof, in and of itself, shall not discharge the lien of the Indenture.

Section 4.4. Revised Schedule of Base Rentals and Option Price. Upon partial redemption of any Series of Bonds pursuant to the Indenture, or the issuance of Additional Bonds or Refunding Bonds pursuant to the Indenture, the Authority shall provide the City and the Trustee with a revised schedule of Base Rentals which schedule shall take into account such redemption or issuance and shall be and become for all purposes thereafter Exhibit D to this Master Lease setting forth the Base Rentals.

ARTICLE V

ENJOYMENT OF PROJECTS

The Authority hereby covenants to provide the City during the Lease Term with quiet use and enjoyment of the Projects, and the City shall, by keeping and performing the agreements and covenants on its part contained in this Master Lease, during the Lease Term peaceably and quietly have and hold and enjoy the Projects, without suit, trouble or hindrance from the Authority, the Trustee or the Bondholders, except as expressly set forth herein and in the Indenture and the Security Documents. Neither the Authority, the Trustee nor any Bondholder shall interfere with such quiet use and enjoyment during the Lease Term so long as no Event of Default or Event of Nonappropriation shall have occurred. The Authority shall, at the request of the City and at the cost of the City, join in any legal action in which the City asserts its right to such possession and enjoyment, to the extent that the Authority may lawfully do so. In addition, the City may at its own expense join in any legal action affecting its possession and enjoyment of the Projects and shall be joined as a party in any action affecting its liabilities hereunder.

The Authority, the Bondholder and the Trustee and their respective designated representatives shall have the right at all reasonable times during business hours (and in emergencies at all times) to enter into and upon the Projects for the purpose of inspecting the same, for any purpose related to the Authority's obligations or rights under this Master Lease or for any other lawful purpose.

ARTICLE VI

PAYMENTS BY THE CITY

Section 6.1. Payments to Constitute Current Expenses of the City. The City and the Authority acknowledge and agree that the obligation of the City to pay Base Rentals and Additional Rentals under this Master Lease constitutes current expenses of the City payable exclusively from City Funds and shall not in any way be construed to be an obligation or indebtedness of the City within the meaning of Sections 3 or 4 of Article XIV of the Utah Constitution, or any other constitutional or statutory limitation or requirement applicable to the City concerning the creation of indebtedness. No provision of this Master Lease shall be construed or interpreted (i) to require the governing body of the City to appropriate any money to pay the Base Rentals, the Additional Rentals or the Purchase Option Price, or (ii) as a lending of the credit of the City within the meaning of Section 29 of Article VI of the Utah Constitution. Neither the City, nor the Authority on its behalf, has pledged the credit of the City to the payment of the Base Rentals, the Additional Rentals, the Purchase Option Price, the Bonds or the interest thereon, and neither this Master Lease, the Indenture nor the Bonds shall directly or contingently obligate the City to apply money, or to levy or pledge any form of taxation, to the payment of the Base Rentals, the Additional Rentals, the Purchase Option Price or the Bonds or any interest thereon except as expressly provided herein. If the City fails to pay any Base Rentals or Additional Rentals due under this Master Lease it shall immediately quit and vacate the Projects and its obligation to pay Base Rentals or Additional Rentals hereunder shall terminate.

Section 6.2. Payment of Base Rentals.

(a) The City shall pay Base Rentals exclusively from City Funds. The City shall pay Base Rentals during the Lease Term in such amounts as shall be sufficient to pay principal and interest when due on the Bonds. The Base Rentals shall be payable directly to the Trustee in periodic payments at the times and manner and in the amounts as specified in the schedule of Base Rental payments attached as Exhibit D hereto as shall equal the interest payments falling due on the Bonds on the next succeeding Interest Payment Date and the principal payments falling due on the Bonds either by regularly scheduled maturities or by mandatory sinking fund installment or redemption, on the next succeeding principal payment date, such that there shall be on deposit with the Trustee at least fifteen days prior to each principal and/or interest payment date on the Bonds an amount sufficient to make such payment. At the time of execution of this Master Lease, Base Rental payments for each payment date will equal the amounts set forth in Exhibit D hereto (however, in the event the City does not ensure payments in Exhibit D are paid in full, it shall be deemed an Event of Nonappropriation or an Event of Default, as applicable). The City understands that the Base Rental Payment Schedule attached as Exhibit D may be revised from time to time based on the redemption of Bonds (other than mandatory sinking fund redemptions), or the issuance of any Additional Bonds or Refunding Bonds allowed under the Indenture. The City hereby agrees to pay the Base Rentals in accordance with the Base Rental Payment Schedule attached hereto as Exhibit D hereto as it may be revised from time to time by such amounts as are necessary to reflect the redemption of the principal of certain Bonds or to pay the principal of the Additional Bonds or Refunding Bonds and interest on such Additional Bonds or Refunding Bonds.

In addition, in the event the market value of the amount on deposit in the Debt Service Reserve Fund is, for any reason, reduced below the Debt Service Reserve Requirement, the City shall, in the event it elects to renew this Master Lease during the following Renewal Term, and as a condition of renewal (but solely from City Funds), pay to the Trustee in two substantially equal semiannual payments additional Base Rentals during the Lease Term, in an amount sufficient to replenish the Debt Service Reserve Fund to the Debt Service Reserve Requirement. Notwithstanding anything contained herein to the contrary, no payment of Base Rentals or

Additional Rentals shall be required to be paid prior to the Completion Date of any one Project with respect to which such Rentals are being paid.

(b) In the event that (1)(A) a portion of a Project (the "Completed Portion of the Project") financed with a separate Series of Bonds is accepted by the City for use and occupancy under this Master Lease, and (B) the acquisition and construction of additional portions of the Project (the "Uncompleted Portion of the Project") financed with one or more Series of Bonds (other than the Series of Bonds described in (A) above) have yet to be completed, and (2) an Event of Default (as defined in the Indenture) occurs under the Indenture due to the failure to complete the Uncompleted Portion of the Project, the City and the Authority hereby agree, as follows:

(i) The City consents to the provisions of Section 9.15 of the General Indenture governing such an Event of Default; and

(ii) The City shall, subject to the occurrence of an Event of Nonappropriation, continue to pay Base Rentals and Additional Rentals with respect to the Completed Portion of the Project and this Master Lease shall remain in full force and effect with respect to the Completed Portion of the Project.

(c) In the event that less than all of any one Project is initially made available for use, occupancy and operation and the City accepts a portion of any one Project for its use, occupancy and operation pending final completion of the remainder of any one such Project, any Base Rentals paid by the City with respect to any one such Project shall be prorated in a manner so as to reflect the fair rental value of that portion of the Project then available for use, occupancy or operation by the City and so used, occupied or operated.

(d) The amount of the Base Rentals otherwise payable by the City hereunder shall be reduced by an amount equal to (i) any earnings on the investment of the Bond Fund, (ii) any moneys transferred to the Bond Fund from the Debt Service Reserve Fund pursuant to paragraph (b) of Section 5.10 of the General Indenture (other than from draws on a Reserve Instrument), and (iii) any Direct Payments on deposit with the Trustee in the Bond Fund. In the event that Direct Payments are deposited with the Trustee after the City has made the related payment of Base Rentals, the City may elect to have the Trustee return to the City an amount equal to such Direct Payments (so long as the amount remaining on deposit in the Bond Fund continues to be sufficient to pay principal and interest next due on the Bonds, if such payment is requested prior to the related Interest Payment Date) or to have the Trustee retain the Direct Payments in the Bond Fund and take the credit with respect to the next required Base Rentals payment. Each payment of Base Rentals shall be in consideration for the use of the Projects by the City during the applicable period commencing on the Bond Payment Date next preceding the Bond Payment Date to which such Base Rental payment is attributable and for the option to purchase the Projects granted herein.

(e) The payments of Base Rentals and Additional Rentals under this Master Lease for each Renewal Term during the term of this Master Lease shall constitute the total Rentals which are payable for said Renewal Term and shall be paid by the City for and in consideration of the right of use, occupancy and operation of the Projects and the continued quiet use and enjoyment of the Projects for and during said Renewal Term. The parties hereto agree that such total Rentals will represent the fair rental value of the Projects. In making such determination, the parties will give consideration to the costs of financing the Costs of Acquisition and Construction of the Projects, the uses and purposes of the Projects and the benefits therefrom which will accrue to the parties to this Master Lease and the general public by reason of the Projects.

(f) Notwithstanding the foregoing, the City may not elect to renew this Master Lease in part and in the event it desires to renew this Master Lease must continue to pay City Funds in an amount sufficient to pay Base Rentals attributable to all of the Projects which have been delivered for occupancy or use (or any portion thereof, in proportion to such available portion).

(g) It is understood and agreed by the City that, subject to the terms of this Master Lease and the Indenture, all Base Rentals payable under this Section 6.2 by the City, as well as the Purchase Option Price, if paid with respect to any or all of the Projects, are assigned by the Authority to the Trustee for the benefit of the Bondholders as set forth in the Indenture. The City assents to such assignment. The Authority hereby directs the City, and the City hereby agrees, to pay to the Trustee at its principal office in Salt Lake City, Utah or such other office as designated by the Trustee, all Base Rentals payable by the City pursuant to this Section 6.2 and, if paid, the Purchase Option Price.

(h) The amount of the Base Rentals and Purchase Option Price otherwise payable shall be reduced as appropriate to reflect any redemption of Bonds and/or the purchase of Bonds and the cancellation thereof in advance of their maturity. If at any time the amounts held by the Trustee in the Bond Fund and the Debt Service Reserve Fund (other than moneys held for the payment of Bonds not deemed Outstanding) shall be sufficient to pay at the times required the principal of and interest and premium, if any, on all of the Bonds then Outstanding, the City shall not be obligated to pay any further Base Rentals hereunder.

(i) As provided in Section 17D-2-401(2)(b)(i) of the Building Authority Act, the City is not required to make any payment of Base Rentals or Additional Rentals hereunder until construction of the related Project or Projects are complete. In the event that a Project is not completed by the time that amounts set aside for payment of capitalized interest are expended, the City and the Authority shall (i) reallocate proceeds of the related Series of Bonds to make funds available for additional capitalized interest, (ii) seek other legally available funds for such purpose or (iii) issue Additional Bonds to finance additional capitalized interest; provided, however, the City may commence making payments of Base Rentals with respect to individual completed projects constituting a Project.

Section 6.3. Payment of Additional Rentals with Respect to the Projects. In addition to the Base Rentals and as part of the total consideration for the use of the Projects and the option to purchase any or all of the Projects, and commencing upon the execution and delivery of this Master Lease and continuing throughout the period that the City pays Base Rentals, the City shall pay or shall cause to be paid the following Additional Rentals, exclusively from City Funds, during the Lease Term thereof as hereinafter provided:

(a) the annual fee of the Trustee for the ordinary services of the Trustee rendered and its ordinary expenses incurred under the Indenture;

(b) the reasonable fees and expenses of the Trustee and any paying agent appointed under the Indenture with respect to the Bonds for acting as paying agent as provided in the Indenture;

(c) the reasonable fees and expenses of the Trustee for extraordinary services rendered by it and extraordinary expenses, including the fees and expenses of its counsel, incurred as Trustee under the Indenture;

(d) the reasonable out-of-pocket expenses of the Authority relating to the Projects not otherwise required to be paid by the City under the terms of this Master Lease;

(e) the costs of maintenance and repair of the Projects as required under Section 9.1 hereof;

(f) the costs of taxes, governmental charges, utility charges, management and operations expenses, liens and encumbrances with respect to the Projects as required under Section 9.3 hereof;

(g) the costs of casualty, public liability and property damage and worker's compensation insurance with respect to the Projects as required under Sections 9.4, 9.5 and 9.6 hereof;

(h) the amount of any tax or excise on the Base Rentals, Additional Rentals, Purchase Option Price or any other tax, however described, levied, assessed or imposed by the United States Government, the State or any political subdivision or any taxing authority thereof against the Authority;

(i) an amount equal to any franchise, succession, capital levy or transfer tax or any income, excess profits or revenue tax, or any other tax, assessment, charge or levy upon the Base Rentals, Additional Rentals or the Purchase Option Price payable by the City pursuant to this Master Lease;

(j) any amounts required to be deposited to the Rebate Fund established with respect to a Series of Bonds;

(k) Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations; and

(l) during the Original Term or any Renewal Term in which there is an insufficiency of Net Proceeds as described in Section 10.2 hereof, an amount equal to the insufficiency of Net Proceeds required to repair, replace, restore or modify the affected Project or Projects.

The Additional Rentals specified in subsections (a), (b), (c) and (k) shall be payable to the Trustee and shall be due and payable within ten days after notice in writing from said Trustee to the City stating the amount of Additional Rentals then due and payable and the purpose thereof. Except as otherwise provided herein or in the Indenture, the Additional Rentals specified in subsections (d), (e), (f), (g), (h), and (i), shall be payable to the Authority or directly to the person or entity with respect to which such costs or fees were incurred and shall be due and payable at such time as the Authority or such person or entity shall require. Additional Rentals specified in subsection (j) shall be determined by, or at the direction of, the City and deposited with the Trustee as required by Section 148 of the Code.

Section 6.4. Manner of Payment. The Base Rentals, Additional Rentals and, if paid, the Purchase Option Price, shall be paid exclusively from City Funds and in lawful money of the United States of America. The obligation of the City to make payment of the Base Rentals and Additional Rentals required under this Article VI and other sections hereof and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events except as expressly provided hereunder. Notwithstanding any dispute between the City and the Authority, the Trustee, any Bondholder, any contractor or subcontractor retained with respect to the construction and equipping of a Project, any supplier of labor or materials in connection therewith or any other person, the City shall pay all payments of Base Rentals and Additional Rentals, from and to the extent of available City Funds, when due, and shall not withhold any Base Rentals or Additional Rentals pending final resolution of such dispute, nor shall the City assert any right of set-off or counterclaim against its obligation to make such payments required hereunder. The obligation of the City to pay Base Rentals and Additional Rentals during the Original Term or any Renewal Term shall be absolute and unconditional in all events, except as expressly provided herein, and payment of the Base Rentals and Additional Rentals shall not be abated through accident or unforeseen circumstances.

Section 6.5. Expression of Need for the Project by the City; Determination of Purchase Price.

(a) The City hereby finds as of the date of this Master Lease, that it has an essential need for the Project to carry out and give effect to the public purposes of the City. The City and the Authority hereby agree and determine that the Base Rentals and items of Additional Rentals with respect to the Project are reasonable and that the Purchase Option Price with respect to the Project represents, as of the end of the Lease Term, a reasonable purchase price for the Project. In making such determination the City and the Authority have given consideration to the costs of the Project, the cost of financing the Project, the uses and purposes for which the Project will be employed by the City and the benefit to the citizens of the City by reason of the City’s use and occupancy of the Project pursuant to the provisions of this Master Lease.

(b) The City must find that, as of the date of the execution of an Amendment to this Master Lease relating to a Project, the City then has an essential need for such Project which is the subject of the Amendment to Master Lease to carry out and give effect to the public purposes of the City. At the time of execution of such Amendment to Master Lease, the City and the Authority must agree and determine that the Base Rentals and Additional Rentals payable with respect to such Project that is the subject of such Amendment to

Master Lease are reasonable and that the Purchase Option Price represents, as of the end of the Lease Term, a reasonable purchase price for such Project. In making such determination the City and the Authority will give consideration to the costs of such Project, the cost of financing such Project, the uses and purposes for which such Project will be employed by the City and the benefit to the citizens of the City by reason of the City's use and occupancy of such Project pursuant to the provisions of this Master Lease.

Section 6.6. Nonappropriation. In the event that sufficient City Funds shall not be budgeted and appropriated by the City, in a final budget adopted within the time permitted by Section 4.1 hereof, for the payment of the (i) Base Rentals becoming due during such Renewal Term and (ii) such Additional Rentals becoming due during such Renewal Term which can be determined with reasonable accuracy, then an Event of Nonappropriation shall be deemed to have occurred as of the first day of such Renewal Term and the City shall not be obligated to make payment of the Base Rentals or Additional Rentals provided for herein beyond the last day of the Renewal Term preceding such Event of Nonappropriation. Subject to the provisions of the next succeeding sentence, once the City has elected to continue this Master Lease for a Renewal Term by budgeting and appropriating sufficient City Funds for the payment of Base Rentals and Additional Rentals hereunder the City shall, as of the first day of such Renewal Term, be obligated to pay such Base Rentals and Additional Rentals during such Renewal Term. If the City fails to pay any Base Rentals or Additional Rentals due under this Master Lease, or upon an Event of Nonappropriation, the City shall immediately quit and vacate the Projects and its obligation to pay Base Rentals or Additional Rentals hereunder shall terminate. The Trustee shall, upon the occurrence of an Event of Nonappropriation, have all rights and remedies to take possession of the Project as trustee for the benefit of the Bondholders of the Bonds and the Trustee shall be further entitled to all moneys then on hand and being held in all funds created under the Indenture, less any moneys then due and owing to the Trustee for services performed as trustee thereunder. All property, funds and rights acquired by the Trustee by reason of an Event of Nonappropriation as provided herein shall be held by the Trustee under the Indenture for the benefit of the Bondholders as set forth in said Indenture until the principal of, premium, if any, and interest on the Bonds are paid in full and other amounts payable under the Indenture are paid in full and any excess shall thereafter be paid to the City.

Section 6.7. Application of Base Rentals, Additional Rentals and Purchase Option Price. All Base Rentals, the Additional Rentals specified in subsections (a), (b), (c) and (k) of Section 6.3 hereof, and, if paid by the City, the Purchase Option Price shall be paid to the Trustee for application in accordance with the Indenture.

Section 6.8. Request for Appropriation. During the Lease Term, the City covenants and agrees as follows:

(a) to include in its annual tentative budget prepared by the appropriate officials acting on behalf of the City in accordance with applicable law an item for expenditure of an amount necessary (after taking into account any and all City Funds then legally available for such purpose), to pay the Base Rentals and reasonably estimated Additional Rentals (calculated pursuant to Section 6.3 hereof) for the Projects during the next succeeding Renewal Term; and

(b) to take such further action (or cause the same to be taken) as may be necessary or desirable to assure that the final budget submitted to the governing body of the City for its consideration seeks an appropriation of City Funds sufficient to pay such Base Rentals and Additional Rentals for each such Renewal Term, including all such actions for such purpose as may be required under State law.

The next inclusion in the City's annual tentative budget shall be made under applicable law prior to the Fiscal year commencing January 1, 2026, so that the Base Rentals and the reasonably estimated Additional Rentals payable during such Renewal Term will have been appropriated for such purpose, and subsequent inclusions in each respective tentative budget for appropriations by the City shall be made in each Fiscal Year thereafter so that the Base Rentals and Additional Rentals to be paid during the succeeding Renewal Term will be available for such purposes as long as the governing body of the City determines to approve such amount in the final budget as adopted. To effect the covenants set forth in (a) above, the City hereby directs its budget officer, or any other officer at the time charged with the responsibility of formulating budget proposals, to include in the tentative budget prepared annually by such budget officer or other officer and submitted to the governing body of the City, in any year in which this Master Lease is in effect, items for all payments required for the ensuing Renewal Term under this Master Lease. It is hereby expressed as the intention of the City that the decision to renew or not to renew the term of this Master Lease is to be made solely by the governing body of the City at the time it considers for adoption of the final budget for each of its fiscal years and corresponding Renewal Terms hereunder, and not by any official of the City, acting in his or her individual capacity as such. In this connection, the City hereby covenants and agrees that such budget officer or other officer shall not amend, modify or otherwise change the appropriations made in any finally adopted budget for the payment of any Base Rentals or Additional Rentals without the express prior approval of the governing body of the City.

ARTICLE VII

ACQUISITION AND CONSTRUCTION OF PROJECTS

Section 7.1. Agreement to Acquire and Construct the Projects. The City and the Authority agree that the Authority shall cause the Projects to be acquired and constructed as herein provided, all of which construction, shall be made in accordance with the plans and specifications for such Projects as approved by the City. The City hereby agrees that in order to effectuate the purposes of this Master Lease, it authorizes the City Representative or the Authority Representative, on behalf of the Authority, to make, execute, acknowledge and transmit any other contracts, orders, receipts, writings and instructions with any other persons, firms or corporations and in general do all things which may be requisite or proper, all for the carrying out and furtherance of the acquisition and construction of the Projects.

The Authority agrees to carry out or to cause to be carried out the acquisition, construction and equipping of any Project through the application of moneys to be disbursed from the Construction Fund by the Trustee utilizing a requisition request complying with the requirements of Section 7.3 herein.

The Authority agrees to cause all Projects to be constructed with all reasonable dispatch, subject only to delays caused by Force Majeure excepted.

The City hereby covenants, to the extent permitted by applicable law, to use other legally available funds and to seek additional legally available funds to the extent necessary to complete the acquisition, construction and equipping of any Project as herein required, or to make certain design changes in such Projects to the extent necessary to complete the acquisition, construction and equipping of such Projects with moneys then available for such purposes in the Construction Fund.

Section 7.2. Application of Proceeds of Series 2026 Bonds. The proceeds from the sale of the Series 2026 Bonds shall be applied as set forth in the First Supplemental Indenture.

Section 7.3. Disbursements from the Construction Fund. The Authority has, in the Indenture, authorized and directed the Trustee to make payments from the Construction Fund (if any) under the Indenture to pay the Costs of Acquisition and Construction of the Projects. So long as the Trustee has not received notice nor is deemed to have received notice pursuant to Section 10.l(h) of the General Indenture that an Event of Nonappropriation or Event of Default has occurred and is continuing, the Trustee is hereby authorized to disburse the amounts on deposit in the Construction Fund, as provided herein and therein.

Other than for payment of capitalized interest on the Bonds, which shall be paid by the Trustee without further direction (as prescribed in the First Supplemental Indenture), such payments shall be made upon receipt by the Trustee of a requisition in substantially the form attached hereto as Exhibit C and signed by the City Representative on which requisition the Trustee is entitled to conclusively rely.

Section 7.4. Establishment of Completion Date; Disbursement of Balance of Construction Fund. The Completion Date with respect to any one Project shall be evidenced to the Trustee by a certificate signed by the City Representative and the Authority Representative stating that, except for amounts retained by the Trustee at the direction of the Authority for any Costs of Acquisition and Construction not then due and payable, (i) the acquisition, construction, installation and improvement of such Project has been completed in accordance with the plans and specifications and all labor, services, materials and supplies used in such acquisition, construction, installation and improvement have been paid for; (ii) all other facilities necessary in connection with such Project have been constructed, acquired and installed to their satisfaction; (iii) such Project is suitable and sufficient for its intended purposes; and (iv) all costs and expenses incurred in the acquisition, construction and equipping of such Project have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being. Upon receipt of such certificate, the Trustee shall retain in the applicable Construction Fund account an aggregate sum equal to the amount estimated by the City Representative and the Authority Representative to be necessary for payment of the Cost of Acquisition and Construction not then due and payable. All moneys then on hand in such Construction Fund account in excess of the amount to be retained shall be transferred by the Trustee, as set forth in a written direction of the Authority and the City, to the Bond Fund to be used by the Trustee as provided in the related Supplemental Indenture.

Section 7.5. Investment of Construction Fund, Bond Fund, Rebate Fund and Debt Service Reserve Fund Moneys. Subject to the provisions of Article VI of the General Indenture, any moneys held as a part of the Construction Fund, the Bond Fund, the Debt Service Reserve Fund or the Rebate Fund or any other fund created under the Indenture shall be invested and reinvested by the Trustee upon the written direction of the City in Investment Obligations (as defined in the Indenture) unless otherwise provided by Supplemental Indenture; provided, however that in the absence of such written direction, the Trustee shall hold such moneys in cash, uninvested.

Section 7.6. Design Contracts and Construction Contracts.

(a) The City agrees that upon the occurrence of an Event of Nonappropriation or an Event of Default and upon receipt of a written request from the Trustee, it will assign to the Trustee all of its right, title and interest in and to all Design Contracts and other Project documents. The City shall have and keep on file and available for inspection by the Authority and the Trustee copies of the Design Contracts as soon after the commencement of the Lease Term as such Design Contracts shall become available to the City and throughout the Lease Term.

(a) Each Construction Contract executed in connection with a Project must provide that, upon an Event of Nonappropriation or Event of Default, the Construction Contract will be fully and freely assignable to the Trustee without the consent of any other person; and that, if the Construction Contract is assumed by the Trustee, the Contractor will perform the agreements contained in the Construction Contract for the Trustee. Each Construction Contract must also provide that, upon an Event of Nonappropriation, an Event of Default or damage to, or destruction or condemnation of, the Project as described in Section 10.1 hereof, the Trustee may terminate such Contract, and the contractor shall then be entitled to payment only from amounts available therefor in the Construction Fund and only for work done prior to such termination. The City agrees that upon the occurrence of an Event of Nonappropriation or an Event of Default and upon receipt of a written request from the Trustee, it will assign to the Trustee all of its right, title and interest in and to all Construction Contracts and other Project documents. Each Construction Contract shall be for a fixed price and shall require the contractor to provide 100% payment and performance bonds as provided in Section 7.8 hereof. In the event of any change order resulting in the performance of additional work in connection with the construction of the Project, the amount of such bonds pertaining thereto shall be increased to include the cost of such additional work or materials or fixtures to be incorporated in the Project. The City shall have and keep on file and available for inspection by the Authority and the Trustee copies of the Project documents as soon after the commencement of the Lease Term as such Project documents shall become available to the City and throughout the Lease Term.

Section 7.7. Defaults Under Design Contracts or Construction Contracts. In the event of any material default under any Design Contract or Construction Contract, or in the event of a material breach of warranty thereunder with respect to any materials, workmanship or performance, the City and the Authority shall promptly proceed, either separately or in conjunction with others, to pursue diligently their remedies against the Contractor in default and/or against each surety on any bond securing the performance of such contracts. The Net Proceeds of any amounts recovered by way of damages, refunds, adjustments or otherwise in connection with the foregoing, after deduction of expenses incurred in such recovery (including, without limitation, attorneys' fees and costs) and, after reimbursement to the City or the Authority of any amounts theretofore paid by the City or the Authority and not previously reimbursed to the City or the Authority for correcting or remedying the default which gave rise to the proceedings against the contractor or surety, shall be paid into the applicable Construction Fund account if received before the Completion Date, and shall be used for Costs of Acquisition and Construction of the related Project, or, at the direction of the Authority, shall be transferred by the Trustee into the Bond Fund created under the Indenture to pay principal and/or interest next coming due on the related Series of Bonds.

Section 7.8. Contractor's Performance and Payment Bonds. Each Contractor retained by the City or the Authority in connection with a Construction Contract shall be required to furnish a performance bond and a labor and material payment bond on forms acceptable to the City. Such bond shall be made payable to the Trustee and shall be executed by a corporate surety licensed to transact business in the State and shall be in the full amount of the contract price for such contractor's portion of such Project. If, at any time during the construction of a Project, the surety on such bond shall be disqualified from doing business in the State, an alternate surety shall be selected by the Authority.

Section 7.9. Contractor's General Public Liability and Property Damage Insurance. Each Contractor and subcontractor retained by the City or the Authority in connection with a Construction Contract shall be required to procure and maintain comprehensive general public liability and property damage insurance as applicable, at his own cost and expense, in an amount that is consistent with prudent practice during the duration of such Construction Contract. Such policies shall carry loss payable endorsements in favor of the Trustee under the Indenture. Such insurance shall include a provision prohibiting cancellation or amendment without ten (10) days' prior notice by certified mail to the Trustee. Such insurance shall provide protection from all claims for bodily injury, including death, and all claims for destruction of or damage to the respective Project arising out of or in connection with such contractor's performance of his contract, whether such operations be by himself or by any subcontractor under him or anyone directly or indirectly employed by the contractor or such subcontractor. All limitations of liability contained in such insurance policy or policies and set forth on such certificate of insurance, and any exclusions provided therein, shall be approved by the City.

Section 7.10. Contractor's Builder's Risk Completed Value Insurance. Unless otherwise obtained by the City or the Authority, each Contractor and subcontractor retained by the City or the Authority in connection with a Construction Contract shall be required to procure and maintain during the term of his contract and until such Project is accepted and insured by the Authority and the City, builder's risk completed value insurance upon the building, facilities or improvements constructed or to be constructed, in whole or in part, by such contractor or subcontractor, insuring against loss or damage caused by fire, malicious mischief, vandalism and such other hazards as may be insured against in the standard extended coverage provisions of such policies used in the State. Such policies shall contain a waiver of subrogation by the issuer of each such policy with respect to the Trustee under the Indenture. Such policies may contain deductible amounts of not more than the amount that is then customary for such policies. Such insurance coverage shall be in an amount at least equal to the contract price for such contractor's or subcontractor's work. In the event of any change order resulting in the performance of additional work in connection with a Project, the amount of such insurance shall be increased to include the cost of such additional work, as well as materials and fixtures to be incorporated in such Project.

Such builder's risk completed value insurance policies shall carry loss payable endorsements in favor of the Trustee under the Indenture. No agency or employee of the City or the Authority shall have the power to adjust or settle any loss with respect to a Project without the prior written consent of the Trustee. Such insurance shall contain provisions prohibiting cancellation or amendment without ten (10) days' prior written notice to the Authority and the Trustee.

Section 7.11. Contractor's Worker's Compensation Insurance. Each contractor and subcontractor retained in connection with a Construction Contract shall be required to procure and maintain worker's compensation insurance during the term of his contract as required by the laws of the State, covering his employees working thereunder, which coverage shall also include occupational disease. Such insurance, if issued by a private carrier, shall contain a provision that such coverage shall not be canceled or amended without ten (10) days' prior written notice to the City. Each Construction Contract shall also provide that each subcontractor of any contractor who is a party to such contract shall be required to furnish similar worker's compensation insurance, including occupational disease coverage.

Section 7.12. Proceeds of Certain Insurance Policies and Performance Bonds. The Net Proceeds of any performance or payment bond or insurance policy required by Section 7.8, Section 7.9, and Section 7.10 of this Master Lease shall be deposited with the Trustee and applied as provided in Section 10.2 of this Master Lease and Section 5.16 of the General Indenture.

ARTICLE VIII

TITLE TO THE PROJECTS; SECURITY INTEREST

Section 8.1. Title to the Projects. A fee simple interest or leasehold interest, as applicable, in the site of the Projects and title to the Projects and any and all additions, repairs, replacements or modifications thereto, shall be held in the name of the Authority, subject to Permitted Encumbrances, at all times until conveyed to the City as provided in Section 12.1 of this Master Lease. The City shall not have any right, title or interest in a Project or any additions, repairs, replacements, modifications or fixtures thereto except as expressly set forth herein.

Section 8.2. Security Interest. To secure the payment of all of the obligations of the Authority under the Indenture, the Authority shall grant to the Trustee a security interest in the Projects and the Base Rentals received by the Authority under this Master Lease. Upon execution of this Master Lease, the City and the Authority agree that the Authority shall execute the Security Documents and the Indenture. The Authority agrees that the Authority Representative shall, on its behalf, execute such additional documents, including affidavits, notices and similar instruments, in form satisfactory to the Authority or the Trustee, which the Authority or the Trustee reasonably deems necessary or advisable to establish and maintain the security interests to be granted pursuant to this Section 8.2. The Authority, the City and the Trustee, when directed by the Authority in writing, shall execute from time to time such continuation statements as will be necessary to preserve and protect the security interest granted under the provisions in this Section 8.2

ARTICLE IX

MAINTENANCE; TAXES; INSURANCE AND OTHER CHARGES

Section 9.1. Maintenance of the Projects by the City. The City shall, at its own expense from available City Funds, operate, manage, keep and maintain the Projects (or cause the Projects to be operated, managed, kept and maintained) in good working order, condition and repair, including replacements of a capital nature when necessary, and including periodic painting as reasonably determined by the Authority and in accordance with all operating and maintenance manuals and all applicable laws, rules, ordinances, orders and regulations as shall be in effect from time to time of: (1) any federal, state, county, municipal, or other governmental or quasi-governmental agencies and bodies having or claiming jurisdiction thereof and all their respective departments, bureaus, and officials; (2) the insurance underwriting board or insurance inspection bureau having or claiming jurisdiction thereof; and (3) all insurance companies insuring all or any part of the Projects. The foregoing shall not be construed to prohibit the City from challenging the validity or applicability of such laws, rules, ordinances, orders and regulations and to defer compliance until the challenge has been completed.

It is understood and agreed that in consideration of the payment by the City of the Base Rentals and Additional Rentals herein provided for, the Authority is only obligated to provide the Projects in the manner, at the times and to the extent herein provided, and neither the Authority, the Trustee nor any owner of any Bond shall have any obligation to incur any expense of any kind or character in connection with the management, operation or maintenance of the Projects during the term of this Master Lease.

Without limiting the generality of the foregoing, the City shall, as if the City were the absolute owner thereof, assume all responsibility for the Projects (including all surfaces of the buildings and entrances thereto, foundations, ceilings, roof, all glass and show window moldings and all partitions, doors, fixtures, equipment, and appurtenances thereto, including lighting and plumbing systems and fixtures, sewage facilities, electric motors and heating, ventilating and air-conditioning systems, and all landscaping, parking lots, driveways, fences and signs located on the sites where the Projects are located and all sidewalks and parkways located adjacent to the sites where the Projects are located) and pay all costs or cause the payment of all costs of any kind (including operating costs and costs of repair, whether of a capital nature or otherwise) associated therewith.

Section 9.2. Modification of the Projects. The City shall have the privilege of remodeling any Project or making substitutions, additions, modifications and improvements thereto, at its own cost and expense, and the same shall be subject to this Master Lease, the Indenture and the Security Documents, and shall also be included under the terms hereof and thereof; provided, however, that such remodeling, substitutions, additions, modifications and improvements shall not in any way damage such Projects or cause it to be used for purposes other than those authorized under the provisions of this Master Lease, and the Constitution and laws of the State; and provided, however, that such Projects, as remodeled, improved or altered upon completion of such remodeling, substitutions, additions, modifications and improvements made pursuant to this Article IX shall be of a fair rental value not less than the fair rental value of such Projects immediately prior to the remodeling or the making of substitutions, additions, modifications and improvements. The City shall not permit any mechanic's or other lien to be established or remain against the Projects for labor or materials furnished in connection with any remodeling, substitutions, additions, modifications, improvements, repairs, renewals or replacements so made by the City; provided, however, that if the City shall first notify the Trustee of the intention of the City so to do, the City may in good faith contest any mechanic's or other lien filed or established against the Projects, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom unless the Trustee shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such items the security afforded pursuant to the terms hereof and pursuant to the Indenture and the Security Documents will be materially endangered or the Projects or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay and cause to be satisfied and discharged all such unpaid items. The Trustee will cooperate fully with the City in any such contest, upon the request and at the expense of the City. Any property for which a substitution or replacement is made pursuant to this Section 9.2 may be disposed of by the City in any manner and in the sole discretion of the City.

Section 9.3. Taxes; Other Governmental Charges and Utility Charges. In the event that a Project or any portion thereof shall, for any reason, be deemed subject to taxation, assessments or charges lawfully made by any governmental body which may be secured by a lien against such Project, an Additional Rental, from and to the extent of City Funds, shall be paid, or cause to be paid, by the City equal to the amount of all such taxes, assessments and governmental charges then due. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the City shall be obligated to provide for Additional Rentals only for such installments as are required to be paid during that period that the City is obligated to pay Base Rentals. The City shall not allow any liens for taxes, assessments or governmental charges to exist (including, without limitation, any taxes levied which, if not paid, will become a charge on the rentals and receipts prior to or on a parity with the charge thereon and the pledge and assignment thereof to be created and made in the Indenture), or any interest therein (including the interest of the Authority) on the rentals and revenues derived therefrom or hereunder. The City shall also pay, or shall cause to be paid, as Additional Rentals, from and to the extent of available City Funds, as the same respectively become due, all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Projects.

As long as the City is in possession of the Projects and except as otherwise provided herein, it shall keep it free and clear of all liens, charges and encumbrances (except Permitted Encumbrances and any encumbrances arising through the Authority) and shall have the responsibility for all management, operations, maintenance and repair of the Projects. The City in its discretion may discharge its responsibility hereunder by: (1) using its own employees; or (2) contracting for services; or (3) subleasing all or portions of the Projects, subject to the provisions of this Master Lease and the Indenture; or (4) any combination of such methods. No such contract or sublease shall place a greater burden on the Authority than provided herein, nor infringe upon rights granted to or retained by the Authority hereunder, nor violate or in any way impair the Authority's obligations under the Indenture or any other instrument, if any, securing any debt or borrowings by the Authority, all or substantially all the proceeds of which are to be used to finance Projects.

The City may, at the expense and in the name of the City, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom provided the City shall first deposit with the Trustee, or in court, a bond or other security satisfactory to the Trustee pursuant to the Security Documents unless the Trustee shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such items the security afforded pursuant to the terms hereof and pursuant to the Indenture and the Security Documents will be materially endangered or the Projects or any portion thereof will be subject to loss or forfeiture, in which event such taxes, assessments or charges shall be paid forthwith. In the event that the City shall fail to pay any of the foregoing items required by this Section 9.3 to be paid by the City, the Trustee may (but shall be under no obligation to) pay the same, which amounts, together with interest thereon at a rate per annum equal to the one-month U.S. Federal Treasury Rate, but in no event less than a rate of 3.5% per annum, the City agrees to pay from and to the extent of available City Funds.

Section 9.4. Provisions Respecting Insurance. The City agrees to insure or cause to be insured, with the Trustee listed as a Loss Payee, the Projects against loss or damage of the kinds usually insured against by public bodies similarly situated, including, without limitation, policies of casualty and property damage, by means of policies issued by reputable insurance companies duly qualified to do such business in the State with a uniform standard coverage endorsement limited only as may be provided in the standard form of extended coverage endorsement at that time in use in the State, in amounts that are not less than full insurable value of the Projects. The term “full insurable value” as used herein shall mean the actual replacement value, or at the option of the City any lesser amount which is equal to or greater than the principal amount of all of the Bonds then Outstanding of the Series which financed said Projects (or applicable portions thereof in case said Series of Bonds financed more than one Project). Alternatively, the City may insure or cause to be insured under a blanket insurance policy or policies which cover not only the Projects but other properties in the amounts required by the previous sentence.

Any insurance policy issued pursuant to the preceding paragraph of this Section 9.4 shall be so written or endorsed as to make losses, if any, payable to the Trustee. The Net Proceeds of the insurance required in this Section 9.4 shall be applied as provided in Section 10.2 hereof or, at the option of the City, Section 10.3 hereof. Each insurance policy provided for in Section 9.4 hereof shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interest of the City, the Authority or the Trustee without first giving written notice thereof to the City, the Authority and the Trustee at least thirty days in advance of such cancellation or modification. Certificates evidencing all insurance policies issued pursuant to this Section 9.4 or Section 9.5 hereof shall be deposited with Trustee.

Section 9.5. Public Liability Insurance. The City agrees self-insure or to carry or cause to be carried public liability insurance with one or more reputable insurance companies in amounts that are typically carried by governmental entities of the same size as the City for property damage for any occurrence. In the event that the limits on governmental liability established by Title 63G, Chapter 7, Utah Code Annotated 1953, as amended, are increased, the amounts required by this Section 9.5 shall be deemed to be increased to such higher amounts. If self-insurance is not utilized, the Authority and the Trustee shall be made additional insureds under such policies. The insurance required by this Section 9.5 may be by blanket insurance policy or policies or self-insurance meeting the following requirements: (i) such program must provide for disbursements therefrom without action (other than a ministerial action) of the governing body of the City and (ii) such program shall be reviewed at least annually by an actuarial consultant (including professional staff of the City), to insure that the reserves established are sufficient for the risks intended to be covered by such program. If self-insurance is not utilized, the policies may have a deductible clause in such amount as shall be approved by the Authority and the Trustee. The City may not self-insure for property/casualty insurance without the prior consent of any Security Instrument Issuer.

Section 9.6. Worker's Compensation Coverage. At all times from the date hereof until the end of the Lease Term, the City shall, either by a policy of insurance or by self-insurance, maintain or cause to be maintained worker's compensation coverage with respect to officers, agents and employees of the City working in, on or about the Projects, including coverage for occupational diseases.

Section 9.7. Advances. In the event the City shall fail to maintain the full insurance coverage required by this Master Lease or to keep the Projects in good repair and operating condition, the Trustee may take out the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; which amounts, together with interest thereon at a rate per annum equal to the one-month U.S. Federal Treasury Rate, but in no event less than a rate of 3.5% per annum, the City agrees to pay, from and to the extent of available City Funds.

Section 9.8. Failure to Provide Insurance. In the event the Authority is required under Security Documents to reimburse the Trustee for any insurance policies required by this Article, the City will promptly pay directly to the Trustee all premiums for said insurance, and until payment is made by the City therefor, the amount of all such premiums which have been paid by the Trustee shall bear interest at the one-month U.S. Federal Treasury Rate, but in no event less than a rate of 3.5% per annum. The City shall, upon the Authority's reasonable request, deposit with the Trustee on the first of each month, monthly installments each in an amount equal to one-twelfth of the estimated aggregate annual insurance premiums on all policies of insurance required by this Article. The City further agrees, upon the Authority's request, to cause all bills, statements or other documents relating to the foregoing insurance premiums to be sent or mailed directly to the Trustee. If at any time and for any reason the funds deposited with the Trustee are or will be insufficient to pay such amounts as may then or subsequently be due, the Authority shall notify the City and the City shall immediately deposit an amount equal to such deficiency with the Trustee. The City shall pay to the Trustee, all reasonable fees for extraordinary services rendered by the Trustee pursuant to this Section 9.8.

ARTICLE X

DAMAGE, DESTRUCTION AND CONDEMNATION; USE OF NET PROCEEDS

Section 10.1. Damage. Destruction and Condemnation. If, prior to the termination of the Lease Term and the payment in full of the Bonds (or the making of provisions for the payment thereof in accordance with the Indenture) (i) the Projects or any material portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty; or (ii) title to, or the temporary or permanent use of the Projects or any material portion thereof or the Projects or any material portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority; or (iii) a material defect in construction of a Project shall become apparent; or (iv) title to or the use of all or any material portion of the Projects shall be lost by reason of a defect in title thereto, the City shall be obligated, from and to the extent of City Funds and subject to the provisions of Section 10.3 of this Master Lease, to continue to pay the amounts specified in Sections 10.2, 6.2 and 6.3 of this Master Lease regardless of whether said Projects shall have been accepted.

Section 10.2. Obligation of the City to Repair and Replace a Project. Subject to the provisions of Section 10.3 of this Master Lease, the City, the Authority, and the Trustee shall cause the Net Proceeds of any insurance policies, performance bonds or condemnation awards with respect to a Project or Projects to be deposited in the applicable Construction Fund accounts if received before the Completion Date and in a separate trust fund under the Indenture if received thereafter. All Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification or improvement of said Project or Projects by the City upon receipt of a requisition acceptable to the Trustee signed by the City Representative, stating with respect to each payment to be made: (i) the requisition number; (ii) the name and address of the person, firm or corporation to whom payment is due; (iii) the amount to be paid; (iv) that each obligation mentioned therein has been properly incurred, is a proper charge against the applicable Construction Fund accounts or separate trust fund, and has not been the basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation; and (v) such other documents and information as the Trustee requires. The balance of any such Net Proceeds remaining after such repair, restoration, modification or improvement has been completed shall be transferred to the Bond Fund to be applied to the payment of the principal of, premium, if any, and interest on the applicable Series of Bonds, or if said Bonds shall have been fully paid (or provision for payment thereof has been made in accordance with the provisions of the Indenture), any balance remaining in such Construction Fund account(s) or separate trust fund shall be paid to the City. If the Net Proceeds shall be insufficient to pay in full the cost of any repair, restoration, modification or improvement, the City shall, from and to the extent of available City Funds, complete the work and pay any cost in excess of the amount of the Net Proceeds. The City agrees that, if by reason of any such insufficiency of the Net Proceeds, the City shall make any payments pursuant to the provisions of this Section 10.2, the City shall not be entitled to any reimbursement therefor from the Authority, the Trustee or the Bondholders of the Bonds nor shall the City be entitled to any diminution of the Base Rentals and Additional Rentals payable under Section 6.2 and Section 6.3 of this Master Lease. The City further agrees that any repair, restoration, modification or improvement paid for in whole or in part from such Net Proceeds shall be subject to the security afforded by the Indenture, this Master Lease and the Security Documents, and shall be included under the terms hereof.

Section 10.3. Covenant to Seek Appropriation of Insufficiency of Net Proceeds; Discharge of the Obligation of the City to Repair and Replace the Projects. In the event that the Net Proceeds of any insurance policy, performance bond or condemnation award shall be insufficient to pay in full the cost of any repair, restoration, or modification of a Project or Projects required under Section 10.2 of this Master Lease, the appropriate budget officers of the City shall, within 15 days of notice of such insufficiency, seek an appropriation from the City for an amount equal to any such insufficiency. In the event that the City shall fail to appropriate, by the first day of the next Renewal Term following such request for an appropriation, an amount at least equal to such insufficiency for such purpose, the obligation to repair and replace said Project or Projects under Section 10.2 of this Master Lease may be discharged by depositing the Net Proceeds of the insurance policies, performance bonds or condemnation awards made available by reason of such occurrence into the Bond Fund. Upon the deposit of such Net Proceeds in said Bond Fund, the City shall have no further obligation for the payment of Base Rentals and Additional Rentals hereunder with respect to said Project or Projects, and possession of said Project or Projects as well as all rights created pursuant to this Master Lease and the interest of the City and the Authority therein and in any funds or accounts created under the Indenture with respect to said Project or Projects (except for moneys held in the Rebate Fund and for the payment of Bonds not then deemed Outstanding), shall be surrendered to the Trustee, as trustee for the Bondholders of the applicable Series of Bonds. Thereafter, the Authority's interest in said Project or Projects may be liquidated pursuant to the provisions of and subject to the limitations set forth in the Indenture, Security Documents and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Indenture with respect to said Project or Projects (except moneys held in the Rebate Fund or for the payment of Bonds not then deemed Outstanding), shall be applied to the redemption of the applicable Series of Bonds on the next succeeding redemption date. Such redemption of the applicable Series of Bonds shall be made upon full or partial payment of the principal amount of said Bonds then Outstanding and accrued interest thereon all in accordance with the Indenture.

Section 10.4. Cooperation of the Authority and the Trustee. The Authority and the Trustee shall cooperate fully with the City at the expense of the City in filing any proof of loss with respect to any insurance policy or performance bond covering the events described in Section 10.1 of this Master Lease and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to a Project or Projects or any portion thereof or any property of the City in connection with which a Project is used and will, to the extent it may lawfully do so, and shall permit the City to litigate in any proceeding resulting therefrom in the name and behalf of the Authority and the Trustee. In no event will the Authority or the Trustee voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim or any prospective or pending condemnation proceeding or any part thereof without the written consent of the City Representative.

Section 10.5. Condemnation of Property Owned by the City. The City shall be entitled to the Net Proceeds of any condemnation award or portion thereof made for destruction of, damage to or taking of its property not included in the Projects.

ARTICLE XI

DISCLAIMER OF WARRANTIES; COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 11.1. Disclaimer or Warranties. NEITHER THE AUTHORITY NOR THE TRUSTEE MAKE ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR FITNESS FOR USE OF THE PROJECTS OR ANY OF THE EQUIPMENT OR FIXTURES THEREIN OR ANY OTHER REPRESENTATION OR WARRANTY. In no event shall the Authority or the Trustee be liable for any incidental, indirect, special or consequential damage in connection with or arising out of this Master Lease or the existence, furnishing, functioning or the use by the City of any item, product or service provided for herein.

Section 11.2. Further Assurances and Corrective Instruments. The City and the Authority agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Projects hereby leased or intended so to be or for carrying out the intention hereof.

Section 11.3. City and Authority Representatives. Whenever under the provisions hereof the approval of the City or the Authority is required, or the City or the Authority is required to take some action at the request of the other, such approval or such request shall be given for the City by the City Representative and for the Authority by the Authority Representative, and any party hereto and the Trustee shall be authorized to act on any such approval or request.

Section 11.4. Requirements of Law. During the Lease Term, the City and the Authority shall observe and comply promptly with all current and future laws, ordinances, orders, rules and regulations as the same become effective, of the federal, state, county and city governments and of all courts or other governmental authorities having jurisdiction over the Projects or any portion thereof and of all their respective departments, bureaus and officials, and of the insurance regulatory agencies having jurisdiction over the Projects, or any portion thereof, or any other body exercising similar functions, and of all insurance companies writing policies covering the Projects or any portion thereof, whether the same are in force at the commencement of the Lease Term or may in the future be passed, enacted or directed.

Section 11.5. Inspection of the Projects. The City and the Authority agree that the Trustee and the Bondholder and their duly authorized agents shall have the right at all reasonable times to enter upon the Projects and to examine and inspect the same. The Trustee and their duly authorized agents shall also be permitted, at all reasonable times, to examine the books, records, reports and other papers of the City and the Authority with respect to the Projects.

Section 11.6. Granting of Easements and Releases. As long as no Event of Default with respect to the Projects shall have happened and be continuing, the City may at any time or times grant easements, licenses, rights of way and other rights or privileges in the nature of easements with respect to any property or rights included in this Master Lease and the Indenture, free from the security interest afforded by or under this Master Lease, the Indenture and the Security Documents or the City may release portions of the sites on which a Project or Projects is located or existing easements, licenses, rights of way and other rights and privileges with or without consideration, and the Authority agrees that it shall execute and deliver and will cause and direct the Trustee to execute and deliver, any instrument necessary or appropriate to confirm and grant or release such portion of the Project Sites or any such easement, license, right of way or other grant or privilege upon receipt of: (i) a copy of the instrument of grant or release; (ii) a written application signed by the City Representative requesting such instrument and stating that such grant or release will not impair the effective use or interfere with the operation of such Projects or any material portion thereof; and (iii) an opinion of counsel to the City that such grant or release will not materially weaken, diminish or impair the security granted to the Bondholders and contemplated hereby or under this Master Lease, the Indenture or the Security Documents.

Section 11.7. Issuance of Refunding Bonds. Refunding Bonds may be issued by the Authority in accordance with the provisions of Section 2.13 of the General Indenture and with a corresponding effect on the Base Rentals and Additional Rentals due under this Master Lease as provided in Section 4.4 hereof.

Section 11.8. Issuance of Additional Bonds. Additional Bonds may be issued by the Authority in accordance with the provisions of Section 2.14 of the General Indenture and with a corresponding effect on the Base Rentals and Additional Rentals due under this Master Lease as provided in Section 4.4 hereof.

ARTICLE XII

CONVEYANCE OF THE PROJECTS

Section 12.1. Conveyance of the Projects.

(a) The Authority's right and interest in and to all of the Projects shall be transferred, conveyed and assigned by the Authority to the City:

(i) Upon payment by the City to the Trustee of the then applicable Purchase Option Price and upon giving not less than thirty days prior written notice to the Authority and the Trustee; or

(ii) Upon payment by the City to the Trustee of all Base Rentals and Additional Rentals required to be paid under this Master Lease during the Lease Term; or

(iii) Upon the discharge of the lien of the Indenture under Article VIII thereof.

Under the Indenture, the Trustee shall agree to execute such documents and instruments as shall be necessary to effect a release of the security interest granted by said Indenture or the Security Documents upon the payment in full of all of the Bonds.

(b) The City understands that the Purchase Option Price may be revised from time to time based on certain redemptions of Bonds (other than mandatory sinking fund redemptions) or the issuance of any Additional Bonds or Refunding Bonds authorized under the Indenture. In the event the City so elects to purchase all of the Projects as provided herein, the City hereby agrees to pay such applicable Purchase Option Price (together with the other amounts constituting the purchase price for the Projects as provided herein) as it may be revised from time to time by such amounts as are necessary to reflect the redemption of the Bonds or the issuance of Additional Bonds or Refunding Bonds. Nothing herein shall be construed to create any obligation of the City to purchase the Projects.

(c) The City understands that, with respect to the Series 2026 Project, it may only exercise its option to purchase the Series 2026 Project only if the purchase option is exercised with respect to all of the various projects that comprise the Series 2026 Project.

Section 12.2. Release of a Project Upon Payment of Related Series of Bonds. In addition to the purchase option set forth above, the City is hereby granted the option of purchasing a Project in advance of the final maturity of the related Series of Bonds. So long as no Event of Default shall have occurred and be continuing under the Indenture and so long as no Event of Default or Event of Nonappropriation shall have occurred and be continuing under this Master Lease and the Security Instrument Issuer for the related Series of Bonds shall have consented thereto (which consent shall not be unreasonably withheld) unless the related Series of Bonds have been legally defeased or refunded, a Project may be released from the lien created with respect to the Bonds and the Indenture and this Master Lease and transferred to the City (subject to Permitted Encumbrances and liens and encumbrances resulting from the failure of the City to perform or observe the agreements on its part contained in this Master Lease or otherwise consented to by the City), if (i) the City shall deposit with the Trustee the Purchase Option Price for such Projects; and (ii) there shall have been delivered to the Trustee an opinion of nationally recognized bond counsel to the effect that the release of such Projects will not adversely affect the excludability of interest on the Tax-Exempt Bonds from federal gross income of the owners thereof or the status of the Bonds as Tax Credit Bonds, if applicable. The City shall be obligated to pay all costs of the Trustee and the Authority in providing for the transfer and release of any Project or portion thereof.

Section 12.3. Conveyance on Purchase of Projects. At the closing of any purchase of any or all of the Projects pursuant to the option to purchase granted in this Master Lease, the Authority shall, upon receipt by the Trustee of the Purchase Option Price, or upon the payment by the City of all Base Rentals and Additional Rentals required, or upon discharge of the lien of the Indenture as the case may be, deliver to the City the following:

(a) If necessary, a release by the Trustee of the lien under the Indenture and Security Documents, together with any other instrument necessary or appropriate to release any security interest granted by this Master Lease with respect to the Project or Projects to be released, the Indenture and the Security Documents.

(b) All necessary documents conveying to the City good and marketable title to the Project or Projects to be released as it then exists subject to the following: (i) the right, title and interest of the City in such Project; (ii) those liens and encumbrances created by the City or to the creation or suffering of which the City consented; (iii) those liens and encumbrances resulting from the failure of the City to perform or observe any of the agreements on its part contained in this Master Lease; and (iv) Permitted Encumbrances, other than the Indenture, this Master Lease, the Security Documents and any financing statements filed by the Authority pursuant to this Master Lease with respect to the Project or Projects to be released or the Indenture.

Section 12.4. Relative Position of Option and Indenture. The purchase option granted to the City in Section 12.1 hereof with respect to all of the Projects shall be and remain prior and superior to the Indenture and may be exercised whether or not an Event of Nonappropriation or Event of Default shall have occurred and be continuing hereunder or under the Indenture; provided, however, that such option must be exercised before the later of (i) ninety days after notification in writing by the Trustee to the City of the occurrence of an Event of Default under the Indenture, or (ii) the ultimate disposition of the Projects upon exercise of any available foreclosure remedy, and further provided that, as a condition of the exercise of such option, the City must pay, in addition to the Purchase Option Price, any interest payment deficiencies accruing from the date of the Event of Default and all Security Instrument Costs, Security Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations.

ARTICLE XIII

ASSIGNMENT, SUBLEASING, INDEMNIFICATION AND SELLING

Section 13.1. The Authority to Grant Security Interest to Trustee. The parties hereto agree that pursuant to the Indenture, the Authority shall assign to the Trustee, in order to secure payment of the Bonds, all of the Authority's right, title and interest in the Master Lease, except the Authority's rights to compensation from the City for expenses of the Authority under Section 6.3(d) of this Master Lease, the Authority's rights to indemnification from the City under Section 13.3 of this Master Lease and the obligation of the City to pay any attorneys' fees and expenses incurred by the Authority under Section 14.5 of this Master Lease.

Section 13.2. Assignment and Subleasing by the City. This Master Lease may not be assigned by the City for any reason. All or portions of a Project may be subleased by the City without the necessity of obtaining the consent of the Authority or any Bondholder; subject, however, to each of the following conditions:

(a) a Project may only be subleased to a municipality, school district, agency or other political subdivision of the City or the State, or to a private party if the Authority or the City intends to own such Project through the useful life of such Project, and the Authority or the City determines that such ownership of such Project furthers a legitimate public purpose;

(b) this Master Lease and the obligations of the City to make payment of Base Rentals and Additional Rentals under this Master Lease shall at all times during the Lease Term remain obligations of the City notwithstanding any sublease;

(c) the City shall, prior to the execution of a sublease, furnish or cause to be furnished to the Authority and the Trustee a true and complete copy of each sublease;

(d) any such sublease shall be expressly subordinate to the rights of the Trustee and the Bondholders under the Indenture, this Master Lease and the Security Documents;

(e) receipt by the Trustee of an opinion of bond counsel to the effect that such sublease will not in and of itself cause interest on the Bonds issued to finance such Project to be included in gross income of the owners thereof (if such Bonds were issued as Tax-

Exempt Bonds) or will not adversely affect the status of the Bonds as Tax Credit Bonds; and

(f) receipt by the City of the Trustee's and the Security Instrument Issuer's written consent to such sublease, which consent shall not be unreasonably withheld.

After an Event of Default or an Event of Nonappropriation and the foreclosure of the security afforded under this Master Lease, the Indenture or the Security Documents, the Trustee may collect the amount of the Base Rentals and Additional Rentals allocable to any sublease from any and all sublessees.

Section 13.3. Release and Indemnification Covenants. To the extent of the Net Proceeds of the insurance coverage of the City, the City shall and hereby agrees to indemnify and save the Authority and the Trustee harmless against and from all claims by or on behalf of any person, firm, corporation or other legal entity arising from any work or thing done on the Projects during the Lease Term from: (i) any condition of the Projects; and (ii) any act or negligence of the City or of any of its agents, sublessees, contractors or employees or any violation of law or the breach of any covenant or warranty hereunder. The City shall indemnify and save the Authority and the Trustee harmless, from and to the extent of available moneys as set forth above, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the Authority or the Trustee, shall defend them or either of them in any action or proceeding.

In exchange for the City's agreement to indemnify the Trustee and the Authority as provided in this Section 13.3, the Authority and Trustee hereby agree to cooperate with the City in asserting any cause of action that they might individually or as a group have against any third parties with respect to the Projects. Furthermore, in no event will the Authority or Trustee voluntarily settle or consent to the settlement of any proceeding arising out of any claim applicable to the Projects without the written consent of the City Representative and any Security Instrument Issuer, which consent shall not be unreasonably withheld.

Section 13.4. References to Bonds Ineffective After Bonds Paid. Upon payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture) and all fees and charges of Trustee, all references in this Master Lease to said Bonds and Trustee shall be ineffective and neither the Trustee nor the Bondholders shall thereafter have any rights hereunder, saving and excepting those that shall have theretofore vested.

Section 13.5. Installation of the Furnishings and Machinery of the City. The City or any sublessee of the City may, from time to time in its sole discretion and at its own expense, install machinery, equipment and other tangible property in a Project. All such machinery, equipment and other tangible property, except any machinery, equipment and other tangible property substituted for machinery, equipment and tangible property purchased with proceeds of the Bonds as provided in Section 13.6 hereof, shall remain the sole property of the City or sublessee of the City, as applicable, in which neither the Authority nor the Trustee shall have any interest and may be removed by the City or sublessee of the City, as applicable, at any time; provided, however, that the City or sublessee of the City, as applicable, shall be obligated to repair any damage to the Projects, at its own cost and expense, resulting from any such removal.

Section 13.6. Equipment Purchased with Proceeds of the Bonds. Any item of equipment shall be labeled, to the extent practicable, to indicate that it is owned by the Authority, subject to the Indenture, the Security Documents and this Master Lease. Equipment financed with proceeds of the Bonds may not be relocated by the City from the Projects. Any item of such equipment which shall be determined by the City to be no longer usable in connection with the operation of the Projects may be sold by the City after written notice to the Trustee and upon (i) substitution of equipment of comparable or greater value or (ii) deposit of the proceeds thereof in the Bond Fund. Upon any such sale, the equipment so sold shall be released from the Indenture, this Master Lease, the Security Documents and the security interest created thereunder and hereunder. The parties hereto recognize a $50,000 aggregate de minimis exception to this Section 13.6 for equipment making up a portion of the Projects.

ARTICLE XIV

EVENTS OF DEFAULT AND REMEDIES

Section 14.1. Events of Default Defined. Any one of the following shall be an "Event of Default" under this Master Lease:

(a) Failure by the City to pay any Base Rentals or Additional Rentals required to be paid under Sections 6.2 and 6.3 of this Master Lease at the time specified therein, in the absence of an Event of Nonappropriation; or

(b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in (a), for a period of thirty days after written notice, specifying such failure and requesting that it be remedied, given to the City by the Trustee, unless the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the Trustee shall not unreasonably withhold their consent to an extension of such time if corrective action shall be instituted by the City within the applicable period and diligently pursued until the default is corrected; or

(c) The City shall abandon any material portion of a Project; or

(d) The City's interest in this Master Lease or any part thereof shall be assigned or transferred without the written consent of the Authority, either voluntarily or by operation of law, except as permitted hereunder; or

(e) The City shall file any petition or institute any proceedings wherein or whereby the City seeks to be adjudicated a bankrupt, or to be discharged from any and all of its debts or obligations, or offers to the City's creditors to effect a composition or extension of time to pay the City's debts, or seeks a reorganization or a readjustment of the City's debts, or for any other similar release, or any such petition or any such proceedings of the same or similar kind or character shall be filed, or instituted or taken against the City and the same shall not have been dismissed or otherwise resolved in favor of the City within sixty days from the filing or institution thereof; or

(f) Dissolution of the Authority prior to the full repayment of the Series 2026 Bonds.

The foregoing provisions of this Section 14.1 are subject to the following limitations: (i) the obligations of the City to make payments of the Base Rentals and Additional Rentals as provided in Section 6.2 and Section 6.3 of this Master Lease shall be subject to the occurrence of an Event of Nonappropriation; and (ii) if, by reason of Force Majeure, the City shall be unable, in whole or in part, to carry out any agreement on its part herein contained, other than the obligations on the part of the City contained in Article VI hereof, the City shall not be deemed in default during the continuance of such inability. The City agrees, however, to remedy with all reasonable dispatch the cause or causes preventing the City from carrying out its agreement; provided, however, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the City, and the City shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the City, unfavorable to the City.

Section 14.2. Remedies on Default. Whenever any Event of Default referred to in Section 14.1 of this Master Lease shall have happened and be continuing, subject to the limitations contained in the Indenture and the rights of any Security Instrument Issuer (so long as the Security Instrument Issuer is not in default under its Security Instrument), the Trustee or the Authority with the written consent of the Trustee, shall have the right, at their or its option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) Immediately reenter and take possession of the Projects;

(b) Exercise any rights or remedies the Trustee may have under the Indenture or the Security Documents; or

(c) Take whatever action at law or in equity may appear necessary or desirable to enforce their or its rights in and to the Projects, including, without limitation, the right to terminate the Lease Term.

Upon the occurrence of an Event of Default, the City shall immediately quit and vacate the Projects and its obligation to pay Base Rentals or Additional Rentals hereunder shall terminate. Any moneys collected pursuant to action taken under this Section 14.2 shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture.

Section 14.3. Limitations on Remedies. No judgment requiring a payment of money may be entered against the City by reason of an Event of Default under this Master Lease, except as expressly provided herein. In the event the security interest created under the Indenture, this Master Lease or the Security Documents shall be foreclosed subsequent to the occurrence of an Event of Default, no deficiency judgment may be entered against the City or the Authority.

Section 14.4. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority and the Trustee is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority and the Trustee to exercise any remedy reserved in this Article XIV, it shall not be necessary to give any notice, other than such notice as may be required in this Article XIV.

Section 14.5. Agreement to Pay Attorneys' Fees and Expenses. In the event that either party hereto shall default under any of the provisions hereof and the non-defaulting party shall employ attorneys or incur other expenses for the collection of Base Rentals and Additional Rentals, or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it shall on demand therefor pay to the non-defaulting party the fees of such attorneys and such other expenses so incurred by the non-defaulting party, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the City under this Section 14.5 shall be subject to the availability of City Funds and the obligation of the Authority shall be limited to amounts legally available therefor.

Section 14.6. No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE XV

MISCELLANEOUS

Section 15.1. Lease Term. This Master Lease shall remain in effect from the date hereof until the termination of the Lease Term as provided in Section 4.2 of this Master Lease.

Section 15.2. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered or certified mail, postage prepaid, addressed as follows: if to the Authority, the Municipal Building Authority of the City of South Jordan, Utah, 1600 W. Towne Center Drive, Utah 84095, Attention: Chair/President; if to the City, 1600 W. Towne Center Drive, Utah 84095, Attention: Mayor; if to the Trustee, U.S. Bank Trust Company, National Association, [__________________, Salt Lake City, Utah 84___], Attention: Corporate Trust Department Attention: Corporate Trust Department. A duplicate copy of each notice, certificate or other communication given hereunder by the Authority and the City shall also be given to the Trustee. The Authority, the City and the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 15.3. Binding Effect. This Master Lease shall inure to the benefit of and shall be binding upon the Authority, the City and their respective successors and assigns, subject, however, to the limitations contained in Sections 2.2(f) and 13.2 of this Master Lease.

Section 15.4. Severability. In the event any provision of this Master Lease (other than the obligation of the City to pay Base Rentals or Additional Rentals) shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof and in the event any provision of this Master Lease were to invalidate the Bonds, such provision shall be rendered invalid and unenforceable, but shall not invalidate or render unenforceable any other provision hereof.

Section 15.5. Amounts Remaining in the Bond Fund and Debt Service Reserve Fund; Dissolution. It is agreed by the parties hereto that any amounts remaining in the Bond Fund and the Debt Service Reserve Fund upon expiration or sooner termination of the Lease Term, as provided in this Master Lease, after payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture) and the fees and expenses of Trustee and any paying agents in accordance with the Indenture and all other amounts due under the Indenture and payment of all Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations, shall belong to and be paid to the City by the Trustee as an overpayment of Base Rentals and Additional Rentals. Upon dissolution of the Authority, after payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Indenture) and payment in full of other obligations of the Authority, Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations any assets and net earnings of the Authority shall be paid to the City in accordance with the Building Authority Act.

Section 15.6. Amendments, Changes and Modifications. Subsequent to the issuance of the Bonds and prior to their payment in full (or provision for the payment thereof having been made in accordance with the provisions of the Indenture), and except as otherwise herein expressly provided, this Master Lease may not be effectively amended, changed, modified, altered or terminated without the written consent of the Trustee and any Security Instrument Issuer in accordance with provisions of the Indenture.

Section 15.7. Execution in Counterparts. This Master Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 15.8. Net Lease. This Master Lease shall be deemed and construed to be a "net lease," and the City shall pay absolutely net during the Lease Term the Base Rentals, Additional Rentals and all other payments required hereunder, free of any deductions, and without abatement, deduction or setoff, other than those herein expressly provided.

Section 15.9. Applicable Law. This Master Lease shall be governed by and construed in accordance with the laws of the State.

Section 15.10. Captions. The captions or headings in this Master Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Sections of this Master Lease.

Section 15.11. No Personal Liability. No person executing this Master Lease or any of the Bonds, the Indenture or the Security Documents shall be subject to personal liability or accountability by reason of such action or the issuance of the Bonds.

IN WITNESS WHEREOF, the Authority has caused this Master Lease to be executed in its corporate name with its corporate seal hereunto affixed and attested by a duly authorized officer. The City has executed this Master Lease in its name with its seal hereunto affixed and attested by a duly authorized officer. All of the above occurred as of the date first above written.

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

(SEAL)

By: Dawn Ramsey
Its: Chair/President

ATTEST AND COUNTERSIGN:

By: Anna Crookston
Its: Secretary-Treasurer

THE CITY OF SOUTH JORDAN

By: Dawn Ramsey
Its: Mayor

(SEAL)

ATTEST AND COUNTERSIGN:

By: Anna Crookston
Its: City Recorder

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

On _____________, 2026, Dawn Ramsey and Anna Crookston, the Chair/President and Secretary-Treasurer, respectively, of the Municipal Building Authority of the City of South Jordan, Utah, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to on this instrument, and acknowledged that they executed the same.

____
NOTARY PUBLIC

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

On _____________, 2026, Dawn Ramsey and Anna Crookston, the Mayor and City Recorder, respectively, of the City of South Jordan, Utah, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to on this instrument, and acknowledged that they executed the same.

____
NOTARY PUBLIC

EXHIBIT A

PROJECT DESCRIPTION

The acquisition and construction of a fire station and related improvements.

EXHIBIT B

PROJECT SITES

All real property located or the land located in Salt Lake County, Utah, described as follows:

EXHIBIT C

FORM OF REQUISITION

RE: The Municipal Building Authority of the City of South Jordan, Utah Lease Revenue [Refunding] Bonds, Series __________ in the sum or $______________

U.S. Bank Trust Company, National Association
[____________________
Salt Lake City, UT 84___]

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

REQUISITION NUMBER: _________________________

NAME AND ADDRESS OF PAYEE:

____

____

____

AMOUNT: $____________________

PURPOSE FOR WHICH EXPENSE HAS BEEN INCURRED (bill or statement of account or summary of expenses to be reimbursed to City attached; partial release from all contractors, subcontractors and suppliers who have provided services or materials to the Series ____ Project on file with the City):

____

____

____

Each obligation, item of cost, or expense mentioned herein has been properly incurred, is a proper charge against [the __________ Subaccount of] the Series ____ Construction Account of the Construction Fund, has not been the basis for a previous withdrawal, constitutes a Cost of Acquisition and Construction of the Series ____ Project and will be used to acquire, purchase, construct, install or improve the Series ____ Project.

There has not been filed or served upon the Authority or the City, notice of any lien, right to lien, attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to any of the persons named in this Requisition, which has not been released or will not be released simultaneously with such payment, other than materialmen's or mechanics' liens accruing by operation of law which will not be released until final payment is made.

Performance, labor, materials and other bonds as required in the Master Lease have been obtained by each contractor or subcontractor to whom payment is to be made pursuant to this Requisition.

DATED ___________________________

THE CITY OF SOUTH JORDAN, UTAH

By: _________________________________

Its: _________________________________

EXHIBIT D

BASE RENTAL PAYMENT SCHEDULE

Date	Principal	Interest	Total

EXHIBIT E

SECURITY DOCUMENTS

WHEN RECORDED, RETURN TO:

Randall M. Larsen
Gilmore & Bell, P.C.
15 W. South Temple, Suite 1400
Salt Lake City, Utah 84101

Tax Parcel ID[s]:
[___________]
[___________]

LEASEHOLD DEED OF TRUST, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT

THIS LEASEHOLD DEED OF TRUST, ASSIGNMENT OF RENTS AND SECURITY AGREEMENT ("Deed of Trust") is made as of [________, 2026], by and among the Municipal Building Authority of the City of South Jordan, Utah, a nonprofit corporation duly organized under the laws of the State of Utah ("Trustor") whose address for purposes of this agreement is 1600 W. Towne Center Drive, South Jordan, Utah 84095; and [Title Company], whose place of business is [Title Company Address] ("Trustee") as trustee under this Deed of Trust, and U.S. Bank Trust Company, National Association, whose place of business is [__________________, Salt Lake City, Utah 84___] (the "Beneficiary"), as trustee under a General Indenture of Trust dated as of [________, 2026] (the "General Indenture") as supplemented by a First Supplemental Indenture of Trust dated as of [________, 2026] (the "First Supplemental Indenture" and together with the General Indenture, the "Indenture") executed in connection with the issuance of the [$__________] Municipal Building Authority of the City of South Jordan, Utah, Lease Revenue Bonds, Series 2026 (the "Series 2026 Bonds").

W I T N E S S E T H:

FOR GOOD AND VALUABLE CONSIDERATION, including the indebtedness herein recited and the trust herein created, the receipt of which is hereby acknowledged, Trustor hereby irrevocably grants, transfers, assigns, conveys and warrants to Trustee for the benefit of the Beneficiary, IN TRUST, WITH POWER OF SALE, under and subject to the terms and conditions hereinafter set forth, that estate created by and all right, title and interest of the Trustor as lessee under that certain Ground Lease Agreement dated as of [________, 2026] (the "Ground Lease"), by and between the City of South Jordan, (the "City") as lessor and Trustor as lessee, which Ground Lease demises and leases that property situated in Salt Lake County, Utah described in Exhibit A attached hereto (the "Property"), including, but not limited to, all of Trustor's right, title and interest in and to all the improvements on said Property and appurtenances. The interests of Trustor in the Property as described in the attached Exhibit A and all of the improvements and appurtenances relating thereto are collectively referred to hereinafter as the "Project";

TOGETHER WITH all rents, issues, profits, privileges, licenses, royalties, income and other benefits derived from the Project (collectively the "rents");

TOGETHER WITH all right, title and interest of Trustor in and to all leases or subleases covering the Project or any portion thereof now or hereafter existing or entered into, and all right, title and interest of Trustor thereunder, including, without limitation, all cash or security deposits, advance rentals, and deposits and payments of similar nature;

TOGETHER WITH all right, title and interest of Trustor in and to all options to purchase or lease the Project or any portion thereof or interest thereon, and any greater estate in the Project owned or hereafter acquired;

TOGETHER WITH all interests, estate or other claims, both in law and in equity, which Trustor now has or may hereafter acquire in the Project;

TOGETHER WITH all right, title and interest of Trustor in and to all easements, rights-of-way and rights used in connection with or as a means of access thereto, and all tenements, hereditaments and appurtenances thereof and thereto;

TOGETHER WITH all right, title and interest of Trustor, now owned or hereafter acquired, in and to any land lying within the right-of-way of any street, open or proposed, adjoining the Project, and any and all sidewalks, alleys and strips and gores of land adjacent to or used in connection with the Project;

TOGETHER WITH all right, title and interest of Trustor in and to any and all buildings and improvements now or hereafter erected on the Property, including, but not limited to, the fixtures, fittings, and other articles attached to said buildings and improvements financed or refinanced with proceeds of the Series 2026 Bonds or any Additional Bonds or Refunding Bonds (these and all terms herein commencing with initial capital letters and not otherwise defined herein shall have meanings as defined in the Indenture), including but not limited to all machinery, equipment, material, appliances and fixtures now or hereafter installed or placed in said buildings or on the Property, together with all substitutions, replacements and renewals thereof, for the generation or distribution of air, water, heat, electricity, light, fuel or refrigeration or for ventilating or air conditioning purposes or for sanitary or drainage purposes, for the removal of dust, refuse or garbage, and including stoves, ranges, cabinets, laundry equipment, all elevators, awnings, window shades, venetian blinds, drapery rods and brackets, screens, floor coverings, including all rugs and carpets attached to floors, lobby furnishings and incinerators and all other similar items and things; all of the items and things so specified and all other similar items or things, whether now or hereafter placed on the Property, being hereby declared to be, and in all circumstances, shall be construed to be, for and in connection with the purposes and powers of this Deed of Trust, things affixed to and a part of the Project described herein; the specific enumerations herein not excluding the general (the "Improvements"); excepting any personal property or fixtures of any tenant which are not financed or refinanced with proceeds of the Series 2026 Bonds or any Additional Bonds or Refunding Bonds (the Series 2026 Bonds and Additional Bonds and Refunding Bonds are collectively referred to herein as the "Bonds"); and

TOGETHER WITH all the estate, interest, right, title and other claim or demand, including claims or demands with respect to the proceeds of insurance in effect with respect thereof, which Trustor now has or may hereafter acquire in the Project, and any and all awards made for the taking from the Trustor by eminent domain, or by any proceeding or purchase in lieu thereof, of the whole or any part of the Project, including without limitation any awards resulting from a change of grade of streets and awards for severance damages; and

TOGETHER WITH all right, title and interest of Trustor in and to all tangible personal property financed or refinanced with proceeds of the Series 2026 Bonds or any Additional Bonds or Refunding Bonds (the "Personal Property") owned by Trustor and now or at any time hereafter located on or at the Project or used in connection therewith, including, but not limited to: furnishings, machinery and equipment, together with all substitutions, replacements and renewals thereof.

The entire estate, Property and interest hereby conveyed to Trustee as described above may hereafter be referred to as the "Trust Estate." Notwithstanding the breadth of the foregoing, the property covered by this Deed of Trust shall not include: (i) personal property which may be owned by lessees or other occupants of any portion of the Project, rather than by Trustor, or which may be leased by such lessees or other occupants from a party other than Trustor; or (ii) material, equipment, tools, machinery or other personal property which has been brought upon the Project only for use in construction, maintenance or repair and which is not intended to remain after the completion of such construction, maintenance or repair, and which is not necessary for occupancy, maintenance or use of the Project or the improvements thereon, provided, however, that this provision shall not limit Trustor's right to assert a landlord's lien against a defaulting tenant.

FOR THE PURPOSES OF SECURING:

(A) (1) Payment of the principal, interest and premium, if any, of the Series 2026 Bonds of Trustor, issued pursuant to the Indenture, and payable at the times, in the manner and with interest and premium, if any, as therein set forth, and any extensions and/or renewals or modifications thereof; (2) payment of the principal, interest and premium, if any, on any Additional Bonds or Refunding Bonds issued pursuant to the Indenture, and payable at the times, in the manner and with interest and premium as therein set forth, and any extensions and/or renewals or modifications thereof; (3) the performance of each agreement of Trustor contained in the Bonds, the Indenture, the Master Lease with respect to the Project and this Deed of Trust and any other instrument securing payment of the Bonds; and (4) the payment of all sums expended or advanced by Beneficiary under or pursuant to the terms of this Deed of Trust (including, but not limited to the payments outlined in Sections 1.11 and 1.18 of this Deed of Trust), any other instrument securing payment of the Bonds, the Indenture or the Master Lease, together with interest thereon as provided in the Indenture.

(B) Performance of all obligations of Trustor under the Indenture and each agreement of Trustor incorporated by reference therein or herein, or contained therein or herein.

(C) Performance of all obligations of Trustor contained in this Deed of Trust, the Bonds, the Indenture and any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby.

This Deed of Trust, the Bonds, the Indenture, the Ground Lease, the Master Lease and any other instrument given to evidence or further secure the payment and performance of any obligation secured hereby may hereafter be referred to as the "Loan Instruments."

TO PROTECT THE SECURITY OF THE LOAN INSTRUMENTS TRUSTOR HEREBY COVENANTS AND AGREES AS FOLLOWS:

ARTICLE I

COVENANTS AND AGREEMENTS OF TRUSTOR

Section 1.1 Payment of Secured Obligations. Trustor hereby covenants and agrees to pay when due the principal of, premium, if any, and the interest on, the indebtedness evidenced by the Bonds (as set forth therein), all charges, fees and all other sums as provided in the Loan Instruments, and the principal of, and interest on, any future advances secured by this Deed of Trust.

Section 1.2 Maintenance, Repair. Alterations. Trustor hereby covenants and agrees to keep the Trust Estate or cause the Trust Estate to be kept in good condition and repair; not to remove, demolish or materially alter (except such alterations as may be required by laws, ordinances or regulations) any buildings or fixtures constituting part of the Improvements in such a manner as to in any way damage the Improvements or in any way reduce the fair rental value of the Improvements to less than the fair rental value of the Improvements immediately prior to such alteration; to complete promptly and in good and workmanlike manner any improvement which may be constructed on the Project and, to the extent provided in the Indenture and in the Master Lease, promptly restore in like manner any Improvements which may be damaged or destroyed thereon, and to pay when due all claims for labor performed and materials furnished therefor, to comply with all laws, ordinances, regulations, covenants, conditions and restrictions now or hereafter affecting the Trust Estate or any part thereof or requiring any alterations or improvements; not to commit or permit any waste or deterioration of the Trust Estate, to keep and maintain or cause to be kept and maintained, grounds, sidewalks, roads, parking and landscaped areas in good and neat order and repair; not to commit, suffer or permit any act to be done in or upon the Trust Estate in violation of any law, ordinance or regulation. Trustee, upon presentation to it of an affidavit signed by Beneficiary, setting forth facts showing a default by Trustor under this Section 1.2, is authorized to accept as true and conclusive all facts and statements therein, and to act thereon hereunder.

Section 1.3 Required Insurance. Trustor hereby covenants and agrees to at all times provide, maintain and keep in force or cause to be kept in force such insurance as is set forth in Article IX of the Master Lease with respect to the Improvements.

Section 1.4 Payment of Premiums. In the event Trustor fails to provide (as may be evidenced by certificate), maintain, keep in force or deliver and furnish to Beneficiary policies of insurance required by Article IX of the Master Lease, Beneficiary, in addition to all other rights it may have hereunder, including, without limitation, those set forth in Article III hereof, may, but shall not be required to, procure such insurance or single interest insurance for such risks covering Beneficiary's interest, and Trustor will pay, or cause to be paid, all premiums thereon promptly upon demand by Beneficiary, and until such payment is made by Trustor therefor the amount of all such premiums which have been paid by Beneficiary shall bear interest at a rate per annum provided in Article IX of the Master Lease. Trustor shall, upon Beneficiary's reasonable request, deposit, or cause to be deposited, with Beneficiary in monthly installments, an amount equal to one-twelfth of the estimated aggregate annual insurance premiums on all policies of insurance required by this Deed of Trust. Trustor further agrees, upon Beneficiary's request, to cause all bills, statements or other documents relating to the foregoing insurance premiums to be sent or mailed directly to Beneficiary. Upon receipt of such bills, statements or other documents, and provided Trustor has deposited sufficient funds with Beneficiary pursuant to this Section 1.4, Beneficiary shall pay such amounts as may be due thereunder out of the funds so deposited with Beneficiary. If at any time and for any reason the funds deposited with Beneficiary are or will be insufficient to pay such amounts as may then or subsequently be due, Beneficiary shall notify Trustor and Trustor shall immediately deposit, or cause to be deposited, an amount equal to such deficiency with Beneficiary. Notwithstanding the foregoing, nothing contained herein shall cause Beneficiary to be deemed a trustee of said funds or to be obligated to pay any amounts in excess of the amount of funds deposited with Beneficiary pursuant to this Section 1.4.

Section 1.5 Insurance Proceeds. After the happening of any casualty to the Trust Estate or any part thereof, Trustor shall give prompt written notice thereof to Beneficiary.

(a) In the event of any damage or destruction of the Project, Trustor shall apply the insurance proceeds in the manner set forth in Article X of the Master Lease.

(b) In the event of such loss or damage, all proceeds of insurance shall be payable pursuant to subparagraph (a) above. Except as otherwise provided in the Master Lease, Trustor may settle, adjust or compromise any claims for loss, damage or destruction under any policy or policies of insurance only with written approval of Beneficiary, but subject to the rights of Bondholders under the Indenture.

(c) Except to the extent that insurance proceeds are received by Trustor and applied to the indebtedness secured hereby, pursuant to the Indenture and the Master Lease, nothing herein contained shall be deemed to excuse Trustor from repairing or maintaining the Trust Estate as provided in Section 1.2 hereof or restoring all damage or destruction to the Trust Estate, regardless of whether or not there are insurance proceeds available or whether any such proceeds are sufficient in amount, and the application or release by Beneficiary of any insurance proceeds shall not cure or waive any default or notice of default under this Deed of Trust or invalidate any act done pursuant to such notice.

Section 1.6 Assignment of Policies Upon Foreclosure. In the event of foreclosure of this Deed of Trust or other transfer of title or assignment of the Trust Estate in extinguishment, in whole or in part, of the debt secured hereby, all right, title and interest of Trustor in and to all policies of insurance required by this Deed of Trust shall inure to the benefit of and pass to the successor in interest to Trustor or the purchaser or grantee of the Trust Estate.

Section 1.7 Indemnification; Subrogation; Waiver of Offset.

(a) If Beneficiary is made a party defendant to any litigation, commenced by anyone other than Trustor, concerning this Deed of Trust or the Trust Estate or any part thereof or interest therein, or the occupancy thereof by Trustor, except in cases of fraud, gross negligence or willful misconduct on the part of Beneficiary, then Trustor shall, to the extent permitted by law, indemnify, defend and hold Beneficiary harmless from and against all liability by reason of said litigation (including any appeals), including reasonable attorneys' fees and expenses incurred by Beneficiary in any such litigation, whether or not any such litigation is prosecuted to judgment. If Beneficiary commences an action against Trustor to enforce any of the terms hereof or because of the breach by Trustor of any of the terms hereof, or for the recovery of any sum secured hereby, Trustor shall pay to Beneficiary reasonable attorneys' fees and expenses actually incurred (including Beneficiary's attorney's fees and costs associated with all appeals), and the right to such attorney's fees and expenses shall be deemed to have accrued on the commencement of such action, and shall be enforceable whether or not such action is prosecuted to judgment. If Trustor breaches any term of this Deed of Trust, Beneficiary may employ an attorney or attorneys to protect its rights hereunder, and in the event of such employment following any breach by Trustor, Trustor shall pay Beneficiary reasonable attorney's fees and expenses incurred by Beneficiary (including those associated with any appeal), whether or not an action is actually commenced against Trustor by reason of breach.

(b) Trustor waives any and all right to claim or recover against Beneficiary, its officers, employees, agents and representatives, for loss or damage to Trustor, the Trust Estate, Trustor's property or the property of others under Trustor's control from any cause insured against or required to be insured against by the provisions of this Deed of Trust.

(c) All sums payable by Trustor hereunder shall be paid without notice, demand, counterclaim, setoff, recoupment, deduction or defense (except payment) and without abatement, suspension, deferment, diminution or reduction, and the obligations and liabilities of Trustor hereunder shall in no way be released, discharged or otherwise affected (except as expressly provided herein) by reason of: (i) any damage to or destruction of or any condemnation or similar taking of the Trust Estate or any part thereof; (ii) any restriction or prevention of or interference with any use of the Trust Estate or any part thereof; (iii) any title defect or encumbrance or any eviction from the Project or any part thereof by title paramount or otherwise; or (iv) any bankruptcy, insolvency, reorganization, composition, adjustment, dissolution, liquidation or other like proceeding relating to Beneficiary, or any action taken with respect to this Deed of Trust by any trustee or receiver of Beneficiary, or by any court, in any such proceeding; whether or not Trustor shall have notice or knowledge of any of the foregoing.

Section 1.8 Taxes and Impositions.

(a) Trustor agrees to pay, prior to delinquency, all real property taxes and assessments, general and special, and all other taxes and assessments of any kind or nature whatsoever, including without limitation non-governmental levies or assessments such as maintenance charges, association dues or charges or fees, and levies or charges resulting from covenants, conditions and restrictions affecting the Trust Estate, which are assessed or imposed upon the Trust Estate or become due and payable, and which create or may create a lien upon the Trust Estate, or any part thereof, or upon any equipment or other facility used by Trustor in the operation or maintenance thereof (all of which taxes, assessments and other governmental charges of like nature are hereinafter referred to as "Impositions"); provided, however, that if, by law, any such Imposition is payable, or may at the option of the taxpayer be paid, in installments, Trustor may pay the same together with any accrued interest on the unpaid balance of such Imposition in installments as the same become due and before any fine, penalty, interest or cost may be added thereto for the nonpayment of any such installment and interest.

(b) If any time after the date hereof there shall be assessed or imposed (i) a tax or assessment on the Trust Estate in lieu of or in addition to the Impositions payable by Trustor pursuant to subparagraph (a) hereof, or (ii) a license fee, tax or assessment imposed on Beneficiary and measured by or based in whole or in part upon the amount of the outstanding obligations secured hereby, then all such taxes, assessments, or fees shall be deemed to be included within the term "Impositions" as defined in subparagraph (a) hereof, and Trustor shall pay and discharge the same as herein provided with respect to the payment of Impositions. Anything to the contrary notwithstanding, Trustor shall have no obligation to pay any franchise, estate, inheritance, income, excess profits or similar tax levied on Beneficiary or on the obligations secured hereby.

(c) Trustor covenants to furnish Beneficiary within thirty (30) days after the date upon which any such Imposition is due and payable by Trustor, official receipts of the appropriate taxing authority or other proof satisfactory to Beneficiary, evidencing the payment thereof.

(d) Trustor covenants and agrees not to suffer, permit or initiate the joint assessment of the real and personal property, or any other procedure whereby the lien of the real property taxes and the lien of the personal property taxes shall be assessed, levied or charged to the Trust Estate as a single lien.

(e) If requested by Beneficiary, Trustor shall cause to be furnished to Beneficiary a tax reporting service covering the Trust Estate of the type, duration and with a company satisfactory to Beneficiary.

(f) Trustor has the right to contest Impositions to the extent permitted by Section 9.3 of the Master Lease.

Section 1.9 Utilities. Trustor hereby covenants and agrees to pay when due all utility charges which are incurred by Trustor for the benefit of the Trust Estate or which may become a charge or lien against the Trust Estate for gas, electricity, water or sewer services furnished to the Trust Estate and all other assessments or charges of a similar nature, whether public or private, affecting the Trust Estate or any portion thereof, whether or not such taxes, assessments or charges are liens thereon.

Section 1.10 Actions Affecting Trust Estate. Trustor hereby covenants and agrees to appear in and contest any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee; and to pay all costs and expenses, including cost of evidence title and attorney's fees, in any such action or proceeding in which Beneficiary or Trustee may appear.

Section 1.11 Actions by Trustee and/or Beneficiary to Preserve Trust Estate. Should Trustor fail to make any payment or to do any act as and in the manner provided in any of the Loan Instruments, Beneficiary and/or Trustee, each in its own discretion, without obligation so to do but without releasing Trustor from any obligations, may make or do the same in such manner and to such extent as either may deem necessary to protect the security hereof. In connection therewith (without limiting their general powers), Beneficiary and/or Trustee shall have and are hereby given the right, but not the obligation (i) to enter upon and take possession of the Trust Estate; (ii) to make additions, alterations, repairs and improvements to the Trust Estate which they or either of them may consider necessary or proper to keep the Trust Estate in good condition and repair; (iii) to appear and participate in any action or proceeding affecting or which may affect or appears to affect the security of this Deed of Trust (including condemnation or eminent domain proceedings) or which may result in the creation of any lien (except the lien created by the Indenture) against the Trust Estate; and (iv) in exercising such powers, to pay necessary expenses, including employment of counsel or other necessary or desirable consultants. Trustor shall, immediately upon demand therefor by Beneficiary, pay all costs and expenses incurred by Beneficiary in connection with the exercise by Beneficiary of the foregoing rights, including without limitation, costs of evidence of title, court costs, appraisals, surveys and attorney's fees, together with interest thereon accruing at the rate set forth in the Indenture.

Section 1.12 Survival of Warranties. Subject to the limitations set forth in Section 5.9 herein, Trustor hereby covenants and agrees to fully and faithfully satisfy and perform the obligations of Trustor contained in the Loan Instruments and each agreement of Trustor incorporated by reference therein or herein, and any modification or amendment thereof. All representations, warranties and covenants of Trustor contained therein or incorporated by reference shall survive funding of the loan evidenced by the Bonds and shall remain continuing obligations, warranties and representations of Trustor during any time when any portion of the obligations secured by this Deed of Trust remain outstanding.

Section 1.13 Eminent Domain. Should the Trust Estate, or any material part thereof or interest therein, be taken from Trustor or damaged by reason of any public improvement or condemnation proceeding, or in any other manner ("Condemnation"), or should Trustor receive any notice or other information regarding such proceeding, Trustor shall give prompt written notice thereof to Beneficiary and all proceeds payable therefrom shall be utilized in the manner set forth in Article X of the Master Lease.

Section 1.14 Additional Security. In the event Beneficiary at any time holds additional security for any of the obligations secured hereby, it may enforce the sale thereof or otherwise realize upon the same, at its option, either before or concurrently herewith or after a sale is made hereunder.

Section 1.15 Appointment of Successor Trustee. Beneficiary may, from time to time, by complying with the provisions of the applicable law of the State of Utah substitute a successor or successors to the Trustee named herein or acting hereunder.

Section 1.16 Successors and Assigns. This Deed of Trust applies to, inures to the benefit of and binds all parties hereto, their heirs, legatees, devisees, administrators, executors, successors and assigns. The term "Beneficiary" shall be deemed to include the Registered Owners of the Bonds and any trustee therefor, whether or not named as Beneficiary herein.

Section 1.17 Inspections. Beneficiary, or his agents, representatives or workmen, are authorized to enter at any reasonable time upon or in any part of the Trust Estate for the purpose of inspecting the Trust Estate and performing any of the acts it is authorized to perform under the terms of any of the Loan Instruments.

Section 1.18 Liens. Trustor hereby covenants and agrees to pay and promptly discharge in accordance with the terms thereof or of the indebtedness secured thereby, at Trustor's cost and expense, all liens, encumbrances and charges upon the Trust Estate, or any part thereof or interest therein; provided that the existence of any mechanic's, laborer's, materialman's, supplier's or vendor's lien or right thereto shall not constitute a violation of this Section 1.18 if payment is not yet due under the contract which is the foundation thereof and if such contract does not postpone payment for more than 60 days after the performance thereof. Trustor shall have the right to contest in good faith the validity of any such lien, encumbrance or charge. In the event of any such contest, the Trustor may permit the lien, encumbrance or charge so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Trustee or Beneficiary shall notify the Trustor that, in the opinion of Independent Counsel, by nonpayment of any such items the security afforded pursuant to the Indenture and the Master Lease or this Deed of Trust will be materially endangered or the Trust Estate or any portion thereof will be subject to loss or forfeiture, in which event such lien, encumbrance or charge shall be paid forthwith. Prior to commencing such contest, Trustor shall first deposit, or cause to be deposited, with Beneficiary, or in court, a bond or other security satisfactory to Beneficiary, at Beneficiary's election, in such amounts as Beneficiary shall reasonably require, but not more than one hundred ten percent (110%) of the amount of the claim, and provided further that Trustor shall thereafter diligently proceed to cause such lien, encumbrance or charge to be removed and discharged. If Trustor shall fail to discharge any such lien, encumbrance or charge, then, in addition to any other right or remedy of Beneficiary, Beneficiary may, but shall not be obligated to, discharge or purchase the same, either by paying the amount claimed to be due, or by procuring the discharge of such lien by depositing in court a bond or the amount claimed or otherwise giving security for such claim, or in such manner as is or may be prescribed by law.

Section 1.19 Trustee's Powers. At any time, or from time to time, without liability therefor, and without notice, upon written request of Beneficiary and presentation of this Deed of Trust, and without affecting the personal liability of any person for payment of the indebtedness secured hereby or the effect of this Deed of Trust upon the remainder of said Trust Estate, Trustee may, (i) reconvey any part of said Trust Estate; (ii) consent in writing to the making of any map or plat thereof; or (iii) join in granting any easement or creating any restriction affecting this Deed of Trust or any agreement subordinating the lien or charge hereof, subject to the rights of Bondholders under the Indenture.

Section 1.20 Beneficiary's Powers. Without affecting the liability of any other person liable for the payment of any obligation herein mentioned, and without affecting the lien or charge of this Deed of Trust upon any portion of the Trust Estate not then or theretofore released as security for the full amount of all unpaid obligations, Beneficiary may, from time to time and without notice (i) release any person so liable, (ii) extend the maturity or alter any of the terms of any such obligation, (iii) grant other indulgences, (iv) release or reconvey, or cause to be released or reconveyed at any time at Beneficiary's option any parcel, portion or all of the Trust Estate, (v) take or release any other or additional security for any obligation herein mentioned, or (vi) make compositions or other arrangements with debtors in relation thereto. Trustor hereby consents to the foregoing powers and rights of Beneficiary, and, to the extent permitted by law, waives any right to assert that such actions by the Beneficiary shall constitute a breach by the Beneficiary under this Deed of Trust, under any of the Loan Instruments or under applicable law.

ARTICLE II

ASSIGNMENT OF RENTS, ISSUES AND PROFITS

Section 2.1 Assignment of Rents. Trustor hereby assigns and transfers to Beneficiary all the rents, issues and profits of the Trust Estate, and hereby gives to and confers upon Beneficiary the right, power and authority to collect such rents, issues and profits. Trustor irrevocably appoints Beneficiary its true and lawful attorney-in-fact, at the option of Beneficiary at any time and from time to time, to demand, receive and enforce payment, to endorse instruments payable to Trustor, and to give receipts, releases and satisfactions for all such rents, issues and profits and apply the same to the indebtedness secured hereby. The assignment of the rents, issues and profits of the Trust Estate in this Article II is intended to be an absolute assignment from Trustor to Beneficiary and not merely the passing of a security interest.

Section 2.2 Collection Upon Default. Upon any event of default under any of the Loan Instruments, and after the passage of any applicable grace period, Beneficiary may, at any time without notice, either in person, by agent or by a receiver appointed by a court, and without regard to the adequacy of any security for the indebtedness hereby secured, enter upon and take possession of the Trust Estate, or any part thereof, and in its own name sue for or otherwise collect such rents, issues and profits of the Trust Estate, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection, including attorneys' fees, upon any indebtedness secured hereby, and in such order as Beneficiary may determine, subject to the rights of Bondholders under the Indenture. The collection of rents, issues and profits, or the entering upon and taking possession of the Trust Estate, or the application thereof as aforesaid, shall not cure or waive any default, notice of default, or notice of sale hereunder or invalidate any act done in response to such default or pursuant to such notice of default. Failure or discontinuance by Beneficiary at any time or from time to time to collect any such rents, issues or profits shall not in any manner affect the subsequent enforcement by Beneficiary of the right, power and authority to collect the same.

ARTICLE III

SECURITY AGREEMENT

Section 3.1 Creation of Security Interest. Trustor hereby grants to Beneficiary a security interest in the Personal Property for the purpose of securing all obligations of Trustor contained in any of the Loan Instruments or herein. This Deed of Trust shall be deemed the

Security Agreement as defined in the Uniform Commercial Code of Utah and the remedies for any violation of the covenants, terms and conditions of the agreements herein contained shall be (i) as prescribed herein, or (ii) as provided by general law, or (iii) as to such part of the security which is also reflected in any financing statement or statements (the "Financing Statement") as provided by the specific statutory consequences now or hereafter enacted and specified in the Uniform Commercial Code of Utah, all at Beneficiary's sole election, subject to the rights of Bondholders, under the Indenture. The mention in any such Financing Statement of (1) the rights in or the proceeds of any fire and/or hazard insurance, (2) any award in eminent domain proceedings for a taking or for loss of value, or (3) the Trustor' s interest as lessor in any present or future lease or rights to income growing out of the use and/or occupancy of the premises shall never be construed as in any wise altering any of the rights of Beneficiary as determined by this Deed of Trust or impugning the priority of the Beneficiary's lien granted hereby or by any other recorded document, but such mention in the Financing Statement is declared to be for the protection of Beneficiary in the event any court or judge shall at any time with respect to (1), (2) or (3) rule that notice of Beneficiary's priority of interest to be effective against a particular class of persons, divisions or entity of the Federal Government, must be filed in the Uniform Commercial Code records.

Section 3.2 Warranties, Representations and Covenants of Trustor. Trustor hereby warrants, represents and covenants as follows:

Trustor is, and as to portions of the Personal Property to be acquired after the date hereof will be, the sole owner of the Personal Property, free from any adverse lien, security interest, encumbrance or adverse claims thereon of any kind whatsoever except for the Permitted Encumbrances defined in the Master Lease and except for the security interest granted hereby. Trustor will notify Beneficiary of, and will defend the Personal Property against, all claims and demands of all persons at any time claiming the same or any interest therein.

Trustor will not sell the Personal Property without the prior written consent of Beneficiary unless said personal property is promptly replaced by personal property of like quality and value.

The Personal Property is not used or bought for personal, family or household purposes.

The Personal Property (with the exception of funds held by Beneficiary) will be kept on or at the Project and, except as otherwise provided in the Master Lease, Trustor will not remove the Personal Property from the Project without the prior written consent of Beneficiary, except such portions or items of Personal Property which are consumed or worn out in ordinary usage, all of which shall be promptly replaced by Trustor.

Trustor maintains a place of business in the State of Utah and Trustor will immediately notify Beneficiary in writing of any change in its place of business as set forth in the beginning of this Deed of Trust.

At the request of Beneficiary, Trustor will join Beneficiary in executing one or more financing statements, continuation statements and renewals and amendments thereof pursuant to the Uniform Commercial Code of Utah in form satisfactory to Beneficiary, and will pay the cost of filing the same in all public offices wherever filing is deemed by Beneficiary to be necessary or desirable.

All covenants and obligations of Trustor contained herein relating to the Trust Estate shall be deemed to apply to the Personal Property whether or not expressly referred to herein.

ARTICLE IV

REMEDIES UPON DEFAULT

Section 4.1 Events of Default. Any of the following events shall be deemed an event of default hereunder.

(a) Default shall be made in the payment of any installment of principal or interest or any other sum secured hereby; or

(b) There shall occur an Event of Default set forth in Section 9.1 of the Indenture, or 14.1 of the Master Lease or any other default under any of the Loan Instruments, including but not limited to any breach in the due observance or performance of any covenant, condition or agreement contained therein.

Section 4.2 Acceleration Upon Default, Additional Remedies. Time is of the essence hereof. In the event of any event of default hereunder, Beneficiary may declare all indebtedness secured hereby to be due and payable by written notice to the Trustor as outlined in Section 9.2 of the General Indenture and the same shall thereupon become due and payable without presentment, demand, protest or notice of any kind. Thereafter Beneficiary may exercise any or all of the following remedies, or any other remedies which Beneficiary is entitled to under any of the Loan Instruments or applicable law:

(a) Either in person or by agent, with or without bringing any action or proceeding, or by a receiver appointed by a court and without regard to the adequacy of its security, enter upon and take possession of the Trust Estate, or any part thereof, in its own name or in the name of Trustee, and do any acts which it deems necessary or desirable to preserve the value, marketability or rentability of the Trust Estate, or a part thereof or interest therein, increase the income therefrom or protect the security hereof and, with or without taking possession of the Trust Estate, sue for or otherwise collect the rents, issues and profits thereof, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including attorney's fees, upon any indebtedness secured hereby, all in such order as Beneficiary may determine, subject to the rights of the Bondholders under the Indenture. The entering upon and taking possession of the Trust Estate, the collection of such rents, issues and profits and the application thereof as aforesaid, shall not cure or waive any default or notice of default hereunder or invalidate any act done in response to such default or pursuant to such notice of default and, notwithstanding the continuance in possession of the Trust Estate or the collection, receipt and application of rents, issues or profits, Trustee and/or Beneficiary shall be entitled to exercise every right provided for in any of the Loan Instruments or by law upon occurrence of any event of default, including the right to exercise the power of sale;

(b) Commence an action to foreclose this Deed of Trust as a mortgage, appoint a receiver, or specifically enforce any of the covenants hereof; and/or

(c) Cause Trustor' s interest in the Trust Estate to be sold by the Trustee under the power of sale set forth herein.

Section 4.3 Foreclosure by Power of Sale. Should Beneficiary elect to foreclose by exercise of the power of sale herein contained, Beneficiary shall notify Trustee and shall deposit with Trustee this Deed of Trust and such receipts and evidence of expenditures made and secured hereby as Trustee may require; provided, however, that the Trustee shall also notify the City of the Event of Default and of the City's right, within 90 days following its receipt of such notice, to exercise its option and purchase the Project as more fully outlined in Section 9.2 of the General Indenture and Article XII of the Master Lease. If the City fails to exercise such option and purchase the Project on or prior to the expiration of such 90-day period, the Trustee shall proceed as follows:

(a) Trustee shall exercise on behalf of Beneficiary the power of sale granted herein by complying with all requirements of applicable law. Trustee shall execute and deliver to the purchaser or purchasers of the Trust Estate its good and sufficient deed or deeds conveying the property so sold, but without any covenant or warranty, express or implied. The recitals in such deed of any matters or facts shall be conclusive proof of the truthfulness thereof. Any person, including without limitation, Trustor, Trustee or Beneficiary, may purchase at such sale and Trustor hereby covenants to warrant and defend the title of such purchaser or purchasers from claims arising by, through or under Trustor.

(b) After deducting all costs, fees and expenses of Trustee and of this trust, including, but not limited to, attorney fees and costs, and costs of evidence of title in connection with the sale, Trustee shall apply the proceeds of sale to payment of: all sums expended under the terms hereof, not then repaid, with accrued interest per annum as set forth in the Indenture; all other sums then secured hereby; and the remainder, if any, to the person or persons legally entitled thereto, or the Trustee, in its discretion, may deposit the balance of such proceeds with the county clerk of the county in which the sale took place.

(c) The person conducting the sale may, for any cause such person deems expedient, postpone the sale in accordance with Utah law and, in every case, notice of such postponement shall be given by public declaration by such person at the time and place last appointed for the sale.

Section 4.4 Foreclosure as Mortgage. Should Beneficiary elect to foreclose this Deed of Trust in the manner provided by law for the foreclosure of mortgages on real property, Beneficiary shall be entitled to recover in such proceeding all costs and expenses incident thereto, including a reasonable attorney's fee in such amount as shall be fixed by the court, including all appeals. To the extent permitted by law, Beneficiary shall be entitled to possession of the Project during any redemption period allowed under the laws of the State of Utah.

Section 4.5 Appointment of Receiver. If any event of default described in Section 4.1 of this Deed of Trust shall have occurred and be continuing, Beneficiary, as a matter of right and without notice to Trustor or anyone claiming under Trustor, and without regard to the then value of the Trust Estate or the interest of Trustor therein, shall have the right to apply to any court having jurisdiction to appoint a receiver or receivers of the Trust Estate, and Trustor hereby irrevocably consents to such appointment and waives notice of any application therefor. Any such receiver or receivers shall have all the usual powers and duties of receivers in like or similar cases and all powers and duties of Beneficiary in case of entry as provided in Section 4.2(a) and shall continue as such and exercise all such powers until the date of confirmation of sale of the Trust Estate unless such receivership is sooner terminated. Beneficiary's rights under this Section 4.5 shall be in addition to, and not a limitation of, Beneficiary's rights under Section 2.2 and 4.2(a) of this Deed of Trust.

Section 4.6 Remedies Not Exclusive. Trustee and Beneficiary, and each of them, shall be entitled to enforce payment and performance of any indebtedness or obligations secured hereby and to exercise all rights and powers under this Deed of Trust, under any Loan Instrument or other agreement, and under any laws now or hereafter in force, notwithstanding that some or all of the said indebtedness and obligations secured hereby may now or hereafter be otherwise secured, whether by mortgage, deed of trust, pledge, lien, assignment or otherwise. Neither the acceptance of this Deed of Trust nor its enforcement whether by court action or pursuant to the power of sale or other powers herein contained, shall prejudice or in any manner affect Trustee's or Beneficiary's right to realize upon or enforce any other security now or hereafter held by Trustee or Beneficiary, it being agreed that Trustee and Beneficiary, and each of them, shall be entitled to enforce this Deed of Trust and any other security now or hereafter held by Beneficiary or Trustee in such order and manner as they or either of them in their absolute discretion determine. No remedy herein conferred upon or reserved to Trustee or Beneficiary is intended to be exclusive of any other remedy herein or by law provided or permitted, but each shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute. Every power or remedy given by any of the Loan Instruments to Trustee or Beneficiary or to which either of them may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by Trustee or Beneficiary and either of them may pursue inconsistent remedies.

Section 4.7 Request for Notice. Trustor hereby requests a copy of any Notice of Default or Notice of Sale hereunder be mailed to it at the address set forth in the first paragraph of this Deed of Trust.

ARTICLE V

MISCELLANEOUS

Section 5.1 Governing Law; Severability of Provisions of Loan Instruments; Waivers, etc. This Deed of Trust shall be governed by the laws of the State of Utah. In the event that any provision of any of the Loan Instruments conflicts with applicable laws, such conflicts shall not affect other provisions of such Loan Instruments which can be given effect without the conflicting provision, and to this end the provisions of the Loan Instruments are declared to be severable. This instrument cannot be waived, changed, discharged or terminated orally, but only by an instrument in writing signed by the parties against whom enforcement of any waiver, change, discharge or termination is sought.

Section 5.2 Limitation of Interest. It is the intent of Trustor and Beneficiary in the execution of this Deed of Trust and the Bonds and all other instruments securing the Bonds to contract in strict compliance with the laws of the State of Utah governing the loan evidenced by the Bonds. In furtherance thereof, Trustor stipulates and agrees that none of the terms and provisions contained in the Loan Instruments shall ever be construed to create a contract for the use, forbearance or detention of money requiring payment of interest at a rate in excess of the maximum interest rate permitted to be charged by the laws of the State of Utah governing the loan evidenced by the Bonds. Trustor or any guarantor, endorser or other party now or hereafter becoming liable for the payment of the Bonds shall never be liable for unearned interest on the Bonds and shall never be required to pay interest on the Bonds at a rate in excess of the maximum interest that may be lawfully charged under the laws of the State of Utah and the provisions of this Section shall control over all other provisions of the Bonds and any other instrument executed in connection herewith which may be in apparent conflict herewith. In the event any holder of the Bonds shall collect monies which are deemed to constitute interest which would otherwise increase the effective interest rate on the Bonds to a rate in excess of that permitted to be charged by the laws of the State of Utah, all such sums deemed to constitute interest in excess of the legal rate shall be immediately returned to the Trustor upon such determination.

Section 5.3 Statements by Trustor. Trustor, within ten (10) days after receiving a request from the Beneficiary, will furnish to Beneficiary a written statement stating the unpaid principal and any interest on the Bonds and any other amounts secured by this Deed of Trust and stating whether any offset or defense exists against such principal and interest.

Section 5.4 Reconveyance by Trustee. Portions of the Property may be released by the Trustee upon compliance with the provisions of Section 11.6 of the Master Lease. Upon written request of Beneficiary stating that all sums secured hereby have been paid, and upon surrender of this Deed of Trust to Trustee for cancellation and retention and upon payment by Trustor of Trustee's fees, Trustee shall reconvey to the person or persons legally entitled thereto, without warranty, any portion of the Trust Estate then held hereunder. The recitals in such reconveyance of any matters or facts shall be conclusive proof of the truthfulness thereof. The grantee in any reconveyance may be described as "the person or persons legally entitled thereto."

Section 5.5 Notices. Whenever Beneficiary, Trustor or Trustee shall desire to give or serve any notice, demand, request or other communication with respect to this Deed of Trust, each such notice, demand, request or other communication shall be in writing and shall be effective only if the same is delivered by personal service or four (4) days after being mailed by registered or certified mail, postage prepaid, return receipt requested, addressed to the address set forth at the beginning of this Deed of Trust. Any party may at any time change its address for such notices by delivering or mailing to the other parties hereto, as aforesaid, a notice of such change.

Section 5.6 Acceptance by Trustee. Trustee shall be deemed to have accepted this Trust when this Deed of Trust, duly executed and acknowledged, is made a public record as provided by law.

Section 5.7 Captions. The captions or headings at the beginning of each Section hereof are for convenience of the parties and are not a part of this Deed of Trust.

Section 5.8 No Merger. If both the Trustor's and Beneficiary's estates in any portion of the Trust Estate shall at any time become vested in one owner, this Deed of Trust and the lien created hereby shall not be destroyed or terminated by application of the doctrine of merger, and in such event, Beneficiary shall continue to have and enjoy all of the rights and privileges of Beneficiary as to the separate estates. In addition, upon the foreclosure of the lien created by this Deed of Trust on the Trust Estate pursuant to the provisions hereof, any leases or subleases then existing and created by Trustor shall not be destroyed or terminated by application of the law of merger or as a matter of law or as a result of such foreclosure unless Beneficiary or any purchaser at any such foreclosure sale shall so elect. No act by or on behalf of Beneficiary or any such purchaser shall constitute a termination of any lease or sublease unless Beneficiary or such purchaser shall give written notice thereof to such tenant or subtenant.

Section 5.9 Limited Right of Bondholders Against the Trustor. Notwithstanding anything else contained herein to the contrary, the rights of the Trustee, Beneficiary and the Bondholders to exercise remedies against the Trustor in accordance with this Deed of Trust are subject to the terms and provisions of the Indenture and the Master Lease, in particular but not limited to Article XIV of the Master Lease and Article IX of the General Indenture. Additionally, no deficiency judgment upon foreclosure may be entered against the City of South Jordan, Utah, the State of Utah or any of its political subdivisions.

Section 5.10 No Waiver. Failure on the part of Beneficiary to promptly enforce any right hereunder shall not operate as a waiver of such right and the waiver by Beneficiary of any default or acceptance of payment of any sum secured hereby after its due date shall not constitute a waiver of any other subsequent default.

Section 5.11 Severability. The terms and provisions of this Deed of Trust are intended to be performed in accordance with, and only to the extent permitted by, applicable law. If any provision hereof, or the application thereof to any person or circumstance shall, for any reason and to any extent, be invalid or unenforceable, neither the remainder of this instrument nor the application of such provision to other persons or circumstances shall be affected thereby, but rather, the same shall be enforced to the greatest extent permitted by law.

Section 5.12 Substitution of Property. The property relating to the Ground Lease and that is the subject of this Deed of Trust may be substituted upon (i) delivery of a new Exhibit A hereto, (ii) delivery of any amendment hereto required by any such substitution and (iii) satisfaction of the conditions set forth in Section 14.4(b) of the Ground Lease.

IN WITNESS WHEREOF, Trustor has executed this Deed of Trust as of the day and year first above written.

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

(SEAL)

____

By: Dawn Ramsey
Its: Chair/President

ATTEST AND COUNTERSIGN:

____

By: Anna Crookston
Its: Secretary-Treasurer

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

On _____________, 2026, Dawn Ramsey and Anna Crookston, the Chair/President and Secretary-Treasurer, respectively, of the Municipal Building Authority of the City of South Jordan, Utah, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to on this instrument, and acknowledged that they executed the same.

____
Notary Public

EXHIBIT A

PROPERTY

The real property located in Salt Lake County, Utah, described as follows:

WHEN RECORDED, RETURN TO:

Randall Larsen
Gilmore & Bell, P.C.
15 W. South Temple, Suite 1400
Salt Lake City, Utah 84101

Tax Parcel ID[s]:
[___________]
[___________]

ASSIGNMENT OF GROUND LEASE AGREEMENT

THIS ASSIGNMENT, made and entered into this [________, 2026], by the MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH a Utah nonprofit corporation, whose address is 1600 W. Towne Center Drive, South Jordan, Utah 84095 (the "Assignor"), to and in favor of U.S. Bank Trust Company, National Association, a national banking association, having its principal office in Salt Lake City, Utah ("Trustee"), as Trustee under a General Indenture of Trust dated as of [________, 2026], by and between the Assignor and the Trustee (the "General Indenture''), as further supplemented by a First Supplemental Indenture, dated as of [________, 2026] (the "First Supplemental Indenture," and together with the General Indenture, the "Indenture").

WITNESSETH:

FOR VALUE RECEIVED, Assignor hereby grants, transfers and assigns to Trustee all the right, title and interest of Assignor in and to that certain Ground Lease Agreement (the "Ground Lease") dated as of [________, 2026], between Assignor, as lessee, and the City of South Jordan, Utah, as lessor, which Ground Lease demises the real property located in Salt Lake County, State of Utah, more particularly described in Exhibit A attached hereto and by this reference made a part hereof

FOR THE PURPOSE OF SECURING:

(A) The payment and performance of each and every obligation of Assignor contained in the Indenture and in Assignor's Lease Revenue Bonds, Series 2026, and any Additional Bonds or Refunding Bonds (as defined in the Indenture) (collectively, the "Bonds"); and

(B) The payment of all sums expended or advanced by Trustee pursuant to the terms of this Assignment and the Indenture, or any instrument further evidencing or securing any obligation secured hereby, together with interest thereon as therein provided.

TO PROTECT THE SECURITY OF THIS ASSIGNMENT, ASSIGNOR AGREES:

(1) To faithfully abide by, perform and discharge every obligation, covenant and agreement of the Ground Lease to be performed by the lessee thereunder; at the sole cost and expense of Assignor, to enforce or secure the performance of every obligation, covenant, condition and agreement of the Ground Lease to be performed by the lessor thereunder; not to modify, extend or in any way alter the terms of the Ground Lease without the prior written consent of Trustee. Assignor also agrees not to waive or in any manner release or discharge the lessor thereunder of or from the obligations, covenants, conditions and agreements to be performed by lessor.

(2) Not to declare the Ground Lease terminated nor to exercise any other right available to it upon breach by the lessor thereunder, without the prior written consent of Trustee.

(3) At Assignor's sole cost and expense, to appear in and defend any action or proceedings arising under, growing out of or in any manner connected with the Ground Lease or the obligations, duties or liabilities of lessor and lessee thereunder.

(4) That should the Assignor fail to make any payment or to do any act as herein provided, then Trustee, but without obligation so to do and without notice to or demand on Assignor, and without releasing Assignor from any obligation hereof, may make or do the same in such manner and to such extent as Trustee may deem necessary to protect the security hereof, including specifically, without limiting its general powers, the right to appear in and defend any action or proceeding purporting to affect the security hereof or the rights or powers of Trustee, and also the right to perform and discharge each and every obligation, covenant and agreement of Assignor contained in the Ground Lease.

IT IS MUTUALLY AGREED THAT:

(1) Upon or any time after default by Assignor in the payment of any indebtedness secured hereby or in the performance of any obligation, covenant or agreement herein or in said Indenture, Trustee may declare all sums secured hereby immediately due and payable, and may, at its option, without notice, either in person or by agent with or without bringing any action or proceedings, or by a receiver to be appointed by a court, enter upon, take possession of, manage and operate said demised premises or any part thereof; make, cancel, enforce or modify leases; do any acts which Trustee deems proper to protect the security hereof, and either with or without taking possession of said property, in its own name sue for or otherwise collect and receive such rents, issues and profits, including those past due and unpaid, and apply the same, less costs and expenses of operation and collection including reasonable attorneys' fees, upon any indebtedness secured hereby, and in the order set forth in the Indenture. The entering upon and taking possession of said property, the collection of such rents, issues, and profits, and the application thereof as aforesaid shall not cure or waive any default or waive, modify, or effect notice of default under any instrument secured hereby or invalidate any act done pursuant to such notice. The remedies of the Trustee herein shall be subject to the limitations set forth in Article IX of the General Indenture.

Any default by Assignor in the performance of any obligation, covenant or agreement herein contained and the acceleration of the indebtedness secured hereby shall constitute and be deemed to be a default under the terms of the Indenture.

(2) Trustee shall not be obligated to perform or discharge, nor does it hereby undertake to perform or discharge, any obligation, duty or liability under the Ground Lease, or under or by reason of this Assignment.

(3) Until the indebtedness secured hereby shall have been paid in full, Assignor covenants and agrees to transfer and assign to Trustee any and all subleases upon all or any part of said demised premises upon the same or substantially the same terms and conditions as are herein contained, and to make, execute and deliver to Trustee, upon demand, any and all instruments that may be necessary therefor.

(4) Upon the payment in full of all indebtedness secured hereby, this Assignment shall become and be void and of no effect.

(5) This Assignment applies to, inures to the benefit of, and binds the parties hereto, their successors, and assigns.

(6) All notices, demands, or documents of any kind which Trustee may be required or may desire to serve upon Assignor hereunder, may be served by delivering the same to Assignor personally or by leaving a copy of such notice, demand or document addressed to Assignor at the address set forth in the beginning of this Assignment, or by depositing a copy of such notice, demand or document in the United States mail, postage prepaid, and addressed to Assignor at Assignor's address.

(7) Notwithstanding anything to the contrary contained herein, no deficiency judgment upon any foreclosure may be entered against the Assignor, the City of South Jordan, Utah, the State of Utah or any of its political subdivisions.

EXECUTED as of the day and year first above written.

MUNICIPAL BUILDING AUTHORITY
OF THE CITY OF SOUTH JORDAN, UTAH

(SEAL)

____
By: Dawn Ramsey
Its: Chair/President

ATTEST AND COUNTERSIGN:

____
By: Anna Crookston
Its: Secretary-Treasurer

U.S. BANK TRUST COMPANY, NATIONAL
ASSOCIATION

____
By: ______________________________
Its: ______________________________

CONSENT TO ASSIGNMENT

The City of South Jordan, Utah, as lessor under the Ground Lease hereby consents to the assignment by the Municipal Building Authority of the City of South Jordan, Utah, of its interest in the Ground Lease to the within mentioned Trustee to secure the within described Indenture and Bonds.

Executed as of the day and year first above written.

THE CITY OF SOUTH JORDAN, UTAH

____

By: Dawn Ramsey
Its: Mayor

(SEAL)

ATTEST AND COUNTERSIGN:

____

By: Anna Crookston
Its: City Recorder

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

On _____________, 2026, Dawn Ramsey and Anna Crookston, the Chair/President and Secretary-Treasurer, respectively, of the Municipal Building Authority of the City of South Jordan, Utah, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the persons whose names are subscribed to on this instrument, and acknowledged that they executed the same.

____
Notary Public

(SEAL)

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

On ________________, 2026, __________________________________, the __________________________________ of U.S. Bank Trust Company, National Association, personally appeared before me, whose identity is personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to on this instrument, and acknowledged that he/she executed the same.

____
Notary Public

(SEAL)

EXHIBIT A

All real property or the land located in Salt Lake County, Utah, described as follows:

EXHIBIT F

BOND PURCHASE CONTRACT

BOND PURCHASE CONTRACT

$[PAR]
Municipal Building Authority of
the City of South Jordan, Utah
Lease Revenue Bonds, Series 2026

[October/November], 2026

Municipal Building Authority of
the City of South Jordan, Utah
1600 West Towne Center Drive
South Jordan, Utah

City of South Jordan
1600 West Towne Center Drive
South Jordan, Utah

The undersigned, [Underwriter] (the "Underwriter"), on behalf of itself and not as fiduciary or agent for you, offers to enter into this Bond Purchase Contract (the "Purchase Contract") with the Municipal Building Authority of the City of South Jordan, Utah (the "Issuer") and the City of South Jordan, Utah (the "City") which, upon the acceptance by the Issuer and the City of this offer, shall be in full force and effect in accordance with its terms and shall be binding upon each of you and the Underwriter.

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

ARTICLE I

SALE, PURCHASE AND DELIVERY

Section 1.1. (a) On the basis of the representations, warranties and agreements contained herein and upon the terms and conditions herein set forth, the Underwriter hereby agrees to purchase, and the Issuer hereby agrees to sell to the Underwriter, all, but not less than all, of the Issuer's $[PAR] aggregate principal amount of Lease Revenue Bonds, Series 2026 (the "Series 2026 Bonds"), at a purchase price of $[__________] (representing the principal amount of the Series 2026 Bonds, plus a [net] reoffering premium of $[__________] and less an Underwriter's discount of $[__________]). The Series 2026 Bonds will mature on the dates and in the amounts and bear interest at the rates per annum as set forth in Exhibit A hereto.

(b) The Series 2026 Bonds shall be as described in the Official Statement dated [October/November], 2026 of the Issuer relating to the Series 2026 Bonds (together with all appendices thereto, the "Official Statement"), shall be issued and secured under and pursuant to (i) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code

Annotated 1953, as amended, and the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the "Building Authority Act"), and (ii) a General Indenture of Trust dated as of November 1, 2026 (the "General Indenture"), as supplemented by a First Supplemental Indenture of Trust dated as of November 1, 2026 (the "First Supplemental Indenture," and together with the General Indenture, the "Indenture"), each between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). The Series 2026 Bonds are secured under the Indenture and the Security Documents (as defined in the Indenture). The Series 2026 Bonds are authorized pursuant to a resolution of the Issuer adopted on September 15, 2026 (the "Resolution") by the Governing Board of the Issuer (the "Board") which provides for the issuance of the Series 2026 Bonds and approved pursuant to a resolution of the City (the "Approval Resolution") adopted by its City Council on September 15, 2026.

(c) The Series 2026 Bonds are being issued for the purpose of (i) financing all or a portion of the costs of the acquisition and construction of a new fire station and related improvements (the "Project"); [(ii) providing for a debt service reserve fund;] and (iii) paying costs associated with the issuance of the Series 2026 Bonds. Pursuant to an annually renewable Master Lease Agreement dated as of November 1, 2026 (the "Lease"), the Project will be leased by the City from the Issuer in consideration of the payment of Rentals (as defined in the Lease).

(d) The Indenture, the Lease, the Security Documents, and the Ground Lease (as such terms are defined in the Official Statement), the Series 2026 Bonds, the Resolution, and the Continuing Disclosure Undertaking (defined below) and this Purchase Contract are sometimes referred to collectively herein as the "Transaction Documents."

(e) The Underwriter agrees to make an initial public offering of the Series 2026 Bonds at the offering prices or yields set forth on the inside front cover page of the Official Statement. Subject to Section 1.2 below, the Underwriter may, however, change such initial offering prices or yields as it may deem necessary, in its discretion, in connection with the marketing of the Series 2026 Bonds and offer and sell the Series 2026 Bonds to certain dealers (including dealers depositing the Series 2026 Bonds into investment trusts) and others at prices lower than the initial offering prices or yields set forth in the Official Statement. The Underwriter also reserves the right (i) to engage in transactions that stabilize, maintain or otherwise affect the market prices of the Series 2026 Bonds and (ii) to discontinue such transactions, if commenced, at any time without prior notice.

Section 1.2. (a) The Underwriter agrees to assist the Issuer in establishing the issue price of the Series 2026 Bonds and shall execute and deliver to the Issuer at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2026 Bonds. All actions to be taken by the Issuer under this section to establish the issue price of the Series 2026 Bonds may be taken on behalf of the Issuer by the Issuer's municipal advisor identified herein and any notice or report to be provided to the Issuer may be provided to the Issuer's municipal advisor.

(b) Except as otherwise set forth in Exhibit A attached hereto, the Issuer will treat the first price at which 10% of each maturity of the Series 2026 Bonds (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Contract, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of Series 2026 Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2026 Bonds, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Series 2026 Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date (as defined herein) has occurred, until either (i) the Underwriter has sold all Series 2026 Bonds of that maturity or (ii) the 10% test has been satisfied as to the Series 2026 Bonds of that maturity; provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. For purposes of this Section, if Series 2026 Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Series 2026 Bonds.

(c) The Underwriter confirms that it has offered the Series 2026 Bonds to the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Purchase Contract, the maturities, if any, of the Series 2026 Bonds for which the 10% test has not been satisfied and for which the Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Series 2026 Bonds, the Underwriter will neither offer nor sell unsold Series 2026 Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

(1) the close of the fifth (5th) business day after the sale date; or

(2) the date on which the Underwriter has sold at least 10% of that maturity of the Series 2026 Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Issuer promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Series 2026 Bonds to the public at a price that is no higher than the initial offering price to the public.

(d) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Series 2026 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A) (i) to report the prices at which it sells to the public the unsold Series 2026 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2026 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Series 2026 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Series 2026 Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Series 2026 Bonds to the public (each such term being used as defined below), and

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

(ii) any selling group agreement relating to the initial sale of the Series 2026 Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Series 2026 Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Series 2026 Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Series 2026 Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Series 2026 Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The Issuer acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Series 2026 Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Series 2026 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2026 Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Series 2026 Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Series 2026 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2026 Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Series 2026 Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Series 2026 Bonds.

(f) The Underwriter acknowledges that sales of any Series 2026 Bonds to any person that is a related party to an underwriter participating in the initial sale of the Series 2026 Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

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

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Series 2026 Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Series 2026 Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Series 2026 Bonds to the public),

(iii) a purchaser of any of the Series 2026 Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and

(iv) "sale date" means the date of execution of this Purchase Contract by all parties.

Section 1.3. (a) By acceptance and approval of this Purchase Contract, the Issuer and the City hereby authorize the use of copies of the Official Statement. The Issuer and the City hereby agree to provide to the Underwriter within seven (7) business days of the date hereof an electronic copy of the Official Statement in form sufficient to enable the Underwriter to comply with the requirements of paragraph (b)(4) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board. The City has heretofore "deemed final" the Preliminary Official Statement for purposes of paragraph (b)(1) of Rule 15c2-12 and the Issuer and the City acknowledge and ratify the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Series 2026 Bonds.

(b) In order to assist the Underwriter in complying with paragraph (b)(5) of Rule 15c2-12, the City will undertake, pursuant to a Continuing Disclosure Undertaking (the "Continuing Disclosure Undertaking"), to be dated as of the Closing Date to provide annual reports and notices of certain events. A form of the Continuing Disclosure

Undertaking is set forth as APPENDIX D to the Preliminary Official Statement and will also be set forth as APPENDIX D to the Official Statement.

Section 1.4. At approximately 9:30 a.m., Utah time, on [November 12], 2026, or on such later date as shall be agreed upon in writing by the Issuer, the City, and the Underwriter, the Issuer and the City will cause the Series 2026 Bonds to be delivered to or for the account of the Underwriter in definitive form, duly executed and authenticated, at such place designated by the Underwriter and will deliver to the Underwriter the other documents herein mentioned at the offices of Gilmore & Bell, P.C., 15 West South Temple, Suite 1400, Salt Lake City, Utah, or such other location as may be mutually agreed upon by the Issuer, the City, and the Underwriter. The closing date of [November 12], 2026, is herein referred to as the "Closing Date." The Underwriter will accept such delivery and pay the purchase price of the Series 2026 Bonds as set forth in Section 1.1(a) hereof by wire transfer, payable in federal funds or other immediately available funds to the order of the Trustee (such delivery and payment are herein called the "Closing"). The Series 2026 Bonds shall be initially issued in the form of one fully registered Bond for each maturity of the Series 2026 Bonds, shall be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), and shall be made available to DTC or its agent for the account of the Underwriter in New York, New York (or such other place designated by the Underwriter).

ARTICLE II

REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF ISSUER

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

Section 2.1. The Issuer shall provide such information, access to its properties and appropriate records and other cooperation, as may be reasonably requested until 25 days after the "end of the underwriting period" (as defined in Rule 15c2-12) (which underwriting period the Issuer may assume to have ended on the Closing Date unless notified to the contrary by the Underwriter) as, in the opinion of the Underwriter, may be required in connection with the offering of the Series 2026 Bonds.

Section 2.2. The Issuer is a nonprofit corporation created by the City Council of the City pursuant to the Building Authority Act and the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended (the "Nonprofit Corporation Act"). The Issuer has full power and authority (a) to adopt the Resolution; (b) to execute, deliver and perform its obligations under each of the Transaction Documents to which it is a party; (c) to execute, issue, sell and deliver the Series 2026 Bonds to the Underwriter for the purposes contemplated by the Preliminary Official Statement and as provided herein; (d) to own the Project and to lease the Project to the City pursuant to the Lease; and (e) to carry out and to consummate the transactions on its part contained in the Transaction Documents and the Official Statement, to pledge and assign to the Trustee the Trust Estate (as defined in the Indenture), and to create a security interest in the Project to secure the payment of the Series 2026 Bonds and all Additional Bonds and Refunding Bonds pursuant to the Indenture.

Section 2.3. The Board of the Issuer has duly adopted the Resolution, has duly authorized and approved the use and distribution of the Preliminary Official Statement and the Official Statement and has duly authorized and approved the execution and delivery of, and the performance by the Issuer of the obligations on its part contained in the Transaction Documents and the Purchase Contract.

Section 2.4. The adoption of the Resolution, the execution and delivery of the Transaction Documents, the compliance by the Issuer with the provisions of any or all of the foregoing documents, and the application of the proceeds of the Series 2026 Bonds for the purposes described in the Official Statement do not and will not conflict with or result in the material breach of any of the terms, conditions or provisions of, or constitute a default under, any existing law, court or administrative regulation, decree or order, agreement, indenture, mortgage, lease or instrument to which the Issuer is a party or by which the Issuer or any of its property is or may be bound.

Section 2.5. The Issuer has duly authorized all necessary action to be taken by it for the adoption of the Resolution; the issuance and sale of the Series 2026 Bonds by the Issuer upon the terms and conditions set forth herein and in the Official Statement and the Transaction Documents; and the execution, delivery and receipt of the Transaction Documents, and any and all such agreements, certificates and documents as may be required to be executed, delivered and received by the Issuer in order to carry out, effectuate and consummate the transactions contemplated hereby and by the Official Statement, including but not limited to such certifications as may be necessary to establish and preserve the excludability from gross income for federal income tax purposes of interest on the Series 2026 Bonds.

Section 2.6. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against the Issuer or others (a) affecting the existence of the Issuer or the titles of its officers to their respective offices; (b) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2026 Bonds or the revenues or assets of the Issuer mortgaged, appropriated, encumbered or pledged pursuant to the Indenture; (c) in any way contesting or affecting the validity or enforceability of the Series 2026 Bonds or any of the Transaction Documents or the transactions contemplated thereby; (d) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement; or (e) contesting the powers of the Issuer or any authority for the issuance of the Series 2026 Bonds or the execution and delivery of any of the Transaction Documents to which the Issuer is a party.

Section 2.7. When delivered to and paid by the Underwriter at the Closing in accordance with the provisions of this Purchase Contract, the Series 2026 Bonds will have been duly authorized, executed, issued and delivered and will constitute valid and binding special limited obligations of the Issuer in conformity with, and entitled to the benefit and security of the Indenture.

Section 2.8. The Issuer is not in breach of or in default under any material existing law, court or administrative regulation, decree or order, ordinance, resolution, agreement, indenture, mortgage, lease, sublease or other instrument to which the Issuer is a party or by which the Issuer or its property is bound; and the execution and delivery of the Series 2026 Bonds and the

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

Section 2.9. No event has occurred or is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under the Transaction Documents, or which could have a material adverse effect on the financial condition of the Issuer, receipt by the Issuer of the Base Rentals or the transactions contemplated by the Transaction Documents, or have a material adverse effect on the validity or enforceability in accordance with their respective terms of the Transaction Documents or this Purchase Contract or in any way adversely affect the existence or any powers of the Issuer or the titles of its officers to their respective positions or the excludability from gross income for federal income tax purposes of interest on the Series 2026 Bonds.

Section 2.10. The information contained in the Preliminary Official Statement was as of its date, and is, as of the date hereof, true and correct in all material respects. The Preliminary Official Statement does not contain, and the Official Statement, as of its date and as of the Closing Date, will not contain any untrue statement of a material fact, and the Preliminary Official Statement does not omit and the Official Statement, as of its date and as of the Closing Date, will not omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not be deemed to cover or apply to (x) information provided to the Issuer in writing by the Underwriter and included on the inside front cover page of the Preliminary Official Statement or the Official Statement regarding the principal amount, interest rates, maturities and initial public offering prices of the Series 2026 Bonds or (y) statements in the Preliminary Official Statement or the Official Statement under the captions "THE SERIES 2026 BONDS—Book-Entry Only System," "UNDERWRITING," APPENDIX B, APPENDIX C, APPENDIX E, or APPENDIX F.

Section 2.11. The Issuer has full power and authority to receive and utilize the Base Rentals in accordance with the Indenture.

Section 2.12. The Issuer will not take or omit to take any action which will in any way cause the proceeds from the sale of the Series 2026 Bonds to be applied or result in such proceeds being applied in a manner inconsistent with the Transaction Documents.

Section 2.13. The Issuer hereby authorizes the use and distribution of the Official Statement, including all amendments and supplements thereto, by the Underwriter in connection with the public offering and sale of the Series 2026 Bonds and consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering and sale of the Series 2026 Bonds.

Section 2.14. The Issuer agrees to reasonably cooperate with the Underwriter in any endeavor to qualify the Series 2026 Bonds for offering and sale under the securities or "Blue Sky" laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the Issuer shall not be required with respect to the offer or sale of the Series 2026 Bonds to file written consent to suit or to file written consent to service of process in any jurisdiction. The Issuer hereby consents to the use of the Official Statement by the Underwriter in obtaining such qualification.

Section 2.15. If, between the date of this Purchase Contract and 25 days following the "end of the underwriting period" (which the Issuer can assume is the Closing Date unless otherwise notified in writing by the Underwriter), any event shall occur which might or would cause the Official Statement to contain any untrue statement of a material fact or to omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstance under which they were made, not misleading, the Issuer shall notify the Underwriter and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Issuer will supplement or amend the Official Statement in a form and in a manner approved by the Underwriter. If the Official Statement is amended or supplemented subsequent to the date hereof and prior to the Closing, the Underwriter may terminate this Purchase Contract by notification to the Issuer and the City at any time prior to the Closing if, in the reasonable judgment of the Underwriter, such amendment or supplement has or will have a material adverse effect on the marketability of the Series 2026 Bonds.

Section 2.16. The Issuer has duly adopted the Resolution and approved the execution of the Transaction Documents to which it is a party and, as of the Closing Date, each will be in full force and effect and, as of the Closing Date, neither the Resolution nor any of the Transaction Documents to which it is a party will have been amended, supplemented, rescinded, repealed or otherwise modified except with the approval of the Underwriter.

Section 2.17. When executed by the respective parties thereto, this Purchase Contract and the Transaction Documents will constitute legal, valid and binding obligations of the Issuer enforceable in accordance with their respective terms except that the rights and obligations under the Transaction Documents, and this Purchase Contract are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State of Utah.

Section 2.18. The Issuer has complied, and will at the Closing for the Series 2026 Bonds be in compliance in all respects, with the obligations on its part contained in the Transaction Documents and this Purchase Contract and any and all other agreements relating thereto.

Section 2.19. Each representation, warranty or agreement stated in any certificate signed by any officer of the Issuer and delivered to the Underwriter at or before the Closing for the Series 2026 Bonds shall constitute a representation, warranty, or agreement by the Issuer upon which the Underwriter shall be entitled to rely.

Section 2.20. The Issuer has not otherwise pledged or assigned or granted a security interest in the Trust Estate to the payment of any obligations of the Issuer.

ARTICLE III

REPRESENTATIONS, WARRANTIES AND AGREEMENTS OF THE CITY

In order to induce the Underwriter to enter into this Purchase Contract, with full realization and appreciation of the fact that the investment value of the Series 2026 Bonds and the ability of the Issuer to sell and the Underwriter to resell the Series 2026 Bonds are dependent upon the credit standing of the City and in consideration of the foregoing and execution and delivery of this Purchase Contract, the City represents and warrants to and covenants with the Underwriter as follows:

Section 3.1. The City is and will be at the Closing Date a validly organized and existing municipal corporation under the laws of the State of Utah with full power and authority to execute, deliver and perform its obligations under the Transaction Documents to which it is a party, including the execution, delivery and/or approval of all documents and agreements referred to herein or therein;

Section 3.2. The execution and delivery of each of the Transaction Documents to which the City is a party, the approval by the City of this Purchase Contract and adoption of the Approval Resolution, and compliance by the City with the provisions of any or all of the foregoing documents and the application of the proceeds of the Series 2026 Bonds for the purposes described in the Preliminary Official Statement do not and will not conflict with or result in the breach of any of the terms, conditions or provisions of, or constitute a default under, any existing law, court or administrative regulation, decree or order, agreement, indenture, mortgage, lease or instrument to which the City is a party or by which the City or any of its property is or may be bound;

Section 3.3. The City has duly authorized all necessary action to be taken by it for: (a) the issuance and sale of the Series 2026 Bonds by the Issuer upon the terms and conditions set forth herein, in the Official Statement and in the Indenture and the approval of this Purchase Contract; and (b) the execution, delivery and receipt of each of the Transaction Documents to which the City is a party, and any and all such agreements, certificates and documents as may be required to be executed, delivered and received by the City in order to carry out, effectuate and consummate the transactions contemplated hereby and by the Official Statement;

Section 3.4. When executed by the respective parties thereto, the Transaction Documents to which the City is a party will constitute legal, valid and binding obligations of the City enforceable in accordance with their respective terms;

Section 3.5. The City has complied, and will at the Closing be in compliance in all respects, with the obligations on its part contained in the Transaction Documents to which the City is a party and any and all other agreements relating thereto;

Section 3.6. There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against the City or others (a) affecting the existence of the City or the titles of its officers to their respective offices, (b) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2026 Bonds or the revenues or assets of the City appropriated or pledged or to be appropriated or pledged to pay the Base Rentals payable under the Lease or the pledge or appropriation thereof, (c) the validity or enforceability of the Series 2026 Bonds or any of the Transaction Documents, (d) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or (e) contesting the powers of the City or any authority for the issuance of the Series 2026 Bonds, or the execution and delivery of any of the Transaction Documents or the transactions contemplated thereby;

Section 3.7. The City is not in breach of or default under any applicable law or administrative regulation of the State of Utah or the United States or any applicable judgment or decree or any loan agreement, note, resolution, agreement, indenture, mortgage, lease, sublease or other instrument to which the City is a party or to which it or any of its property is otherwise subject; and the execution and delivery of the Series 2026 Bonds and the Transaction Documents to which the City is a party, and compliance with the provisions of each thereof, will not conflict with or constitute a breach of or default under any law, administrative regulation, judgment, decree, loan agreement, note, resolution, agreement or other instrument to which the City is a party or to which it or any of its property is otherwise subject;

Section 3.8. No event has occurred or is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any of the Transaction Documents in any manner or to any extent which could have a material adverse effect on the financial condition of the City, the operation of the City, the due performance by the City of its obligations in connection with the issuance, sale and delivery of the Series 2026 Bonds, or the ability of the City to carry out the transactions contemplated by this Purchase Contract and the Preliminary Official Statement, or have an adverse effect on the validity or enforceability, in accordance with their respective terms, of the Series 2026 Bonds or any of the Transaction Documents or in any way adversely affect the existence or powers of the City;

Section 3.9. The City has never failed to pay principal and interest when due on any of its bonded indebtedness or other obligations nor has the City ever failed to appropriate sufficient amounts to timely pay any of its lease obligations;

Section 3.10. The City's audited financial statements as of and for the year ended June 30, 2025, a copy of which has heretofore been delivered to the Underwriter, present fairly the financial position of the City at June 30, 2025 and the results of its operations and changes in financial position for the year then ended; any other statements and data submitted in writing by the City to the Underwriter in connection with the Lease and this Purchase Contract are true and correct in all material respects as of their respective dates; except as described in the Official Statement, since June 30, 2025 there has been no material adverse change in the condition, financial or otherwise, of the City from that set forth in the audited financial statements as of and for the year ended that date, and the City has not since June 30, 2025 incurred any material liabilities, directly or indirectly, whether or not arising in the ordinary course of its operations;

Section 3.11. The information contained in the Preliminary Official Statement relating to the City, the application of the proceeds of sale of the Series 2026 Bonds, and the participation by the City in the transactions contemplated by the Transaction Documents and the Preliminary Official Statement was, as of its date, and is, as of the hereof, true and correct in all material respects. The Preliminary Official Statement does not contain, and the Official Statement, as of its date and as of the Closing Date, will not contain any untrue statement of a material fact, and the Preliminary Official Statement does not omit and the Official Statement, as of its date and as of the Closing Date, will not omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; provided, however, that this representation and warranty shall not be deemed to cover or apply to (x) information provided in writing by the Underwriter and included on the inside front cover page of the Official Statement regarding the principal amount, interest rates, maturities and initial public offering prices of the Series 2026 Bonds or (y) statements in or omissions in the Preliminary Official Statement or the Official Statement under the captions "THE SERIES 2026 BONDS—Book-Entry Only System," "UNDERWRITING," APPENDIX B, APPENDIX C, APPENDIX E, or APPENDIX F.

Section 3.12. The City will not take or omit to take any action that will in any way cause the proceeds from the sale of the Series 2026 Bonds to be applied or result in such proceeds being applied in a manner inconsistent with the Lease and the Indenture;

Section 3.13. The City hereby authorizes the use and distribution of the Official Statement, including all amendments and supplements thereto, by the Underwriter in connection with the public offering and sale of the Series 2026 Bonds and consents to the use by the Underwriter prior to the date hereof of the Preliminary Official Statement in connection with the public offering and sale of the Series 2026 Bonds;

Section 3.14. The City agrees reasonably to cooperate with the Underwriter in any endeavor to qualify the Series 2026 Bonds for offering and sale under the securities or "blue sky" laws of such jurisdictions of the United States as the Underwriter may request; provided, however, that the City shall not be required with respect to the offer or sale of the Series 2026 Bonds to file written consent to suit or to file written consent to service of process in any jurisdiction. The City hereby consents to the use of the Official Statement and the Transaction Documents by the Underwriter in obtaining such qualification;

Section 3.15. If at any time from the date of this Purchase Contract through twenty five (25) days following the "end of the underwriting period" (as defined in Rule 15c2-12) any event shall occur that might or would cause the Official Statement to contain any untrue statement of a material fact or to omit to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the City shall notify the Underwriter and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the City will request that the Issuer supplement or amend the Official Statement in a form and in a manner approved by the Underwriter. If the Official Statement is so supplemented or amended prior to the Closing, such approval by the Underwriter of a supplement or amendment to the Official Statement shall not preclude the Underwriter from thereafter terminating this Purchase Contract, and if the Official Statement is amended or supplemented subsequent to the date hereof and prior to the Closing, the Underwriter may terminate this Purchase Contract by notification to the City and the Issuer at any time prior to the Closing if, in the reasonable judgment of the Underwriter, such amendment or supplement has or will have a material adverse effect on the marketability of the Series 2026 Bonds;

Section 3.16. Each representation, warranty or agreement stated in any certificate signed by any officer of the City and delivered to the Underwriter or the Trustee at or before the Closing shall constitute a representation, warranty or agreement by the City upon which the Underwriter and the Trustee shall be entitled to rely.

Section 3.17. Any instances of non-compliance by the City within the last five years with each undertaking it has entered into pursuant to Rule 15c2-12, have been properly disclosed by the City in the Preliminary Official Statement and the Official Statement.

ARTICLE IV

UNDERWRITER'S CONDITIONS

Section 4.1. The Underwriter has entered into this Purchase Contract in reliance upon the performance by the Issuer of its obligations hereunder. The Underwriter's obligations under this Purchase Contract are and shall be subject to the following further conditions:

(a) At the time of Closing for the Series 2026 Bonds, (1) the Transaction Documents shall be in full force and effect and shall not have been revoked, rescinded, repealed, amended, modified or supplemented, except as therein permitted or as may have been agreed to in writing by the Underwriter, and (2) the Issuer shall have duly adopted and there shall be in full force and effect such resolutions and ordinances as, in the opinion of Gilmore & Bell, P.C., bond counsel to the Issuer ("Bond Counsel"), shall be necessary in connection with the transactions contemplated hereby.

(b) The Underwriter may terminate its obligations hereunder by written notice to the Issuer if, at any time subsequent to the date hereof and on or prior to the Closing Date for the Series 2026 Bonds:

(i) (A) Legislation shall have been enacted by the Congress, introduced in the Congress, or recommended to the Congress for passage by the President of the United States or the United States Department of the Treasury or the Internal Revenue Service or any member of the United States Congress, or favorably reported for passage to either House of Congress by any Committee of such House to which such legislation has been referred for consideration, or (B) a decision shall have been rendered by a court established under Article III of the Constitution of the United States, or the United States Tax Court, or (C) an order, ruling, regulation, or communication (including a press release) shall have been issued by the Treasury Department of the United States or the Internal Revenue Service or (D) any action shall be taken or statement made by or on behalf of the President of the United States or the Department of Treasury or the Internal Revenue Service or any member of the United States Congress which indicates or implies that legislation will be introduced in the current or next scheduled session of the United States Congress, with the purpose or effect, directly or indirectly, of requiring the inclusion in gross income for federal income tax purposes of interest to be received by any owners of the Series 2026 Bonds or financial instruments similar in nature to the Series 2026 Bonds; or

(ii) Legislation shall be enacted or any action shall be taken by the Securities and Exchange Commission which, in the opinion of the Underwriter, has the effect of requiring the offer or sale of the Series 2026 Bonds or financial instruments similar in nature to the Series 2026 Bonds to be registered under the Securities Act or any other "security," as defined in the Securities Act, issued in connection with or as part of the issuance of the Series 2026 Bonds to be so registered or the Indenture to be qualified as an indenture under the Trust Indenture Act of 1939, as amended; or any event shall have occurred or shall exist which, in the reasonable judgment of the Underwriter, makes or has made untrue or incorrect in any respect any statement or information contained in the Official Statement or is not or was not reflected in the Official Statement but should be or should have been reflected therein in order to make the statements or information contained therein not misleading in any material respect; or

(iii) In the reasonable judgment of the Underwriter, it is impractical or inadvisable for the Underwriter to market or sell or enforce agreements to sell Series 2026 Bonds because (A) trading in securities generally shall have been suspended on the New York Stock Exchange, Inc., or a general banking moratorium shall have been established by federal or the State of Utah authorities or a material disruption in commercial banking or securities settlement or clearance services shall have occurred, or (B) the State of Utah shall have taken any action, whether administrative, legislative, judicial or otherwise, which would have a material adverse effect on the marketing or sale of the Series 2026 Bonds, including any action relating to (i) the tax status of the Series 2026 Bonds under federal or Utah law as set forth in the opinion of Bond Counsel attached as APPENDIX E to the Official Statement, or (ii) a limitation on the ability of the Issuer to receive the Base Rentals, or (C) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency or there shall have occurred any other outbreak or escalation of hostilities or a national or international calamity or crisis, financial or otherwise; or (D) a war involving the United States of America shall have been declared or any other conflict involving the armed forces of the United States of America has escalated, in either case to such a magnitude as to materially adversely affect the Underwriter's ability to market the Series 2026 Bonds; (E) there shall have occurred the declaration of a general banking moratorium by any authority of the United States or the States of New York or Utah or if any material disruption in commercial banking or securities settlement or clearance services shall have occurred; or

(iv) Any financial rating assigned to the Series 2026 Bonds or any other obligations of the Issuer by S&P Global Ratings ("S&P"), Fitch Ratings ("Fitch"), or Moody's Investors Service ("Moody's"), as the case may be, shall have been downgraded, withdrawn, or any other action taken, and such action, in the opinion of the Underwriter, has a material adverse effect on the marketability of the Series 2026 Bonds; or

(v) Any litigation shall be instituted, pending or threatened (A) to restrain or enjoin the issuance, sale or delivery of the Series 2026 Bonds, (B) to restrain or enjoin, or otherwise seek recovery of damages with respect to the receipt by the Issuer of the Base Rentals, (C) in any way contesting or affecting any authority for or the validity of the Series 2026 Bonds, any of the proceedings of the Issuer, the City, or the Trustee taken with respect to the issuance or sale thereof, the pledge, appropriation or application of any moneys or securities provided for the payment of the Series 2026 Bonds, or (D) in any way contesting or affecting the existence or powers of the Issuer or the Trustee or the titles of their officers to their respective offices; or

(vi) Any other event or circumstances shall have occurred which shall be beyond the reasonable control of the Underwriter and, in the opinion of the Underwriter, might in any way have a material adverse effect on the marketability of the Series 2026 Bonds.

(c) At or prior to the Closing for the Series 2026 Bonds, the Underwriter shall receive the following:

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

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

(iii) Opinions of the office of the City Attorney of the City, as counsel for the Issuer and the City, in standard form for similar transactions and satisfactory to Bond Counsel and the Underwriter;

(iv) The opinion of [UW Counsel], counsel to the Underwriter;

(v) The Issuer's certificate, dated the Closing Date, signed by the President of the Issuer and the Secretary-Treasurer of the Issuer and in form and substance satisfactory to the Underwriter and Bond Counsel, to the effect that (A) the representations of the Issuer herein are true and correct in all material respects as of the Closing Date as if made on the Closing Date; (B) except as disclosed in the Official Statement, no litigation is pending or, to the best of their knowledge, threatened against the Issuer (i) to restrain or enjoin the issuance or delivery of any of the Series 2026 Bonds or the collection of moneys pledged under the Indenture, (ii) in any way contesting or affecting the authority for the issuance of the Series 2026 Bonds or the adoption of the Resolution or the execution and delivery of the Transaction Documents to which the Issuer is a party, the validity or enforceability of the Series 2026 Bonds, or the excludability from gross income for federal income tax purposes of interest on the Series 2026 Bonds, (iii) in any way contesting the organization, existence or powers of the Issuer or the titles of its officers to their respective offices, or (iv) contesting or attempting to restrain or enjoining the application of the proceeds thereof or the payment, collection or application of the moneys pledged under the Indenture or the pledge of the moneys pledged under the Indenture, or of other moneys, rights and interests pledged pursuant to the Indenture or the adoption of the Resolution; (C) the descriptions and information contained in the Official Statement relating to the Issuer, its organization and financial and other affairs, the Project and the application of the proceeds of sale of the Series 2026 Bonds are correct in all material respects, as of the date of the Official Statement and as of said Closing Date; (D) such descriptions and information, as of the date of the Official Statement did not, and as of said Closing Date do not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; (E) no event affecting the Issuer has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purpose for which it is to be used or that is necessary to be disclosed therein in order to make the statements and information therein not misleading in any material respect; (F) the Transaction Documents to which the Issuer is a party have been duly authorized, executed and delivered by the Issuer and, assuming due authorization, execution and delivery by the other parties thereto, the Transaction Documents to which the Issuer is a party constitute legal, valid and binding agreements of the Issuer enforceable in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights and by the availability of equitable remedies; (G) the Resolution authorizing the execution and delivery of the Transaction Documents to which the Issuer is a party has been duly adopted and has not been modified, amended or repealed; and (H) the execution and delivery of the Transaction Documents to which the Issuer is a party, and this Purchase Contract and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the Issuer a breach of or default under any indenture, mortgage, deed of trust, agreement or other instrument to which the Issuer is a party or any law, public administrative rule or regulation, court order or consent decree to which the Issuer is subject;

(vi) The City's certificate, dated the Closing Date, signed by the Mayor of the City and the City Recorder of the City and in form and substance satisfactory to the Underwriter and Bond Counsel, to the effect that (A) the representations of the City herein are true and correct in all material respects as of the Closing Date as if made on the Closing Date; (B) except as disclosed in the Official Statement, no litigation is pending or, to the best of their knowledge, threatened against the City (i) to restrain or enjoin the issuance or delivery of any of the Series 2026 Bonds or the collection of moneys pledged under the Indenture, (ii) in any way contesting or affecting the authority for the issuance of the Series 2026 Bonds or the adoption of the Approval Resolution or the execution and delivery of the Transaction Documents to which the City is a party, the validity or enforceability of the Series 2026 Bonds, or the excludability from gross income for federal income tax purposes of interest on the Series 2026 Bonds, (iii) questioning or challenging any power of the City, including its ability to levy taxes, or (iv) in any way contesting the organization, existence or powers of the City or the titles of its officers to their respective offices, or (v) contesting or attempting to restrain or enjoining the application of the proceeds thereof or the payment, collection or application of the moneys pledged under the Indenture or the pledge of the moneys pledged under the Indenture, or of other moneys, rights and interests pledged pursuant to the Indenture or the adoption of the Approval Resolution; (C) the descriptions and information contained in the Official Statement relating to the City, its organization and financial and other affairs, the Project, and the application of the proceeds of sale of the Series 2026 Bonds are correct in all material respects, as of the date of the Official Statement and as of said Closing Date; (D) such descriptions and information, as of the date of the Official Statement did not, and as of said Closing Date do not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading; (E) no event affecting the City has occurred since the date of the Official Statement that should be disclosed in the Official Statement for the purpose for which it is to be used or that is necessary to be disclosed therein in order to make the statements and information therein not misleading in any material respect; (F) the Transaction Documents to which the City is a party have been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery by the other parties thereto, the Transaction Documents to which the City is a party constitute legal, valid and binding agreements of the City enforceable in accordance with their respective terms except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting creditors' rights and by the availability of equitable remedies; (G) the Approval Resolution authorizing the execution and delivery of the Transaction Documents to which the City is a party has been duly adopted and has not been modified, amended or repealed; and (H) the execution and delivery of the Transaction Documents to which the City is a party, and this Purchase Contract and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under any indenture, mortgage, deed of trust, agreement or other instrument to which the City is a party or any law, public administrative rule or regulation, court order or consent decree to which the City is subject;

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

(viii) A copy of the Tax Certificate of the Issuer and the City, relating to matters affecting the excludability from gross income for federal income tax purposes of interest on the Series 2026 Bonds, including the use of proceeds of sale of the Series 2026 Bonds and matters relating to arbitrage rebate pursuant to Section 148 of the Internal Revenue Code and the applicable regulations thereunder, in form and substance satisfactory to Bond Counsel;

(ix) Evidence that the federal tax information form 8038-G has been prepared for filing;

(x) A copy of each of the Preliminary Official Statement and copies of the Official Statement;

(xi) Evidence satisfactory to the Underwriter that the Series 2026 Bonds have received a rating of [“[___]” from S&P and “[___]” from Fitch];

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

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

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

ARTICLE V

EXPENSES

All expenses and costs in connection with the authorization, issuance and sale of the Series 2026 Bonds to the Underwriter, including rating agency fees, the costs of printing of the Series 2026 Bonds, the costs of printing the Official Statement and the Preliminary Official Statement, advertising costs, the initial fees of the Trustee in connection with the issuance of the Series 2026 Bonds, the fees and expenses of Bond and Disclosure Counsel, the fees and expenses of counsel to the Issuer, LRB Public Finance Advisors, Inc. as the municipal advisor to the Issuer, the premiums relating to title policies for the Project, and travel and other expenses shall be costs and expenses of the Issuer and shall be paid by the Issuer.

ARTICLE VI

GENERAL

Section 6.1. Any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to [Underwriter], [address], Attention: [__________]. Any notice or other communication to be given to the Issuer under this Purchase Contract may be given by delivering the same in writing to Municipal Building Authority of the City of South Jordan, 1600 West Towne Center Drive, South Jordan, Utah 84095, Attention: Chair/President, with a copy thereof to the City Attorney. Any notice or other communication to be given to the City under this Purchase Contract may be given by delivering the same in writing to the to City of South Jordan, 1600 West Towne Center Drive, South Jordan, Utah 84095, Attention: Mayor, with a copy thereof to the City Attorney.

Section 6.2. This Purchase Contract is made solely for the benefit of the Issuer and the Underwriter (including its successors or assigns) and no other person shall acquire or have any right hereunder or by virtue hereof. All the representations, warranties, covenants and agreements contained herein shall remain operative and in full force and effect and shall survive delivery of and payment of the Series 2026 Bonds hereunder and regardless of any investigation made by the Underwriter or on its behalf.

Section 6.3. This Purchase Contract shall be governed by the laws of the State of Utah.

Section 6.4. The Issuer and the City acknowledge and agree that (i) the purchase and sale of the Series 2026 Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction among the Issuer, the City and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, advisor or fiduciary of the Issuer or the City, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Issuer or the City with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer or the City on other matters) and the Underwriter has no obligation to the Issuer or the City with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Contract, (iv) the Underwriter is not acting as municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended), and (v) the Issuer and the City consulted their own legal, financial and other advisors to the extent they deemed appropriate in connection with the offering of the Series 2026 Bonds.

Section 6.5. The Underwriter represents and warrants that it is not currently engaged in a boycott of the State of Israel or an economic boycott of a boycotted company, as such terms are defined in the immediately succeeding two sentences. As currently defined in Section 63G-27-102(5) of the Utah Code, "economic boycott" means an action targeting a "boycotted company" with the intention of penalizing or inflicting economic harm to such company. Furthermore, as currently defined in Section 63G-27-102(3) of the Utah Code "boycotted company" means a company that (1) engages in the exploration, production, utilization, transportation, sale, or manufacture of fossil fuel-based energy, timber, mining, or agriculture, (2) engages in, facilitates, or supports the manufacture, distribution, sale, or use of firearms, (3) does not meet or commit to meet environmental standards, including standards for eliminating, reducing, offsetting, or disclosing greenhouse gas-emissions, beyond applicable state and federal law requirements or (4) does not facilitate or commit to facilitate access to abortion or sex characteristic surgical procedures. The Underwriter covenants and agrees not to engage in a boycott of the State of Israel or an economic boycott of a boycotted company for the duration of any contractual arrangement with the City, including this Purchase Contract.

Section 6.6. This Purchase Contract and all documents necessary or required to complete the sale of the Series 2026 Bonds may be executed in multiple counterparts, all of which taken together will constitute one and the same instrument. Pursuant to the Uniform Electronic Transactions Act, Title 46, Chapter 4 Utah Code Annotated 1953, as amended, the Underwriter and the City hereby agree and consent to the use of electronic signatures and electronic records in connection with the Bond transaction; provided, however, that such consent and agreement only permits the use of, but does not require, electronic signatures or electronic records, including on documents delivered in counterparts.

Section 6.7. This Purchase Contract contains the entire agreement between the parties relating to the subject matter hereof, and all previous representations, endorsements, promises, agreements or understandings, oral, written or inferred, between the parties relating to the subject matter hereof are superseded hereby.

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

Very truly yours,

[UNDERWRITER]

By: ________________________________

Title:_______________________________

MUNICIPAL BUILDING AUTHORITY OF
THE CITY OF SOUTH JORDAN, UTAH

By:________________________________
Chair/President

(AUTHORITY SEAL)

ATTEST:

By:________________________________
Secretary-Treasurer

CITY OF SOUTH JORDAN, UTAH

By:________________________________
Mayor

(CITY SEAL)

ATTEST:

By:________________________________
City Recorder

EXHIBIT A

$[PAR]
MUNICIPAL BUILDING AUTHORITY OF
THE CITY OF SOUTH JORDAN, UTAH
LEASE REVENUE BONDS,
SERIES 2026

Maturity Date (October 15)	Principal Amount	Interest Rate	Yield	Price	Pricing Rule

____

[c Yield to optional call on __________.]
[* General Rule Maturities.]
[*** Hold-the-Offering-Price maturities.]

EXHIBIT B

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

$[PAR]
Municipal Building Authority of the City of South Jordan, Utah
Lease Revenue Bonds, Series 2026

The undersigned, on behalf of [Underwriter] (the "Original Purchaser"), as the Original Purchaser of the above-described bonds (the "Bonds"), being issued on the date of this Certificate by the Municipal Building Authority of the City of South Jordan, Utah (the "Issuer"), certifies and represents as follows:

1. Receipt of the Bonds. The Original Purchaser hereby acknowledges receipt of the Bonds pursuant to the Bond Purchase Contract (the "Purchase Contract") by and between the Original Purchaser, the Issuer, and the City of South Jordan, Utah, dated [October/November], 2026 (the "Sale Date"). The Bonds are issued as fully registered bonds, and are dated, mature on the dates, bear interest at the rates per annum, and are numbered as set forth in the Indenture (as defined in the Purchase Contract.).

2. [Series 2026 Debt Service Reserve Account. The funding of the Series 2026 Debt Service Reserve Account in an amount equal to the required balance therein was reasonably required and was an essential factor in marketing the Bonds and facilitated the marketing of the Bonds at interest rates comparable to that of similar bond issues. The amount of Bond proceeds to be deposited into the Series 2026 Debt Service Reserve Account does not exceed the least of (i) 10% of the aggregate original principal amount of the Bonds, (ii) the maximum annual principal and interest requirements on the Bonds, or (iii) 125% of the average annual principal and interest requirements on the Bonds.]

3. Issue Price. For purposes of this section the following definitions apply:

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

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

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

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

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

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

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

"Purchaser" means [Underwriter], on its own behalf and as representative of each Underwriting Firm.

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

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

The Purchaser represents as follows:

1. Attached as Attachment 1 is a copy of the pricing wire or similar communication used to communicate the Initial Offering Price of each Maturity to the Public.

2. As of the Effective Time all the Bonds were the subject of an initial offering to the Public.

3. As of the Effective Time none of the Bonds were sold to any person at a price higher than the Initial Offering Price for that Maturity.

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

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

[UNDERWRITER]

By: ___________________________________

Its: ___________________________________

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

EXHIBIT G

CERTIFICATE OF USEFUL LIFE

CERTIFICATE REGARDING ESTIMATED USEFUL LIFE

The undersigned, Brad Klavano, of City of South Jordan, has acted as the Architect or Engineer for the Municipal Building Authority of the City of South Jordan, Utah in connection with the construction of a fire station and related improvements (the "Series 2026 Project"), and based upon the foregoing, the undersigned hereby certifies to the best of his/her knowledge that the estimated useful life of the Series 2026 Project is not less than forty (40) years assuming proper maintenance and repair.

Dated: September 8, 2026

By: Brad Klavano

EXHIBIT H

PRELIMINARY OFFICIAL STATEMENT

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the securities, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED [OCTOBER ___], 2026

NEW ISSUE — **Ratings: S&P "[___]"**
Fitch "[___]"

Book-Entry Only Form — **(See "BOND RATINGS" herein.)**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Authority, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The Series 2026 Bonds are not "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Series 2026 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Series 2026 Bonds is exempt from State of Utah individual income taxes. See "TAX MATTERS" in this Official Statement.

$[PAR]*
MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH
LEASE REVENUE BONDS, SERIES 2026
Payable from Base Rentals to be Made by
CITY OF SOUTH JORDAN, UTAH
Pursuant to an Annually Renewable Lease

Dated: Date of Delivery — **Due: October 15, as shown below**

The Lease Revenue Bonds, Series 2026 (the "Series 2026 Bonds") of the Municipal Building Authority of the City of South Jordan, Utah (the "Authority") are issuable as fully registered bonds and when initially issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2026 Bonds. Purchases of Series 2026 Bonds will be made in book-entry form only, in the principal amount of $5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC participants. Owners of the Series 2026 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2026 Bonds. Interest on the Series 2026 Bonds is payable on April 15 and October 15 of each year, commencing April 15, 2027, all as more fully described herein. Payment of the principal of and interest on such Series 2026 Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See "THE SERIES 2026 BONDS—Book-Entry Only System" herein.

The Series 2026 Bonds are subject to optional [, sinking fund,] and extraordinary redemption prior to maturity. See "THE SERIES 2026 BONDS—Redemption" herein.

The proceeds of the Series 2026 Bonds will be used to (i) finance the acquisition and construction of a new fire station and related improvements (the "Series 2026 Project") and other purposes of the Authority; (ii) provide for a debt service reserve fund; and (iii) pay costs of issuance of the Series 2026 Bonds.

The Series 2026 Bonds are issued under and are equally and ratably secured by the herein described Indenture. Pursuant to the Indenture, the Authority has pledged and assigned to the Trustee, among other things, its right, title and interest in and to the Lease, including its right to receive the Base Rentals under the Lease as security for the payment of the principal of, premium, if any, and interest on the Series 2026 Bonds. In addition, the Authority will grant a security interest in the Series 2026 Project for the equal and proportionate benefit of the owners of the Series 2026 Bonds. The Series 2026 Bonds are limited obligations of the Authority payable solely from the revenues and receipts received pursuant to the Lease and other funds or amounts held by the Trustee under the Indenture as security for the Series 2026 Bonds.

Under the herein described Lease, the City of South Jordan, Utah (the "City") has agreed to make payments in stated amounts which are sufficient to pay the principal of and the interest on the Series 2026 Bonds coming due in each year but only if and to the extent that the City Council of the City annually appropriates funds sufficient to pay the Base Rentals coming due during each succeeding Renewal Term under the Lease plus such additional amounts as are necessary to operate and maintain the Series 2026 Project during such period. The Lease specifically provides that nothing therein shall be construed to require the municipal council to appropriate any money to pay any Base Rentals or Additional Rentals thereunder and that the City shall not be obligated to pay such Rentals except to the extent appropriated.

THE OBLIGATION OF THE CITY TO PAY ANY RENTALS IS ANNUALLY RENEWABLE AS PROVIDED IN THE LEASE. NEITHER THE OBLIGATION OF THE CITY TO PAY RENTALS NOR THE OBLIGATION OF THE AUTHORITY TO PAY THE SERIES 2026 BONDS WILL CONSTITUTE A DEBT OF THE CITY OR THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. THE ISSUANCE OF THE SERIES 2026 BONDS DOES NOT DIRECTLY OR CONTINGENTLY OBLIGATE THE CITY TO PAY ANY RENTALS BEYOND THOSE APPROPRIATED FOR THE CITY'S THEN CURRENT FISCAL YEAR. THE SERIES 2026 BONDS ARE NOT AN INDEBTEDNESS OR A LIABILITY OF THE CITY OR THE STATE. THE AUTHORITY HAS NO TAXING POWER.

The Series 2026 Bonds are offered when, as and if issued by the Authority and subject to the approval of their legality by Gilmore & Bell, P.C., Bond Counsel to the Authority. Certain legal matters will be passed upon for the Authority and the City by Ryan W. Loose, Esq., City Attorney. Certain matters will be passed upon for the Authority by Gilmore & Bell, P.C., as disclosure counsel to the Authority. Certain legal matters will be passed upon for the Underwriter by its counsel, Farnsworth Johnson PLLC, Provo, Utah. It is expected that the Series 2026 Bonds, in book-entry only form, will be available for delivery to DTC or its agent on or about [November 12], 2026.

This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision. This Official Statement is dated __________, 2026, and the information contained herein speaks only as of that date.

STIFEL

* Preliminary; subject to change.

$[PAR]*

MUNICIPAL BUILDING AUTHORITY OF CITY OF SOUTH JORDAN, UTAH

LEASE REVENUE BONDS, SERIES 2026

MATURITY SCHEDULE

Due (October 15)	Principal Amount*	Interest Rate	Yield	Price	CUSIP No.**

[$__________ _____% Term Bond due October 15, 20___; Price _____%; CUSIP No. _____**]

____

* Preliminary; subject to change.

** The above-referenced CUSIP numbers have been assigned by an independent company not affiliated with the parties to this transaction and are included solely for the convenience of the holders of the Series 2026 Bonds. None of the Authority, the City, the Trustee or the Underwriter is responsible for the selection or use of such CUSIP numbers, and no representation is made as to their correctness on the Series 2026 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2026 Bonds as a result of various subsequent actions including but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities.

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

No dealer, broker, salesman or any other person has been authorized by the Authority, the City, or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement, in connection with the offering contained herein, and, if given or made, such information or representations must not be relied upon. This Official Statement does not constitute an offer to sell or solicitation of an offer to buy nor shall there be any sale of the Series 2026 Bonds by any person in any jurisdiction in which it is unlawful for such offer, solicitation or sale.

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

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

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

The yields at which the Series 2026 Bonds are offered to the public may vary from the initial reoffering yields on the front cover page of this Official Statement. In connection with this offering, the Underwriter may engage in transactions that stabilize, maintain or otherwise affect market prices of the Series 2026 Bonds. Such transactions, if commenced, may be discontinued at any time.

The City maintains a website; however, the information presented there is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2026 Bonds.

THE SERIES 2026 BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. THE SERIES 2026 BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION, NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

$[PAR][*]
MUNICIPAL BUILDING AUTHORITY OF
CITY OF SOUTH JORDAN, UTAH

LEASE REVENUE BONDS, SERIES 2026

1600 West Towne Center Drive
South Jordan, Utah 84095
(801) 254-3742

GOVERNING BOARD OF THE AUTHORITY

Dawn Ramsey .... President and Chair
Patrick Harris .... Boardmember
Kathie Johnson .... Boardmember
Jason T. McGuire .... Boardmember
Donald Shelton .... Boardmember
Tamara Zander .... Boardmember

CITY ADMINISTRATION

Dustin Lewis .... City Manager
Sunil K. Naidu .... Chief Financial Officer
Ryan W. Loose .... City Attorney
Anna Crookston .... City Recorder
Krista Purser .... City Treasurer

TRUSTEE, PAYING AGENT & REGISTRAR
U.S. Bank Trust Company, National Association
170 South Main Street, Suite 200
Salt Lake City, Utah 84101
(801) 534-6051

MUNICIPAL ADVISOR
LRB Public Finance Advisors, Inc.
41 North Rio Grande, Suite 101
Salt Lake City, Utah 84101
(801) 596-0700

UNDERWRITER
Stifel, Nicolaus & Company, Incorporated
15 West South Temple, Suite 1090
Salt Lake City, Utah 84101
(385) 799-7231

BOND & DISCLOSURE COUNSEL
Gilmore & Bell, P.C.
15 West South Temple, Suite 1400
Salt Lake City, Utah 84101
(801) 364-5080

[*] Preliminary; subject to change.

TABLE OF CONTENTS

OFFICIAL STATEMENT

RELATING TO

$[PAR]*
MUNICIPAL BUILDING AUTHORITY OF
CITY OF SOUTH JORDAN, UTAH

LEASE REVENUE BONDS, SERIES 2026

INTRODUCTION

This Official Statement, including the cover page, introduction, and appendices, provides information in connection with the issuance and sale by the Municipal Building Authority of the City of South Jordan, Utah (the "Authority") of its $[PAR]* Lease Revenue Bonds, Series 2026 (the "Series 2026 Bonds"), initially issued in book-entry form only. This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Series 2026 Bonds to potential investors is made only by means of the entire Official Statement. Capitalized terms used herein and not otherwise defined are defined in "APPENDIX B—EXTRACTS OF CERTAIN PROVISIONS OF THE INDENTURE AND MASTER LEASE."

See also the following appendices attached hereto: APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025; APPENDIX B—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE; APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY; APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING; APPENDIX E—FORM OF OPINION OF BOND COUNSEL; APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM.

The Authority

The Authority is a nonprofit corporation created by the city council of City of South Jordan, Utah (the "City") pursuant to the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended (the "Building Authority Act") and the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended (the "Nonprofit Corporation Act"). The Authority was created by the City for the purpose of financing projects on behalf of the City as provided in the Building Authority Act. For more complete information, see "THE AUTHORITY" herein.

The City

The City, incorporated in 1935, covers an area of approximately 25.74 square miles and is located in the southwest portion of Salt Lake County, Utah (the "County"). The U.S. Census Bureau estimated the City's 2025 population as 87,614.

For additional information regarding the City, see "THE CITY"; "FINANCIAL INFORMATION REGARDING THE CITY"; "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025"; and "APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY" herein.

Authorization and Purpose of the Series 2026 Bonds

The Series 2026 Bonds are being issued pursuant to (i) the Building Authority Act; (ii) the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended (the "Local Government Bonding Act");

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* Preliminary; subject to change.

(iii) a General Indenture of Trust dated as of November 1, 2026 (the "General Indenture"), as supplemented by a First Supplemental Indenture of Trust dated as of November 1, 2026 (the "First Supplemental Indenture," and together with the General Indenture, the "Indenture"), each by and between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"); and (iv) the authorizing resolution of the Authority adopted on September 15, 2026. The issuance of the Series 2026 Bonds and the execution and delivery of the hereinafter defined Lease and the Indenture were approved by the City pursuant to a resolution adopted by the city council of the City (the "City Council"), on September 15, 2026.

The Series 2026 Bonds are being issued to (a) finance the acquisition and construction of a new fire station and related improvements (the "Series 2026 Project"), and other purposes of the Authority; (b) fund a deposit to a debt service reserve fund; and (c) pay costs of issuance of the Series 2026 Bonds.

The Series 2026 Project will be leased by the Authority to the City pursuant to an annually renewable Master Lease Agreement dated as of November 1, 2026 (the "Lease"), between the Authority, as lessor, and the City, as lessee.

The Authority will use a portion of the proceeds of the Series 2026 Bonds to acquire the Series 2026 Project. The Property on which the Series 2026 Project will be located is owned by the City (the "Project Site"). The City will execute a ground lease to provide a leasehold interest in the Project Site to the Authority pursuant to a Ground Lease Agreement dated as of November 1, 2026 (the "Ground Lease"), between the Authority, as lessee, and the City, as lessor.

The term of the Ground Lease will expire on October 15, 20[___]*; provided that the Ground Lease is subject to extension until October 15, 20[___]*, in the event of non-appropriation by the City or failure by the City to pay in full the cost of the improvements to the Project Site as provided in the Ground Lease. See "SECURITY FOR THE BONDS—Security Documents" herein.

To provide additional security to the Bondholders, the Authority will assign all its rights and interest in the Ground Lease to the Trustee pursuant to an Assignment of Ground Lease Agreements dated as of November 1, 2026 (the "Assignment of Ground Lease"). See "THE SERIES 2026 PROJECT" herein.

Initial Bonds; Additional Bonds

The Series 2026 Bonds are the initial Series of Bonds to be issued under the General Indenture. The Indenture permits the issuance of Additional Bonds secured on a parity with the Series 2026 Bonds, subject to certain conditions. The Series 2026 Bonds and any Additional Bonds issued under the Indenture are referred to collectively herein as the "Bonds." See "SECURITY FOR THE BONDS—Additional Bonds and Refunding Bonds" and APPENDIX B—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE herein.

Security for and Sources of Payment of the Bonds; Limited Obligations

The Series 2026 Bonds are issued under and are equally and ratably secured by the Indenture. Pursuant to the Indenture, the Authority has pledged and assigned to the Trustee, among other things, its right, title and interest in and to the Lease, including its right to receive the Base Rentals (as defined below) under the Lease as security for the payment of the principal of, premium, if any, and interest on the Bonds (as hereinafter defined). In addition, the Authority has granted a security interest in the Series 2026 Project under a Leasehold Deed of Trust, Assignment of Rents and Security Agreement, dated as of November 1, 2026 ("Leasehold Deed of Trust"). The Leasehold Deed of Trust, the Assignment of Ground Lease, and any financing statements filed in connection therewith are sometimes collectively referred to herein as the "Security Documents." The Security Documents are being executed for the equal and proportionate benefit of the Bondowners. The Bonds are limited obligations of the Authority payable solely from the revenues and receipts received pursuant to the Lease and other funds or amounts held by the Trustee under the Indenture as security for the Bonds.

Under the Lease, the City has agreed to make payments in stated amounts which are sufficient to pay the principal of and the interest on the Bonds coming due in each year (collectively, the "Base Rentals") but only if and to the extent that the City Council annually appropriates funds sufficient to pay the Base Rentals coming due during each succeeding Renewal Term (as described herein) under the Lease plus such additional amounts (the "Additional Rentals") as are necessary to operate and maintain the Series 2026 Project during such period. The Lease specifically provides that nothing therein shall be construed to require the City Council to appropriate any money to pay any Base Rentals or Additional Rentals (collectively, the "Rentals") thereunder and that the City shall not be obligated to pay such Rentals except to the extent appropriated.

THE OBLIGATION OF THE CITY TO PAY ANY RENTALS IS ANNUALLY RENEWABLE AS PROVIDED IN THE LEASE. NEITHER THE OBLIGATIONS OF THE CITY TO PAY RENTALS NOR THE OBLIGATION OF THE AUTHORITY TO PAY THE BONDS WILL CONSTITUTE A DEBT OF THE CITY OR THE STATE OR ANY POLITICAL SUBDIVISION THEREOF. THE ISSUANCE OF THE SERIES 2026 BONDS DOES NOT DIRECTLY OR CONTINGENTLY OBLIGATE THE CITY TO PAY ANY RENTALS BEYOND THOSE APPROPRIATED FOR THE CITY'S THEN CURRENT FISCAL YEAR. THE SERIES 2026 BONDS ARE NOT AN INDEBTEDNESS OR A LIABILITY OF THE CITY OR THE STATE. THE AUTHORITY HAS NO TAXING POWER.

The Indenture and Security Documents create a lien on and a security interest in the Series 2026 Project for the benefit of the Registered Owners (as defined herein) of the Series 2026 Bonds.

Redemption

The Series 2026 Bonds are subject to optional [sinking fund,] and extraordinary redemption prior to maturity as described herein. See "THE SERIES 2026 BONDS—Redemption" herein.

Registration, Denominations and Manner of Payment

The Series 2026 Bonds are issuable only as fully registered bonds without coupons and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository of the Series 2026 Bonds. Purchases of Series 2026 Bonds will be made in book-entry form only, in the principal amount of $5,000 or any integral multiple thereof, through brokers and dealers who are, or who act through, DTC participants. Beneficial Owners of the Series 2026 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2026 Bonds.

Principal of and interest on the Series 2026 Bonds (interest payable October 15 and April 15 of each year, commencing April 15, 2027) are payable by U.S. Bank Trust Company, National Association, as paying agent (the "Paying Agent"), to the registered owners of the Series 2026 Bonds. So long as DTC is the registered owner, it will, in turn, remit such principal and interest payments to its Participants, for subsequent disbursements to the Beneficial Owners of the Series 2026 Bonds, as described under "THE SERIES 2026 BONDS—Book-Entry Only System" herein.

Tax Status

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the Authority, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel notes that interest on the Series 2026 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Series 2026 Bonds is exempt from State of Utah individual income taxes. See "TAX MATTERS" in this Official Statement. Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the Series 2026 Bonds.

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

The Series 2026 Bonds are offered, subject to prior sale, when, as and if issued and received by the Underwriter subject to approval of legality by Gilmore & Bell, P.C., Bond Counsel to the Authority, and certain other conditions. Certain legal matters will be passed upon for the Authority and the City by Ryan W. Loose, Esq., City Attorney. Certain matters will be passed upon for the Authority by Gilmore & Bell, P.C., as disclosure counsel to the Authority. Certain legal matters will be passed upon for the Underwriter by its counsel, Farnsworth Johnson PLLC, Provo, Utah. It is expected that the Series 2026 Bonds, in book entry only form, will be available for delivery to DTC or its agent on or about [November 12], 2026.

Continuing Disclosure

The City will execute a Continuing Disclosure Undertaking for the benefit of the beneficial owners of the Series 2026 Bonds to enable the Underwriter to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. See "CONTINUING DISCLOSURE" and "APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING."

Basic Documentation

The "basic documentation," which includes the Indenture, the Lease, the Ground Lease, the Security Documents, and other documentation, authorizing the issuance of the Series 2026 Bonds and establishing the rights and responsibilities of the City, the Authority, and other parties to the transaction, may be obtained from the "contact persons" as indicated below.

Contact Persons

The chief contact person for the Authority and the City concerning the Series 2026 Bonds is:

Sunil K. Naidu, Chief Financial Officer
City of South Jordan
1600 West Towne Center Drive
South Jordan, Utah 84095
(801) 254-3742
snaidu@sjc.utah.gov

The chief contact persons for the Municipal Advisor concerning the Series 2026 Bonds are:

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

THE SERIES 2026 BONDS

General

The Series 2026 Bonds are dated as of the date of their initial delivery, and except as otherwise provided in the Indenture, shall bear interest from said date. Interest on the Series 2026 Bonds will be payable semiannually on October 15 and April 15 of each year commencing April 15, 2027. The Series 2026 Bonds are issued as fully registered bonds in denominations of $5,000 or any integral multiple thereof.

The Series 2026 Bonds shall bear interest at the rates and shall mature on the dates as described on the cover page hereof. Interest on the Series 2026 Bonds will be calculated on the basis of a 360-day year consisting of twelve

30-day months. Interest on the Series 2026 Bonds will be payable by check or draft mailed by the Trustee to the registered owner thereof (initially DTC) as of the Record Date.

Redemption

Optional Redemption. The Series 2026 Bonds maturing on or prior to October 15, 20___, are not subject to redemption prior to maturity. The Series 2026 Bonds maturing on or after October 15, 20___, are subject to redemption prior to maturity at the option of the Authority in whole or in part on any date on and after October 15, 20___, and if in part, in such order of maturity as may be directed by the Authority at a redemption price equal to 100% of the principal amount of the Series 2026 Bonds to be redeemed plus accrued interest to the date of redemption.

[Mandatory Sinking Fund Redemption. The Series 2026 Bonds maturing on October 15, 20___, are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof plus accrued interest thereon to the redemption date on the dates and in the principal amounts as follows:

Mandatory Sinking Fund Date (October 15)	Principal Amount

* Final maturity date.

Upon redemption of any Series 2026 Bonds maturing on October 15, 20___, other than by application of such mandatory sinking fund redemption, an amount equal to the principal amount so redeemed will be credited toward a part or all of any one or more of such mandatory sinking fund redemption amounts for the related Series 2026 Bonds, in such order as shall be directed by the Authority.]

Extraordinary Redemption. The Series 2026 Bonds shall be callable for redemption prior to maturity in whole on any date, if (i) the Series 2026 Project or a material portion thereof is damaged or destroyed or taken in a condemnation proceeding, or a material defect in the construction of the Series 2026 Project shall become apparent, or title to or the use of all or any material portion of the Series 2026 Project shall be lost by reason of a defect in title thereto, (ii) the Net Proceeds of any insurance policy, performance bond or condemnation award made available by reason of one or more such occurrences shall be insufficient to pay in full the cost of repairing or replacing such portion of the Series 2026 Project, and (iii) the City elects to discharge its obligation to repair and replace such portion of the Series 2026 Project by depositing such Net Proceeds into the Bond Fund. Upon the deposit of such Net Proceeds in the Bond Fund, the payment obligations of the City with respect to the Series 2026 Project under the Lease shall terminate and the City shall have no further obligation for the payment of Base Rentals and Additional Rentals thereunder with respect to the Series 2026 Project, and possession of the Series 2026 Project, as well as all right, title and interest of the City and the Authority in any funds or accounts created under the Indenture with respect to the Series 2026 Project shall be surrendered to the Trustee, as trustee for the Bondholders. Thereafter, the Indenture and the Security Documents for the Series 2026 Project may, subject to the limitations of the Indenture, be foreclosed and the Authority's interest in the Series 2026 Project liquidated and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Indenture with respect to the Series 2026 Project (except moneys held in the Rebate Fund or for the payment of Series 2026 Bonds not then deemed outstanding), shall be applied by the Trustee to the redemption of the Series 2026 Bonds at the earliest date practicable. Any such redemption of the Series 2026 Bonds shall be made upon payment of all or a prorated portion of the principal amount thereof plus accrued interest thereon to the redemption date. IN THE EVENT THE SERIES 2026 BONDS ARE TO BE REDEEMED BY PAYMENT OF AN AMOUNT LESS THAN THE OUTSTANDING PRINCIPAL AMOUNT THEREOF, AND ACCRUED INTEREST TO THE REDEMPTION DATE, NO FURTHER CLAIM FOR PAYMENT MAY BE HAD BY THE BONDHOLDERS AGAINST THE AUTHORITY, THE CITY OR THE TRUSTEE WITH RESPECT TO SAID SERIES 2026 BONDS. In the event there are moneys remaining in the Bond Fund after payment in full of all Series 2026 Bonds, the Trustee is authorized and directed to transfer said moneys to the City.

Notice and Effect of Redemption. Notice of redemption shall be mailed by first class mail, postage prepaid, to all Registered Owners of Series 2026 Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar at least 30 days but not more than 60 days prior to the date fixed for redemption. Such notice shall contain certain information set forth in the Indenture.

If at the time of mailing of any notice of optional redemption there shall not be on deposit with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that such redemption is subject to the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date and that such notice shall be of no effect unless such moneys are so deposited and transmitted to the Registered Owners of said Bonds on the redemption date.

Partially Redeemed Series 2026 Bonds. In case any registered Series 2026 Bond shall be redeemed in part only, upon the presentation of such Series 2026 Bond for such partial redemption, the Authority shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Authority, a Series 2026 Bond or Series 2026 Bonds of the same interest rate and maturity, in aggregate principal amount equal to the unredeemed portion of such registered Series 2026 Bond. A portion of any Bond of the authorized denomination of more than the authorized denomination to be redeemed will be in the principal amount of the authorized denomination or an integral multiple thereof and in selecting portions of such Bonds for redemption, the Trustee will treat each such Bond as representing that number of Bonds of the authorized denomination which is obtained by dividing the principal amount of such Bonds by the authorized denomination.

Book-Entry Only System

The Series 2026 Bonds are issuable as fully registered bonds and when initially issued will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2026 Bonds. So long as such Series 2026 Bonds are held in the Book-Entry Only system, DTC or its nominee will be the registered owner or Holder of such Series 2026 Bonds for all purposes of the Indenture, the Series 2026 Bonds and this Official Statement. Purchases of beneficial ownership interests in the Series 2026 Bonds may be made in the denominations described above. For a description of the book-entry system for the Series 2026 Bonds, see "APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM."

Registration, Transfer and Exchange

In the event that the book-entry only system has been terminated, the Series 2026 Bonds, upon surrender thereof at the principal corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the Bondowner or his duly authorized attorney, may be exchanged for an equal aggregate principal amount of Series 2026 Bonds of the same series, designation, interest rate, and maturity and of any other authorized denominations.

The Trustee shall require the payment by the Bondholder requesting exchange or transfer of Series 2026 Bonds of any tax or other governmental charge which are required to be paid with respect to such exchange or transfer.

The Trustee shall not be required to transfer or exchange any Series 2026 Bonds (i) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date, (ii) during the period from and including the day fifteen days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto, (iii) during the period from and including the day fifteen days prior to the mailing of notice calling any Series 2026 Bonds for redemption, to and including the date of such mailing, or (iv) at any time following the mailing of notice calling such Series 2026 Bond for redemption.

SECURITY FOR THE BONDS

General

The Bonds are not general obligations but are special, limited obligations of the Authority. The Bonds and the interest thereon are payable solely from, and are secured by a pledge of the Base Rentals, the Purchase Option Price, if paid by the City, and any other amounts derived by the Authority under the Lease and the Indenture, except to the extent payable from certain moneys held under the Indenture (excluding the Rebate Fund) and from the investment thereof, the proceeds of certain insurance policies, performance bonds, condemnation awards and liquidation proceeds, if any. The Bonds and the interest thereon shall not constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitation and shall not constitute or give rise to a pecuniary liability of the City, nor shall any of the Bonds or interest thereon be a charge against the general credit or taxing powers of the City. Neither the City, nor the Authority on its behalf, has pledged the credit of the City to the payment of the Bonds, the interest thereon or amounts due, or to become due, under the Lease. The Authority has no taxing power.

Under the Lease, the City has agreed to pay Base Rentals in amounts and at times that are sufficient to pay principal of and interest on the Bonds coming due in each fiscal year, but only if and to the extent that the City Council annually appropriates funds sufficient to pay the Base Rentals coming due during each succeeding Renewal Term plus such Additional Rentals as are payable under the Master Lease during such period. The Lease specifically provides that nothing therein shall be construed to require the City to appropriate any moneys to pay the Base Rentals or Additional Rentals thereunder and the City shall not be obligated to pay such Rentals with respect to a Project unless such Project is substantially completed and only to the extent appropriated. Neither the issuance of the Series 2026 Bonds nor the execution and the delivery of the Lease directly or contingently obligates the City to pay any Base Rentals or Additional Rentals beyond those appropriated for the City's then current fiscal year. See "RISK FACTORS" herein.

Under the Lease, the City is entitled not to appropriate Rentals for the next succeeding Renewal Term with respect to all of the Projects, but it is not entitled to elect to appropriate with respect to less than all of the Projects. In other words, the City Council's decision under the Lease whether to appropriate Rentals for each succeeding Renewal Term is "all or nothing."

Debt Service Reserve Fund

The Indenture creates a Debt Service Reserve Fund and provides that a separate account for each Series of Bonds shall be established within the Debt Service Reserve Fund. The Indenture provides that moneys in the Debt Service Reserve Fund shall at all times be maintained in a total aggregate principal amount of not less than the Debt Service Reserve Requirement for all Outstanding Series of Bonds.

The Debt Service Reserve Requirement for the Series 2026 Bonds is $[_____] and such amount will be deposited into a Series 2026 Debt Service Reserve Account in the Debt Service Reserve Fund upon issuance of the Series 2026 Bonds.

For additional information, see APPENDIX B—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE.

Security Documents

In addition to a pledge of the Base Rentals, the Purchase Option Price, if paid by the City, and any other amounts derived by the Authority under the Lease and the Indenture, the Bonds will be secured by the Security Documents. The Security Documents consist of the Leasehold Deed of Trust, the Assignment of Ground Lease, and any financing statements filed in connection therewith.

The Project Site is owned by the City and will be ground-leased to the Authority pursuant to the Ground Lease.

The term of the Ground Lease will expire on October 15, 20[___]* provided that the Ground Lease is subject to extension until October 15, 20[___]*, in the event of non-appropriation by the City or failure by the City to pay in full the cost of the improvements to the Project Site as provided in the Ground Lease. To provide additional security to the Bondholders, the Authority will assign all its rights and interest in the Ground Lease to the Trustee pursuant to the Assignment of Ground Lease. In addition, the Authority will encumber its leasehold interest in the Series 2026 Project to the Trustee pursuant to the Leasehold Deed of Trust.

Reference is hereby made to the actual Security Documents for a complete recital of their terms. During the period of the offering of the Series 2026 Bonds, copies of the Security Documents or their preliminary forms will be available at the office of the Municipal Advisor. Subsequent to the initial offering of the Series 2026 Bonds, copies of the Security Documents may be obtained from the Trustee. Under the Leasehold Deed of Trust, the Authority will irrevocably warrant, grant, transfer, convey and assign to the Trustee, in trust with power of sale, all of its right or leasehold right, title and interest in the Series 2026 Project, including, but not limited to real property, rents, issues, profits, royalties, income, interest in the leases or subleases, options to purchase, easements, rights of way, proceeds of insurance or condemnation and tangible personal property in order to provide additional security for the Authority's payment obligations with respect to the Bonds and the Indenture. The Leasehold Deed of Trust generally provides for the procedure by which the Trustee can foreclose the lien on the Series 2026 Project or sell the Authority's interest or leasehold interest in the Series 2026 Project to pay the Authority's payment obligations under the Bonds and the Indenture.

No deficiency judgment upon foreclosure of the lien of the Indenture or of the Security Documents may be entered against the City or the Authority, and no judgment requiring a payment of money may be entered against the City under the Lease.

Cross-Collateralization

Pursuant to the Indenture and the Master Lease, the Authority has granted to the Trustee for the benefit of the owner of all of the Bonds issued and outstanding under the Indenture a mortgage lien on, and security interest in, all of the Authority's right, title and interest in and to each Project financed under the Indenture to the extent provided in the Indenture. The occurrence of an Event of Default under the Indenture (including and Event of Nonappropriation under the Master Lease) will entitle the Trustee to exercise its rights and remedies to the extent provided in the Indenture against any or all of such Projects in such manner and order as the Trustee determines to be in the best interests of the owners of the Bonds then outstanding. The Series 2026 Bonds are the initial series of Bonds under the Indenture and the Series 2026 Project is the only Project currently being financed under the Indenture.

Release of Portions of the Projects upon Payment of Related Series of Bonds

Pursuant to the Lease, the City has been granted the option of purchasing all or any of the Projects in advance of the final maturity of the Bonds. So long as no Event of Default shall have occurred and be continuing under the Indenture and so long as no Event of Default or Event of Nonappropriation shall have occurred and be continuing under the Lease, a Project may be released from the lien created with respect to the related Series of Bonds and the Indenture and the Lease and transferred to the City if (i) the City shall deposit with the Trustee the Purchase Option Price for the related Project and (ii) if the interest payable on the related Series of Bonds is excludable from gross income for federal income tax purposes, there shall have been delivered to the Trustee an opinion of nationally recognized bond counsel to the effect that the release of the related Project will not adversely affect the excludability of interest on said Bonds from the federal gross income of the owners thereof.

Additional Bonds and Refunding Bonds

<u>General</u>. Pursuant to the Indenture, the Authority may issue additional Series of Bonds under the Indenture which shall be equally and ratably secured under the Indenture with the Series 2026 Bonds. Prior to the authentication by the Trustee of each Series of Bonds there shall have been filed with the Trustee certain documents, certificates and opinions.

Refunding Bonds. So long as the Master Lease is in effect and no Event of Default under the Indenture or the Master Lease has occurred and is continuing and so long as no Event of Nonappropriation has occurred and is continuing, one or more Series of Refunding Bonds may be issued, authenticated and delivered for the purpose of refunding Bonds or other obligations of the Authority. The Refunding Bonds may be issued in one or more Series, shall be authenticated by the Trustee and, upon payment to the Trustee of the proceeds of said sale of Refunding Bonds, they shall be delivered by the Trustee to or upon the order of the purchasers thereof, but only upon satisfaction of the general conditions specified by the Indenture for authentication and delivery of Bonds and upon there being filed with the Trustee:

(a) Original executed counterparts of a Supplemental Indenture, a supplement or amendment (if necessary) to the Security Documents and the Master Lease providing for the issuance of such Refunding Bonds, and further providing for a revision to the Base Rentals to be paid by the City under the Master Lease to such amount as shall be necessary to pay, assuming that no Event of Default or Event of Nonappropriation shall occur, the principal of, premium, if any, and interest on the Bonds (including the Refunding Bonds being issued and any Bonds theretofore issued and to remain Outstanding), and to extend the Lease Term if the maturity of any of the Refunding Bonds would otherwise occur after the expiration of the then current Lease Term. The date or dates of the Refunding Bonds, the rate or rates of interest on the Refunding Bonds, and the redemption provisions (if any) with respect thereto all shall be as provided in the Supplemental Indenture;

(b) If any of the Bonds being refunded were intended to bear interest which is excludable from gross income, a written opinion of nationally recognized bond counsel, to the effect that the excludability from gross income of the interest on the Bonds being refunded, for federal income tax purposes, will not be adversely affected by the issuance of the Refunding Bonds being issued;

(c) A date down endorsement to the ALTA mortgagee title insurance policy issued in connection with the issuance of the Bonds being refunded or commitment therefor (or if the bonds or other obligations being refunded were not issued pursuant to this Indenture, an ALTA Mortgagee title insurance policy or commitment therefor), which endorsement or policy shall insure to the date of issuance of such Refunding Bonds and the recording of any supplement or amendment to the Security Documents the continuing validity of the lien thereof, as modified by any supplement or amendment to the Security Documents, as a first and prior lien on the premises thereby secured, subject only to Permitted Encumbrances, and which endorsement or policy shall increase the amount of title insurance coverage thereunder, if necessary, to an amount, which when added to the coverage provided under any other title policies delivered with respect to other Bonds then Outstanding and issued with respect to the Project financed by the Bonds or other obligations to be refunded, is at least equal to the aggregate principal amount of all Bonds to be Outstanding with respect to such Project following said refunding and naming the Trustee as an insured; alternatively, the Authority may reasonably expect to be able to deliver the required mortgage title insurance following delivery of the related Series of Bonds, provided that no proceeds of such Bonds shall be drawn out of the Construction Fund until such mortgage title insurance is delivered (except for costs of issuance related to such Bonds);

(d) A report of an independent firm of certified public accountants to the effect that, upon the issuance of the Refunding Bonds, moneys and Direct Obligations will be deposited with the Trustee or an escrow agent sufficient to cause the Bonds (or other obligations) being refunded to be deemed paid (or a comparable provision of the documents authorizing the obligations to be refunded); or in the event that the Bonds (or other obligations) to be refunded are to be redeemed on the date of issuance of the Refunding Bonds or within 90 days thereafter, there shall be delivered to the Trustee evidence satisfactory to it that upon the issuance of the Refunding Bonds moneys and Direct Obligations will be deposited with the Trustee or an escrow agent sufficient, without taking into account investment earnings thereon, to redeem the Bonds (or other obligations); and

(e) A certificate of the Authority, stating that, as of the date of such delivery, no event or condition has happened or exists and is continuing, or is happening or existing, which constitutes, or which, with notice or lapse of time or both, would constitute, an Event of Default under the Indenture or the Lease and there has not occurred and is then continuing an Event of Nonappropriation; provided however that the existence of an Event of Default shall not preclude the issuance of any Refunding Bonds if: (i) the issuance of such Refunding Bonds otherwise complies with the provisions hereof and (ii) any Event of Default will cease to continue upon the issuance of such Refunding Bonds and the application of the proceeds thereof.

Each Series of Refunding Bonds issued pursuant to the Indenture shall be equally and ratably secured under the Indenture with the Series 2026 Bonds, the Outstanding Parity Bonds, and all other Series of Refunding Bonds and Additional Bonds, if any, theretofore issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

Additional Bonds. So long as the Lease is in effect and no Event of Default under the Indenture or the Lease has occurred and is continuing and so long as no Event of Nonappropriation has occurred and is continuing, one or more Series of Additional Bonds may be issued, authenticated and delivered for the purpose of financing Costs of Acquisition and Construction of a Project or Projects. The Additional Bonds may be issued in one or more Series, shall be authenticated and registered by the Trustee and, upon payment to the Trustee of the proceeds of said sale of Additional Bonds, they shall be delivered by the Trustee to or upon the order of the purchasers thereof, but only upon satisfaction of the general conditions specified by the Indenture for authentication and delivery of Bonds and upon there being filed with the Trustee:

(a) Original executed counterparts of a Supplemental Indenture, additional Security Documents or a supplement or amendment (if necessary) to the Security Documents and Master Lease providing for the financing of a Project and for the issuance of the Additional Bonds and further providing for an increase in the Base Rentals to be paid by the City under the Master Lease in such amount as shall be necessary to pay, assuming that no Event of Default or Event of Nonappropriation shall occur, the principal of, premium, if any, and interest on the Bonds (including the Additional Bonds being issued and Bonds theretofore issued and Outstanding), and to extend the Lease Term if the maturity of any of the Additional Bonds would otherwise occur after the expiration of the then current Lease Term. The date or dates of the Additional Bonds, the rate or rates of interest on the Additional Bonds, and the redemption provisions (if any) with respect thereto all shall be as provided in the Supplemental Indenture;

(b) A date down endorsement to the ALTA mortgagee title insurance policy issued in connection with the issuance of the Initial Bonds (or other Bonds) or commitment therefor or an additional ALTA mortgagee title insurance policy or commitment therefor, which endorsement or policy shall insure to the date of issuance of such Additional Bonds and the recording of any additional Security Documents or supplement to the Security Documents, if required, the continuing validity of the lien thereof, as modified by any supplement to the Security Documents, as a first and prior lien on the premises thereby secured, subject only to Permitted Encumbrances, and which endorsement or additional policy shall increase the amount of title insurance coverage thereunder to an amount at least equal to the aggregate principal amount of the Additional Bonds to be issued (or in the case of Additional Bonds issued to complete or extend a Project previously financed hereunder the endorsement to the original policy for such Project shall increase the coverage to at least the aggregate principal amount of Bonds issued for such Project to be Outstanding following the issuance of such Additional Bonds) and naming the Trustee as an insured. In the event that the property upon which additional projects are to be located has not been acquired at or prior to the time of issuance of the Additional Bonds, the amendment to the Master Lease relating to such Additional Bonds shall require that such endorsement or additional title policy with respect to such property be delivered at the time of or prior to any disbursements being made from the Construction Fund with respect to such portion of the Project (except for costs of issuance relating to such Bonds);

(c) If such Series of Additional Bonds is being issued in whole or in part for construction purposes, (i) a copy, duly certified by the Secretary-Treasurer of the Authority, of the project contract and architect's agreement with respect to such construction and the performance and payment bond covering such contract or, in the alternative, a requirement that a copy of such documents be delivered to the Trustee prior to the time that moneys are withdrawn from the Construction Fund with respect to such portions of the Project, and (ii) a certificate of the architect or engineer responsible for planning and designing any such construction which sets forth the estimated useful life of the Project or Projects, as so improved and extended, in compliance with Section 17D-2-301 of the Building Authority Act; and

(d) A certificate of the Authority, stating that as of the date of such delivery no event or condition has happened or exists and is continuing, or is happening or existing, which constitutes, or which, with notice or lapse of time or both, would constitute, an Event of Default under the Indenture or the Master Lease and there has not occurred and is then continuing an Event of Nonappropriation; provided however that the existence of an Event of Default shall not preclude the issuance of any Additional Bonds if: (i) the issuance of such Additional Bonds otherwise complies with the provisions hereof and (ii) any Event of Default will cease to continue upon the issuance of such Additional Bonds and the application of the proceeds thereof.

Each Series of Additional Bonds issued pursuant to the Indenture shall be equally and ratably secured under the Indenture with the Series 2026 Bonds and all other Series of Additional Bonds and Refunding Bonds, if any, theretofore issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

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ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds for the Series 2026 Bonds are shown below:

Sources of Funds

Par Amount of the Series 2026 Bonds	$__________
[Net] Reoffering Premium	__________
TOTAL	__________

Uses of Funds

Deposit to Construction Fund	$__________
Deposit to Series 2026 Debt Service Reserve Account	__________
Costs of Issuance[1]	__________
TOTAL	$__________

[1] Costs of issuance include Underwriter's discount, Municipal Advisor, legal, rating agency, and Trustee fees and other costs and expenses related to the issuance of the Series 2026 Bonds.

THE SERIES 2026 PROJECT

Proceeds of the Series 2026 Bonds will be used to finance all or portion of the costs of the acquisition and construction of a new fire station and related improvements. The new fire station, tentatively named "Fire Station 65," is planned to be 23,000 square feet and will provide fire, paramedic, and administrative support primarily for residents living within the City's west boundaries.

The estimated total cost of the Series 2026 Project is approximately $24 million. The Series 2026 Project is currently in the design phase and construction is expected to begin in April 2027 and to be completed in October 2028.

DEBT SERVICE SCHEDULE ON THE SERIES 2026 BONDS

The following table sets forth the fiscal year debt service schedule for the Series 2026 Bonds.

Year	Principal*	Interest	Fiscal Year Total
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
TOTAL	$[PAR]*		

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

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THE AUTHORITY

Establishment

The City Council authorized and directed the creation of the Authority on August 13, 1993, as a non-profit corporation under the provisions of the Nonprofit Corporation Act and Building Authority Act.

The Authority is to be of perpetual duration as set forth in its articles of incorporation. The Authority has no full-time employees or other personnel other than its Board of Trustees. The Authority has no property, money or other assets, except for those which are to be acquired with the proceeds of, and pledged to the payment of, its bonds. The principal place of business and office of the Authority is located at 1600 West Towne Center Drive, South Jordan, Utah, 84095.

Corporate Powers

The Authority has been incorporated for the purpose of acquiring, improving or extending one or more "projects" (as defined in the Building Authority Act) and financing their costs on behalf of the City in accordance with the procedures and subject to the limitations of the Building Authority Act, in order to accomplish the public purposes for which the City exists.

The Authority has all of the powers provided for in the Building Authority Act and in the Constitution and other laws of the State of Utah. The Authority may not, however, undertake any of the activities provided for in its articles of incorporation without prior authorization therefor by the City Council. The Authority has been organized as a non-profit corporation and its articles of incorporation expressly require that it remain a nonprofit corporation.

The Authority may not be dissolved unless all of its outstanding bonds and other obligations are paid in full as to principal, interest and redemption premiums, if any, or unless provisions for the payment of the same when due has been made. Whenever bonds, notes or other evidences of indebtedness issued by the Authority are satisfied, discharged and retired, title to all real and personal property financed with the proceeds of such bonds, notes or other evidences of indebtedness is required to be forthwith transferred to the City.

Statutory Powers

Under the Building Authority Act, the Authority has the power to: (i) acquire one or more projects, which, by definition, means that it may obtain or gain property of every kind or nature which a public body is authorized or permitted by law to own, possess or hold or which has or may come into its possession or ownership by any lawful means, including, but not limited to purchase, lease, rental, sale, contract, exchange, devise, bequest, gift, condemnation, donation, construction or operation of law, and it may otherwise improve or extend such a project or projects and finance their costs on behalf of the public body which created the Authority in order to accomplish the public purposes for which the public body exists; (ii) enter into leasing contracts with the City with respect to projects which the Authority has acquired, improved or extended or will acquire, improve or extend on behalf of the City; (iii) issue and sell its bonds for the purpose of paying the cost of acquiring, improving or extending a project; and (iv) perform such other acts as enumerated in the Act; all in accordance with and subject to the specific requirements of the Building Authority Act with respect to such powers.

Organization

According to the bylaws of the Authority, the affairs of the Authority are managed by a board of trustees (the "Board"). The Board consists of all members (the "Boardmembers") of the City Council as may from time to time serve. Each Boardmember serves on the Board until death, incapacity or removal from the City Council. Whenever a member of the City Council ceases to be a member of the City Council, such member's successor, upon election and qualifying for office, thereupon becomes a member of the Board.

The bylaws further provide for election of officers by the Board. The current members of the Board and the officers are set forth at the front of this Official Statement. For additional information regarding the Boardmembers and the officers, see "THE CITY—Form of Government" below.

THE CITY

General Information

The City, incorporated in 1935, covers an area of approximately 25.74 square miles and is located in the southwest portion of the County. According to the U.S. Census Bureau, the City had an estimated 2025 population of 87,614 residents. The City reports that it is approximately 54% "built out" based upon land use and that based upon current land use and amount of land area, the City will be able to accommodate a population of more than 166,400 persons.

The City is a suburb of metropolitan Salt Lake City within the County and is the fifth city in a line of eight cities located directly south of Salt Lake City along Interstate Highway I-15. These cities constitute a portion of a continuous area of development from the north end of the County through the City. The City is located approximately 15 miles south of metropolitan Salt Lake City and can best be characterized as residential/suburban with a mix of commercial, retail and light industrial businesses. Persons living within the boundaries of the City have the advantages of a smaller community in close proximity to the goods, services and educational, professional, and cultural opportunities of the larger metropolitan areas.

Form of Government

The City is currently governed by a Mayor and City Council consisting of five persons, elected by district by voters in the City. A measure of continuity is provided in the City Council by the election of the council members to four-year overlapping terms. Duties of the council members include the responsibility for all City affairs in general. The City Council must approve and may revise the budget of any City department or elected official. The City Council serves as the legislative body of the City and appropriates funds for the various City functions. The City Council is the tax levying body, determining the necessary City property tax levy each year. The City Council also licenses and regulates businesses, exhibitions, and recreation within the City area. Other appointed officials are the City Manager, Chief Financial Officer, City Attorney, and City Recorder.

Current members of the City Council and other officers of the City and their respective terms in office are as follows:

Office	Person	Years of Service	Expiration of Term
Mayor	Dawn R. Ramsey	9	January 2030
Council Member	Patrick Harris	10	January 2028
Council Member	Kathie Johnson	7	January 2028
Council Member	Jason T. McGuire	9	January 2030
Council Member	Donald Shelton	13	January 2030
Council Member	Tamara Zander	10	January 2028
City Manager	Dustin Lewis (1)	3	Appointed
City Attorney	Ryan W. Loose (2)	11	Appointed
Chief Financial Officer	Sunil K. Naidu (3)	16	Appointed
City Recorder	Anna Crookston (4)	6	Appointed
City Treasurer	Krista Purser(5)	>1	Appointed

(1) Mr. Lewis has a total of 20 years of service with the City in various positions.
(2) Mr. Loose has a total of 20 years of service with the City in various positions.
(3) Mr. Naidu has a total of 26 years of service with the City in various positions.
(4) Ms. Crookston has a total of 20 years of service with the City in various positions.
(5) Ms. Purser has a total of 8 years of service with the City in various positions.

Employee Workforce and Retirement Plan

The City currently employs approximately 460 full-time employees and approximately 169 part-time employees for a total employment of approximately 629 employees. The City is a member of the Utah State Retirement Systems and participates in a deferred compensation plan. See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025—Notes to the Financial Statements—Note 11 - Retirement Plan" herein. The City does not have any other post-employment benefits liabilities.

Risk Management

The City is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City pays the first $500,000 of each claim as its liability or high deductible. The Travelers' package liability policy takes over additional covered loss up to an aggregate per year of $10,000,000 when considering both Primary and Umbrella policies. The City also purchases commercial insurance for risks or maintains the risk at the City level. Various additional policies are purchased through an insurance broker to cover theft, damages, and other exposures. A deductible applies to costs that the City pays in the event of any loss. The City also has a workers compensation policy. The City has not incurred a claim in excess of its coverage for any of the past four fiscal years.

Investment of Funds

Investment of Operating Funds: *The Utah Money Management Act*. The Utah Money Management Act, Title 51, Chapter 7, Utah Code (the "MM Act") governs the investment of all public funds held by public treasurers in the State. It establishes criteria for investment of public funds with an emphasis on safety, liquidity, yield, matching strategy to fund objectives, and matching the term of investments to the availability of funds. The MM Act provides a limited list of approved investments, including qualified in-state and permitted out-of-state financial institutions, approved government agency securities and investments in corporate securities carrying "top credit ratings." The MM Act also provides for pre-qualification of broker dealers requiring that broker dealers must agree in writing to comply with the MM Act and certify that they have read and understand the MM Act. The MM Act establishes the Money Management Council (the "MM Council") to exercise oversight of public deposits and investments. The law requires all securities to be delivered via payment to the treasurer's safekeeping bank. It requires diversification of investments, especially in securities of corporate issuers. The MM Act limits investments in a single issuer of commercial paper and corporate obligations to between 5% and 10% of an investment portfolio depending on the amount in such portfolio. Investments in mortgage pools and mortgage derivatives or any security making unscheduled periodic principal payments are prohibited. The MM Act also defines the State's prudent investor rules. The MM Council is comprised of five members appointed by the Governor of the State for terms of four years, after consultation with the State Treasurer and with the advice and consent of the State Senate.

The City is currently complying with all of the provisions of the MM Act for all City operating funds. Approximately 96% of City funds are invested in the Utah Public Treasurers' Investment Fund ("PTIF"), as discussed below.

The Utah Public Treasurers' Investment Fund. The PTIF is a public treasurers' investment fund, established in 1981, and managed by the State Treasurer. The PTIF invests to ensure safety of principal, liquidity and a competitive rate of return on short-term investments. All moneys transferred to the PTIF are promptly invested in securities authorized by the MM Act. Safe-keeping and audit controls for all investments owned by the PTIF must comply with the MM Act.

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

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

Securities in the PTIF include certificates of deposit, commercial paper, short-term corporate notes, obligations of the U.S. Treasury and securities of certain agencies of the U.S. Government. These short-term securities must be rated "first tier" ("A1," "P1," for short-term investments and "A" or better for long-term investments) by two nationally recognized statistical rating organizations, one of which must be Moody's or S&P. These securities represent limited risks to governmental institutions investing with the PTIF. Variable rate securities in the PTIF must have an index or rate formula that has a correlation of at least 94% of the effective Federal Funds rate. The PTIF itself is not rated.

Investment activity of the State Treasurer in the management of the PTIF is reviewed monthly by the MM Council and is audited by the State Auditor.

See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025—Notes to Financial Statements—Note 4. – Cash, Cash Equivalents and Investments."

DEBT STRUCTURE OF THE AUTHORITY AND THE CITY

Authority Obligations

OUTSTANDING LEASE REVENUE BONDS

Series	Purpose	Original Amount	Final Maturity Date	Principal Amount Outstanding
2026[1]	Fire Station 65	$[PAR]*	October 15, 20___*	$[PAR]*

[1] Assumes that the Series 2026 Bonds are issued and outstanding.
* Preliminary; subject to change.

City Obligations (as of October 1, 2026)

OUTSTANDING WATER REVENUE BONDS[1]

Series	Purpose	Original Amount	Final Maturity Date	Principal Balance Outstanding
2025	System Improvements	$41,135,000	November 1, 2045	$41,135,000

OUTSTANDING SALES TAX REVENUE BONDS

Series	Purpose	Original Amount	Final Maturity Date	Principal Balance Outstanding
2019	Refunding	$15,130,000	August 15, 2039	$10,405,000
2017	Public Structures/Refunding	21,155,000	August 15, 2039	14,190,000
Total Outstanding Sales Tax Bonds				$24,595,000

Note: The City also has a contingent obligation from a subordinate pledge of the City's sales and use taxes in connection with the $13,035,000 Redevelopment Agency of the City of South Jordan, Utah Subordinate Sales Tax and Tax Increment Revenue Bonds, Series 2015.

OUTSTANDING SPECIAL ASSESSMENT BONDS

Series	Purpose	Original Amount	Final Maturity Date	Principal Balance Outstanding
2016	Daybreak No. 1	$32,675,000	November 1, 2036	$14,740,000

No Defaulted Bonds

The City has never failed to pay principal and interest when due on any of its bonds, notes or other financial obligations.

Future Debt Plans

The City does not have any current plans to issue Additional Bonds on a parity with the Series 2026 Bonds within the next three years, but reserves the right to do so as its capital needs require. The City currently has no plans to issue other bonds for capital projects but reserves the right to do so as capital needs require and in conformity with existing debt service coverage requirements.

Other Financial Considerations

In fiscal year 2025, the City incurred a $128,595 note payable to the Utah Risk Management Association (URMA). This payable is a result of insurance claims against the City. This note bears no interest. The City made a payment of $56,908 in 2026 and plans to make a final payment of $71,687 in fiscal year 2028.

In fiscal year 2022, the City received a $9.7 million Utah State Infrastructure Bank loan from the Utah Department of Transportation (UDOT). The proceeds of the loan were used to finance transportation infrastructure projects within the City. The loan was issued with a 1.69% interest rate and a 15-year term. Debt service on the loan is paid from funds received by the City from appropriations from the State for local transportation improvements. As of June 30, 2025, the amount of principal outstanding is $7,935,528.

As of June 30, 2025, the City had six active leases. The leases have payments that range from $885 to $45,797 and interest rates that range from 0.8930% to 2.3120%. As of June 30, 2025, the total combined value of the lease liability is $119,490, the total combined value of the right-to-use asset is $212,794.

See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025—Notes to Financial Statements—Note 8 – Leases – Lease Payables" and "— Note 10 – Long-Term Debt" herein.

Outstanding General Obligation Bonds

The City has no general obligation bonds outstanding.

Debt Authorization and Limit

Pursuant to the provisions of Article XIV, Section 3, of the Utah Constitution, the City may incur general obligation indebtedness only upon the approval of a majority of the qualified electors within the City voting on a proposition to incur such indebtedness.

Under the Utah Constitution, the general obligation indebtedness of the City is limited to an amount not exceeding 4% of the value of taxable property in the City as shown in the last assessment for City purposes. As a City of the second class under Utah Code, the City may incur an additional amount of general obligation indebtedness, not exceeding 4% of the value of taxable property in the City, for water, sewer or electric purposes. Based upon the City's 2025 total estimated fair market value of $22,758,584,804 (total fair market value of property in the amount of

$22,700,547,406 plus the estimated motor vehicle values for 2025 of $58,037,398, as permitted by State law) the general obligation debt limits of the City are shown below:

	General (4%)	Water, Sewer and Electric (4%)	Total (8%)
Debt Limit	$910,343,392	$910,343,392	$1,820,686,784
Less Outstanding General Obligation Bonds	0	0	0
Debt Margin	$910,343,392	$910,343,392	$1,820,686,784

Computation of Overlapping General Obligation Debt

Name of Overlapping Governmental Unit[1]	GO Debt Outstanding	Approximate Percentage Applicable to the City	City's Share of GO Debt
Salt Lake County	$66,427,000	6.5%	$4,317,755
Jordan School District	126,355,000	27.5	34,747,625
CUWCD[2]	90,940,000	4.1	3,728,540
TOTAL:			$42,793,920

(1) The State's general obligation debt is not included in overlapping debt because the State currently levies no property tax for payment of its general obligation bonds.
(2) Central Utah Water Conservancy District ("CUWCD") encompasses all or a portion of eight State counties, including, among others, Salt Lake County. CUWCD's outstanding general obligation bonds are limited ad valorem tax bonds. By law, CUWCD may levy a tax rate of up to .0004 (subject to certain exceptions) to pay for operation and maintenance expenses and any outstanding general obligation indebtedness.
(Sources: Official statements and other continuing disclosure reports of the listed entities (as to outstanding debt).)

Debt Ratios

The State of Utah general obligation debt is not included in the debt ratios because the State currently levies no property tax for payment of general obligation bonds.

	To 2025 Taxable Value[2]	To Estimated Fair Market Value[3]	Per Capita[4]
Direct General Obligation Debt[1]	–	–	–
Direct and Overlapping General Obligation Debt	0.0030%	0.0019%	$488.44

(1) The City has no outstanding general obligation debt.
(2) Based on the City's total 2025 taxable value of $14,445,786,900.
(3) Based on the 2025 fair market value of $22,700,547,406.
(4) Based on population estimate of 87,614.

FINANCIAL INFORMATION REGARDING THE CITY

Fund Structure; Accounting Basis

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

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund or account group are accounted for by providing a separate set of self-balancing accounts which comprise its assets, liabilities, net assets, revenues and expenditures or expenses. The various funds are grouped by type in the combined financial statements. See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025—Notes to Basic Financial Statements—Note A–Summary of Significant Accounting Policies" herein.

Revenues and expenditures are recognized using the modified accrual basis of accounting in all governmental funds. Revenues are recognized in the accounting period in which they become both measurable and available. "Measurable" means that amounts can be reasonably determined within the current period. "Available" means that amounts are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

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

Budget and Appropriation Process

The budget and appropriation process of the City is governed by the Uniform Fiscal Procedures Act for Utah Cities, Title 10, Chapter 6, Utah Code Annotated 1953, as amended (the "Fiscal Procedures Act"). Pursuant to the Fiscal Procedures Act, the budget officer of the City is required to prepare budgets for the general fund, special revenue funds, debt service funds and capital improvement funds. These budgets are to provide a complete financial plan for the budget (ensuing fiscal) year. Each budget is required to specify, in tabular form, estimates of anticipated revenues and appropriations for expenditures.

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

Prior to June 22 of each year, the final budgets for all funds are adopted by the City Council. The Fiscal Procedures Act prohibits the City Council from making any appropriation in the final budget of any fund in excess of the estimated expendable revenue of such fund. The adopted final budget is subject to amendment by the City Council during the fiscal year. However, in order to increase the budget total of any fund, public notice and hearing must be provided. Intra- and inter-department transfers of appropriation balances are permitted upon compliance with the Fiscal Procedures Act.

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

Sources of General Fund Revenues

Set forth below are brief descriptions of the various sources of revenues available to the City's general fund. The percentage of total general fund revenues represented by each source is based on the City's fiscal year period ended June 30, 2025.

Taxes—Approximately 69% of the general fund revenues are from taxes (consisting of 51% from sales and use taxes, 33% from general property taxes, 12% from franchise taxes, and 4% from miscellaneous taxes).

Charges for services—Approximately 14% of general fund revenues are from charges for services.

Interest on investments—Approximately 8% of the general fund revenues are from interest revenues.

Licenses, fees and permits—Approximately 5% of general fund revenues are from licenses and permits.

Miscellaneous—Approximately 3% of general fund revenues are from miscellaneous revenues.

Fines and forfeitures —Approximately 1% of the general fund revenues are from fines and forfeitures.

Intergovernmental—Less than 1% of general fund revenues are from intergovernmental revenues.

Five-Year Financial Summaries

The summaries contained herein were extracted from the City's audited basic financial statements fiscal years ended June 30, 2021 through June 30, 2025 statements and preliminary, unaudited results for the fiscal year ended June 30, 2026 in the "Statement of Revenues, Expenditures and Changes in Fund Balance." See "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025" herein.

The City's audited financials for fiscal year 2026 are required to be completed 180 days after the end of the fiscal year. The City does not anticipate any material, adverse changes in its financial position for fiscal year 2026.

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CITY OF SOUTH JORDAN
Statement of Net Position– Government and Business-Type Activities
(This summary has not been audited.)

	Fiscal Year Ended June 30,				
	2025	2024	2023	2022	2021
ASSETS					
Current Assets:					
Cash, Cash Equivalents & Investments	$226,243,241	$202,857,540	$192,322,037	$163,693,584	$143,283,088
Restricted Cash	1,669,459	1,691,650	3,397,946	3,375,267	7,618,909
Receivables	58,053,095	59,560,008	59,792,084	62,310,464	55,325,414
Inventories	443,575	328,338	294,062	220,270	134,612
Other Assets	–	–	–	-	4,879,751
Noncurrent Assets:					
Investment in Joint Venture	26,307,543	25,419,201	24,321,812	8,746,257	–
Net Pension Asset	1,334,457	1,757,000	1,905,894	11,821,104	2,113,908
Capital Assets Net of Depreciation:					
Land	122,514,332	115,252,339	112,808,119	111,061,572	106,141,095
Water Shares	18,961,482	18,961,482	18,961,482	18,961,482	18,961,482
Buildings	31,789,594	33,061,895	34,334,290	37,829,447	26,675,218
Right-to-Use Building	–	43,324	101,089	158,855	–
Improvements	296,552,181	292,854,956	291,542,650	291,050,291	283,763,630
Machinery & Equipment	16,989,578	17,719,657	14,258,290	13,519,986	9,647,159
Right-to-Use Machinery & Equipment	117,017	139,100	233,723	104,363	–
Right-to-Use Subscription Asset	1,919,708	775,832	572,944	–	–
Construction in Progress	19,692,463	18,501,769	15,593,702	13,853,016	29,698,928
Right of Way	8,336,389	8,336,389	8,336,389	8,216,956	8,216,956
Total Assets	830,924,114	797,260,480	778,776,513	744,922,914	696,460,150
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Charge on Refunding	–	–	135,505	239,076	342,648
Resources Related to Pensions	10,777,946	10,424,324	7,107,008	4,973,484	3,919,175
LIABILITIES					
Current Liabilities					
Accounts payable	8,578,792	10,095,504	6,362,445	5,372,434	7,971,997
Other Liabilities	6,716,114	9,005,153	9,740,224	8,079,862	7,734,934
Accrued Interest Payable	696,764	787,742	790,559	826,407	881,694
Current Portion of Long-Term Obligations	8,852,979	9,008,636	9,493,837	9,010,853	8,364,301
Noncurrent Liabilities					
Noncurrent Portion of Long-Term Obligations	60,754,574	64,384,062	70,289,653	76,035,400	75,705,745
Net Pension Liability	7,522,095	6,115,558	4,404,445	–	2,156,559
Total Liabilities	93,121,318	99,396,655	101,081,163	99,324,956	102,815,230
DEFERRED INFLOWS OF RESOURCES					
Deferred Revenue - Property Taxes	27,875,316	28,695,768	29,278,000	28,396,441	23,555,757
Deferred Revenue - Leases	1,084,905	1,193,066	1,301,227	1,254,533	–
Resources Related to Pensions	234,941	217,753	199,242	15,181,224	7,561,879
Total Deferred Inflows	29,195,162	30,106,587	30,778,469	44,832,198	31,117,636
NET POSITION					
Net Investment in Capital Assets	449,722,360	434,273,191	429,174,630	421,808,528	399,815,578
Restricted - Capital Improvement	15,965,624	14,731,492	14,436,730	18,434,693	8,026,269
Restricted - Transportation	983,730	7,940,089	16,965,126	14,600,963	2,581,007
Restricted - Construction	–	–	213	337	3,975,045
Restricted - Debt Service	1,669,459	1,691,650	3,397,733	3,374,930	3,643,864
Restricted - Public Safety	353,807	343,866	293,027	230,101	309,159
Restricted - Pension Assets	1,334,457	1,757,000	1,905,894	–	–
Restricted - Water Facility	826,613	826,613	826,613	–	–
Unrestricted	248,529,531	216,617,660	187,159,428	147,528,768	148,438,185
Total Net Position	$719,385,581	$678,181,561	$654,159,394	$605,978,320	$566,789,107

(Source: Information extracted from the City's 2021-2025 audited basic financial statements. This summary itself is unaudited.)

CITY OF SOUTH JORDAN
Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
(This summary has not been audited.)

	Fiscal Year Ended June 30,				
	2026*	2025	2024	2023	2022
REVENUES					
Taxes	51,248,149	$49,889,016	$48,123,744	$47,029,956	$42,892,662
Licenses & Permits	3,650,569	3,310,450	2,392,468	2,505,814	4,539,974
Intergovernmental	211,286	213,144	260,397	236,206	3,023,401
Charges for Services	10,801,793	10,386,370	9,099,286	9,076,544	10,573,852
Fines & Forfeitures	629,296	513,462	493,325	477,892	489,175
Interest	1,045,269	5,600,937	6,079,109	3,856,428	(449,612)
Miscellaneous	889,814	2,090,251	781,265	810,062	597,856
Total Revenues	68,476,176	72,003,630	67,229,593	63,992,902	61,667,308
EXPENDITURES					
Current					
General Government	9,039,494	9,057,217	7,557,971	7,470,026	6,994,892
Administrative Services	6,062,525	6,212,247	5,969,402	5,795,034	6,046,338
Development Services	6,100,914	5,855,367	5,861,196	5,407,435	5,015,677
Public Works	10,218,084	9,852,517	9,899,931	9,145,282	7,399,485
Recreation	2,925,290	2,756,915	2,231,428	2,007,652	1,605,412
Public Safety	27,929,081	26,827,356	24,809,568	22,300,798	19,453,079
Capital Outlay & Projects	38,305	38,389	32,322	462,297	232,404
Debt Service					
Principal	321,729	326,597	223,387	98,292	115,415
Interest	43,011	43,011	24,192	2,030	2,004
Total Expenditures	62,678,434	60,969,616	56,609,398	52,688,846	46,864,706
Excess Revenues Over Expenditures	5,797,743	11,034,014	10,620,195	11,304,056	14,802,602
OTHER FINANCING SOURCES (USES)					
Lease Financing	–	–	–	182,289	349,677
Sale of Capital Assets	176,684	105,198	233,301	116,377	146,951
Transfers In	1,375,000	1,458,536	1,039,705	789,915	1,466,443
Transfers Out	(8,549,426)	(11,549,917)	(9,166,944)	(10,413,753)	(13,407,260)
Total Other Financing Sources (Uses)	(6,997,742)	(9,986,183)	(7,893,938)	(9,325,172)	(11,444,189)
Net Change in Fund Balances	(1,200,000)	1,047,831	2,726,257	1,978,884	3,358,413
Fund Balance - July 1	21,686,774	20,638,942	17,912,685[(a)]	17,049,088	13,690,675
Fund Balance - June 30	$20,486,774	$21,686,773	$20,638,942	$19,027,972	$17,049,088

(Source: Information extracted from the City's 2022-2025 audited basic financial statements and preliminary, unaudited results from fiscal year 2026. This summary itself is unaudited.)

* Preliminary; subject to change.

(a) Restated due to the City's implementation of GASB 101.

Additional Information

For additional information with respect to the City and its finances see "DEBT STRUCTURE OF THE AUTHORITY AND THE CITY," "APPENDIX A—ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025," and "APPENDIX C—DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY."

Certain Property Tax Matters

The following information with respect to certain property tax matters is included in this Official Statement to provide background information relating to a major source of general fund revenues of the City. As described herein, the Series 2026 Bonds are not secured by any pledge of property tax revenues and do not constitute a debt or indebtedness of the City or the Authority. See "RISK FACTORS" below.

The Property Tax Act, Title 59, Chapter 2, Utah Code Annotated 1953, as amended (the "Property Tax Act"), provides that all taxable property within the taxing entity is required to be assessed and taxed at a uniform and equal rate on the basis of 100% of its "fair market value" as of January 1 of each year, unless otherwise provided by law. "Fair market value" is defined in the Property Tax Act as "the amount at which property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and both having reasonable knowledge of the relevant facts." Determinations of "fair market value" shall take into account the current zoning laws applicable to the property in question. Section 2 of Article XIII of the Utah Constitution provides that the Utah Legislature may by law exempt from taxation up to 45% of the fair market value of residential property as defined by law. Pursuant to this provision, the Utah Legislature has provided that the "fair market value" of primary residential property shall be reduced by 45% for tax years 1995 and thereafter. No more than one acre of land per residential unit may qualify for the residential exemption.

The Property Tax Act provides that the State Tax Commission shall assess certain types of property ("centrally assessed property"), including (i) properties that operate as a unit across county lines that must be apportioned among more than one county or state, (ii) public utility (including railroad) properties, (iii) airline operating properties, (iv) geothermal properties and (v) mines, mining claims and appurtenant machinery, furnishings and improvements, including oil and gas properties. All other taxable property ("locally assessed property") is required to be assessed by the county assessor of the county in which such locally assessed property is located. Each county assessor must update property values annually based upon a systematic review of current market data. Each county assessor must also complete a detailed review of property characteristics for each parcel of property at least once every five years. The Property Tax Act requires that the State Tax Commission conduct an annual investigation in each county to determine whether all property subject to taxation is on the assessment rolls and whether the property is being assessed at its "fair market value."

The State Tax Commission and the county assessors utilize various valuation methods, as determined by statute, administrative regulation or accepted practice, to determine the "fair market value" of taxable property.

Many areas within the State have agricultural farmland devoted to the raising of useful plants and animals. For general property tax purposes, agricultural land is assessed based on statutory requirements and the value which the land has for agricultural use or on its agricultural value.

Uniform Fees

An annual statewide uniform fee is levied on tangible personal property in lieu of the ad valorem tax. The uniform fee is based on either the age or the value of motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State. The current uniform fee is established at 1.5% of the fair market value of motor vehicles that weigh 12,001 pounds or more, watercraft, recreational vehicles and all other tangible personal property required to be registered with the State, excluding exempt property such as aircraft and property subject to a fixed age-based fee. Motor vehicles weighing 12,000 pounds or less are subject to an age-based fee that is due each time the vehicle is registered. The age-based fee is for passenger-type vehicles and ranges from $10 to $150, depending on the age of the vehicle. Recreational vehicles, motorcycles, watercraft (except large watercraft), snowmobiles and certain small motor vehicles required to be registered with the State are also subject to an aged-based fee that ranges from $10 to $700, depending on the age of the vehicle. The revenues collected from the various uniform fees are distributed by the county to the taxing entity in which the property is located in the same proportion in which revenue collected from ad valorem real property tax is distributed.

Tax Levy and Collection

The State Tax Commission must assess all centrally-assessed property by May 1 of each year and shall immediately notify the owners or operators of such property, and the county assessors, of such assessment. County assessors must assess all taxable property other than centrally-assessed property before May 22 of each year. Before May 25 the State Tax Commission apportions the value of centrally-assessed property to the various taxing entities within each county and reports such values to county auditors before June 8. The governing body of each taxing entity must adopt a final tax rate before June 22, except as described below for rates in excess of the certified tax rate. County auditors must forward to the State Tax Commission a statement prepared by the governing body of each taxing entity showing the amount and purpose of each levy.

If the State Tax Commission determines that a tax levy established by a taxing entity exceeds the maximum levy permitted by law, the State Tax Commission must lower the levy to the maximum level permitted by law, must notify the taxing entity that the rate has been lowered, and must notify the county auditor of the county in which the taxing entity is located to implement the rate established by the State Tax Commission.

On or before July 22 of each year, the county auditors must mail to all owners of real estate shown on their assessment rolls notice of, among other things, the value of the property, itemized tax information for all taxing entities and the date their respective county boards of equalization will meet to hear complaints. Not later than 30 days following the mailing of the notice, taxpayers owning property assessed by the county assessors may file an application with the appropriate county board of equalization for the purpose of contesting the assessed valuation of their property. The county boards of equalization must render a decision on each appeal no later than October 1 (with extensions requiring State Tax Commission approval). Such decisions may be appealed to the State Tax Commission, which must decide all appeals by March 1 of the following year. Owners of centrally assessed property, on or before the later of June 1 or a day within 30 days of the date the notice of assessment is mailed by the State Tax Commission, may apply to the State Tax Commission for a hearing to contest the assessment of centrally-assessed property. A county may also contest the assessment under specified conditions. The State Tax Commission must render a written decision no later than 120 days following completion of the hearing and submission of all post-hearing briefs. The county auditors must make a record of all changes, corrections and orders and, before November 1, must deliver the corrected assessment rolls to their respective county treasurers. By November 1, the county treasurers are to furnish to each taxpayer a notice containing the kind and value of the property assessed to the taxpayer, the street address of the property, where applicable, the amount of the tax levied on the property and the year that the property is subject to a detailed review. Taxes are due November 30, or, if a Saturday, Sunday, or holiday, the next business day following.

Each county treasurer is responsible for collecting all taxes levied on real property within that county. There are no prior claims to such taxes. As taxes are collected, each county treasurer must pay the State and each taxing entity within the county its proportionate share of the taxes, on the tenth day of each month. Delinquent taxes are subject to a penalty of 2% of the amount of the taxes or $10.00, whichever is greater. Unless the delinquent taxes and penalty are paid before January 16 of the following year, the amount of delinquent taxes and penalty bears interest at the federal discount rate in effect on January 1, plus 6% from January 1 until paid. If after four years (March 15 of the fifth year after assessment) delinquent taxes have not been paid, the affected county may advertise and sell the property at a tax sale.

Public Hearing on Certain Tax Increases

Each taxing entity that proposes to levy a tax rate that exceeds the "certified tax rate" may do so, by ordinance, only after holding a public hearing. Notice of the public hearing must be mailed by July 22 to all owners of real estate and, in most cases, must be advertised by publication. Generally, the certified tax rate for a taxing entity is the rate necessary to generate the same property tax revenue that the taxing entity collected for the prior year, exclusive of collections from redemptions, interest and penalties. For purposes of calculating the certified tax rate, county auditors are to use the taxable value of property on the assessment rolls, exclusive of new growth. New growth is any increase in taxable value of the taxing entity from the previous calendar year to the current year, less the amount of increase to locally-assessed real property taxable values resulting from factoring, reappraisal or any other adjustments. After the public hearing is held, the taxing entity may adopt a resolution levying a tax in excess of the certified tax rate. If a resolution levying a tax in excess of the certified tax rate is not forwarded to the county auditor by August 17, the county auditor must forward the certified tax rate to the State Tax Commission. The final tax notice is then mailed by November 1.

Taxable and Fair Market Value of Property in the City

Year	Taxable Value(1)	% Change Over Prior Year	Fair Market Value(2)	% Change Over Prior Year
2025	$14,445,786,900	7.20%	$22,700,547,406	6.84%
2024	13,474,931,284	6.13	21,246,813,077	6.08
2023	12,696,701,596	4.58	20,028,568,946	4.02
2022	12,140,275,893	30.34	19,253,652,241	33.84
2021	9,314,329,736	10.81	14,385,322,023	12.27
2020	8,405,648,902	6.95	12,813,438,828	7.33
2019	7,859,765,391	10.56	11,938,464,128	11.08
2018	7,109,226,320	11.88	10,747,275,812	12.03
2017	6,354,606,189	7.32	9,593,305,831	8.17
2016	5,921,222,474	–	8,868,931,965	–

(1) Includes taxable value of all taxable real property (does not include motor vehicle values) in the City, less 45% "haircut" on primary residential property as permitted by State law. See "–Certain Property Tax Matters" above.

(2) Includes full market value of all taxable real property in the City (does not include motor vehicle values).

(Source: Utah State Tax Commission, Property Tax Division.)

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Historical Summaries of Taxable Values of Property in the City

	Calendar Year				
	2025	2024	2023	2022	2021
Locally Assessed					
Real Property - Land					
Primary Residential	$2,436,328,991	$2,283,870,168	$2,150,300,699	$2,048,642,806	$1,583,028,140
Secondary Residential	210,724,240	220,704,550	218,063,730	251,423,880	182,658,520
Commercial & Industrial	1,159,162,400	1,021,654,080	879,471,620	693,220,200	654,841,640
FAA	–	–	29,845,520	26,319,460	19,777,930
Unimproved Non FAA - Vacant	23,429,920	38,152,320	–	–	–
Total Real Property - Land	3,829,645,551	3,564,381,118	3,277,681,569	3,019,606,346	2,440,306,230
Real Property - Buildings					
Primary Residential	7,652,814,435	7,215,081,371	6,810,855,546	6,645,468,881	4,614,844,390
Secondary Residential	10,451,330	10,239,190	10,075,980	12,817,090	9,711,560
Commercial & Industrial	2,054,816,940	1,953,511,760	1,928,800,640	1,775,878,340	1,537,015,520
Agricultural	922,590	953,340	1,009,730	934,490	887,230
Total Real Property - Buildings	9,719,005,295	9,179,785,661	8,750,741,896	8,435,098,801	6,162,458,700
Total Real Property	13,548,650,846	12,744,166,779	12,028,423,465	11,454,705,147	8,602,764,930
Personal Property					
Primary Mobile Homes	8,303	15,097	14,960	14,960	6,932
Secondary Mobile Homes	968,487	250,998	317,762	38,295	127,176
Other Business Personal Property	662,212,960	574,163,928	551,804,415	460,774,235	518,073,796
Semiconductor Manuf. Equip.	2,085,000	2,738,268	2,467,273	2,297,041	2,669,658
Total Personal Property	665,274,750	577,168,291	554,604,410	463,124,531	520,877,562
Total Locally Assessed	14,213,925,596	13,321,335,070	12,583,027,875	11,917,829,678	9,123,642,492
Centrally Assessed	231,861,304	153,596,214	113,673,721	222,446,215	190,687,244
Total Taxable Value	$14,445,786,900	$13,474,931,284	$12,696,701,596	$12,140,275,893	$9,314,329,736

(Source: Utah State Tax Commission.)

Property Tax Levies and Collections

The following table provides a summary of the property tax levies and collections for the City's general fund for the years shown. The City's property tax levy for 2025 was 0.001313 and the property tax levy for 2026 is 0.001308.

Fiscal Year	Taxes Levied	Taxes Collected In Levy Year(1)	Percentage of Levy	Collections Subsequent Years(2)	Total Collections	Percent of Levy
2025	$18,482,205	$18,074,599	97.79%	–	$18,074,599	97.79%
2024	18,115,175	17,487,080	96.53	$111,034	17,598,114	97.15
2023	17,544,719	17,255,636	98.35	152,460	17,408,096	99.22
2022	15,211,153	14,964,513	98.38	155,693	15,120,206	99.40
2021	14,650,720	14,405,738	98.33	145,944	14,551,682	99.32
2020	14,180,819	13,919,275	98.16	128,319	14,047,594	99.06
2019	13,386,528	13,142,262	98.18	160,252	13,302,514	99.37
2018	12,144,354	11,897,337	97.97	164,341	12,061,678	99.32
2017	11,597,117	11,364,805	98.00	124,996	11,489,801	99.07
2016	11,225,475	10,979,400	97.81	119,678	11,099,078	98.87

(1) Includes taxes collected in the same year as the tax levy.
(2) Includes taxes due for that year collected in subsequent years.
(Source: The City's Supplemental Disclosure Report for the Fiscal Year Ended June 30, 2025.)

RISK FACTORS

THE PURCHASE OF THE SERIES 2026 BONDS BEING OFFERED HEREBY INVOLVES CERTAIN INVESTMENT RISKS THAT ARE DISCUSSED THROUGHOUT THIS OFFICIAL STATEMENT. ACCORDINGLY, EACH PROSPECTIVE PURCHASER OF THE SERIES 2026 BONDS SHOULD MAKE AN INDEPENDENT EVALUATION OF ALL OF THE INFORMATION PRESENTED IN THIS OFFICIAL STATEMENT IN ORDER TO MAKE AN INFORMED INVESTMENT DECISION. CERTAIN OF THESE RISKS ARE DESCRIBED BELOW.

Non-Appropriation

Base Rentals and Additional Rentals (sometimes collectively referred to herein as "Rentals") will be payable solely from City Funds (as defined in the Master Lease) which are annually budgeted and appropriated by the City Council of the City and which may be terminated by action of the City Council. There is no assurance that the Lease will be renewed for all of its anticipated Renewal Terms. The City Council is under no obligation to provide City Funds for such renewals. The City's obligation under the Lease does not constitute a general obligation or other indebtedness of the City or the State of Utah or any agency or political subdivision of the State of Utah within the meaning of any constitutional or statutory debt limitation. THE AUTHORITY HAS NO TAXING POWER.

Accordingly, the likelihood that the City will extend the term of the Lease for all Renewal Terms and continue to pay the Base Rentals to enable the Authority to timely pay the principal of, premium, if any, and interest on the Bonds in the future depends upon a number of factors which are beyond the control of the City, including, but not limited to, (a) the continuing need of the City for the Series 2026 Project, (b) the composition of the City Council and their respective views with respect to the leasing of the Series 2026 Project, (c) the economic and demographic conditions within the City, (d) the ability of the City to generate sufficient funds from property taxes and other taxes and other sources of revenue to pay obligations associated with the Lease and other obligations of the City (whether now existing or hereafter created), and (e) the value of the Series 2026 Project in the event of the termination of the term of the Lease as a result of the occurrence of certain events described below or the expiration of any Renewal Term if the City does not appropriate sufficient funds that extends the term of the Lease as provided in the Lease. Neither the Indenture nor the Lease limit the ability of the City to incur additional obligations against its revenues.

The City has covenanted in the Lease to include in its annual tentative budget prepared by the appropriate officials of the City an item for expenditure of an amount necessary (after taking into account any and all City Funds then legally available for such purpose), to pay the Base Rentals and reasonably estimated Additional Rentals during the next succeeding Renewal Term under the Lease. The decision to renew or not to renew the term of the Lease is to be made solely by the City Council at the time it considers for adoption the final budget relating to each Renewal Term and not by any official of the City acting in his or her individual capacity.

In the event the City Council fails to renew the Lease for all contemplated Renewal Terms, fails to budget and appropriate sufficient City Funds for the payment of Base and Additional Rentals or defaults under the Lease, the Lease, which is subject to annual renewal, will be terminated, and, in such event, the Bonds will be payable from any moneys held by the Trustee under the Indenture, and the proceeds, if any, from a liquidation or other disposition of the Series 2026 Project subsequent to foreclosure of the lien of the Indenture and the Security Documents. In such event, the City has agreed to immediately vacate the Series 2026 Project.

Changes in Makeup of City Council

The individuals elected to serve on the City Council may change during the period the Series 2026 Bonds are outstanding. There can be no assurance that the membership of the City Council will not change in a manner that will result in a future City Council ceasing to appropriate Rentals under the Lease for the Series 2026 Project. Under the Lease, the City is entitled not to appropriate Rentals for the next succeeding Renewal Term with respect to all of the components constituting the Series 2026 Project, but is not entitled to appropriate with respect to only a portion, but not all, of such components constituting the Series 2026 Project.

Expiration or Termination of Lease

The Lease will expire by its terms on each June 30 during the years 2026 through 2044*, unless the City, in its sole discretion exercises the option provided in the Lease to extend the term of the Lease for each next succeeding Renewal Term with a final lease expiration date of October 15, 2045* (the scheduled final maturity of the Series 2026 Bonds). In the event that the City does not extend in any year the term of the Lease, the City's obligation to pay Rentals will terminate on the June 30 occurring at the end of the then current Renewal Term. Upon (a) the expiration of any Renewal Term of the Lease during which an Event of Nonappropriation occurs or (b) a default under the Lease and an election by the Trustee to terminate the possessory interest of the City under the Lease, the City's rights of possession of the Series 2026 Project under the Lease will expire or be terminated, as appropriate.

In the event that the City's right of possession of the Series 2026 Project under the Lease expires or is terminated for either of the reasons described in the preceding paragraph, the obligation of the City to pay Rentals thereunder will terminate and the Series 2026 Bonds will be payable from, among other sources, such moneys, if any, as may be available under the Indenture. Should the Lease expire at the end of a Renewal Term without any extension for the next succeeding Renewal Term or if an event occurs pursuant to which the Trustee terminates the City's right of possession of the Series 2026 Project under the Lease, the Trustee may recover and relet or sell the Authority's interest in the Series 2026 Project as provided in the Indenture, subject to the Ground Lease. The Net Proceeds of any reletting or sale of the Series 2026 Project together with certain other moneys then held by the Trustee under the Indenture, are required to be used to pay the Series 2026 Bonds to the extent of such moneys. However, each separate public facility or property constituting the Series 2026 Project represents special purpose facilities or property for use in connection with providing particular governmental services. No assurance can be given that the Trustee could relet or sell the Series 2026 Project for the amount necessary to pay the principal of and the interest on the Series 2026 Bonds.

A potential purchaser of the Series 2026 Bonds should not assume that it will be possible to relet or sell the Series 2026 Project after the expiration or termination of the City's right to possess the Series 2026 Project under the Lease as described above for an amount equal to the aggregate principal amount of the Series 2026 Bonds then outstanding plus accrued interest thereon. In this regard, it should be noted that (a) the Series 2026 Project may be subject to ad valorem taxes and other property taxation if owned by someone other than the City or other governmental body, (b) the use of the Series 2026 Project by a non-governmental entity may affect the tax-exempt status of interest on the Series 2026 Bonds, (c) the Series 2026 Project may not be suitable for general commercial use, and (d) zoning restrictions could limit the use of the Series 2026 Project. Furthermore, no assurance can be given that the amount, if any, realized upon any reletting or sale of the Series 2026 Project will be available to provide for the payment of the Series 2026 Bonds on a timely basis. Furthermore, any subletting or sale of the Series 2026 Project is subject to the terms of the Ground Lease. Any portion of the Series 2026 Project on the Park Project Site will be subject to the lease from the School District to the City which lease is terminable by the School District after twenty (20) years for any reason at the sole discretion of the School District.

Because the Lease will terminate in the event that the City Council fails to budget and appropriate sufficient City Funds to continue making Base Rentals and Additional Rentals during any Renewal Term of the Lease, a potential purchaser of the Series 2026 Bonds should carefully consider the nature of the security for payment of the Series 2026 Bonds in the event of a termination of the Master Lease. Under the Indenture and the Security Documents, the Series 2026 Project is subject to a lien and security interest granted to the Trustee for the benefit of the holders of the Series 2026 Bonds. Upon the occurrence of an Event of Default under the Indenture (which is defined to include an Event of Default under the Master Lease), the Trustee may foreclose its lien on the Series 2026 Project and may, subject to the Ground Lease, take possession of the Series 2026 Project as trustee and fiduciary for the holders of the Series 2026 Bonds. In such event, the amount of payment on the Series 2026 Bonds will be dependent upon the ability of the Trustee to sell or lease the Series 2026 Project to a subsequent purchaser or lessee. The ability of the Trustee to sell or lease the Series 2026 Project may be limited to other governmental entities, since the use of the Series 2026 Project by a non-governmental entity may adversely affect the tax-exempt status of interest on the Series 2026 Bonds. A potential purchaser of the Series 2026 Bonds should carefully consider the information currently available and presented herein concerning the Series 2026 Project. A potential Bondholder should not assume that it will be possible to liquidate the Series 2026 Project after foreclosure of the lien of the Indenture for an amount equal to the aggregate principal amount of the Series 2026 Bonds then outstanding, plus accrued interest thereon.

Limited Remedies

A termination of the City's right of possession of the Series 2026 Project under the Lease as a result of an Event of Default or expiration of the term of the Lease at the end of any Renewal Term without an extension for the next succeeding Renewal Term will give the Trustee the right to possession of, and the right to relet the Series 2026 Project in accordance with the provisions of the Lease and the Indenture, subject to the Ground Lease. However, the enforceability of the Lease and the Indenture is subject to the applicable bankruptcy laws, equitable principles affecting the enforcement of creditors' rights generally and liens securing such rights, the police powers of the State of Utah, the exercise of judicial authority by state or Federal courts and the exercise by the United States of America of the powers delegated to it by the Federal Constitution. In addition, the Series 2026 Project may be used for limited purposes. In particular, the property leased to the City and underlying the Park Project is subject to the restriction that it can only be used for parks.

Due to the limited remedies available with respect to the Series 2026 Project, the limited uses of the Series 2026 Project and the delays inherent in obtaining foreclosure on real property and other judicial remedies, no assurance can be given that a court, in the exercise of judicial discretion, would enforce these remedies in a timely manner. Any delays in the ability of the Trustee to obtain possession of the Series 2026 Project, of necessity, will result in delays in any payment of principal of or interest on the Series 2026 Bonds. Nor can any assurance be given that any moneys realized by the Trustee upon an exercise of any remedies would be sufficient to pay the principal of and interest on the Series 2026 Bonds. In the event any such moneys recovered are in an amount less than the aggregate principal amount of all outstanding Series 2026 Bonds, plus accrued interest, the Series 2026 Bonds would be paid in part on a pro rata basis as described under the Indenture, and no holder of any Series 2026 Bond will have any further claim for payment upon the Authority or the City. See "APPENDIX B—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—The Indenture—Application of Moneys."

Destruction of Projects

The Lease requires that the Series 2026 Project be insured by policies of insurance. If, prior to the termination of the Lease Term and the payment in full of the Series 2026 Bonds (or the making of provisions for the payment thereof in accordance with the Indenture) (i) the Series 2026 Project or any material portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty; or (ii) title to, or the temporary or permanent use of the Series 2026 Project or any material portion thereof or the Series 2026 Project or any material portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority; or (iii) a material defect in construction of a Series 2026 Project shall become apparent; or (iv) title to or the use of all or any material portion of the Series 2026 Project shall be lost by reason of a defect in title thereto, the City shall be obligated, subject to the City's right to discharge its obligation to repair or replace the Series 2026 Project, to continue to pay Rentals regardless of whether the Series 2026 Project shall have been accepted.

Subject to the City's right to discharge its obligation to repair or replace the Series 2026 Project, the City, the Authority, and the Trustee shall cause the Net Proceeds of any insurance policies, performance bonds or condemnation awards with respect to the Series 2026 Project to be deposited in the Construction Fund if received before the Completion Date of the Series 2026 Project and in a separate trust fund under the Indenture if received thereafter. All Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification or improvement of said Series 2026 Project by the City. The balance of any such Net Proceeds remaining after such repair, restoration, modification or improvement has been completed shall be transferred to the Bond Fund to be applied to the payment of the principal of, premium, if any, and interest on the Series 2026 Bonds, or if said Bonds shall have been fully paid (or provision for payment thereof has been made in accordance with the provisions of the Indenture), any balance remaining in such Construction Fund or separate trust fund shall be paid to the City. If the Net Proceeds shall be insufficient to pay in full the cost of any repair, restoration, modification or improvement, the City shall, from and to the extent of available City Funds, complete the work and pay any cost in excess of the amount of the Net Proceeds.

In the event that the Net Proceeds of any insurance policy, performance bond or condemnation award shall be insufficient to pay in full the cost of any repair, restoration, or modification of the Series 2026 Project, the appropriate budget officers of the City shall, within 15 days of notice of such insufficiency, seek an appropriation from the City Council for an amount equal to any such insufficiency. In the event that the City shall fail to appropriate, by the first day of the next Renewal Term following such request for an appropriation, an amount at least equal to such insufficiency for such purpose, the obligation to repair and replace the Series 2026 Project may be discharged by depositing the Net Proceeds of the insurance policies, performance bonds or condemnation awards made available by reason of such occurrence into the Bond Fund. Upon the deposit of such Net Proceeds in said Bond Fund, the City shall have no further obligation for the payment of Base Rentals and Additional Rentals, and possession of the Series 2026 Project as well as all rights created pursuant to the Lease and the interest of the City and the Authority therein and in any funds or accounts created under the Indenture with respect to the Series 2026 Project (except for moneys held in the Rebate Fund or for the payment of Series 2026 Bonds not then deemed Outstanding), shall be surrendered to the Trustee, as trustee for the Bondholders of the Series 2026 Bonds. Thereafter, the Authority's interest in said Series 2026 Project may be liquidated pursuant to the provisions of and subject to the limitations set forth in the Indenture and Security Documents and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Indenture with respect to the Series 2026 Project (except moneys held in the Rebate Fund or for the payment of Series 2026 Bonds not then deemed Outstanding), shall be applied to the redemption of the Series 2026 Bonds on the next succeeding redemption date. Such redemption of the Series 2026 Bonds shall be made upon full or partial payment of the principal amount of said Bonds then Outstanding and accrued interest thereon all in accordance with the Indenture. See "APPENDIX B—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—The Master Lease—Damage, Destruction and Condemnation; Use of Net Proceeds" herein.

The City is required under the Lease to cause the Series 2026 Project to be insured by policies of casualty and property damage insurance in an amount not less than the full insurable value of the Series 2026 Project. The term "full insurable value" as used in the Lease means the actual replacement value, or at the option of the City any lesser amount which is equal to or greater than the principal amount of all of the Series 2026 Bonds then Outstanding. Alternatively, the City may insure or cause to be insured under a blanket insurance policy or policies which cover not only the Series 2026 Project but other properties in the amounts required by the previous sentence. However, there is no assurance that, in the event the Lease is terminated as a result of damage to or destruction or condemnation of the Series 2026 Project, moneys made available by reason of such an occurrence will be sufficient to redeem the Series 2026 Bonds at a price equal to the principal amount thereof outstanding plus accrued interest to the redemption date.

Depreciation and Obsolescence

Certain components of the Series 2026 Project may become obsolete, may depreciate in value or may wear out during the time that the Series 2026 Bonds are outstanding. In addition, components of the Series 2026 Project may be difficult or impossible to remove from their place of service or use. Consequently, following an Event of Nonappropriation or an Event of Default under the Lease of the Indenture or termination of the Lease for any reason, any amounts realized by the Trustee from a reletting or sale of the Series 2026 Project may not be sufficient to redeem or pay all outstanding Series 2026 Bonds in full.

Acquisition of the Project

The acquisition, construction, furnishing and equipping of the Series 2026 Project is expected to be completed in October 2028. The Authority and the City believe, but there can be no assurance, that the proceeds of sale of the Series 2026 Bonds, together with certain investment earnings thereon, will be sufficient to complete the acquisition, construction and equipping of the Series 2026 Project. In the event such proceeds are insufficient, the Authority is authorized, pursuant to the Lease, to complete the acquisition, construction and equipping of the Project from legally available funds, but only in connection with the issuance of Additional Bonds issued pursuant to the Indenture or from moneys otherwise legally available for that purpose. The Indenture provides that Additional Bonds may be issued for the purpose of completing the Series 2026 Project subject to satisfaction of certain conditions provided in the Indenture. There can be no assurance that such Additional Bonds will be permitted under then applicable law or that the City Council will agree to the issuance of Additional Bonds at that time. If issued, Additional Bonds will be secured under the Indenture on a parity with the Series 2026 Bonds. In the event that the Series 2026 Project is not completed on a timely basis and assuming that no Additional Bonds are issued to complete construction of the Series 2026 Project, the City may not be willing to appropriate Rentals and there will be no moneys to pay debt service on the Series 2026 Bonds. In such event, Bondholders and the Trustee may pursue remedies under the Indenture. See "APPENDIX B—EXTRACTS OF THE INDENTURE AND THE MASTER LEASE—The Indenture–Acceleration, Limitation on Remedies," and –Other Remedies; Rights of Bondholders."

Potential Environmental Risks

The ownership of real property or the grant of mortgages, deeds of trust or other encumbrances on real property creates a potential for environmental liability on the part of the owner of such real property and the party secured by such mortgages, deeds of trust or other encumbrances. If hazardous substances are discovered at a Project Site or discovered to be emanating from a Project Site, the owner or operator of the property may be held strictly liable for all costs and liabilities relating to the disposing of or dealing with such hazardous substances. This liability could greatly exceed the value of such Project. In the event that the Trustee or a Bondowner obtains title to the Authority's interest in a Project Site, becomes involved in the operation of the property or attempts to realize on its security, a court may hold the Trustee or the Bondowner liable for such costs and expenses, even if the Trustee or the Bondowner had no knowledge of the existence of such hazardous substances. The existence of environmental risks could prevent the Trustee from exercising certain of its remedies or rights under the Lease and the Indenture upon the occurrence of an Event of Default thereunder.

The Series 2026 Project is located on land [formerly owned by __________ and operated as __________]. [An environmental study has been done on the Project Site.] [The City is not aware of any environmental concerns with the Project Site.]

Tax Status

Failure by the Authority or the City to comply with certain covenants in the Indenture, the Lease and the tax matters certificate executed by the City and the Authority at the time of issuance of the Series 2026 Bonds, on a continuous basis, so long as any of the Series 2026 Bonds are outstanding under the Indenture and thereafter as required by such covenants and applicable law, could result in interest on the Series 2026 Bonds becoming includible in federal gross income, retroactive to the date of their original issuance. See "TAX MATTERS" herein. The Indenture and the Series 2026 Bonds do not provide for the payment of any additional interest or penalty in the event that interest on the Series 2026 Bonds becomes includible in federal gross income.

Additional Parity Debt

The Indenture provides that the Authority may issue Additional Bonds upon compliance with certain requirements. In the event the Authority were to issue Additional Bonds, such issuance of Additional Bonds could result in dilution of the collateral security pledged to secure the payment of the Series 2026 Bonds. The Authority currently does not have any plans to issue any Additional Bonds.

Cybersecurity

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

LEGAL MATTERS

General

The authorization and issuance of the Series 2026 Bonds is subject to the approval of legality by Gilmore & Bell, P.C., Bond Counsel to the Authority. Certain matters will be passed upon for the Authority by Gilmore & Bell, P.C., as disclosure counsel to the Authority. Certain legal matters will be passed upon for the Authority and the City by Ryan W. Loose, Esq., City Attorney. Certain legal matters will be passed upon for the Underwriter by its counsel, Farnsworth Johnson PLLC, Provo, Utah. The approving opinion of Bond Counsel will be delivered with the Series 2026 Bonds. A copy of the form of the opinion of Bond Counsel is set forth in APPENDIX E of this Official Statement.

Litigation

A non-litigation opinion issued by Ryan W. Loose, Esq., City Attorney, dated the date of closing, will be provided stating, among other things, that to the best of his knowledge, after due inquiry, no action, suit, proceeding, inquiry, or any other litigation or investigation at law or in equity, before or by any court, public board or body, has been served on the Authority or the City or is threatened, challenging the creation, organization, or existence of the Authority or the City or the titles of its officers to their respective offices or seeking to restrain or enjoin the issuance, sale, or delivery of the Series 2026 Bonds or for the purpose of restraining or enjoining the levy and collection of taxes or assessments by the City, or directly or indirectly contesting or affecting the proceedings or the authority by which the Series 2026 Bonds are issued or the validity of the Series 2026 Bonds or the issuance thereof.

TAX MATTERS

The following is a summary of the material federal and State of Utah income tax consequences of holding and disposing of the Series 2026 Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2026 Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Utah, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2026 Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2026 Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to the City, under the law currently existing as of the issue date of the Series 2026 Bonds:

Federal Tax Exemption. The interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. Interest on the Series 2026 Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bond Counsel's opinions are provided as of the date of the original issue of the Series 2026 Bonds, subject to the condition that the Authority and the City comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") that must be satisfied subsequent to the issuance of the Series 2026 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Authority and the City have covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2026 Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2026 Bonds.

State of Utah Tax Exemption. The interest on the Series 2026 Bonds is exempt from State of Utah individual income taxes.

Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2026 Bonds but has reviewed the discussion under the heading "TAX MATTERS."

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Series 2026 Bond over its issue price. The stated redemption price at maturity of a Series 2026 Bond is the sum of all payments on the Series 2026 Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2026 Bond is generally the first price at which a substantial amount of the Series 2026 Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Series 2026 Bond during any accrual period generally equals (1) the issue price of that Series 2026 Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Series 2026 Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Series 2026 Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Series 2026 Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Series 2026 Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Series 2026 Bond is the sum of all payments on the Series 2026 Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2026 Bond is generally the first price at which a substantial amount of the Series 2026 Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Series 2026 Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Series 2026 Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Series 2026 Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange, or Retirement of Series 2026 Bonds. Upon the sale, exchange, or retirement (including redemption) of a Series 2026 Bond, an owner of the Series 2026 Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange, or retirement of the Series 2026 Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Series 2026 Bond. To the extent a Series 2026 Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2026 Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Series 2026 Bonds, and to the proceeds paid on the sale of the Series 2026 Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2026 Bonds should be aware that ownership of the Series 2026 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or

Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2026 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2026 Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2026 Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Series 2026 Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

MUNICIPAL ADVISOR

The City on behalf of the Authority has entered into an agreement with LRB Public Finance Advisors, Inc., Salt Lake City, Utah (the "Municipal Advisor"), whereunder the Municipal Advisor provides financial recommendations and guidance to the City and the Authority with respect to timing of sale, market conditions, costs of issuance and other factors relating to the sale of the Series 2026 Bonds. The Municipal Advisor has read and participated in the drafting of this Official Statement. The Municipal Advisor has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the City or the Authority, with respect to accuracy and completeness of disclosure of such information, and no guaranty, warranty or other representation is made by the Municipal Advisor respecting accuracy and completeness of the Official Statement or any other matters related to the Official Statement. Municipal Advisor fees are contingent upon the sale and delivery of the Series 2026 Bonds.

UNDERWRITING

Stifel, Nicolaus & Company, Incorporated, as underwriter of the Series 2026 Bonds (the "Underwriter"), has agreed, subject to certain conditions, to purchase all of the Series 2026 Bonds from the Authority at an aggregate price of $__________ (representing the aggregate principal amount of the Series 2026 Bonds, plus a [net] reoffering premium of $__________ and less an Underwriter's discount of $__________). The Underwriter has advised the City and the Authority that the Series 2026 Bonds may be offered and sold to certain dealers at prices lower than the initial public offering prices set forth on the cover of this Official Statement and that such public offering prices may be changed from time to time.

The Underwriter and its respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriter and its respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriter and its respective affiliates may engage in transactions for its own accounts involving the securities and instruments made the subject of this securities offering or other offering of the Authority. The Underwriter and its respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriter and its respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the Authority.

Although the Underwriter expects to maintain a secondary market in the Series 2026 Bonds after the initial offering, no guarantee can be given concerning the future existence of such a secondary market or its maintenance by the Underwriter or others.

BOND RATINGS

S&P Global Ratings ("S&P") and Fitch Ratings ("Fitch") have assigned ratings of "[___]" and "[___]," respectively, to the Series 2026 Bonds. Any explanation of the significance of these ratings should be obtained from the rating agency furnishing the same. There is no assurance that the ratings given to outstanding obligations will be maintained for any period of time or that the ratings may not be lowered or withdrawn entirely by the rating agencies if, in their judgment, circumstances so warrant. Any such downward change or withdrawal of such ratings may have an adverse effect on the market price of the Series 2026 Bonds.

CONTINUING DISCLOSURE

The City, on behalf of the Authority, has undertaken for the benefit of the Bondholders and the beneficial owners of the Series 2026 Bonds to provide certain annual financial information and operating data to the Municipal Securities Rulemaking Board ("MSRB"), and to provide notice of certain material events to the MSRB all in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission. See APPENDIX D attached hereto and incorporated herein by reference for a form of the Continuing Disclosure Undertaking that will be executed and delivered by the City. [*Any defaults to report?*]

A failure by the City to comply with the Continuing Disclosure Undertaking will not constitute a default under the Indenture and beneficial owners of the Series 2026 Bonds are limited to the remedies described in the Continuing Disclosure Undertaking. See "APPENDIX D—FORM OF CONTINUING DISCLOSURE UNDERTAKING—Default." A failure by the City to comply with the Continuing Disclosure Undertaking must be reported in accordance with the Rule and must be considered by any broker, dealer or municipal securities dealer before recommending the purchase or sale of the Series 2026 Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2026 Bonds and their market price.

MISCELLANEOUS

Independent Accountants

The basic financial statements of the City as of June 30, 2025, and for the year then ended, contained in APPENDIX A to this Official Statement, have been audited by Gilbert & Stewart, CPA, PC ("Gilbert & Stewart"), independent accountants, as set forth in their report included in APPENDIX A to this Official Statement. Gilbert & Stewart has not been asked to consent to the use of its name and audited financial report of the City for fiscal year ended June 30, 2025 in this Official Statement.

Additional Information

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

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

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

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

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

MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH

CITY OF SOUTH JORDAN, UTAH

APPENDIX A

ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR FISCAL YEAR ENDED JUNE 30, 2025

APPENDIX B

EXTRACTS OF THE INDENTURE AND THE MASTER LEASE

The following extracts briefly outline certain provisions contained in the Indenture, the Master Lease and the Security Documents and are not to be considered as a full statement of the Indenture, the Master Lease and the Security Documents. Reference is made to the Indenture, the Master Lease and the Security Documents for full details of all of the terms of such documents, of the Series 2026 Bonds, the security provisions appertaining of the Indenture, the application of the Base Rentals and the definition of any terms used but not defined in this Official Statement.

THE INDENTURE

Definitions

"Additional Bonds" means all Bonds (other than the Initial Bonds) issued under the Indenture.

"Assignment of Ground Lease Agreement" means the agreement dated as of November 1, 2026, by and between the Authority and the Trustee.

"Authority Representative" means the Chair/President or Vice President and Secretary-Treasurer of the Authority, and any other person or persons at any time designated to act on behalf of the Authority for purposes of performing any act on behalf of the Authority with respect to a Project by a written certificate furnished to the City and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Authority by any duly authorized officer of the Authority. Such certificate may designate an alternate or alternates. The Authority Representative may be an officer or employee of the Authority or the City.

"Base Rentals" means that portion of the rentals payable under the Master Lease which is pledged to the payment of debt service on the Bonds and to the replenishment of the Debt Service Reserve Fund under the Indenture.

"Beneficial Owner" means with respect to the Bonds, the person owning the Beneficial Ownership Interest therein.

"Beneficial Owner Interest" means the right to receive payments and notices with respect to the Bonds held in a book-entry System.

"Bond Documents" means the Master Lease, the Security Documents and the Indenture.

"Bond Fund" means Municipal Building Authority of the City of South Jordan, Utah, Bond Fund established under the Indenture.

"Bond Registrar" means the Trustee (or other party designated as Registrar by Supplemental Indenture), appointed as the initial registrar for the Bonds pursuant to the Indenture, and any additional or successor registrar appointed pursuant hereto.

"Bondholder," "Holder," "Owner" or "Registered Owner" means the person or persons in whose name or names a Bond shall be registered on the books of the Bond Registrar kept for that purpose in accordance with provisions of the Indenture.

"Bonds" means (i) the Initial Bonds, (ii) any Refunding Bonds issued pursuant to the Indenture and (iii) any Additional Bonds issued pursuant to the Indenture.

"Chair/President" means the Chair/President (including any acting Chair/President) of the Authority.

"City Representative" means the Mayor, the Mayor Pro Tem and City Recorder of the City and any other person at any time designated to act on behalf of the City for purposes of performing any act with respect to a Project by a written certificate furnished to the Authority and the Trustee containing the specimen signature of such person and signed on behalf of the City or any duly authorized officer thereof. Such certificate may designate an alternate or alternates. The City Representative may be an officer or employee of the Authority or the City.

"Code" means the Internal Revenue Code of 1986, as amended.

"Construction Fund" means Municipal Building Authority of the City of South Jordan, Utah, Construction Fund established under the Indenture.

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

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

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

"Debt Service Reserve Fund" means the Municipal Building Authority of the City of South Jordan, Utah, Debt Service Reserve Fund established under the Indenture for the purpose of securing payment of Bonds issued under the Indenture.

"Debt Service Reserve Requirement" means with respect to each Series of Bonds issued pursuant to the Indenture, unless otherwise provided in the related Supplemental Indenture, an amount equal to the least of (i) 10% of the proceeds of such Series of Bonds determined on the basis of original principal amount (unless original issue premium or original issue discount exceeds 2% of original principal, then determined on the basis of initial purchase price to the public), (ii) the maximum annual debt service during any year for such Series of Bonds and (iii) 125% of the average annual debt service for such Series of Bonds; provided, however, that in the event any Series of Refunding Bonds is issued to refund only a portion and not all of the then Outstanding Bonds of any Series issued pursuant to the Indenture (the "Prior Bonds"), then the portion of such Series of Prior Bonds that remain Outstanding immediately after the issuance of such Refunding Bonds and the portion of such Refunding Bonds that is allocable to the refunding of such Series of Prior Bonds may be combined and treated as a single Series for purpose of determining the Debt Service Reserve Requirement relating to such combined Series and the resulting requirement shall be allocated among the two Series pro rata based upon the total principal amount remaining Outstanding for each Series. Each account of the Debt Service Reserve Fund shall only be used with respect to the related Series of Bonds.

"Direct Obligations" means direct noncallable obligations of (including obligations issued or held in book-entry form on the books of) the Department of the Treasury of the United States of America, obligations unconditionally guaranteed as to principal and interest by the United States of America and evidences of ownership interests in such direct or unconditionally guaranteed obligations.

"Direct Payments" means the interest subsidy payments received by the Authority from the Internal Revenue Service pursuant to Section 6431 and 1400U-2 of the Code or other similar programs (with respect to Bonds issued hereunder).

"Event of Default" means any occurrence or event specified in and defined by the Indenture.

"General Indenture" means the General Indenture of Trust, by and between the Authority and the Trustee.

"Indenture" means the General Indenture and any Supplemental Indentures entered into in compliance with the provisions of the Indenture.

"Initial Bonds" means the first Series of Bonds issued under the Indenture.

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

"Investment Obligations" means any of the following securities:

(i) Direct Obligations;

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

(iii) Money market funds rated at the time of purchase "AAAm" or "AAAm-G" or better by S&P, including money market funds from which the Trustee or its affiliates receive fees for investment, advisory or other services to the fund;

(iv) 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;

(v) Bonds, notes or other evidences of indebtedness rated at the time of purchase "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;

(vi) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks 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);

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

(viii) Any investments or securities permitted for investment of public funds under the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code Annotated 1953, as amended.

"Master Lease" means the Master Lease Agreement dated as of November 1, 2026, by and between the Authority, as lessor and the City, as lessee and any amendments and supplements thereto entered into in accordance with the Indenture.

"Moody's" means Moody's Investors Service, its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority.

"Outstanding" or "Bonds Outstanding" means all Bonds which have been authenticated, registered and delivered by the Trustee under the Indenture, except:

(a) Bonds delivered to the Trustee for cancellation, whether after purchase in the open market or because of payment at, or redemption prior to, maturity;

(b) Bonds in lieu of which others have been authenticated under the Indenture; and

(c) Bonds deemed paid under the General Indenture.

"Paying Agent" means the Trustee, appointed as the initial paying agent for the Bonds pursuant to the Indenture, and any additional or successor paying agent appointed pursuant hereto.

"Project" or "Projects" means collectively each Project identified in a Supplemental Indenture to be financed or refinanced with a Series of Bonds issued under the Indenture.

"Rebatable Arbitrage" shall mean with respect to any Series of Bonds the amount (determinable as of each Rebate Calculation Date) of rebatable arbitrage payable to the United States at the times and in the amounts specified in Section 148(f)(3) of the Code and Section 1.148-3 of the Regulations.

"Rebate Calculation Date" means, with respect to each Series of Tax-Exempt Bonds, the Interest Payment Date next preceding the fifth anniversary of the issue date of such Series of Bonds, each fifth anniversary of the initial Rebate Calculation Date for such Series of Bonds, and the date of retirement of the last Bond of such Series.

"Rebate Fund" means Municipal Building Authority of the City of South Jordan, Utah, Rebate Fund established by the Indenture.

"Recovery Zone Bonds" means interest subsidy bonds issuable by the Authority under Sections 1400U-2 and 6431 of the Code and a "qualified bond" under Section 1400U-2(a) of the Code or such other tax credit bonds of substantially similar nature which may be hereafter authorized.

"Refunding Bonds" means all Bonds (other than the Initial Bonds) issued pursuant to the Indenture.

"Regular Record Date" means the fifteenth day (whether or not a Business Day, as this term is defined in the Master Lease) next preceding each Interest Payment Date.

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

"Required Rebate Deposit" means, with respect to any Series of Bonds an amount determinable as of each Rebate Calculation Date, which when added to amounts then on deposit in the Rebate Fund with respect to such Series of Bonds, if any, equals the aggregate amount of Rebatable Arbitrage for such Series of Bonds less the amount of Rebatable Arbitrage theretofore paid to the United States with respect to such Series of Bonds, if any.

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

"Reserve Instrument Agreement" means any agreement entered into by the Authority and a Reserve Instrument Provider pursuant to a Supplemental Indenture and providing for the issuance by such Reserve Instrument Provider of a Reserve Instrument.

"Reserve Instrument Costs" means all fees, premiums, expenses and similar costs, other than Reserve Instrument Repayment Obligations, required to be paid to a Reserve Instrument Provider pursuant to a Reserve Instrument Agreement.

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

"Reserve Instrument Fund" means the Municipal Building Authority of the City of South Jordan, Utah Reserve Instrument Fund established by the General Indenture to be held by the Trustee and administered pursuant to the General Indenture.

"Reserve Instrument Limit" means, as of any date of calculation and with respect to any Reserve Instrument, the maximum aggregate amount available to be paid under such Reserve Instrument into an account in the Debt Service Reserve Fund assuming for purposes of such calculation that the amount initially available under each Reserve Instrument has not been reduced or that the amount initially available under each Reserve Instrument has only been reduced as a result of the reduction of the Debt Service Reserve Requirement.

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

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

"S&P" means S&P Global Ratings, its successors and assigns, and, if such entity shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Authority, with the approval of the Trustee.

"Secretary-Treasurer" means the Secretary-Treasurer (including any deputy or acting Secretary-Treasurer) of the Authority.

"Security Documents" means, collectively, the Deeds of Trust and the security documents described in each Supplemental Indenture.

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

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

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

"Security Instrument Issuer" means any bank or other financial institution, insurance company, Surety Company or other institution issuing a Security Instrument.

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

"Serial Bonds" means those Bonds other than Term Bonds.

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

"Sinking Fund Account" means Municipal Building Authority of the City of South Jordan, Utah, Sinking Fund Account of the Bond Fund established by the Indenture.

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

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

"State" means the State of Utah.

"Supplemental Indenture" means any indenture between the Authority and the Trustee entered into pursuant to and in compliance with the provisions of the Indenture.

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

"Tax-Exempt Bonds" means Bonds the interest on which is intended to be excludable from gross income for federal income tax purposes.

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

"Trust Estate" means the property conveyed to the Trustee pursuant to the Granting Clauses thereof.

"Trustee" means U.S. Bank Trust Company, National Association, a national banking association and its successors and any association resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at the time serving as successor trustee under the Indenture.

Indenture to Constitute Contract

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

Limited Obligation

The Bonds shall not be general obligations but shall be special, limited obligations of the Authority payable solely out of and to the extent available from the Base Rentals, and, if paid by the City, the Purchase Option Price under the Master Lease and other amounts derived from the leasing of the Projects (except to the extent paid out of moneys attributable to the proceeds derived from the sale of the Bonds or to income from the temporary investment thereof and, under certain circumstances, to moneys held in funds or accounts by the Trustee, to Net Proceeds from insurance policies, performance bonds, condemnation awards and liquidation proceeds with respect to the Projects and from Direct Payments) and shall be a valid claim of the respective Bondholders thereof only against the Bond Fund, the Debt Service Reserve Fund and other moneys held by the Trustee and the Base Rentals, and other amounts derived from the leasing of the Projects under the Master Lease, which Base Rentals and other amounts are hereby pledged, assigned and otherwise secured for the equal and ratable payment of the Bonds and shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds (including any make whole interest payments or redemption premiums on any Bonds), except as may be otherwise expressly authorized in the Indenture or in the Master Lease. The Authority shall not be obligated to pay the principal of such Bonds or the interest thereon or other costs incident thereto except from the moneys pledged therefor under the Indenture. The Bonds and the interest thereon shall never constitute an indebtedness of the City within the meaning of any constitutional limitation or statutory provision and shall not constitute or give rise to a pecuniary liability of the City or a charge against the general credit or taxing power of the City. Neither the City, nor the Authority on its behalf, has pledged the credit of the City to the payment of the Bonds, the interest thereon or amounts due or to become due under the Master Lease. The City shall not be obligated to appropriate City Funds for the purpose of paying Base Rentals, Additional Rentals or the Purchase Option Price under the Master Lease, and no judgment may be entered against the City in the event of an insufficiency of moneys to pay the principal of, premium, if any, and interest on the Bonds. The payment obligations of the City under the Master Lease are subject to annual renewal and will be terminated upon the occurrence of an Event of Nonappropriation. In such event, all payments from the City under the Master Lease will terminate, and the Bonds and the interest thereon will be payable solely from and to the extent of such moneys, if any, as may be held by the Trustee under the Indenture (except amounts held for the payment of Bonds not deemed Outstanding) and, subject to the provisions of Article IX of the Indenture, any moneys made available from a liquidation of the Authority's interest in the Project financed with such Bonds subsequent to foreclosure of the lien of the Indenture and the Security Documents. No deficiency judgment subsequent to foreclosure of the lien of the Indenture and the Security Documents may be entered against the City or the Authority, and no breach of any provision of the Master Lease, the Security Documents or the Indenture shall impose any general obligation or liability upon or a charge against the City, the Authority or upon the general credit or taxing powers of the City. Except as expressly provided in the Master Lease, no judgment requiring a payment of money may be entered against the City under the Master Lease.

Subordination of Master Lease to Indenture

As provided in the Indenture, pursuant to the Master Lease, the City's interest in the Projects and its interest as lessee under the Master Lease shall at all times be subject to the lien of the Indenture; provided, however, that so long as no Event of Default under the Indenture or an Event of Nonappropriation has occurred and is then continuing, the Master Lease shall remain in full force and effect notwithstanding such subordination, and the City shall not be disturbed by the Authority or the Trustee in its possession, use and enjoyment of the Projects during the term of the Master Lease or in the enjoyment of its rights under the Master Lease; provided further that the Indenture and the rights and privileges thereunder of the Trustee and Bondholders are specifically made subject and subordinate to the rights and privileges of the City set forth in the Master Lease to exercise its option to purchase the Projects in the event of, and subsequent to, the occurrence of an Event of Default, but prior to the liquidation of the Authority's interest in the Projects. As a condition of the exercise of such option, the City under the Master Lease must pay, in addition to the Purchase Option Price, any interest payment deficiencies accruing from the date of the Event of Default or Event of Nonappropriation. The Trustee agrees that it shall execute and deliver any instrument necessary or appropriate at any time to confirm, evidence or enable the City to enjoy such rights and privileges, including without limitation, those referred to in the Indenture.

Nonpresentation of Bonds

Unless otherwise provided by Supplemental Indenture, in the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the Authority to the Registered Owner thereof for the payment of such Bond shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability to the

Registered Owner of such Bond for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part under the Indenture or on, or with respect to, said Bond. If any Bond shall not be presented for payment within four years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall, to the extent permitted by law, repay to the Authority the funds theretofore held by it for payment of such Bond, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the Authority, and the Registered Owner thereof shall be entitled to look only to the Authority for payment, and then only to the extent of the amount so repaid, and the Authority shall not be liable for any interest thereon and shall not be regarded as a trustee of such money. The provisions of the Indenture with respect to the nonpresentation of bonds are subject to the provisions of Title 67, Chapter 4a, Utah Code Annotated 1953, as amended.

General Covenants

Payment of Principal and Premium, if any, and Interest. The Authority covenants that it will promptly pay the principal of and premium, if any, and interest on every Bond issued under the Indenture at the place, on the dates and in the manner provided therein and in the Bonds according to the true intent and meaning thereof, but solely from the Trust Estate created by the Indenture, including the Base Rentals and, if paid by the City under the Master Lease, the Purchase Option Price with respect to a Project or Projects, and other amounts pledged therefor which are from time to time held by the Trustee in the Bond Fund and the Debt Service Reserve Fund. The principal of and premium, if any, and interest on the Bonds are payable solely from the Trust Estate created by the Indenture, including the Base Rentals and, if paid by the City under the Master Lease, the Purchase Option Price with respect to a Project or Projects, and other amounts derived from the lease of the Projects and otherwise as provided in the Indenture, in the Security Documents, and in the Master Lease, which amounts are specifically pledged by the Indenture to the payment thereof in the manner and to the extent in the Indenture and in the Master Lease specified, and nothing in the Bonds or in the Indenture shall be construed as pledging any other funds or assets of the Authority or the City. The Authority shall in no event be liable for the payment of the principal of and premium, if any, or interest on any of the Bonds or for the performance of any pledge, obligation or agreement undertaken by the Authority except to the extent that the moneys, properties, interests and assets constituting the Trust Estate are sufficient therefor.

Further Assurances. The Authority will, at the City's expense, do, execute, acknowledge and deliver all and every act, deed, conveyance, transfer and assurance necessary or proper for the perfection of the lien and security interest being provided in the Indenture for in the Trust Estate, whether now owned or held or hereafter acquired, including, but not limited to, such financing statements and continuation statements as shall be necessary under applicable law to perfect and maintain the security interest being provided in the Indenture for in the Trust Estate.

Actions with Respect to the Trust Estate. The Authority will not:

(a) Declare a default or exercise the remedies of the seller or lessor, as the case may be, under, or terminate, modify or accept a surrender of, or offer or agree to any termination, waiver, modification or surrender of, the Master Lease (except as otherwise expressly provided in the Indenture) or by affirmative act consent to the creation or existence of any lien or encumbrance (other than the security interest and lien of the Indenture and the Security Documents) to secure the payment of indebtedness upon the leasehold or other estate created by the Master Lease or any part of any thereof; or

(b) Receive or collect or permit the receipt or collection of any payment under the Master Lease prior to the date for the payment thereof provided for by the Master Lease or assign, transfer or hypothecate (other than to the Trustee under the Indenture) any revenues or other payment then due or to accrue in the future under the Master Lease in respect of the Projects; or

(c) Sell, mortgage, transfer, assign or hypothecate (other than to the Trustee under the Indenture) its interest in the Projects or any part thereof or interest therein or in any amount to be received by it from the disposition of the Projects except as provided under the Indenture, and except as provided in the Master Lease and the Security Documents.

Power of Attorney in Respect of the Master Lease. The Authority irrevocably constitutes and appoints the Trustee its true and lawful attorney with an interest and full power of substitution, for it and in its name, place and stead (a) to ask, demand, collect, receive and receipt for any and all rents, income and other sums which are assigned under the Granting Clauses of the Indenture, and (b) without limiting the provisions of the foregoing clause (a) hereof, during the continuance of any Event of Default under the Indenture, to exercise any remedies available under the Master Lease and the Security Documents as fully as the Authority could itself do, and to perform all other necessary or appropriate acts with respect to any such remedies, and in its discretion to file any claim or take any other action or proceedings, either in its own name or in the name of the Authority or otherwise, which the Trustee may deem necessary or appropriate to protect and preserve the right, title and interest of the Trustee (but only to the extent specifically provided in the Indenture) in the Master Lease and to the Base Rentals, the Additional Rentals, the Purchase Option Price, the Net Proceeds and all other amounts payable under the Master Lease and other sums and the security intended to be afforded under the Indenture, whether or not the Authority is in default thereunder.

Use of Bond Fund

(a) There shall be deposited into the Bond Fund all accrued interest received, if any, at the time of the issuance, sale and delivery of the Bonds. In addition, there shall be deposited into the Bond Fund, as and when received, (i) any amount directed to be paid into the Bond Fund pursuant to the Master Lease or any amount in the Debt Service Reserve Fund directed to be paid into the Bond Fund in accordance with the provisions of the Indenture; (ii) any Net Proceeds of any insurance policy, performance bond or condemnation award to be deposited in the Bond Fund pursuant to the Master Lease; (iii) all Base Rentals, and, if paid by the City, that portion of the Purchase Option Price attributable to the retirement of the applicable Series of Bonds issued under the Indenture, as specified in the Master Lease; and (iv) any Direct Payments and all other moneys received by the Trustee under and pursuant to any of the provisions of the Indenture or of the Master Lease which are required or which are accompanied by directions that such moneys are to be paid into the Bond Fund. The Authority hereby covenants and agrees that so long as any of the Bonds issued under the Indenture are Outstanding it will deposit, or cause to be paid to the Trustee for deposit in the Bond Fund for its account, any moneys which are pledged under the Indenture for the payment of the principal of and premium, if any, and interest on the Bonds and which are required to be deposited into the Bond Fund.

(b) Except as provided in the Indenture, moneys in the Bond Fund shall be used solely for the payment of the principal of and premium, if any, and interest on the Bonds and for the redemption of the Bonds prior to maturity.

(c) The Bond Fund shall be in the custody of the Trustee but in the name of the Authority, and the Authority hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay the principal of and premium, if any, and interest on the Bonds as the same become due and payable, which authorization and direction the Trustee hereby accepts.

Use of Sinking Fund

(a) As required by Supplemental Indenture, the Trustee shall apply moneys in the Sinking Fund Account to the retirement of any Term Bonds required to be retired by operation of the Sinking Fund Account under the provisions of and in accordance with the Supplemental Indenture authorizing the issuance of such Term Bonds, either by redemption in accordance with such Supplemental Indenture or, at the direction of the Authority, purchase of such Term Bonds in the open market prior to the date on which notice of the redemption of such Term Bonds is given pursuant to the Indenture, at a price not to exceed the redemption price of such Term Bonds (plus accrued interest which will be paid from moneys in the Bond Fund other than those in the Sinking Fund Account). Sinking Fund Installments may also be collected in the Sinking Fund Account without redemption of Bonds prior to maturity.

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

Use of Debt Service Reserve Fund

(a) Except as otherwise provided in the Indenture, moneys in accounts within the Debt Service Reserve Fund shall at all times be maintained in an amount not less than the Debt Service Reserve Requirement. In calculating the amount on deposit in each account of the Debt Service Reserve Fund, the amount available under the Reserve Instrument Coverage will be treated as an amount on deposit therein. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify that the amount, if any, of the Debt Service Reserve Requirement applicable to such Series which shall be deposited immediately upon the issuance and delivery of such Series either from (a) proceeds from the sale thereof or from any other legally available source or may be built up over time as provided by the Supplemental Indenture, or (b) by a Reserve Instrument, or (c) any combination thereof. Funds on deposit in accounts within the Debt Service Reserve Fund shall be used only to make up any deficiencies in accounts within the Bond Fund with respect to the related Series of Bonds.

(b) If on any Interest Payment Date the moneys held in the Bond Fund are insufficient to pay all interest, premium, if any, and principal then becoming due on the Bonds of a Series for which an account of the Debt Service Reserve Fund has been established, the Trustee shall transfer, on or before such date, moneys from the applicable accounts within the Debt Service Reserve Fund to the Bond Fund to the extent necessary so that the amount of money so transferred plus all moneys then held in the Bond Fund for such Series of Bonds shall be sufficient to pay all interest, premium, if any, and principal payments then becoming due and payable on such date;

(c) In the event funds on deposit in the Debt Service Reserve Fund are needed to make up any deficiencies in the Bond Fund as aforementioned, and there is insufficient cash available in an account of the Debt Service Reserve Fund to make up such deficiency and a Reserve Instrument applicable to such Series of Bonds is in effect, the Trustee shall immediately make a demand for payment on such Reserve Instrument, to the maximum extent authorized by such Reserve Instrument, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof into the Bond Fund. Thereafter, the Authority shall be obligated to reinstate the Reserve Instrument from Base Rentals received from the City under the Master Lease, including any interest owing on any draws on the Reserve Instrument.

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

(e) In the event that the City shall exercise its option to purchase a Project or Projects and terminate its payment obligations under the Master Lease upon payment of the Purchase Option Price with respect to said Project or Projects, the Trustee shall transfer all moneys held in the Debt Service Reserve Fund (other than any amount drawn under any Reserve Instrument) applicable to said Project or Projects to the Bond Fund in accordance with the written direction of the City.

(f) In the event moneys are drawn from the related account of the Debt Service Reserve Fund to pay principal, premium or interest on the related Series of Bonds, such that there shall be remaining in said account an amount less than the Debt Service Reserve Requirement, the Trustee shall immediately give notice to the Authority and the City of such deficiency. Such account shall be replenished to the Debt Service Reserve Requirement upon the deposit by the Trustee of the additional Base Rental payment to be paid by the City pursuant to the Master Lease.

(g) Any moneys (other than any amount drawn under any Reserve Instrument) remaining in the related account of the Debt Service Reserve Fund with respect to a Series of Bonds on the final maturity of said Series of Bonds (whether at stated maturity or upon prior redemption) shall be transferred on such date into the Bond Fund.

(h) If, following the payment of principal and interest due on a Series of Bonds on each Interest Payment Date, the moneys (other than any amount drawn under any Reserve Instrument) held in the related account of the Debt Service Reserve Fund exceed the related Debt Service Reserve Requirement, all moneys in excess of said sum shall be immediately transferred to the Bond Fund. To the extent so paid, such excess shall reduce the amount of the succeeding Base Rental otherwise payable under the Master Lease.

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

Use of Construction Fund; Disbursements

The moneys in the Construction Fund shall be expended in accordance with the provisions of the Master Lease and the Supplemental Indenture authorizing such Series of Bonds.

Use of Rebate Fund and Arbitrage Rebate

(a) When directed in writing to do so by the Authority, the Trustee shall establish and thereafter maintain, so long as the Bonds are Outstanding, a Rebate Fund and an account therein for each such Series, which shall be held separate and apart from all other funds and accounts established under the Indenture and from all other moneys of the Trustee.

(b) All amounts in the Rebate Fund, including income earned from investment of the fund, shall be held by the Trustee free and clear of the lien of the Indenture. In the event the amount on deposit in the Rebate Fund exceeds the aggregate amount of Rebatable Arbitrage for all Series of Bonds, as verified in writing by an independent public accountant or other qualified professional at the time the Rebatable Arbitrage is determined, less amounts of Rebatable Arbitrage theretofore paid to the United States for all Series of Bonds, the Trustee shall, upon the Authority's request, withdraw from the Rebate Fund and pay to the Authority an amount not to exceed such excess.

(c) The Authority shall determine the amount of Rebatable Arbitrage and the corresponding Required Rebate Deposit with respect to each Series of Bonds on each applicable Rebate Calculation Date. The Authority shall deposit into the Rebate Fund the Required Rebate Deposit, if any, with respect to each Series of Bonds (or instruct the Trustee to transfer to the Rebate Fund moneys representing such Required Rebate Deposit from the Funds and Accounts held under the Indenture other than the Rebate Fund) within 30 days of each such Rebate Calculation Date. The Authority shall instruct the Trustee to withdraw from the Rebate Fund and pay over to the United States Government with respect to each Series of Bonds: (1) not less frequently than once each five years commencing no later than 60 days after the first Rebate Calculation Date for such Series of Bonds and upon each fifth anniversary of such date, an amount which when added to all previous rebate payments made with respect to such Series of Bonds equals 90% of the sum of the Rebatable Arbitrage pertaining to such Series of Bonds, and (2) not later than 60 days after the retirement of the last Bond of such Series, 100% of the Rebatable Arbitrage with respect to such Series. The determination of Rebatable Arbitrage made with respect to each such payment date and with respect to any withdrawal and payment to the Authority from the Rebate Fund pursuant to the Indenture must be verified in writing by an independent public accountant or other qualified professional.

Moneys to be Held in Trust

All moneys required to be deposited with or paid to the Trustee for account to any fund referred to in any provision of the Indenture or the Master Lease shall be held by the Trustee in trust, and except for moneys deposited with or paid to the Trustee for the payment of Bonds not then deemed Outstanding shall, while held by the Trustee, constitute part of the Trust Estate and be subject to the lien or security interest created by the Indenture.

Investment of Funds

The City will direct the Trustee in investing amounts held in the funds created under the Indenture. Any moneys held as part of the Construction Fund, the Bond Fund, the Debt Service Reserve Fund, the Rebate Fund or any other fund shall be invested and reinvested by the Trustee in Investment Obligations at the written direction of the Authority in accordance with the provisions of the Indenture and of the Master Lease. Any such investments shall be held by or under the control of the Trustee. The Trustee shall sell and reduce to cash a sufficient amount of such investments within the Bond Fund whenever the cash balance therein is insufficient to pay the principal of and premium, if any, and interest on the Bonds when due. All income and earnings from the investment of amounts on deposit in any fund shall be retained therein; provided, however, that any moneys held in the Debt Service Reserve Fund in excess of the Debt Service Reserve Requirement shall be transferred to the Bond Fund at least annually.

Method of Valuation and Frequency of Valuation

In computing the amount in any Fund or account, Investment Obligations shall be valued at the fair market value of such Obligations, exclusive of accrued interest. All funds and accounts are to be valued on the basis of a market valuation conducted annually by the Trustee.

Additional Parity Bonds

Refunding Bonds. So long as the Master Lease is in effect and no Event of Default under the Indenture or the Master Lease has occurred and is continuing and so long as no Event of Nonappropriation has occurred and is continuing, one or more Series of Refunding Bonds may be issued, authenticated and delivered for the purpose of refunding Bonds or other obligations of the Authority (with accompanying security documentation and pledge of refinanced property). The Refunding Bonds may be issued in one or more Series, shall be authenticated and registered by the Trustee and, upon payment to the Trustee of the proceeds of said sale of Refunding Bonds, they shall be delivered by the Trustee to or upon the order of the purchasers thereof, but only upon satisfaction of the conditions specified in the Indenture and there being filed with the Trustee:

(a) Original executed counterparts of a Supplemental Indenture, a supplement or amendment (if necessary) to the Security Documents and the Master Lease providing for the issuance of such Refunding Bonds, and further providing for a revision to the Base Rentals to be paid by the City under the Master Lease to such amount as shall be necessary to pay, assuming that no Event of Default or Event of Nonappropriation shall occur, the principal of, premium, if any, and interest on the Bonds (including the Refunding Bonds being issued and any Bonds theretofore issued and to remain Outstanding), and to extend the Lease Term if the maturity of any of the Refunding Bonds would otherwise occur after the expiration of the then current Lease Term. The date or dates of the Refunding Bonds, the rate or rates of interest on the Refunding Bonds, and the redemption provisions (if any) with respect thereto all shall be as provided in the Supplemental Indenture;

(b) If any of the Bonds being refunded were Tax-Exempt Bonds or were designated as Tax Credit Bonds qualifying for Direct Payments, a written opinion of nationally recognized bond counsel, to the effect that the exclusion from gross income of the interest on the Tax-Exempt Bonds being refunded or the status of the Bonds as Tax Credit Bonds qualifying for Direct Payments, for federal income tax purposes, will not be adversely affected by the issuance of the Refunding Bonds being issued;

(c) A date-down endorsement to the ALTA mortgagee title insurance policy issued in connection with the issuance of the Bonds being refunded or commitment therefor (or if the bonds or other obligations being refunded were not issued pursuant to the Indenture, an ALTA Mortgagee title insurance policy or commitment therefor), which endorsement or policy shall insure to the date of issuance of such Refunding Bonds and the recording of any supplement or amendment to the Security Documents the continuing validity of the lien thereof, as modified by any supplement or amendment to the Security Documents, as a first and prior lien on the premises thereby secured, subject only to Permitted Encumbrances, and which endorsement or policy shall increase the amount of title insurance coverage thereunder, if necessary, to an amount, which when added to the coverage provided under any other title policies delivered with respect to other Bonds then Outstanding and issued with respect to the Project financed by the Bonds or other obligations to be refunded, is at least equal to the aggregate principal amount of all Bonds to be Outstanding with respect to such Project following said refunding and naming the Trustee as an insured; alternatively, the Authority may reasonably expect to be able to deliver the required mortgage title insurance following delivery of the related Series of Bonds, provided that no proceeds of such Bonds shall be drawn out of the Construction Fund until such mortgage title insurance is delivered (except for costs of issuance related to such Bonds);

(d) (i) A report of an independent firm of certified public accountants to the effect that, upon the issuance of the Refunding Bonds, moneys and Direct Obligations will be deposited with the Trustee or an escrow agent sufficient to cause the Bonds (or other obligations) being refunded to be deemed paid under the Indenture (or a comparable provision of the documents authorizing the obligations to be refunded even if not deemed paid for Cross-over Refunding Bonds); or (ii) in the event that the Bonds (or other obligations) to be refunded are to be redeemed on the date of issuance of the Refunding Bonds or within ninety (90) days thereafter, there shall be delivered to the Trustee evidence satisfactory to it that upon the issuance of the Refunding Bonds moneys and Direct Obligations will be deposited with the Trustee or an escrow agent sufficient, without taking into account investment earnings thereon, to redeem the Bonds (or other obligations); and

(e) A certificate of the Authority, stating that as of the date of such delivery no event or condition has happened or exists and is continuing, or is happening or existing, which constitutes, or which, with notice or lapse of time or both, would constitute, an Event of Default under the Indenture or the Master Lease and there has not occurred and is then continuing an Event of Nonappropriation; provided however that the existence of an Event of Default shall not preclude the issuance of any Additional Bonds if: (i) the issuance of such Additional Bonds otherwise complies with the provisions of the Indenture and (ii) any Event of Default will cease to continue upon the issuance of such Additional Bonds and the application of the proceeds thereof.

Each Series of Refunding Bonds issued pursuant to the Indenture shall be equally and ratably secured under the Indenture with the Initial Bonds and all other Series of Additional Bonds and Refunding Bonds, if any, theretofore issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

Additional Bonds. So long as the Master Lease is in effect and no Event of Default under the Indenture or the Master Lease has occurred and is continuing and so long as no Event of Nonappropriation has occurred and is continuing, one or more Series of Additional Bonds may be issued, authenticated and delivered for the purpose of financing Costs of Acquisition and Construction of a Project or Projects. Such Additional Bonds shall be payable solely from the Base Rentals and, if paid by the City, the Purchase Option Price and other amounts derived from the leasing of the Projects. The Additional Bonds may be issued in one or more Series, shall be authenticated and registered by the Trustee and, upon payment to the Trustee of the proceeds of said sale of Additional Bonds, they shall be delivered by the Trustee to or upon the order of the purchasers thereof, but only upon satisfaction of the conditions specified in the Indenture and there being filed with the Trustee:

(a) Original executed counterparts of a Supplemental Indenture, additional Security Documents or a supplement or amendment (if necessary) to the Security Documents and Master Lease providing for the financing of a Project and for the issuance of the Additional Bonds and further providing for an increase in the Base Rentals to be paid by the City under the Master Lease in such amount as shall be necessary to pay, assuming that no Event of Default or Event of Nonappropriation shall occur, the principal of, premium, if any, and interest on the Bonds (including the Additional Bonds being issued and any Bonds theretofore issued and Outstanding), and to extend the Lease Term if the maturity of any of the Additional Bonds would otherwise occur after the expiration of the then current Lease Term. The date or dates of the Additional Bonds, the rate or rates of interest on the Additional Bonds, and the redemption provisions (if any) with respect thereto all shall be as provided in the Supplemental Indenture;

(b) A date-down endorsement to the ALTA mortgagee title insurance policy issued in connection with the issuance of the Initial Bonds (or other Bonds) or commitment therefor or an additional ALTA mortgagee title insurance policy or commitment therefor, which endorsement or policy shall insure to the date of issuance of such Additional Bonds and the recording of any additional Security Documents or supplement to the Security Documents, if required, the continuing validity of the lien thereof, as modified by any supplement to the Security Documents, as a first and prior lien on the premises thereby secured, subject only to Permitted Encumbrances, and which endorsement or additional policy shall increase the amount of title insurance coverage thereunder to an amount at least equal to the aggregate principal amount of the Additional Bonds to be issued (or in the case of Additional Bonds issued to complete or extend a Project previously financed under the Indenture the endorsement to the original policy for such Project shall increase the coverage to at least the aggregate principal amount of Bonds issued for such Project to be Outstanding following the issuance of such Additional Bonds) and naming the Trustee as an insured. In the event that the property upon which additional projects are to be located has not been acquired at or prior to the time of issuance of the Additional Bonds, the amendment to Master Lease relating to such Additional Bonds shall require that such endorsement or additional title policy with respect to such property be delivered at the time of or prior to any disbursements being made from the Construction Fund with respect to such portion of the Project (except for costs of issuance related to such Bonds);

(c) if such Series of Additional Bonds is being issued in whole or in part for construction purposes, (i) a copy, duly certified by the Secretary-Treasurer of the Authority, of the project contract and architect's agreement with respect to such construction and the performance and payment bond covering such contract or, in the alternative, a requirement that a copy of such documents be delivered to the Trustee prior to the time that moneys are withdrawn from the Construction Fund with respect to such portions of the Project, and (ii) a certificate of the architect or engineer responsible for planning and designing any such construction which sets forth the estimated useful life of the Project or Projects, as so improved and extended, in compliance with Section 17D-2-301 of the Act; and

(e) a certificate of the Authority, stating that as of the date of such delivery no event or condition has happened or exists and is continuing, or is happening or existing, which constitutes, or which, with notice or lapse of time or both, would constitute, an Event of Default under the Indenture or the Master Lease and there has not occurred and is then continuing an Event of Nonappropriation; provided however that the existence of an Event of Default shall not preclude the issuance of any Additional Bonds if: (i) the issuance of such Additional Bonds otherwise complies with the provisions of the Indenture and (ii) any Event of Default will cease to continue upon the issuance of such Additional Bonds and the application of the proceeds thereof.

Each Series of Additional Bonds issued pursuant to the Indenture shall be equally and ratably secured under the Indenture with the Initial Bonds and all other Series of Additional Bonds and Refunding Bonds, if any, theretofore issued pursuant to the Indenture, without preference, priority or distinction of any Bonds over any other thereof.

Discharge of Lien

If the Authority shall pay or cause to be paid, or there shall be otherwise paid or unconditional provisions for payment made to or for the Bondholders, the principal of and premium, if any, and interest due or to become due on the Bonds at the times and in the manner stipulated therein, and shall pay or cause to be paid to the Trustee and any paying agents, all Security Instrument Issuers, and all Reserve Instrument Providers all sums of money due or to become due according to the provisions of the Indenture (including any make whole interest payment or redemption premiums), then these presents and the estate and rights hereby granted shall cease, terminate and be void, whereupon the Trustee shall cancel and discharge the lien of the Indenture, and release, assign and deliver unto the Authority and the City any and all the estate, right, title and interest in and to any and all rights assigned to the Trustee or otherwise subject to the lien of the Indenture, including amounts in the Bond Fund and the Debt Service Reserve Fund and all rights granted under the Security Documents, except moneys or securities held by the Trustee for the payment of the principal of and premium, if any, and interest on the Bonds.

Any Bond shall be deemed to be paid for all purposes of the Indenture when (a) payment of the principal of and the applicable redemption premium, if any, on such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided in the Indenture, or otherwise), either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided by irrevocably depositing with or for the benefit of the Trustee, in trust, and the Trustee shall have irrevocably set aside exclusively for such payment, (1) moneys sufficient to make such payment, and/or (2) Direct Obligations maturing as to principal and interest in such amount and at such times as will insure, without reinvestment, the availability of sufficient moneys to make such payment as verified by a Certified Public Accountant, and (b) all necessary and proper fees, compensation and expenses of the Trustee and any paying agents pertaining to the Bonds with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such time as a Bond shall be deemed to be paid under the Indenture, as aforesaid, it shall no longer be secured by or entitled to the benefits of the Indenture, except for the purposes of any such payment from such moneys or Direct Obligations.

Notwithstanding the foregoing, no deposit under clause (a)(ii) of the immediately preceding paragraph shall be deemed a payment of such Bonds as aforesaid until: (a) proper notice of redemption of such Bonds shall have been previously given in accordance with the Indenture, or in the event said Bonds are not by their terms subject to redemption within the next succeeding sixty days, until the Authority shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions to notify, as soon as practicable, the Bondholders of the Bonds, in accordance with the redemption provisions of the Indenture, that the deposit required by (a)(ii) above has been made with or for the benefit of the Trustee and that said Bonds are deemed to have been paid in accordance with the general covenants of the Indenture, and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds and to call for redemption pursuant to the Indenture any Bonds to be redeemed prior to maturity; or (b) the maturity of such Bonds.

All moneys so deposited with or for the benefit of the Trustee as provided in the Indenture may at the direction of the Authority also be invested and reinvested in Direct Obligations, maturing in the amounts and at times as set forth in the Indenture, and all income from all Direct Obligations pursuant to the Indenture which is not required for the payment of the Bonds and interest and premium, if any, thereon with respect to which such moneys shall have been so deposited, shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund.

The Authority hereby covenants that no deposit will be made under the Indenture and no use made of any such deposit which would cause the Tax-Exempt Bonds to be treated as arbitrage bonds within the meaning of Section 148 of the Code.

Notwithstanding any other provision of the Indenture, all moneys or Direct Obligations set aside and held in trust pursuant to the provisions of the Indenture regarding the discharge of the lien for the payment of Bonds (including interest and premium thereon, if any) shall be applied to and used solely for the payment of the particular Bonds (including interest and premium thereof, if any) with respect to which such moneys and Direct Obligations have been so set aside in trust.

Events of Default

Any of the following events constitute an "Event of Default" under the Indenture:

(a) Failure to pay when due interest on any Bond;

(b) Failure to pay when due the principal of, or premium, if any, on any Bond, whether at the stated maturity thereof, or upon proceedings for redemption thereof (other than as specified in a conditional notice of redemption);

(c) Failure to perform or observe any other of the covenants, agreements or conditions on the part of the Authority contained in the Indenture or in the Bonds and failure to remedy the same after notice thereof pursuant to the Indenture;

(d) The occurrence of an event of default under the terms of any of the other Bond Documents on the part of either the Authority or the City;

(e) The Authority shall for any reason be rendered incapable of fulfilling its obligations under the Indenture;

(f) The Authority (1) is adjudged insolvent by a court of competent jurisdiction, (2) admits in writing its inability to pay its debts generally as they become due, (3) files a petition in bankruptcy, (4) makes an assignment for the benefit of creditors, or (5) consents to the appointment of a receiver of itself or property with respect to the Projects;

(g) An order, judgment or decree shall be entered by any court of competent jurisdiction appointing, without the consent of the Authority, a receiver of the Authority or of the property with respect to the Projects, and such order, judgment or decree shall not be vacated or set aside or stayed within sixty days from the date of such appointment;

(h) A court of competent jurisdiction shall enter an order, judgment or decree approving a petition filed against the Authority under the provisions of any bankruptcy act and such order, judgment or decree shall not be vacated or set aside or stayed within sixty days from the date of entry of such order, judgment or decree;

(i) Under the provisions of any other law now or hereafter existing for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Authority or of the property with respect to the Projects or any part thereof, and such custody or control shall not be terminated within sixty days from the date of assumption of such custody or control; or

(j) Subject to the limitations contained in the Master Lease, the Authority shall unreasonably delay or fail to carry on with reasonable dispatch, or shall discontinue construction of any substantial part of a Project.

Acceleration, Limitation on Remedies

Upon the occurrence and continuation of an Event of Default, the Trustee shall (subject to (a) the applicable provisions of the related Supplemental Indenture and (b) the rights of any Security Instrument Issuer contained in a Supplemental Indenture) have all the rights and remedies with respect to the Trust Estate as the Authority, as lessor, has against the Projects and the City under the pertinent provisions of the Master Lease; and the Trustee may, and upon the written request of Bondholders of not less than 25% in aggregate principal amount of the Bonds Outstanding shall, by notice in writing delivered to the Authority, declare the principal of all Bonds then Outstanding and the interest accrued thereon immediately due and payable, and such principal and interest shall thereupon become and be immediately due and payable without further action. Such amounts of principal and interest shall bear interest from the date of acceleration, as provided in the Indenture, until paid at the same rate borne by the accelerated Bonds prior to acceleration.

Upon any sale made either under the power of sale given granted under the Indenture or given in the Security Documents or under a judgment, order or decree made in any judicial proceedings for the foreclosure or enforcement of the Indenture and/or the Security Documents, the principal of all Bonds then outstanding, if not previously due, shall at once become and be immediately due and payable without declaration or notice by the Trustee or the Bondholders.

Notwithstanding anything to the contrary contained in the Indenture, no deficiency judgment upon foreclosure of the lien of the Indenture or of the Security Documents against the Projects may be entered against the City or the Authority, and no breach of any provision of the Master Lease, the Security Documents or the Indenture shall impose any general obligation or liability upon or a charge against the City or the Authority or upon the general credit or taxing powers of the City. Additionally, no judgment requiring a payment of money may be entered against the City by reason of an Event of Default or an Event of Nonappropriation under the Master Lease; provided to the extent permitted by law that the Trustee may, subject to compliance with the applicable provisions of the "one action rule" set forth in Title 78B, Chapter 6, Utah Code Annotated 1953, as amended, recover from the City: (a) the portion of Base Rentals and Additional Rentals (including amounts owed to any Security Instrument Issuer and any Reserve Instrument Provider) which are or would otherwise have been payable under the Master Lease during any period in which the City continues to use, occupy and operate a Project or Projects or any portion thereof; and (b) Base Rentals and Additional Rentals which are or would otherwise have been payable by the City under the Master Lease during the remainder, after the City vacates the applicable Project or Projects, of the then-current annual term of the Master

Lease in which such Event of Default occurs for which term the City had lawfully appropriated moneys for purposes of paying such Base Rentals and Additional Rentals; provided, however, that the Authority shall be obligated to the City to use its best efforts to lease or sublease the Project or Projects for the remainder of such annual term, and the Net Proceeds of such leasing shall be offset against the amount recoverable from the City under this clause (b).

Notwithstanding anything in the Indenture to the contrary, the rights and privileges of the Trustee and the Bondholders are subject to the right of the City to purchase the Project or Projects as set forth in the Master Lease and the Trustee shall make no final sale or other final disposition of any interest in said Project or Projects pursuant to any available foreclosure remedy without notifying the City in writing of the occurrence of an Event of Default, and allowing the City ninety days from the mailing of such notice to exercise its option and purchase the Project or Projects.

Surrender of Possession of Projects; Rights and Duties of Trustee in Possession

Subject to the provisions of the Indenture, upon the occurrence and continuation of an Event of Default under the Indenture, the Authority, upon demand of the Trustee, shall forthwith surrender possession of the Projects, and it shall be lawful for the Trustee, by such officer or agent as it may appoint, to take possession of all or any part of the Projects together with the books, papers and accounts of the Authority pertaining thereto, and including the rights and the position of the Authority with respect to the Projects under the Master Lease and to make all needful repairs and improvements as the Trustee shall deem wise. Upon the occurrence and continuation of an Event of Default, the Trustee may execute a written notice of default and an election to cause the Authority's interest in the Projects or any portion thereof to be sold (subject to any reversionary rights of the City which may be retained in the Project Site or sites in the event any ground lease may be executed between the Authority and the City) to satisfy the obligations of the Authority under the Indenture in accordance with the provisions of the Security Documents and/or may cause a sale of personal property as provided by law. The Trustee may also lease or otherwise dispose of the Authority's interest in the Projects in the name and for the account of the Authority and in such manner as the Trustee, in its sole discretion, may elect. In connection with any such sale or leasing of the Projects, the Trustee may collect, receive and sequester the rental payments, revenues, earnings, income, products and profits therefrom, and out of the same and any moneys received from any receiver pay, or set up the proper reserve for the payment of, all proper costs and expenses of so taking, holding, leasing, selling and managing the same, including reasonable compensation to the Trustee, its agents and counsel, and any charges of the Trustee under the Indenture, and any taxes and assessments and other charges prior to the lien of the Indenture and the Security Documents which the Trustee may deem it wise to pay, and all expenses of such repairs and improvements, and apply the remainder of the moneys so received in accordance with the provisions of the Indenture. Whenever all that is due upon the Bonds and all other obligations secured by the Indenture shall have been paid and all defaults made, cured or waived, the Trustee shall surrender whatever possession the Trustee shall retain to the Authority; the same right of entry, however, to exist upon any subsequent Event of Default.

While in possession of such property the Trustee shall render annually to the Authority and the City and, at the request and at the expense of any Bondholder, at its address set forth in the registration book required by the Indenture, a summarized statement of income and expenditures in connection therewith.

While any Bonds are Outstanding, the Authority shall not exercise any of the remedies on default specified in the Master Lease without the prior written consent of the Trustee and any Security Instrument Issuer.

Other Remedies; Rights of Bondholders

Except as otherwise limited by the provisions of the Indenture and subject to the rights of any Security Instrument Issuer, upon the occurrence of an Event of Default under the Indenture, the Trustee may, upon being satisfactorily indemnified, pursue any available remedy that it deems to be in the best interest of the Bondholders by suit at law or in equity to enforce the payment of the principal of and premium, if any, and interest on the Bonds then Outstanding. and subject to the rights of any Security Instrument Issuer

Subject to the right of Bondholders to direct proceedings as specified in the Indenture, if an Event of Default shall have occurred under the Indenture, and if requested so to do by the Bondholders of 25% in aggregate principal amount of Bonds then Outstanding and indemnified as provided in the Indenture, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by the Indenture, as the Trustee, being advised by counsel, shall deem most expedient in the interests of the Bondholders.

No remedy by the terms of the Indenture conferred upon or reserved to the Trustee (or the Bondholders) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee or to the Bondholders hereunder or now or hereafter existing at law or in equity.

No delay or omission to exercise any right or power accruing upon any default or Event of Default under the Indenture shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default or acquiescence therein; and such right and power may be exercised from time to time as often as may be deemed expedient. Every power or remedy given by the Indenture, the Master Lease or the Security Documents or to which the Trustee may be otherwise entitled, may be exercised, concurrently or independently, from time to time and as often as may be deemed expedient by the Trustee, and the Trustee may pursue inconsistent remedies.

No waiver of any default or Event of Default hereunder, whether by the Trustee or by the Bondholders, shall extend to or shall affect any subsequent default or Event of Default or shall impair any rights or remedies consequent thereon.

Notwithstanding anything contained in the Indenture or in the Security Documents to the contrary, upon the occurrence and continuance of an Event of Default, before taking any foreclosure action or any action which may subject the Trustee to liability under any Environmental Law, the Trustee may require that a satisfactory indemnity bond, indemnity or environmental impairment insurance be furnished for the payment or reimbursement of all expenses to which it may be put and to protect it against all liability resulting from any claims, judgments, damages, losses, penalties, fines, liabilities (including strict liability) and expenses which may result from such foreclosure or other action. The term "Environmental Law" shall mean all federal, state and local environmental, land use, zoning, health, chemical use, safety and sanitation laws, statutes, ordinances and codes relating to the protection of the environment or governing the use, storage, treatment, generation, transportation, processing, handling, production or disposal of Hazardous Substances and the rules, regulations, policies, guidelines, interpretations, decisions, orders and directives of federal, state and local governmental agencies and authorities with respect thereto. The term "Hazardous Substances" shall mean any chemical, substance or material classified or designated as hazardous, toxic or radioactive, or other similar term, and now or hereafter regulated under any Environmental Law, including without limitation, asbestos, petroleum and hydrocarbon products. If the approval of a government regulator shall be a condition precedent to taking any foreclosure action then the Trustee shall not be required to take such action until such approval is obtained.

Right of Bondholders to Direct Proceedings

Except as otherwise provided by Supplemental Indenture, the Bondholders of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, at any time, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of the Indenture, or for the appointment of a receiver or any other proceedings authorized under the Indenture; provided that such direction shall not be otherwise than in accordance with the provisions of law and of the Indenture and such bondholders have provided the Trustee indemnification as it is provided in the Indenture. Unless indemnified therefor, the Trustee shall have the right to decline to follow any direction of Bondowners that in the sole discretion of the Trustee would be unjustly prejudicial to the Trustee or to Bondowners not parties to such direction, that would expose the Trustee to unreasonable liability or financial exposure or that is not in accordance with law or the provisions of the Indenture, shall be entitled to rely without further investigation or inquiry upon any direction given by the Owners of a majority in aggregate principal amount of the Bonds Outstanding, and shall not be responsible for the propriety of or liable for the consequences of following any such direction. Notwithstanding anything to the contrary contained in the Indenture, unless indemnified therefor, the Trustee shall not be required to foreclose the lien of the Security Documents or bid on behalf of Bondowners at any foreclosure sale (a) if, in the Trustee's sole discretion, such action would subject the Trustee to personal liability for the cost of investigation, removal and/or other remedial activity with respect to Hazardous Substances or (b) if the presence of Hazardous Substances on the property subject to the lien of the Security Documents results in such property having no or nominal value. It is acknowledged and agreed that the Trustee has no authority to manage, own or operate the Project, or any portion thereof, except as necessary to exercise remedies upon default.

Appointment of Receivers

Upon the occurrence of an Event of Default under the Indenture and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders under the Indenture, the Trustee shall be entitled to the appointment of a receiver or receivers of the Trust Estate and of the rents, revenues, earnings, income, products and profits thereof, pending such proceedings, with such powers as the court making such appointment shall confer.

Waiver

Upon the occurrence of an Event of Default under the Indenture, to the extent that such rights may then lawfully be waived, neither the Authority, nor anyone claiming through or under it, shall set up, claim or seek to take advantage of any appraisement, valuation, stay, extension or redemption laws now or hereafter in force, in order to prevent or hinder the enforcement of the Indenture, and the Authority, for itself and all who may claim through or under it, pursuant to the Indenture waives, to the extent that it lawfully may do so, the benefit of all such laws.

Application of Moneys

All moneys received by the Trustee pursuant to any right given or action taken under the provisions relating to default shall, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and of the expenses, liabilities and advances incurred or made by the Trustee, including any Trustee fees and the fees and expenses of its counsel, be deposited in the Bond Fund and all moneys in the Bond Fund (except as otherwise provided herein or in a Supplemental Indenture) shall be applied as follows:

(a) Unless the principal of all the Bonds shall have become or shall have been declared due and payable, all such moneys shall be applied:

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

SECOND-To the payment to the persons entitled thereto of the unpaid principal of and premium, if any, on any of the Bonds which shall have become due (other than Bonds matured or called for redemption for the payment of which moneys are held pursuant to the provisions of the Indenture), in the order of their due dates, with interest on such Bonds from the respective dates upon which they became due (with interest on overdue installments of interest, at the same rate as the rate of the respective Bond or Bonds, or rate as otherwise specified in the applicable Supplemental Indenture, which are past due) and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any discrimination or privilege; and

THIRD-To be held for the payment of the persons entitled thereto as the same shall become due of the principal of and premium, if any, and interest on the Bonds which may thereafter become due either at maturity or upon call for redemption prior to maturity and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with interest then due and owing thereon, payment shall be made ratably according to the amount of principal due on such date to the persons entitled thereto without any discrimination or privilege.

(b) If the principal of all the Bonds shall have become due or shall have been declared due and payable, all such moneys shall be applied to the payment of the principal and interest then due and unpaid upon the Bonds, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or privilege, plus, to the extent permitted by law, interest on overdue installments of interest or principal at the same rate as the rate of the respective Bond or Bonds, or rate as otherwise specified in the applicable Supplemental Indenture, which are past due.

(c) If the principal of all the Bonds shall have been declared due and payable, and if such declarations shall thereafter have been rescinded and annulled under the provisions of the Indenture then, subject to the provisions of paragraph (b) above in the event that the principal of all the Bonds shall later become due or be declared due and payable, the moneys shall be applied in accordance with the provisions of (a) above.

(d) Following the payment of amounts due with respect to the Bonds, remaining amounts shall be applied to the payment of all obligations then due and payable to any Security Instrument Issuer or Reserve Instrument Provider in connection with any Security Instrument or applicable Reserve Instrument, respectively.

Whenever moneys are to be applied pursuant to the provisions of this section, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Setting aside such moneys in trust for the proper purpose shall constitute proper application by the Trustee, and the Trustee shall have no liability whatsoever to the Authority, to any Bondholder, or to any other person for any delay in applying any such moneys, so long as the Trustee acts with reasonable diligence, having due regard for the circumstances, and ultimately applies the same in accordance with the circumstances known at the time of the application by the Trustee. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue, provided the Trustee send the money to the Bondholders. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date and shall not be required to make payment to the Bondholder of any Bond until such Bond shall be presented to Trustee for appropriate endorsement or for cancellation if fully paid (unless otherwise specified by Supplemental Indenture).

Whenever the principal of and premium, if any, and interest on all Bonds and all Reserve Instrument Repayment Obligations have been paid under the provisions of this section and all fees, expenses and charges of the Trustee and its counsel have been paid, any balance remaining in the Bond Fund shall be paid to the City as provided in the Indenture as overpayment of Base Rentals.

Rights and Remedies of Bondholders

Unless otherwise provided by Supplemental Indenture, no Bondholder shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of the Indenture or for the execution of any trust under the Indenture or for the appointment of a receiver or any other remedy thereunder, unless a default has occurred of which the Trustee has been notified as provided in the Indenture, or of which by said subsection it is deemed to have notice, nor unless also such default shall have become an Event of Default under the Indenture and the Bondholders of 25% in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers granted in the Indenture or to institute such action, suit or proceeding in their own name or names, nor unless also they have offered to the Trustee indemnity as provided in the Indenture, nor unless the Trustee shall thereafter fail or refuse to exercise the powers granted to the Trustee under the Indenture, or to institute such action, suit or proceeding in its own name; and such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trusts of the Indenture, and to any action or cause of action for the enforcement of the Indenture, or for the appointment of a receiver or for any other remedy under the Indenture; it being understood and intended that no one or more Bondholders shall have any right in any manner whatsoever to affect, disturb or prejudice the lien of the Indenture by its, his, her or their action or to enforce any right thereunder except in the manner therein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner as provided in the Indenture and for the equal and ratable benefit of the Bondholders of all Bonds then Outstanding. However, nothing contained in the Indenture shall affect or impair the right of any Bondholder to enforce the payment of the principal of and premium, if any, and interest on any Bond at and after the maturity thereof or the redemption date established therefor, or the obligation of the Authority to pay the Bonds issued thereunder to the respective Bondholders thereof at the time, place, from the source and in the manner in the Bonds expressed.

Waiver of Event of Default

The Trustee may, with the consent of all Security Instrument Issuers and upon the written direction of Security Instrument Issuers insuring a majority of the Bonds then Outstanding or, if some Bonds are uninsured, any combination of Bondholders and Security Instrument Issuers representing a majority of the Bonds then Outstanding, waive any Event of Default under the Indenture and its consequences and rescind any declaration of maturity of the principal of the Bonds; provided, however, that there shall not be waived (1) any Event of Default under the Indenture in the payment of the principal of any Outstanding Bonds at the date of maturity specified therein, or (2) any Event of Default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission, all arrears of interests (including interest on overdue installments of interest) or all arrears of payments of principal when due, as the case may be, both with interest at the same rate as the rate of the respective Bond or Bonds which are past due, and all fees and expenses of the Trustee and its counsel, in connection with such Event of Default shall have been paid or provided for, and in cases of any such waiver or rescission, or in case any proceeding taken by Trustee, the Security Instrument Issuers on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Authority, the Trustee and the Bondholders shall be restored to their former positions and rights under the Indenture respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon. This provision is subject to additional stipulations as may be provided by Supplemental Indenture.

Notice of Events of Default; Opportunity of the Authority and the City to Cure Such Events of Default

Notwithstanding any provision in the Indenture to the contrary and except as otherwise provided by Supplemental Indenture, failure to perform or observe any of the covenants, agreements or conditions on the part of the Authority under the Indenture or in the Bonds shall not constitute an Event of Default under the Indenture until actual notice of such default by registered or certified mail shall be given to the Authority and the City by the Trustee or by the Bondholders of not less than 25% in aggregate principal amount of all Bonds Outstanding, and the Authority and the City shall have had thirty 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, that, if said default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default under the Indenture if corrective action is instituted by the Authority and the City within the applicable period and diligently pursued, to the satisfaction of the Trustee until the default is corrected (provided that no such grace period shall exceed 90 days unless the Security Instrument Issuers shall have consented thereto).

Limitation on Remedies and Acceleration During Acquisition and Construction of Portions of Projects

Notwithstanding the provisions of the Indenture, the Master Lease or of the Security Documents to the contrary, in the event that (a)(i) a portion of the Projects (the "Completed Portion of the Projects") financed with a separate Series of Bonds is accepted by the City for use and occupancy under the Master Lease, and (ii) the acquisition and construction of additional portions of the Projects (the "Uncompleted Portion of the Projects") financed with one or more Series of Bonds (other than the Series of Bonds described in (i) above) have yet to be completed, and (b) an Event of Default occurs due to the failure to complete the Uncompleted Portion of the Projects, the following limitations shall apply:

(a) Such Event of Default shall be limited to the Series of Bonds issued to finance the Uncompleted Portion of the Projects and not the Series of Bonds issued to finance the Completed Portion of the Projects;

(b) The City shall, subject to the occurrence of an Event of Nonappropriation, continue to pay Base Rentals and Additional Rentals with respect to the Completed Portion of the Projects, and the Master Lease shall remain in full force and effect with respect to the Completed Portion of the Projects;

(c) The Trustee shall use the amounts on deposit in the related account of the Debt Service Reserve Fund to pay amounts due on the Series of Bonds issued to finance the Uncompleted Portion of the Projects and amounts on deposit in the account of the Debt Service Reserve Fund relating to the Series of Bonds issued to finance the Completed Portion of the Projects shall not be used to pay amounts due on the Series of Bonds issued to finance the Uncompleted Portion of the Projects;

(d) The Series of Bonds issued to finance the Completed Portion of the Projects shall not be accelerated or otherwise affected by the Event of Default described in the Indenture; and

(e) The Trustee shall not proceed to exercise any remedies under the Indenture or the Security Documents relating to the Completed Portion of the Projects with respect to the Event of Default described in these provisions.

Supplemental Indentures Not Requiring Consent of Bondholders

The Authority and the Trustee may (subject to the rights of any Security Instrument Issuer under any Supplemental Indenture), without consent of, or notice to, any of the Bondholders enter into an indenture or indentures supplemental to the Indenture which shall not be inconsistent with the general terms and provisions thereof for any one or more of the following purposes:

(a) To cure any ambiguity or formal defect or omission in the Indenture;

(b) To grant to or confer upon the Trustee for the benefit of the Bondholders any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Bondholders or the Trustee;

(c) To subject to the Indenture additional revenues, properties or collateral;

(d) To modify, amend or supplement the Indenture or any indenture supplemental hereto in such matter as to permit the qualification thereof under the Trust Indenture Act of 1939, as amended, or any similar federal statute hereafter in effect or to permit the qualification of the Bonds for sale under the securities laws of any of the states of the United States of America;

(e) To evidence the appointment of a separate Trustee or a Co-Trustee or paying agent or the succession of a new Trustee or paying agent under the Indenture;

(f) To issue the Initial Bonds, Refunding Bonds or Additional Bonds in accordance with the Indenture and the Master Lease; and

(g) To make any other change which, in the judgment of the Trustee, is not materially adverse to the Trustee or, as evidenced by an opinion of counsel delivered to the Trustee, the Holders of the Bonds.

Supplemental Indentures Requiring Consent of Bondholders

Exclusive of supplemental indentures covered by the Indenture and subject to the terms and provisions contained in the Indenture, and not otherwise, the Bondholders of not less than 66 2/3% in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in the Indenture to the contrary notwithstanding, to consent to and approve the execution by the Authority and the Trustee of such Supplemental Indentures hereto as shall be deemed necessary and desirable by the Authority for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Indenture or in any Supplemental Indenture; provided, however, that nothing in the Indenture contained shall permit, or be construed as permitting, (i) an extension of the maturity of the principal of, or the interest on, any Bond issued under the Indenture, or (ii) a reduction in the principal amount of, or redemption premium on, any Bond or the rate of interest thereon, or (iii) a privilege or priority of any Bond or Bonds over any other Bond or Bonds, or (iv) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indentures, or (v) permit the creation of any lien ranking prior to or on a parity with the lien of the Indenture and the Security Documents on the Trust Estate or any part thereof (except in connection with the issuance of Refunding Bonds or Additional Bonds), or (vi) deprive the Bondholder of any Bond then Outstanding of the lien created by the Indenture on any material portion of the Trust Estate, without the prior consent of the Bondholders of 100% of the Bonds affected by such action. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which adversely affects the Trustee's rights, deeds or immunities under the Indenture or the Master Lease.

If the Bondholders of not less than 66 2/3% in aggregate principal amount of the Bonds Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as provided in the Indenture, no holder of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the Authority from executing the same or from taking any action pursuant to the provisions thereof. Upon the execution of any such Supplemental Indenture as permitted and provided in the Indenture, the Indenture shall be and be deemed to be modified and amended in accordance therewith.

Anything therein to the contrary notwithstanding, so long as no Event of Default or Event of Nonappropriation with respect to the Projects shall have occurred and be continuing under the Master Lease, a Supplemental Indenture shall not become effective unless and until the City shall have consented to the execution and delivery of such Supplemental Indenture. In this regard and except with respect to Supplemental Indentures for which the City has otherwise been notified, the Trustee shall cause notice of the proposed execution of any such Supplemental Indenture together with a copy of the proposed Supplemental Indenture to be mailed by certified or registered mail to the City at least fifteen days prior to the proposed date of execution and delivery of any such Supplemental Indenture. The City shall be deemed to have consented to the execution and delivery of any such Supplemental Indenture if the Trustee does not receive a letter of protest or objection thereto signed by or on behalf of the City on or before the fifteenth day after the mailing of said notice.

Amendments of the Master Lease

Amendments, etc., to the Master Lease Not Requiring Consent of the Bondholders. The Authority and the Trustee shall without the consent of or notice to the Bondholders (subject to the rights of any Security Instrument Issuer under any Supplemental Indenture) consent to any amendment, change or modification of the Master Lease as may be required (i) by the provisions of the Indenture and the Master Lease (including those provisions applicable to the issuance of the Initial Bonds, Refunding Bonds and Additional Bonds), (ii) for the purpose of curing any ambiguity or formal defect or omission, (iii) so as to more precisely identify the Projects, or the Project Sites or substitute or add additional improvements or equipment to the Projects or additional rights or interests in property acquired in accordance with the provisions of the Master Lease, (iv) in connection with any amendment to the Indenture pursuant to the provisions of the Indenture governing amendments to the Supplemental Indenture not requiring consent of the Bondholders, or (v) in connection with any other change therein which, in the judgment of the Trustee is not materially adverse to the Trustee or, as evidenced by an opinion of counsel delivered to the Trustee, the holders of the Bonds.

Amendments, etc., to the Master Lease Requiring Consent of the Bondholders. Except for the amendments, changes or modifications as provided in the preceding paragraph, neither the Authority nor the Trustee shall consent to any other amendment, change or modification of the Master Lease without mailing of notice and receipt of the written approval or consent of the Holders of not less than 66 2/3% in aggregate principal amount of the Bonds at the time outstanding as provided in the Indenture and the consent of any Security Instrument Issuer as provided in any Supplemental Indenture. If at any time the Authority and the City shall request the consent of the Trustee to any such proposed amendment, change or modification of the Master Lease, the Trustee shall, upon being satisfactorily indemnified with respect to expenses, cause notice of such proposed amendment, change or modification to be given in the same manner as provided by the provisions of the Indenture with respect to Supplemental Indentures requiring consent of the Bondholders. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the designated office of Trustee for inspection by all Holders of the Bonds. No such amendment, change or modification of the Master Lease shall reduce the aggregate principal amount of the Bonds the Bondholders of which are required to consent to any amendment, change or modification of such Master Lease, or materially reduce or postpone payments required to be made under the Master Lease without the consent of all of the Holders of the Bonds Outstanding. Approval or consent shall be evidenced in a manner acceptable to the Trustee and the Authority.

THE MASTER LEASE

Definitions

"Act" means collectively, the Building Authority Act, the Local Government Bonding Act, the Nonprofit Corporation Act and, to the extent applicable, the Refunding Bond Act.

"Additional Rentals" means the cost of all taxes, insurance premiums and expenses payable by, and fees and expenses of, the Trustee and its counsel with respect to the Bonds and other charges and costs which the City assumes or agrees to pay exclusively from City Funds under the Master Lease, together with all interest and penalties that may accrue thereon in the event that the City shall fail to pay the same, as specifically set forth therein, including all Security Instrument Repayment Obligations, Security Instrument Costs, Reserve Instrument Repayment Obligations and Reserve Instrument Costs.

"Amendment to Master Lease" means any amendment to the Master Lease between the Authority, as lessor, and the City, as lessee, entered into pursuant to and in compliance with the provisions of the Master Lease and the General Indenture.

"Authority" means the Municipal Building Authority of the City of South Jordan, Utah, a nonprofit corporation organized under the laws of the State, acting in the capacity of lessor under the Master Lease and as grantor under the Indenture, and any successor to the duties and functions of the Authority.

"Authority Representative" means the Chair/President, Vice President, Secretary-Treasurer and any other person or persons at any time designated to act on behalf of the Authority for purposes of performing any act on behalf of the Authority with respect to a Project by a written certificate furnished to the City and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Authority by any duly authorized officer of the Authority. Such certificate may designate an alternate or alternates. The Authority Representative may be an officer or employee of the Authority or the City.

"Base Rentals" means the payments payable by the City exclusively from City Funds pursuant to the Master Lease during the Lease Term thereof, which constitute the payments payable by the City for and in consideration of the right of use of the Projects during such Lease Term and the purchase option granted in the Master Lease.

"Building Authority Act" means the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended.

"Business Day" means a legal business day on which banking business is transacted in the cities in which the Trustee or Paying Agent has its principal corporate trust offices.

"City" means City of South Jordan, a political subdivision and body politic under the laws of the State of Utah, and any entity succeeding to its rights and obligations under this Master Lease. Any reference herein to the "governing body" of the City shall refer to the City Council and to any successor governing body as authorized by applicable law.

"City Funds" means all revenues and receipts derived by the City from the operation of the Projects, including, without limitation, funds of the City legally available therefor, all to the extent the same are budgeted and appropriated by the governing body of the City for the purpose of paying Base Rentals, Additional Rentals or the Purchase Option Price hereunder during the Lease Term in which the Master Lease may be in effect.

"City Representative" means the Mayor, City Manager, and City Recorder of the City and any other person at any time designated to act on behalf of the City for purposes of performing any act with respect to a Project by a written certificate furnished to the Authority and the Trustee containing the specimen signature of such person and signed on behalf of the City or any duly authorized officer thereof. Such certificate may designate an alternate or alternates. The City Representative may be an officer or employee of the Authority or the City.

"Completion Date" means the date of completion of acquisition and/or construction of a Project, within the meaning of Section 17D-2-401(2) of the Building Authority Act, and of final acceptance by the City of such Project.

"Construction Contract" means any contract or agreement relating to the acquisition, development or construction of a Project or portion thereof.

"Contractor" means that party to a Construction Contract or Design Contract providing services related to a Project or portion thereof.

"Costs of Acquisition and Construction" means:

(1) obligations of the City or the Authority incurred for labor, materials and equipment in connection with a Project or the cost of acquiring a Project;

(2) the cost of payment, performance or other bonds and any and all types of insurance (including but not limited to title insurance) that may be necessary or appropriate to have in effect during the course of a Project;

(3) all costs of planning and designing a Project, including architectural, planning, engineering, legal and fiscal advisors' fees and the costs incurred by the City or the Authority for test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, and for supervising construction, as well as for the performance of all other duties required by or consequent to the proper and timely completion of such Project;

(4) payment of expenses incurred in seeking to enforce any remedy against any contractor or subcontractor in respect of any default under a contract relating to the acquisition and construction of a Project;

(5) the cost of equipment and furnishings for a Project, the cost of acquiring a site for a Project (or any interest therein) and all other costs authorized by the Building Authority Act which are considered to be a part of the costs of a Project in accordance with generally accepted accounting principles, including but not limited to interest accruing on the Bonds during the period required to complete the acquisition and construction of such Project and for not more than twelve (12) months after the Completion Date;

(6) any sums required to reimburse the Authority or the City for advances by either of them for any of the above items or for any other costs incurred and for work done by either of them which are properly chargeable to a capital account in respect of a Project;

(7) such amounts as the governing body of the Authority shall find to be necessary to provide necessary working capital in connection with a Project; and

(8) all expenses connected with the authorization, sale and issuance of a series of Bonds and the refunding of any Bonds, including the initial fees of the Trustee, escrow agent, rating agency fees, bond insurance premiums, fees for outside attorneys or accountants, whose opinions are required to obtain the issuance of the Bonds, municipal advisors' fees and commissions and printing costs, those amounts as the Authority shall find necessary to establish reserves and maintenance, repair, replacement, and contingency funds and accounts, and the interest on Bonds for a reasonable time prior to, during, and for a reasonable period of time after completion of a Project.

"Design Contract" means any contract or agreement relating to the architecture, design, engineering or planning of a Project or portion thereof.

"Event of Default" means one or more events of default as defined in the Master Lease.

"Event of Nonappropriation" means a failure by the City to renew the Master Lease by failing or refusing to budget and appropriate sufficient City Funds for the payment of all or any part of the Base Rentals and Additional Rentals for any Renewal Term thereof as set forth in the Master Lease. The existence or nonexistence of an Event of Nonappropriation shall be determined as of the date on which the governing body of the City fails or refuses to adopt a final budget in accordance with applicable law which appropriates sufficient moneys to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term as contemplated by the Master Lease or on any earlier or later date on which the Trustee receives written notice from the City that the governing body of the City has failed or refused to make such appropriations and the term of the Master Lease will not be renewed; provided, however, that the Trustee, with the consent of the Security Instrument Issuer, may waive any Event of Nonappropriation which is cured by the City within a reasonable time if, in the Trustee's judgment, such waiver is in the best interests of the Bondholders, except as otherwise provided in the Master Lease or as otherwise provided by Supplemental Indenture. Notwithstanding anything to the contrary in the Master Lease, the City's failure or refusal to adopt a final budget in accordance with applicable law within the time provided by the Master Lease which appropriates sufficient moneys to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term shall constitute an Event of Nonappropriation.

"Fiscal Year" means the twelve-month period used from time to time by the City for its financial accounting purposes (currently July 1 to June 30).

"Force Majeure" means, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies and terrorists; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; storms; droughts; floods; explosions; breakage or accidents to machinery, transmission pipes or canals; or any other cause or event not reasonably within the control of the City and not due to its negligence.

"Ground Lease" means the Ground Lease Agreement dated as of November 1, 2026, by and between the City and the Authority.

"Ground Lease Term" means the duration of the leasehold estate created in the Project Site as provided in Article IV of the Ground Lease.

"Independent Counsel" means an attorney duly admitted to the practice of law before the highest court of the State and who is not a full-time employee of the Authority, the City or the Trustee.

"Lease Term" means the duration of the leasehold estate created in the Project as provided in Article IV of the Master Lease.

"Local Government Bonding Act" means the Local Government Bonding Act, Title 11, Chapter 14 Utah Code Annotated 1953, as amended.

"Net Proceeds," when used with respect to (i) proceeds from policies of insurance required hereby (including any self-insurance), (ii) any condemnation award, (iii) proceeds resulting from a default under a contract relating to the acquisition and construction of a Project (including liquidated damages, if any), or (iv) the proceeds of any liquidation of all or portions of a Project, means the amount remaining after deducting all expenses (including, without limitation, attorneys' fees and costs) incurred in the collection of such proceeds or award from the gross proceeds thereof.

"Nonprofit Corporation Act" means the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended.

"Original Term" means the initial portion of the Lease Term which terminates on [June 30, 2027].

"Permitted Encumbrances" means, as of any particular time, (i) liens for taxes and assessments not then delinquent, or which the City may, pursuant to the provisions of the Master Lease, permit to remain unpaid; (ii) the

Master Lease, including any security interests granted therein; (iii) utility access and other easements and rights of way, restrictions and exceptions which the City Representative and the Authority Representative certify in writing to the Trustee will not interfere with the operation of the Projects or impair the marketability of title to the Projects or the general security provided for the Bondholders of the Bonds; (iv) the Indenture, the Security Documents and related financing statements; (v) the ownership interests of the City in any real or personal property which is the subject of any lease between the City, as lessor and the Authority, as lessee that is entered into in furtherance of any Project; (vi) any mechanic's, laborer's, materialmen's, supplier's or vendor's lien or right in respect thereof if payment is not yet due under the contract in question; (vii) such minor defects, irregularities, encumbrances and clouds on title as normally exist with respect to property of the general character of the Projects and as do not materially impair the operation or marketability of title to the Projects; and (viii) any items contained in a Title Insurance Policy delivered in accordance with the General Indenture.

"Project or Projects" has the meaning ascribed to that term in the Indenture and includes the Series 2026 Project.

"Project Site" means the real property where the Project is to be constructed, as more fully described in the Master Lease.

"Purchase Option Price" means an amount payable, at the option of the City, at any time for the purpose of terminating the payment obligation of the City under the Master Lease with respect to a Project and purchasing the Authority's interest in such Project, which amount, when added to the amounts then on deposit in the Bond Fund and the subaccount within the Debt Service Reserve Fund with respect to such Project (other than moneys held by the Trustee for the payment of the Bonds under the Indenture not deemed Outstanding), shall be sufficient (i) to pay, defease, retire and/or redeem all the Outstanding Bonds of the Series of Bonds issued to finance or refinance the particular Project in accordance with the provisions of the Indenture (including, without limiting the generality of the foregoing, the principal of and interest to maturity or earliest applicable redemption date of the relevant Bonds and premium, if any, thereon, the expenses of defeasance and/or redemption, including escrow agent fees, if any, and fee and expenses of the City, the Authority and the Trustee and all Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations), (ii) in case of redemption, to make arrangements satisfactory to the Trustee for the giving of the required notice of redemption; and (iii) to make any necessary payment of rebate with respect to any Tax-Exempt Bonds to be paid, defeased, retired and/or redeemed.

"Refunding Bond Act" means the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended.

"Renewal Terms" means the optional Renewal Terms of the Lease Term as provided in Article IV of the Master Lease.

"Rentals" means all Base Rentals and Additional Rentals payable during the Lease Term under the Master Lease.

Representations, Covenants and Warranties of the Authority

The Authority will cause the Project to be acquired and constructed (subject to Permitted Encumbrances) and will complete or cause to be completed the acquisition and construction of the Project in accordance with the plans and specifications therefor. The Authority will lease the Project to the City as provided in the Master Lease. It is understood by the parties to the Master Lease that the Authority shall have all rights, title and interest in the Project, subject to Permitted Encumbrances.

The Authority will not pledge the Base Rentals, the Additional Rentals, Purchase Option Price or any of its other rights under this Master Lease and will not assign its interest in or encumber the Project except as provided under the Master Lease or under the Indenture and the Security Documents. All property and moneys received by the Authority from the City will, so long as no Event of Nonappropriation or no Event of Default shall occur, be applied for the benefit of the City, and all property and moneys received by the Authority under the Master Lease with respect to the Project and under the Indenture for the Bondholders of the Bonds will be applied for the proportionate benefit of said Bondholders.

Neither the execution and delivery of the Master Lease, nor the fulfillment of or compliance with the terms and conditions thereof, nor the consummation of the transactions contemplated thereby conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Authority is now a party or by which the Authority is bound, or constitutes a default under any of the foregoing or results in the creation or imposition of any lien, charge or encumbrance whatsoever upon any of the property or assets of the Authority except Permitted Encumbrances.

Except as otherwise provided in the Master Lease, the Indenture and the Security Documents, the Authority will not assign this Master Lease, its rights to payments from the City or its duties and obligations under this Master Lease to any other person, firm or corporation so as to impair or violate the representations, covenants and warranties contained in the Master Lease.

The Authority will not use any of the proceeds of the sale of the Series 2026 Bonds in a manner not authorized by the terms of the Master Lease, the Indenture or the exhibits thereto.

Lease Term

The original Lease Term commences as of the date of delivery of the Series 2026 Bonds and terminates at midnight on [June 30, 2027]. The Lease Term continues, solely at the option of the City, beyond the expiration of the Original Term for an additional one year, (the first "Renewal Term") and for additional Renewal Terms thereafter each of one year in duration (except that the final Renewal Term shall commence [July 1, 20___] and end on [October 15, 20___]), upon the City having adopted a final budget in accordance with applicable law prior to the end of the then-current Original Term or Renewal Term, as the case may be, that appropriates specifically with respect to the Master Lease sufficient City Funds for the payment of Base Rentals and reasonably estimated Additional Rentals to become due during the next following Renewal Term, it being understood that by budgeting and appropriating such amounts, the City shall have elected to continue the Lease Term for the next following Renewal Term and shall have given adequate notice thereof as contemplated by Section 17D-2-402(1)(b) of the Building Authority Act. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Base Rentals shall be as otherwise specified in the Master Lease, for each such Renewal Term, as such Schedule may be revised as provided in the Master Lease.

Within five (5) days after the adoption of such final budget, the City shall deliver written notice to the Trustee stating that the City has extended the term of this Master Lease for the succeeding Renewal Term, describing in reasonable detail the actions taken by the governing body of the City (if such actions are then required to pay any Rentals under the Master Lease or, if no such actions are then required, explaining the reasons therefor) to appropriate funds sufficient for the purpose of paying the Base Rentals and reasonably estimated Additional Rentals (as provided in the Master Lease) to become due during such succeeding Renewal Term. Unless the Trustee shall have previously received the foregoing notice applicable to the next succeeding Renewal Term, the Trustee shall, at least 20 days prior to the last day of each Fiscal Year, make written inquiry of the City as to whether the City has extended the term of the Master Lease and whether the governing body of the City shall have made the appropriation necessary to pay the Base Rentals and reasonably estimated Additional Rentals to become due during such succeeding Renewal Term. The City shall deliver written notice to the Trustee as soon as practicable, but in no event later than the expiration of the Original Term or the then current Renewal Term, stating (as the case may be) that: (i) the governing body of the City has failed or refused to appropriate, specifically with respect to the Master Lease, moneys sufficient to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term and stating what actions the City and its officials propose to take with respect to the Master Lease, the Projects and any budgetary procedures for any Base Rentals and Additional Rentals that may thereafter accrue; or (ii) that the City is precluded from adopting its final budget for the fiscal year in question due to the procedural requirements of State law described below.

In the event the governing body of the City is precluded, solely as a result of notice, hearing or other procedural requirements imposed by State law in connection with the adoption of a final budget, from adopting a final budget on or prior to the last day of any Fiscal Year, no Event of Nonappropriation shall be deemed to have occurred as a result of the failure to so adopt a final budget, provided that: (i) prior to the last day of such Fiscal Year, the governing body of the City shall have adopted a tentative budget which includes a tentative appropriation of City Funds sufficient to pay the Base Rentals and reasonably estimated Additional Rentals to become due during the succeeding Renewal Term; (ii) prior to the last day of such Fiscal Year, the City shall have delivered to the Trustee and any Security Instrument Issuer, a copy of the tentative budget adopted by its governing body and a notice stating that it is the intention of the governing body to renew the Lease Term upon the adoption of the final budget; (iii) any Base Rentals or Additional Rentals described in the preceding paragraph, and provided further that any Rentals which become due and payable pursuant to the terms of this Master Lease prior to the adoption of such final budget shall be paid by the City in accordance with the tentative budget adopted by the governing body of the City; and (iv) the governing body of the City shall adopt a final budget on or before the last date allowable under applicable law that includes the appropriation of City Funds required under the Master Lease to renew the Lease Term. The City shall promptly file a copy of the final budget so adopted by its governing body with the Trustee.

Termination of Lease Term

The Lease Term shall terminate upon the first to occur of the following events:

(a) the exercise by the City of its option to purchase the Authority's interest in all of the Projects, granted under the provisions of the Master Lease;

(b) an Event of Default and the election of the Authority or the Trustee to terminate the Master Lease under the provisions thereof;

(c) the discharge of the lien of the Indenture under the provisions of the Master Lease;

(d) the expiration or termination of the Lease Term pursuant to an Event of Nonappropriation or under the conditions provided in the Master Lease; or

(e) the last day of the Lease Term of the Master Lease, upon payment of all Base Rentals and Additional Rentals required thereunder.

Payment of Rentals by the Authority to the City

Payments to Constitute Current Expenses of the City. The City and the Authority acknowledge and agree that the obligation of the City to pay Base Rentals and Additional Rentals under the Master Lease constitutes current expenses of the City payable exclusively from City Funds and shall not in any way be construed to be an obligation or indebtedness of the City within the meaning of Sections 3 or 4 of Article XIV of the Utah Constitution, or any other constitutional or statutory limitation or requirement applicable to the City concerning the creation of indebtedness. No provision in the Master Lease shall be construed or interpreted (i) to require the governing body of the City to appropriate any money to pay the Base Rentals, the Additional Rentals or the Purchase Option Price, or (ii) as a lending of the credit of the City within the meaning of Section 29 of Article VI of the Utah Constitution. Neither the City, nor the Authority on its behalf, has pledged the credit of the City to the payment of the Base Rentals, the Additional Rentals, the Purchase Option Price, the Bonds or the interest thereon, and neither the Master Lease, the Indenture nor the Bonds shall directly or contingently obligate the City to apply money, or to levy or pledge any form of taxation, to the payment of the Base Rentals, the Additional Rentals, the Purchase Option Price or the Bonds or any interest thereon except as expressly provided in the Master Lease. If the City fails to pay any Base Rentals or Additional Rentals due under the Master Lease it shall immediately quit and vacate the Projects and its obligation to pay Base Rentals or Additional Rentals under the Master Lease shall terminate.

Payment of Base Rentals.

(a) The City shall pay Base Rentals exclusively from City Funds. The City shall pay Base Rentals during the Lease Term in such amounts as shall be sufficient to pay principal and interest when due on the Bonds. The Base Rentals shall be payable directly to the Trustee in periodic payments at the times and manner and in the amounts as specified in the schedule of Base Rental payments attached to the Master Lease as shall equal the interest payments falling due on the Bonds on the next succeeding Interest Payment

Date and the principal payments falling due on the Bonds either by regularly scheduled maturities or by mandatory sinking fund installment or redemption, on the next succeeding principal payment date, such that there shall be on deposit with the Trustee at least fifteen days prior to each principal and/or interest payment date on the Bonds an amount sufficient to make such payment. At the time of execution of the Master Lease, Base Rental payments for each payment date will equal the amounts set forth in the Master Lease (however, in the event the City does not ensure such payments are paid in full, it shall be deemed an Event of Nonappropriation or an Event of Default, as applicable). The City understands that the Base Rental Payment Schedule attached to the Master Lease may be revised from time to time based on the redemption of Bonds (other than mandatory sinking fund redemptions) or the issuance of any Additional Bonds or Refunding Bonds allowed under the Indenture. The City agrees to pay the Base Rentals in accordance with the Base Rental Payment Schedule attached to the Master Lease as it may be revised from time to time by such amounts as are necessary to reflect the redemption of the principal of certain Bonds or to pay the principal of the Additional Bonds or Refunding Bonds and interest on such Additional Bonds or Refunding Bonds.

In addition, in the event the market value of the amount on deposit in the Debt Service Reserve Fund is, for any reason, reduced below the Debt Service Reserve Requirement, the City shall, in the event it elects to renew the Master Lease during the following Renewal Term, and as a condition of renewal (but solely from City Funds), pay to the Trustee in two substantially equal semiannual payments additional Base Rentals during the Lease Term, in an amount sufficient to replenish the Debt Service Reserve Fund to the Debt Service Reserve Requirement. Notwithstanding anything contained in the Master Lease to the contrary, no payment of Base Rentals or Additional Rentals shall be required to be paid prior to the Completion Date of any one Project with respect to which such Rentals are being paid.

(b) In the event that (1)(A) a portion of a Project (the "Completed Portion of the Project") financed with a separate Series of Bonds is accepted by the City for use and occupancy under the Master Lease, and (B) the acquisition and construction of additional portions of the Project (the "Uncompleted Portion of the Project") financed with one or more Series of Bonds (other than the Series of Bonds described in (A) above) have yet to be completed, and (2) an Event of Default (as defined in the Indenture) occurs under the Indenture due to the failure to complete the Uncompleted Portion of the Project, the City and the Authority hereby agree, as follows:

(i) The City consents to the provisions of the Indenture governing such an Event of Default; and

(ii) The City shall, subject to the occurrence of an Event of Nonappropriation, continue to pay Base Rentals and Additional Rentals with respect to the Completed Portion of the Project, and the Master Lease shall remain in full force and effect with respect to the Completed Portion of the Project.

(c) In the event that less than all of any one Project is initially made available for use, occupancy and operation and the City accepts a portion of any one Project for its use, occupancy and operation pending final completion of the remainder of any one such Project, any Base Rentals paid by the City with respect to any one such Project shall be prorated in a manner so as to reflect the fair rental value of that portion of the Project then available for use, occupancy or operation by the City and so used, occupied or operated.

(d) The amount of the Base Rentals otherwise payable by the City under the Master Lease shall be reduced by an amount equal to (i) any earnings on the investment of the Bond Fund, (ii) any moneys transferred to the Bond Fund from the Debt Service Reserve Fund pursuant to the Indenture (other than from draws on a Reserve Instrument), and (iii) any Direct Payments on deposit with the Trustee in the Bond Fund. In the event that Direct Payments are deposited with the Trustee after the City has made the related payment of Base Rentals, the City may elect to have the Trustee return to the City an amount equal to such Direct Payments (so long as the amount remaining on deposit in the Bond Fund continues to be sufficient to pay principal and interest next due on the Bonds, if such payment is requested prior to the related Interest Payment Date) or to have the Trustee retain the Direct Payments in the Bond Fund and take the credit with respect to the next required Base Rentals payment. Each payment of Base Rentals shall be in consideration for the use of the Projects by the City during the applicable period commencing on the Bond Payment Date next preceding the Bond Payment Date to which such Base Rental payment is attributable and for the option to purchase the Projects granted in the Master Lease.

(e) The payments of Base Rentals and Additional Rentals under the Master Lease for each Renewal Term during the term of the Master Lease shall constitute the total Rentals which are payable for said Renewal Term and shall be paid by the City for and in consideration of the right of use, occupancy and operation of the Projects and the continued quiet use and enjoyment of the Projects for and during said Renewal Term. The parties to the Master Lease agree that such total Rentals will represent the fair rental value of the Projects. In making such determination, the parties will give consideration to the costs of financing the Costs of Acquisition and Construction of the Projects, the uses and purposes of the Projects and the benefits therefrom which will accrue to the parties to the Master Lease and the general public by reason of the Projects.

(f) Notwithstanding the foregoing, the City may not elect to renew the Master Lease in part and in the event it desires to renew the Master Lease must continue to pay City Funds in an amount sufficient to pay Base Rentals attributable to all of the Projects which have been delivered for occupancy or use (or any portion thereof, in proportion to such available portion).

(g) It is understood and agreed by the City that, subject to the terms of the Master Lease and the Indenture, all Base Rentals payable under the Master Lease by the City, as well as the Purchase Option Price, if paid with respect to any or all of the Projects, are assigned by the Authority to the Trustee for the benefit of the Bondholders as set forth in the Indenture. The City assents to such assignment. The Authority hereby directs the City, and the City agrees to pay to the Trustee at its principal office in Salt Lake City, Utah or such other office as designated by the Trustee, all Base Rentals payable by the City pursuant to the Master Lease and, if paid, the Purchase Option Price.

(h) The amount of the Base Rentals and Purchase Option Price otherwise payable shall be reduced as appropriate to reflect any redemption of Bonds and/or the purchase of Bonds and the cancellation thereof in advance of their maturity. If at any time the amounts held by the Trustee in the Bond Fund and the Debt Service Reserve Fund (other than moneys held for the payment of Bonds not deemed Outstanding) shall be sufficient to pay at the times required the principal of and interest and premium, if any, on all of the Bonds then Outstanding, the City shall not be obligated to pay any further Base Rentals under the Master Lease.

(i) As provided in Section 17D-2-401(2)(b)(i) of the Building Authority Act, the City is not required to make any payment of Base Rentals or Additional Rentals under the Master Lease until construction of the related Project or Projects are complete. In the event that a Project is not completed by the time that amounts set aside for payment of capitalized interest are expended, the City and the Authority shall (i) reallocate proceeds of the related Series of Bonds to make funds available for additional capitalized interest, (ii) seek other legally available funds for such purpose or (iii) issue Additional Bonds to finance additional capitalized interest; provided, however, the City may commence making payments of Base Rentals with respect to individual completed projects constituting a Project.

Payment of Additional Rentals with Respect to the Projects

In addition to the Base Rentals and as part of the total consideration for the use of the Projects and the option to purchase any or all of the Projects, and commencing upon the execution and delivery of the Master Lease and continuing throughout the period that the City pays Base Rentals, the City shall pay or shall cause to be paid the following Additional Rentals, exclusively from City Funds, during the Lease Term thereof as provided in the Master Lease:

(a) the annual fee of the Trustee for the ordinary services of the Trustee rendered and its ordinary expenses incurred under the Indenture;

(b) the reasonable fees and expenses of the Trustee and any paying agent appointed under the Indenture with respect to the Bonds for acting as paying agent as provided in the Indenture;

(c) the reasonable fees and expenses of the Trustee for extraordinary services rendered by it and extraordinary expenses, including the fees and expenses of its counsel, incurred as Trustee under the Indenture;

(d) the reasonable out-of-pocket expenses of the Authority relating to the Projects not otherwise required to be paid by the City under the terms of the Master Lease;

(e) the costs of maintenance and repair of the Projects as required under the Master Lease;

(f) the costs of taxes, governmental charges, utility charges, management and operations expenses, liens and encumbrances with respect to the Projects as required under the Master Lease;

(g) the costs of casualty, public liability and property damage and worker's compensation insurance with respect to the Projects as required under the Master Lease;

(h) the amount of any tax or excise on the Base Rentals, Additional Rentals, Purchase Option Price or any other tax, however described, levied, assessed or imposed by the United States Government, the State or any political subdivision or any taxing authority thereof against the Authority;

(i) an amount equal to any franchise, succession, capital levy or transfer tax or any income, excess profits or revenue tax, or any other tax, assessment, charge or levy upon the Base Rentals, Additional Rentals or the Purchase Option Price payable by the City pursuant to the Master Lease;

(j) any amounts required to be deposited to the Rebate Fund established with respect to a Series of Bonds;

(k) Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations; and

(l) during the Original Term or any Renewal Term in which there is an insufficiency of Net Proceeds as described in the Master Lease, an amount equal to the insufficiency of Net Proceeds required to repair, replace, restore or modify the affected Project or Projects.

The Additional Rentals specified in subsections (a), (b), (c) and (k) shall be payable to the Trustee and shall be due and payable within ten days after notice in writing from said Trustee to the City stating the amount of Additional Rentals then due and payable and the purpose thereof. Except as otherwise provided in the Master Lease or in the Indenture, the Additional Rentals specified in subsections (d), (e), (f), (g), (h), and (i), shall be payable to the Authority or directly to the person or entity with respect to which such costs or fees were incurred and shall be due and payable at such time as the Authority or such person or entity shall require. Additional Rentals specified in subjection (j) shall be determined by, or at the direction of, the City and deposited with the Trustee as required by Section 148 of the Code.

Manner of Payment

The Base Rentals, Additional Rentals and, if paid, the Purchase Option Price, shall be paid exclusively from City Funds and in lawful money of the United States of America. The obligation of the City to make payment of the Base Rentals and Additional Rentals required under the Master Lease and to perform and observe the other covenants and agreements contained therein shall be absolute and unconditional in all events except as expressly provided thereunder.

Nonappropriation

In the event that sufficient City Funds shall not be budgeted and appropriated by the City, in a final budget adopted within the time permitted by the Master Lease, for the payment of the (i) Base Rentals becoming due during such Renewal Term, and (ii) such Additional Rentals becoming due during such Renewal Term which can be determined with reasonable accuracy, then an Event of Nonappropriation shall be deemed to have occurred as of the first day of such Renewal Term and the City shall not be obligated to make payment of the Base Rentals or Additional Rentals provided for in the Master Lease beyond the last day of the Renewal Term preceding such Event of Nonappropriation. Subject to the provisions of the next succeeding sentence, once the City has elected to continue the Master Lease for a Renewal Term by budgeting and appropriating sufficient City Funds for the payment of Base Rentals and Additional Rentals thereunder the City shall, as of the first day of such Renewal Term, be obligated to pay such Base Rentals and Additional Rentals during such Renewal Term. If the City fails to pay any Base Rentals or Additional Rentals due under the Master Lease, or upon an Event of Nonappropriation the City shall immediately quit and vacate the Projects and its obligation to pay Base Rentals or Additional Rentals thereunder shall terminate. The Trustee shall, upon the occurrence of an Event of Nonappropriation, have all rights and remedies to take possession of the Projects as trustee for the benefit of the Bondholders of the Bonds and the Trustee shall be further entitled to all moneys then on hand and being held in all funds created under the Indenture, less any moneys then due and owing to the Trustee for services performed as trustee thereunder. All property, funds and rights acquired by the Trustee by reason of an Event of Nonappropriation shall be held by the Trustee under the Indenture for the benefit of the Bondholders as set forth in said Indenture until the principal of, premium, if any, and interest on the Bonds are paid in full and any excess shall thereafter be paid to the City.

Request for Appropriation

During the Lease Term, the City covenants and agrees as follows:

(a) to include in its annual tentative budget prepared by the appropriate officials acting on behalf of the City in accordance with applicable law an item for expenditure of an amount necessary (after taking into account any and all City Funds then legally available for such purpose), to pay the Base Rentals and reasonably estimated Additional Rentals (calculated pursuant to the Master Lease) for the Projects during the next succeeding Renewal Term; and

(b) to take such further action (or cause the same to be taken) as may be necessary or desirable to assure that the final budget submitted to the governing body of the City for its consideration seeks an appropriation of City Funds sufficient to pay such Base Rentals and Additional Rentals for each such Renewal Term, including all such actions for such purpose as may be required under State law.

The next inclusion in the City's annual tentative budget shall be made under applicable law prior to the fiscal year commencing July 1, 2026, so that the Base Rentals and the reasonably estimated Additional Rentals payable during such Renewal Term will have been appropriated for such purpose, and subsequent inclusions in each respective tentative budget for appropriations by the City shall be made in each fiscal year thereafter so that the Base Rentals and Additional Rentals to be paid during the succeeding Renewal Term will be available for such purposes as long as the governing body of the City determines to approve such amount in the final budget as adopted. To effect the covenants set forth in (a) above, the City hereby directs its budget officer, or any other officer at the time charged with the responsibility of formulating budget proposals, to include in the tentative budget prepared annually by such budget officer or other officer and submitted to the governing body of the City, in any year in which the Master Lease is in effect, items for all payments required for the ensuing Renewal Term under the Master Lease. It is the intention of the City that the decision to renew or not to renew the term of the Master Lease is to be made solely by the governing body of the City at the time it considers for adoption of the final budget for each of its fiscal years and corresponding Renewal Terms thereunder, and not by any official of the City, acting in his or her individual capacity as such. In this connection, the City covenants and agrees that such budget officer or other officer shall not amend, modify or otherwise change the appropriations made in any finally adopted budget for the payment of any Base Rentals or Additional Rentals without the express prior approval of the governing body of the City.

Acquisition and Construction of Projects

Agreement to Acquire and Construct the Projects. The City and the Authority agree that the Authority shall cause the Projects to be acquired and constructed as provided in the Master Lease, all of which construction, shall be made in accordance with the plans and specifications for such Projects as approved by the City. The City agrees that in order to effectuate the purposes of the Master Lease, it authorizes the City Representative or the Authority Representative, on behalf of the Authority, to make, execute, acknowledge and transmit any other contracts, orders, receipts, writings and instructions with any other persons, firms or corporations and in general do all things which may be requisite or proper, all for the carrying out and furtherance of the acquisition and construction of the Projects.

The Authority agrees to carry out or to cause to be carried out the acquisition, construction and equipping of any Project through the application of moneys to be disbursed from the Construction Fund by the Trustee utilizing a requisition request complying with the requirements of the Master Lease.

The Authority agrees to cause all Projects to be constructed with all reasonable dispatch, subject only to delays caused by Force Majeure excepted.

The City covenants in the Master Lease, to the extent permitted by applicable law, to use other legally available funds and to seek additional legally available funds to the extent necessary to complete the acquisition, construction and equipping of any Project as required in the Master Lease, or to make certain design changes in such Projects to the extent necessary to complete the acquisition, construction and equipping of such Project with moneys then available for such purposes in the Construction Fund.

Establishment of Completion Date; Disbursement of Balance of Construction Fund. The Completion Date with respect to any one Project shall be evidenced to the Trustee by a certificate signed by the City Representative and the Authority Representative stating that, except for amounts retained by the Trustee at the direction of the Authority for any Costs of Acquisition and Construction not then due and payable, (i) the acquisition, construction, installation and improvement of such Project has been completed in accordance with the plans and specifications and all labor, services, materials and supplies used in such acquisition, construction, installation and improvement have been paid for, (ii) all other facilities necessary in connection with such Project have been constructed, acquired and installed to their satisfaction, (iii) such Project is suitable and sufficient for its intended purposes, and (iv) all costs and expenses incurred in the acquisition, construction and equipping of such Project have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being. Upon receipt of such certificate, the Trustee shall retain in the applicable Construction Fund account an aggregate sum equal to the amount estimated by the City Representative and the Authority Representative to be necessary for payment of the Cost of Acquisition and Construction not then due and payable. All moneys then on hand in such the Construction Fund account in excess of the amount to be retained shall be transferred by the Trustee, as set forth in a written direction of the Authority and the City, to the Bond Fund to be used by the Trustee as provided in the related Supplemental Indenture.

Maintenance; Taxes; Insurance and Other Charges

Maintenance of the Projects by the City. The City shall, at its own expense from available City Funds, operate, manage, keep and maintain the Projects (or cause the Projects to be operated, managed, kept and maintained) in good working order, condition and repair, including replacements of a capital nature when necessary, and including periodic painting as reasonably determined by the Authority and in accordance with all operating and maintenance manuals and all applicable laws, rules, ordinances, orders and regulations as shall be in effect from time to time of: (1) any federal, state, county, municipal, or other governmental or quasi-governmental agencies and bodies having or claiming jurisdiction thereof and all their respective departments, bureaus, and officials; (2) the insurance underwriting board or insurance inspection bureau having or claiming jurisdiction thereof; and (3) all insurance companies insuring all or any part of the Projects. The foregoing shall not be construed to prohibit the City from challenging the validity or applicability of such laws, rules, ordinances, orders and regulations and to defer compliance until the challenge has been completed.

Modification of the Projects. The City shall have the privilege of remodeling any Project or making substitutions, additions, modifications and improvements thereto, at its own cost and expense, and the same shall be subject to the Master Lease, the Indenture and the Security Documents, and shall also be included under the terms thereof; provided, however, that such remodeling, substitutions, additions, modifications and improvements shall not in any way damage such Projects or cause it to be used for purposes other than those authorized under the provisions of the Master Lease, and the Constitution and laws of the State; and provided, however, that such Projects, as remodeled, improved or altered upon completion of such remodeling, substitutions, additions, modifications and improvements made pursuant to the Master Lease shall be of a fair rental value not less than the fair rental value of such Projects immediately prior to the remodeling or the making of substitutions, additions, modifications and improvements.

Taxes, Other Governmental Charges and Utility Charges. In the event that a Project or any portion thereof shall, for any reason, be deemed subject to taxation, assessments or charges lawfully made by any governmental body which may be secured by a lien against such Project, an Additional Rental, from and to the extent of City Funds, shall be paid, or cause to be paid, by the City equal to the amount of all such taxes, assessments and governmental charges then due. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the City shall be obligated to provide for Additional Rentals only for such installments as are required to be paid during that period that the City is obligated to pay Base Rentals. The City shall not allow any liens for taxes, assessments or governmental charges to exist (including, without limitation, any taxes levied which, if not paid, will become a charge on the rentals and receipts prior to or on a parity with the charge thereon and the pledge and assignment thereof to be created and made in the Indenture), or any interest therein (including the interest of the Authority) on the rentals and revenues derived therefrom or hereunder. The City shall also pay, or shall cause to be paid, as Additional Rentals, from and to the extent of available City Funds, as the same respectively become due, all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Projects.

As long as the City is in possession of the Projects and except as otherwise provided in the Master Lease, it shall keep it free and clear of all liens, charges and encumbrances (except Permitted Encumbrances and any encumbrances arising through the Authority) and shall have the responsibility for all management, operations, maintenance and repair of the Projects. The City in its discretion may discharge its responsibility under the Master Lease by: (1) using its own employees; or (2) contracting for services; or (3) subleasing all or portions of the Projects, subject to the provisions of the Master Lease and the Indenture; or (4) any combination of such methods. No such contract or sublease shall place a greater burden on the Authority than provided in the Master Lease, nor infringe upon rights granted to or retained by the Authority hereunder, nor violate or in any way impair the Authority's obligations under the Indenture or any other instrument, if any, securing any debt or borrowings by the Authority, all or substantially all the proceeds of which are to be used to finance Projects.

The City may, at the expense and in the name of the City, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom provided the City shall first deposit with the Trustee, or in court, a bond or other security satisfactory to the Trustee pursuant to the Security Documents unless the Trustee shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such items the security afforded pursuant to the terms of the Master Lease, the Indenture and the Security Documents will be materially endangered or the Projects or any portion thereof will be subject to loss or forfeiture, in which event such taxes, assessments or charges shall be paid forthwith.

Provisions Respecting Insurance. The City agrees to insure or cause to be insured, with the Trustee listed as a Loss Payee, the Projects against loss or damage of the kinds usually insured against by public bodies similarly situated, including, without limitation, policies of casualty and property damage, by means of policies issued by reputable insurance companies duly qualified to do such business in the State with a uniform standard coverage endorsement limited only as may be provided in the standard form of extended coverage endorsement at that time in use in the State, in amounts that are not less than full insurable value of the Projects. The term "full insurable value" as used in the Master Lease shall mean the actual replacement value, or at the option of the City any lesser amount which is equal to or greater than the principal amount of all of the Bonds then Outstanding of the Series which financed said Projects (or applicable portions thereof in case said Series of Bonds financed more than one Project). Alternatively, the City may insure or cause to be insured under a blanket insurance policy or policies which cover not only the Projects but other properties in the amounts required by the previous sentence.

Any insurance policy issued pursuant to the preceding paragraph shall be so written or endorsed as to make losses, if any, payable to the Trustee. The Net Proceeds of the insurance required in the Master Lease shall be applied as described under "Obligation of the City to Repair and Replace the Project" below or, at the option of the City, as described in "Discharge of the Obligation of the City to Repair and Replace the Project" below.

The City agrees to self-insure or to carry or cause to be carried public liability insurance with one or more reputable insurance companies in amounts that are typically carried by governmental entities of the same size as the City for property damage for any occurrence. In the event that the limits on governmental liability established by Section 63G, Chapter 7, Utah Code Annotated 1953, as amended, are increased, the amounts required by the Master Lease shall be deemed to be increased to such higher amounts. If self-insurance is not utilized, the Authority and the Trustee shall be made additional insureds under such policies.

Damage, Destruction and Condemnation; Use of Net Proceeds

Damage, Destruction and Condemnation. If, prior to the termination of the Lease Term and the payment in full of the Bonds (or the making of provisions for the payment thereof in accordance with the Indenture) (i) the Projects or any material portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty; or (ii) title to, or the temporary or permanent use of the Projects or any material portion thereof or the Projects or any material portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority; or (iii) a material defect in construction of a Project shall become apparent; or (iv) title to or the use of all or any material portion of the Projects shall be lost by reason of a defect in title thereto, the City shall be obligated, from and to the extent of City Funds and subject to the provisions of "Discharge of the Obligation of the City to Repair and Replace the Project" below, to continue to pay the amounts specified in the Master Lease regardless of whether said Project or Projects shall have been accepted.

Obligation of the City to Repair and Replace the Project. Subject to the provisions of the Master Lease, the City, the Authority, and the Trustee shall cause the Net Proceeds of any insurance policies, performance bonds or condemnation awards with respect to a Project or Projects to be deposited in the applicable Construction Fund account if received before the Completion Date and in a separate trust fund under the Indenture if received thereafter. All Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification or improvement of said Project or Projects by the City upon receipt of a requisition acceptable to the Trustee signed by the City Representative, stating with respect to each payment to be made: (i) the requisition number; (ii) the name and address of the person, firm or corporation to whom payment is due; (iii) the amount to be paid; (iv) that each obligation mentioned therein has been properly incurred, is a proper charge against the applicable Construction Fund account or separate trust fund, and has not been the basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation; and (v) such other documents and information as the Trustee requires. The balance of any such Net Proceeds remaining after such repair, restoration, modification or improvement has been completed shall be transferred to the Bond Fund to be applied to the payment of the principal of, premium, if any, and interest on the applicable Series of Bonds, or if said Bonds shall have been fully paid (or provision for payment thereof has been made in accordance with the provisions of the Indenture), any balance remaining in such Construction Fund account(s) or separate trust fund shall be paid to the City. If the Net Proceeds shall be insufficient to pay in full the cost of any repair, restoration, modification or improvement, the City shall, from and to the extent of available City Funds, complete the work and pay any cost in excess of the amount of the Net Proceeds. The City agrees that, if by reason of any such insufficiency of the Net Proceeds, the City shall make any payments pursuant to the provisions of the Master Lease, the City shall not be entitled to any reimbursement therefor from the Authority, the Trustee or the Bondholders of the Bonds nor shall the City be entitled to any diminution of the Base Rentals and Additional Rentals payable under the Master Lease. The City further agrees that any repair, restoration, modification or improvement paid for in whole or in part from such Net Proceeds shall be subject to the security afforded by the Indenture, the Master Lease and the Security Documents, and shall be included under the terms of the Master Lease.

Covenant to Seek Appropriation of Insufficiency of Net Proceeds; Discharge of the Obligation of the City to Repair and Replace the Projects. In the event that the Net Proceeds of any insurance policy, performance bond or condemnation award shall be insufficient to pay in full the cost of any repair, restoration, or modification of a Project or Projects required under the Master Lease, the appropriate budget officers of the City shall, within 30 days of notice of such insufficiency, seek an appropriation from the City for an amount equal to any such insufficiency. In the event that the City shall fail to appropriate, by the first day of the next Renewal Term following such request for an appropriation, an amount at least equal to such insufficiency for such purpose, the obligation to repair and replace said Project or Projects under the Master Lease may be discharged by depositing the Net Proceeds of the insurance policies, performance bonds or condemnation awards made available by reason of such occurrence into the Bond Fund. Upon the deposit of such Net Proceeds in said Bond Fund, the City shall have no further obligation for the payment of Base Rentals and Additional Rentals thereunder with respect to said Project or Projects, and possession of said Project or Projects as well as all rights created pursuant to the Master Lease and the interest of the City and the Authority therein and in any funds or accounts created under the Indenture with respect to said Project or Projects (except for moneys held in the Rebate Fund and for the payment of Bonds not then deemed Outstanding), shall be surrendered to the Trustee, as trustee for the Bondholders of the applicable Series of Bonds. Thereafter, the Authority's interest in said Project or Projects may be liquidated pursuant to the provisions of and subject to the limitations set forth in the Indenture, Security Documents and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Indenture with respect to said Project or Projects (except moneys held in the Rebate Fund or for the payment of Bonds not then deemed Outstanding), shall be applied to the redemption of the applicable Series of Bonds on the next succeeding redemption date. Such redemption of the applicable Series of Bonds shall be made upon full or partial payment of the principal amount of said Bonds then Outstanding and accrued interest thereon all in accordance with the Indenture.

Granting of Easements and Releases. As long as no Event of Default with respect to the Projects shall have happened and be continuing, the City may at any time or times grant easements, licenses, rights of way and other rights or privileges in the nature of easements with respect to any property or rights included in the Master Lease and the Indenture, free from the security interest afforded by or under the Master Lease, the Indenture and the Security Documents or the City may release portions of the sites on which a Project or Projects is located or existing easements, licenses, rights of way and other rights and privileges with or without consideration, and the Authority agrees that it shall execute and deliver and will cause and direct the Trustee to execute and deliver, any instrument necessary or appropriate to confirm and grant or release such portion of the Project Site or any such easement, license, right of way or other grant or privilege upon receipt of: (i) a copy of the instrument of grant or release; (ii) a written application signed by the City Representative requesting such instrument and stating that such grant or release will not impair the effective use or interfere with the operation of such Projects or any material portion thereof; and (iii) an opinion of counsel to the City that such grant or release will not materially weaken, diminish or impair the security granted to the Bondholders and contemplated hereby or under the Master Lease, the Indenture or the Security Documents.

Conveyance of the Projects

(a) The Authority's right and interest in and to all of the Projects shall be transferred, conveyed and assigned by the Authority to the City:

(i) Upon payment by the City to the Trustee of the then applicable Purchase Option Price and upon giving not less than thirty (30) days prior written notice to the Authority and the Trustee; or

(ii) Upon payment by the City to the Trustee of all Base Rentals and Additional Rentals required to be paid under the Master Lease during the Lease Term; or

(iii) Upon the discharge of the lien of the Indenture.

Under the Indenture, the Trustee shall agree to execute such documents and instruments as shall be necessary to effect a release of the security interest granted by said Indenture or the Security Documents upon the payment in full of all of the Bonds.

(b) The City understands that the Purchase Option Price may be revised from time to time based on certain redemptions of Bonds (other than mandatory sinking fund redemptions) or the issuance of any Additional Bonds or Refunding Bonds authorized under the Indenture. In the event the City so elects to purchase all of the Projects as provided in the Master Lease, the City agrees to pay such applicable Purchase Option Price (together with the other amounts constituting the purchase price for the Projects as provided in the Master Lease) as it may be revised from time to time by such amounts as are necessary to reflect the redemption of the Bonds or the issuance of Additional

Bonds or Refunding Bonds. Nothing in the Master Lease shall be construed to create any obligation of the City to purchase the Projects.

(c) The City understands that, with respect to the Series 2026 Project, it may only exercise its option to purchase the Series 2026 Project only if the purchase option is exercised with respect to all of the various projects that comprise the Series 2026 Project.

Release of a Project Upon Payment of Related Series of Bonds. In addition to the purchase option set forth above, the Master Lease grants the City the option of purchasing a Project in advance of the final maturity of the related Series of Bonds. So long as no Event of Default shall have occurred and be continuing under the Indenture and so long as no Event of Default or Event of Nonappropriation shall have occurred and be continuing under the Master Lease and the Security Instrument Issuer for the related Series of Bonds shall have consented thereto (which consent shall not be unreasonably withheld) unless the related Series of Bonds have been legally defeased or refunded, a Project may be released from the lien created with respect to the Bonds and the Indenture and the Master Lease and transferred to the City (subject to Permitted Encumbrances and liens and encumbrances resulting from the failure of the City to perform or observe the agreements on its part contained in the Master Lease or otherwise consented to by the City), if (i) the City shall deposit with the Trustee the Purchase Option Price for such Projects; and (ii) there shall have been delivered to the Trustee an opinion of nationally recognized bond counsel to the effect that the release of such Projects will not adversely affect the excludability of interest on the Bonds from federal gross income of the owners thereof or the status of the bonds as Tax Credit Bonds, if applicable. The City shall be obligated to pay all costs of the Trustee and the Authority in providing for the transfer and release of any Project or portion thereof.

Conveyance on Purchase of Project. At the closing of any purchase of any or all of the Projects pursuant to the option to purchase granted in the Master Lease, the Authority shall, upon receipt by the Trustee of the Purchase Option Price, or upon the payment by the City of all Base Rentals and Additional Rentals required , or upon discharge of the lien of the Indenture as the case may be, deliver to the City the following:

(a) If necessary, a release by the Trustee of the lien under the Indenture and Security Documents, together with any other instrument necessary or appropriate to release any security interest granted by the Master Lease with respect to the Project or Projects to be released, the Indenture and the Security Documents.

(b) All necessary documents conveying to the City good and marketable title to the Project or Projects to be released as it then exists subject to the following: (i) the right, title and interest of the City in such Project or Projects; (ii) those liens and encumbrances created by the City or to the creation or suffering of which the City consented; (iii) those liens and encumbrances resulting from the failure of the City to perform or observe any of the agreements on its part contained in the Master Lease; and (iv) Permitted Encumbrances, other than the Indenture, the Master Lease, the Security Documents and any financing statements filed by the Authority pursuant to the Master Lease with respect to the Project or Projects to be released or the Indenture.

Relative Position of Option and Indenture. The purchase option granted to the City with respect to all of the Projects shall be and remain prior and superior to the Indenture and may be exercised whether or not an Event of Nonappropriation or Event of Default shall have occurred and be continuing under the Master Lease or under the Indenture; provided, however, that such option must be exercised before the later of (i) ninety days after notification in writing by the Trustee to the City of the occurrence of an Event of Default under the Indenture, or (ii) the ultimate disposition of the Projects upon exercise of any available foreclosure remedy, and further provided that, as a condition of the exercise of such option, the City must pay, in addition to the Purchase Option Price, any interest payment deficiencies accruing from the date of the Event of Default and all Security Instrument Costs, Security Instrument Repayment Obligations, Reserve Instrument Costs and Reserve Instrument Repayment Obligations.

Events of Default and Remedies

Events of Default Defined. Any one of the following shall be an "Event of Default" under the Master Lease:

(a) Failure by the City to pay any Base Rentals or Additional Rentals required to be paid under the Master Lease at the time specified therein, in the absence of an Event of Nonappropriation; or

(b) Failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in (a), for a period of thirty days after written notice, specifying such failure and requesting that it be remedied, given to the City by the Trustee, unless the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the Trustee shall not unreasonably withhold their consent to an extension of such time if corrective action shall be instituted by the City within the applicable period and diligently pursued until the default is corrected; or

(c) The City shall abandon any material portion of a Project; or

(d) The City 's interest in the Master Lease or any part thereof shall be assigned or transferred without the written consent of the Authority, either voluntarily or by operation of law, except as permitted hereunder; or

(e) The City shall file any petition or institute any proceedings wherein or whereby the City seeks to be adjudicated a bankrupt, or to be discharged from any and all of its debts or obligations, or offers to the City's creditors to effect a composition or extension of time to pay the City's debts, or seeks a reorganization or a readjustment of the City's debts, or for any other similar release, or any such petition or any such proceedings of the same or similar kind or character shall be filed, or instituted or taken against the City and the same shall not have been dismissed or otherwise resolved in favor of the City within sixty days from the filing or institution thereof; or

(f) Dissolution of the Authority prior to the full repayment of the Series 2026 Bonds.

The foregoing provisions are subject to the following limitations: (i) the obligations of the City to make payments of the Base Rentals and Additional Rentals as provided in the Master Lease shall be subject to the occurrence of an Event of Nonappropriation; and (ii) if, by reason of Force Majeure, the City shall be unable, in whole or in part, to carry out any agreement on its part contained in the Master Lease, other than the obligations on the part of the City contained in the Master Lease, the City shall not be deemed in default during the continuance of such inability. The City agrees, however, to remedy with all reasonable dispatch the cause or causes preventing the City from carrying out its agreement; provided, however, that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the City, and the City shall not be required to make settlement of strikes, lockouts and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the City, unfavorable to the City.

Remedies on Default. Whenever any Event of Default referred to in the previous section shall have happened and be continuing, subject to the limitations contained in the Indenture and the rights of any Security Instrument Issuer (so long as the Security Instrument Issuer is not in default under its Security Instrument), , the Trustee or the Authority with the written consent of the Trustee, shall have the right, at their or its option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) Immediately reenter and take possession of the Projects;

(b) Exercise any rights or remedies as the Trustee may have under Indenture or the Security Documents; or

(c) Take whatever action at law or in equity may appear necessary or desirable to enforce their or its rights in and to the Projects, including, without limitation, the right to terminate the Lease Term.

Upon the occurrence of an Event of Default, the City shall immediately quit and vacate the Projects and its obligation to pay Base Rentals or Additional Rentals under the Master Lease shall terminate. Any moneys collected pursuant to action taken under the Master Lease shall be paid into the Bond Fund and applied in accordance with the provisions of the Indenture.

Limitations on Remedies. No judgment requiring a payment of money may be entered against the City by reason of an Event of Default under the Master Lease, except as expressly provided in the Master Lease. In the event the security interest created under the Indenture, the Master Lease or the Security Documents shall be foreclosed subsequent to the occurrence of an Event of Default, no deficiency judgment may be entered against the City or the Authority.

No Remedy Exclusive. No remedy conferred upon or reserved to the Authority and the Trustee in the Master Lease is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given under the Master Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

THE SECURITY DOCUMENTS

The Authority under the Security Documents will irrevocably warrant, grant, transfer, convey and assign to Trustee, IN TRUST, WITH POWER OF SALE, all of the Authority's right, title and interest in the Project, including, but not limited to the Authority's interests in real property, rents, issues, profits, royalties, income, interest in leases or subleases, options to purchase, easements, rights of way, proceeds of insurance or condemnation and tangible personal property in order to provide additional security for the Authority's payment obligations under the Bonds and the Indenture. The Security Documents generally provide for the procedure by which the Trustee can foreclose on and sell the Authority's interest in the Project to pay the Authority's payment obligations under the Bonds and Indenture.

APPENDIX C

DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY

THE CITY

City Population

Year	Population	Percent Change
2025	87,614	1.7%
2024	86,179	0.5
2023	85,734	2.1
2022	83,940	4.8
2021	80,110	3.4
2020 Census	*77,487*	*1.2*
2019	76,598	3.7
2018	73,837	4.1
2017	70,929	3.5
2016	68,545	3.8
2015	66,034	5.7

(Source: U.S. Census Bureau. Years 2015 through 2019 and 2021 through 2025 are estimates as of July 1 of the year given; 2020 is as of 2020 census.)

Construction Activity

The following table summarizes the value of permit authorized construction for the City for the years shown for both residential and commercial construction.

	Calendar Year				
	2025	2024	2023	2022	2021
New Dwelling Units	782	737	372	924	1,796
New Residential Value ($000)	$170,223.0	$172,917.0	$89,635.0	$199,529.0	$358,614.0
New Nonresidential Value ($000)	158,171.0	195,799.0	36,627.0	70,069.0	64,535.0
Additions/Alterations/Repairs ($000)	57,548.0	33,143.0	61,051.0	49,567.0	41,440.0
Total Construction ($000)	$385,942.0	$401,859.0	$187,313.0	$319,165.0	$464,589.0

(Source: University of Utah Bureau of Economic and Business Research.)

SALT LAKE COUNTY

The following demographic information is provided solely as background information regarding Salt Lake County (the "County"), the general area in which the City is located. The County is the economic and population center of the State. Based on 2020 Census data, the County has approximately 36% of the total population of the State. The State capital, Salt Lake City, is located in the County.

County and State Population

Year	County	% Change	State	% Change
2025 Estimate	1,220,916	0.28	3,538,904	1.03
2024 Estimate	1,217,454	0.99	3,502,983	1.56
2023 Estimate	1,205,509	0.90	3,449,259	1.63
2022 Estimate	1,194,746	0.68	3,393,928	1.62
2021 Estimate	1,186,648	0.12	3,339,874	2.09
2020 Census	*1,185,238*	*2.14*	*3,271,616*	*2.05*
2019 Estimate	1,160,437	1.02	3,205,958	1.66
2018 Estimate	1,148,692	1.05	3,153,550	1.69
2017 Estimate	1,136,719	1.48	3,101,042	1.95
2016 Estimate	1,120,109	1.62	3,041,868	2.01
2015 Estimate	1,102,273	1.13	2,981,835	1.53
2010 Census	*1,029,655*	–	*2,763,885*	–

(Source: U.S. Census Bureau, Population Division.)
Note: The 2010 and 2020 Census are as of April 1 of those years; the annual population estimates are as of July 1 of the year given. Estimates are subject to change.

Rate of Unemployment – Annual Average

Year	County	State	United States
2024	3.2%	3.2%	4.0%
2023	2.7	2.7	3.6
2022	2.4	2.4	3.6
2021	2.9	2.8	5.3
2020	5.3	4.8	8.1
2019	2.5	2.5	3.7
2018	2.9	2.9	3.9
2017	3.0	3.1	4.4
2016	3.1	3.3	4.9
2015	3.3	3.5	5.3

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

Economic Indicators in the County

LABOR FORCE [1]	2025	2024	2023	2022	2021
Labor Force (annual average)	n/a	693,444	681,550	664,322	645,193
Employed (annual average)	n/a	671,267	663,016	648,471	626,701
Unemployed (annual average)	n/a	21,177	18,534	15,851	18,492
Average Employment (Non-Farm Jobs)	820,278	808,015	800,225	783,881	750,123
% Change Prior Year	*1.52*	*0.98*	*2.09*	*4.50*	*4.08*
Average Employment by Sector:					
Agriculture, Forestry, Fishing & Hunting	562	572	600	505	433
Mining	3,252	3,476	3,419	3,101	2,711
Utilities	2,918	2,755	2,674	2,621	2,540
Construction	56,396	55,073	54,136	52,254	49,403
Manufacturing	62,657	60,989	61,937	61,233	58,412
Wholesale Trade	39,434	40,100	38,399	36,899	34,826
Retail Trade	71,110	73,066	73,842	75,693	75,837
Transportation and Warehousing	51,115	50,974	50,935	48,540	46,635
Information	24,010	23,459	24,260	24,535	21,586
Finance and Insurance	52,216	51,877	51,142	51,666	51,570
Real Estate and Rental and Leasing	13,597	12,882	12,605	12,320	11,964
Professional, Scientific & Technical Services	75,902	76,023	75,975	73,906	67,717
Management of Companies and Enterprises	17,381	16,898	16,780	16,336	16,041
Administrative, Support, Waste Management, & Remediation	52,095	49,971	51,294	52,504	50,714
Education Services	71,383	68,673	66,619	65,262	62,248
Health Care and Social Assistance	97,477	93,654	90,862	86,331	83,898
Arts, Entertainment, and Recreation	13,965	13,241	12,260	11,306	9,691
Accommodation and Food Services	57,009	57,213	56,703	53,976	48,396
Other Services and Unclassified Establishments	23,334	23,209	23,147	22,902	22,348
Public Administration	34,466	33,911	32,634	31,989	31,155
Total Establishments	68,084	67,171	65,069	62,762	62,346
Total Wages ($Millions)	65,197.9	61,501.2	58,435.7	54,673.5	49,206.1

INCOME AND WAGES	2025	2024	2023	2022	2021
Total Personal Income ($000) [2]	n/a	$91,748,267	$86,904,107	$80,769,549	$76,936,492
Per Capita Income [2]	n/a	75,434	72,387	67,745	64,843
Median Household Income [1]	n/a	99,008	94,658	91,713	80,676
Average Monthly Nonfarm Wage [1]	$6,624	6,343	6,085	5,812	5,466

SALES & CONSTRUCTION	2025	2024	2023	2022	2021
Gross Taxable Sales ($000,000) [3]	43,966.8	42,782.1	41,950.6	41,687.3	37,173.7
New Dwelling Units [4]	7,253	4,093	8,824	8,864	11,037
Total Construction Value ($000) [4]	3,955,821.0	3,565,252.3	4,463,195.5	3,992,958.0	4,343,554.3
New Residential Value ($000) [4]	1,821,054.7	1,015,070.2	2,147,646.1	1,711,278.5	2,153,788.4
New Nonresidential Value ($000) [4]	1,153,450.7	637,834.0	910,557.6	1,303,331.3	1,056,514.3

(Sources: (1) Utah Department of Workforce Services; (2) U.S. Department of Commerce, Bureau of Economic Analysis, last updated February 2026; (3) Utah State Tax Commission; (4) University of Utah Ivory-Boyer Construction Database; Total Construction Value includes additions/alterations/repairs.)

Major Employers in the County

Company	Industry	Employment Range
University of Utah	Higher Education	20,000+
Intermountain Health Care	Health Care	20,000+
State of Utah	State Government	10,000-14,999
Granite School District	Public Education	7,000-9,999
Jordan School District	Public Education	7,000-9,999
Amazon.com	Local Messengers and Delivery	7,000-9,999
Salt Lake County	Local Government	5,000-6,999
Wal-Mart Associates	Warehouse Clubs and Supercenters	5,000-6,999
Delta Airlines	Passenger Air Transportation	5,000-6,999
Canyons School District	Public Education	4,000-4,999
ARUP Laboratories	Medical Laboratories	4,000-4,999
Salt Lake City	Local Government	3,000-3,999
VA Salt Lake City Health Care	Hospitals	3,000-3,999
Smith's	Supermarkets	3,000-3,999
United Parcel Service	Couriers and Express Delivery	3,000-3,999
Salt Lake City School District	Public Education	3,000-3,999
US Postal Service	Postal Service	3,000-3,999
Salt Lake Community College	Junior Colleges	3,000-3,999
Biofire Diagnostics	Biotechnology R&D	2,000-2,999
Zions Bancorporation	Commercial Banking	2,000-2,999
L3 Technologies	Instrument Manufacturing	2,000-2,999
Kennecott Utah Copper	Copper Mining	2,000-2,999
Fidelity Brokerage Services	Investment Banking	2,000-2,999
Utah Transit Authority	Mixed Mode Transit	2,000-2,999
Harmons	Supermarkets	2,000-2,999
Costco Wholesale	Warehouse Clubs	2,000-2,999
Northrop Grumman	Aerospace Manufacturing	2,000-2,999
Mountain America Credit Union	Credit Unions	2,000-2,999
Merit Medical Systems	Medical Instrument Manufacturing	2,000-2,999
Skywest Airlines	Passenger Air Transportation	2,000-2,999
Select Health	Medical Insurance Carriers	2,000-2,999
Goldman Sachs	Credit Intermediation	1,000-1,999
Wells Fargo Bank	Commercial Banking	1,000-1,999
Discover Products	Consumer Lending	1,000-1,999
Core Innovative Solutions	Accommodation	1,000-1,999
St Marks Hospital	Hospitals	1,000-1,999
Maverik	Gasoline Stations	1,000-1,999
FedEx	Couriers and Express Delivery	1,000-1,999
The Home Depot	Home Centers	1,000-1,999
Edwards Lifesciences	Medical Instrument Manufacturing	1,000-1,999
McDonalds	Restaurants	1,000-1,999
Jordan Valley Hospital	Hospitals	1,000-1,999
Target	Department Stores	1,000-1,999
Becton, Dickinson And Company	Medical Equipment Wholesalers	1,000-1,999
Snowbird Operations	Accommodation	1,000-1,999

(Source: Utah Department of Workforce Services; last updated October 2025.)

APPENDIX D

FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the "Disclosure Undertaking") is executed and delivered by the City of South Jordan, Utah (the "City"), in connection with the issuance by the Municipal Building Authority (the "Authority") of the City of South Jordan, Utah of its $__________ Lease Revenue Bonds, Series 2026 (the "Series 2026 Bonds"). The Series 2026 Bonds are being issued pursuant to a General Indenture of Trust, dated as of November 1, 2026 (the "General Indenture"), as supplemented by a First Supplemental Indenture of Trust dated as of November 1, 2026 (the "First Supplemental Indenture," and together with the General Indenture, the "Indenture") each between the City and U.S. Bank Trust Company, National Association, as trustee.

The City hereby acknowledges that it is an "obligated person" within the meaning of the hereinafter defined rule and the only "obligated person" with respect to the Series 2026 Bonds.

In connection with the aforementioned transactions, the City covenants and agrees as follows:

Section 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the City for the benefit of the Bondholders and Beneficial Owners of the Series 2026 Bonds and in order to assist the Participating Underwriter in complying with the Rule (each as defined below).

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

"Annual Report" means any Annual Report provided by the City pursuant to, and as described in Sections 3 and 4 of this Disclosure Undertaking.

"Beneficial Owner" shall mean any person which has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2026 Bonds (including persons holding Series 2026 Bonds through nominees, depositories or other intermediaries).

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

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

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

"MSRB" shall mean the Municipal Securities Rulemaking Board, the address of which is 1300 I Street, NW, Suite 1000, Washington DC 20005-3314; Telephone (202) 838-1500; and the website address of which is www.msrb.org and www.emma.msrb.org (for municipal disclosures and market data).

"Official Statement" shall mean the Official Statement of the Authority and the City dated [__________], 2026, relating to the Series 2026 Bonds.

"Participating Underwriter" shall mean Stifel, Nicolaus & Company, Incorporated, as original underwriter of the Series 2026 Bonds.

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

Section 3. Provision of Annual Reports.

(a) The City shall prepare an Annual Report and shall, or shall cause the Dissemination Agent to, not later than 220 days after the end of each fiscal year of the City (presently June 30), commencing with the fiscal year ending June 30, 2026, provide to the MSRB in an electronic format, the Annual Report which is consistent with the requirements of Section 4 of this Disclosure Undertaking. Not later than fifteen (15) Business Days prior to said date, the City shall provide the Annual Report to the Dissemination Agent. In each case, the Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the City may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if they are not available by that date. If the City's fiscal year changes, it shall give notice of such change in the same manner as for Listed Event under Section 5(f).

(b) If by fifteen (15) Business Days prior to the date specified in Section 3(a) for providing the Annual Report to the MSRB, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the City to determine if the City is in compliance with Section 3(a).

(c) If the Dissemination Agent is unable to verify that the Annual Report has been provided to the MSRB by the dates required in Section 3(a), the Dissemination Agent shall, in a timely manner, send a notice of a failure to file the Annual Report to the MSRB in an electronic format.

(d) The Dissemination Agent shall:

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

(ii) if the Dissemination Agent is other than an officer of the City, file a report with the City certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided and listing the website address to which it was provided.

Section 4. Content of Annual Reports. The Annual Report shall contain or incorporate by reference the following:

(a) A copy of its annual financial statements prepared in accordance with generally accepted accounting principles and audited by a certified public accountant or a firm of certified public accounts. If the City's audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report and audited financial statements will be provided within 30 days after availability to the City.

(b) An update of the financial and operating information of the type contained in the Official Statement in the tables under the captions:

"DEBT STRUCTURE OF THE AUTHORITY AND THE CITY—Debt Authorization and Limit," "FINANCIAL INFORMATION REGARDING THE CITY—Taxable and Fair Market Value of Property in the City," and "—Historical Summaries of Taxable Values of Property."

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

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2026 Bonds in a timely manner but not more than ten (10) Business Days after the event:

(i) Principal and interest payment delinquencies;

(ii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) Unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) Substitution of credit or liquidity providers, or their failure to perform;

(v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2026 Bonds or other material events affecting the tax status of the Series 2026 Bonds;

(vi) Defeasances;

(vii) Tender offers;

(viii) Bankruptcy, insolvency, receivership or similar proceedings;

(ix) Rating changes; or

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

(b) Pursuant to the provisions of this Section 5(b), the City shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2026 Bonds in a timely manner not more than ten (10) Business Days after the Listed Event, if material:

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

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

(iii) Non-payment related defaults;

(iv) Modifications to the rights of the owners of the Series 2026 Bonds;

(v) Series 2026 Bond calls;

(vi) Release, substitution or sale of property securing repayment of the Series 2026 Bonds; or

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

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

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

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

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

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Undertaking shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2026 Bonds. If such termination occurs prior to the final maturity of the Series 2026 Bonds, the City shall give notice of such termination in the same manner as for a Listed Event under Section 5(f).

Section 7. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the City shall be the Dissemination Agent.

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

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an "obligated person" (as defined in the Rule) with respect to the Series 2026 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2026 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders of the Series 2026 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Series 2026 Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the City shall describe such amendment in the next Annual Report of the City, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the City, as applicable. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(f), and (ii) the Annual Disclosure Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking.

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

Section 10. Default. In the event of a failure of the City or the Dissemination Agent to comply with any provision of this Disclosure Undertaking, any Bondholder or Beneficial Owner of the Series 2026 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City or Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an "event of default" under the Indenture, and the sole remedy under this Disclosure Undertaking in the event of any failure of the City or the Dissemination Agent to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 11. Duties Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking, and the City agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the City under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2026 Bonds.

Section 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the Holders and Beneficial Owners from time to time of the Series 2026 Bonds, and shall create no rights in any other person or entity.

Date: __________, 2026.

CITY OF SOUTH JORDAN, UTAH

By:_______________________________________
Mayor

APPENDIX E

FORM OF OPINION OF BOND COUNSEL

Upon the issuance of the Series 2026 Bonds, Gilmore & Bell, P.C., Bond Counsel to the Authority, proposes to issue its approving opinion in substantially the following form.

Re: Municipal Building Authority of the City of South Jordan, Utah $__________ Lease Revenue Bonds, Series 2026

We have acted as bond counsel to the Municipal Building Authority of the City of South Jordan, Utah (the "Issuer") in connection with the issuance by the Issuer of the above-captioned bonds (the "Series 2026 Bonds"). In this capacity, we have examined the law and such certified proceedings, certifications and other documents as we have deemed necessary to give the opinions below.

The Series 2026 Bonds are being issued pursuant to (i) a resolution adopted on September 15, 2026, by the governing body of the Issuer and a resolution of the City Council of City of South Jordan, Utah (the "City"), adopted on September 15, 2026, and (ii) a General Indenture of Trust dated as of November 1, 2026 (the "General Indenture"), as supplemented by a First Supplemental Indenture of Trust dated as of November 1, 2026 (the "First Supplemental Indenture" and together with the General Indenture, the "Indenture"), each between the Issuer and U.S. Bank Trust Company, National Association, as trustee.

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

The Series 2026 Project has been leased by the Issuer to the City on an annually renewable basis and with an option to purchase, exercisable by the City, pursuant to the terms of a Master Lease Agreement dated as of November 1, 2026 (the "Lease") between the Issuer and the City. Payments by the City under the Lease may be made only from funds which are budgeted and appropriated by the City for such purpose. Except to the extent payable from the proceeds of the Series 2026 Bonds and income from the investment thereof, the proceeds of certain insurance policies, performance bonds, condemnation awards and liquidation proceeds, if any, the Series 2026 Bonds are payable solely from, and are secured by a pledge of, the rentals derived by the Issuer under the Lease. The Indenture provides that the Series 2026 Bonds and the interest thereon (i) are not general obligations, but are special, limited obligations of the Issuer, (ii) do not constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitation, and (iii) do not constitute or give rise to a pecuniary liability of the City or a charge against the general credit or taxing powers of the City. Neither the City nor the Issuer on its behalf has pledged the credit of the City to the payment of the Series 2026 Bonds or the interest thereon or rentals under the Lease.

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

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

1. The Issuer is a public entity and an instrumentality of the State of Utah (the "State") duly organized and validly existing under the constitution and laws of the State, with the power to execute the Indenture, perform the agreements on its part contained therein, and issue the Series 2026 Bonds.

2. The Indenture has been authorized, executed and delivered by the Issuer and constitutes a valid and binding obligation enforceable against the Issuer.

3. The Lease has been authorized, executed and delivered by the City and the Issuer, and constitutes a valid and binding obligation enforceable against the City and the Issuer.

4. The Series 2026 Bonds have been duly authorized and executed by the Issuer and are valid and binding limited obligations of the Issuer, payable solely as provided therefor in the Indenture. The Series 2026 Bonds do not constitute a general obligation indebtedness of the Issuer or the City within the meaning of any State constitutional or statutory provision, limitation, or restriction. The City's taxing power is not pledged to the payment of the Series 2026 Bonds.

5. The interest on the Series 2026 Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal income tax purposes and (ii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer and the City comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2026 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer and the City have covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Series 2026 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2026 Bonds.

6. The interest on the Series 2026 Bonds is exempt from State of Utah individual income taxes.

The rights of the owners of the Series 2026 Bonds and the enforceability of the Series 2026 Bonds and the Indenture may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion regarding (a) the accuracy, adequacy or completeness of the Official Statement or other offering material relating to the Series 2026 Bonds, except as may be set forth in our supplemental opinion of even date herewith, (b) the attachment, perfection, or priority of the lien on the rentals derived by the Issuer under the Lease or other funds created by the Indenture, or (c) the tax consequences arising with respect to the Series 2026 Bonds other than as expressly set forth in this opinion letter.

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

Respectfully submitted,

APPENDIX F

PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM

DTC will act as securities depository for the Series 2026 Bonds. The Series 2026 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2026 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC or its agent.

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

Purchases of Series 2026 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2026 Bonds on DTC's records. The ownership interest of each actual purchaser of each Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2026 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2026 Bonds, except in the event that use of the book-entry system for the Series 2026 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2026 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2026 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2026 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2026 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2026 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2026 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2026 Bonds may wish to ascertain that the nominee holding the Series 2026 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners.

Redemption notices shall be sent to DTC. If less than all of the Series 2026 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2026 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Authority as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2026 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2026 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Authority or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the Authority, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Authority or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2026 Bonds at any time by giving reasonable notice to the Authority or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

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

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

EXHIBIT I

TAX AND DISCLOSURE COMPLIANCE PROCEDURE

THE CITY OF SOUTH JORDAN, UTAH AND MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH

TAX AND DISCLOSURE COMPLIANCE PROCEDURE

Dated as of September 15, 2026

TAX AND DISCLOSURE COMPLIANCE PROCEDURE

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TAX AND DISCLOSURE COMPLIANCE PROCEDURE

ARTICLE I

DEFINITIONS

Section 1.1. Definitions. Capitalized words and terms used in this Compliance Procedure have the following meanings:

"**Annual Compliance Checklist**" means a questionnaire and/or checklist described in **Section 6.1** hereof that is completed each year for the Tax-Exempt Bonds.

"**Annual Continuing Disclosure Compliance Checklist**" means the checklist attached as **Exhibit B**.

"Annual Report" means the information, consisting of annual financial information and operating data, required by the Continuing Disclosure Undertaking to be filed annually on EMMA.

"**Bond Compliance Officer**" means the Issuer's Secretary-Treasurer or District Clerk, as applicable, or, if the position of Secretary-Treasurer or District Clerk, as applicable, is vacant, the person filling the responsibilities of the Secretary-Treasurer or District Clerk, as applicable, for the Issuer.

"Bonds" means Disclosure Bonds and Tax-Exempt Bonds.

"**Bond Counsel**" means a law firm selected by the Issuer to provide a legal opinion regarding the tax status of interest on the Tax-Exempt Bonds as of the issue date or the law firm selected to advise the Issuer on matters referenced in this Compliance Procedure.

"**Bond Restricted Funds**" means the funds, accounts, and investments that are subject to arbitrage rebate and/or yield restriction rules that have been identified in the Tax Compliance Agreement for the Tax-Exempt Bonds.

"**Bond Transcript**" means the "transcript of proceedings" or other similarly titled set of transaction documents assembled by Bond Counsel following the issuance of the Tax-Exempt Bonds.

"Code" means the Internal Revenue Code of 1986, as amended.

"**Compliance Procedure**" means this Tax and Disclosure Compliance Procedure.

"**Continuing Disclosure Compliance File**" means documents and records which may consist of paper and electronic medium, maintained for the Disclosure Bonds, consisting of the following:

(a) List of Disclosure Bonds;
(b) Description of the deadline applicable to each Annual Report;
(c) Description of the financial information and operating data required to be included in each Annual Report;
(d) List of events requiring an Event Notice under the Continuing Disclosure Undertaking for each series of Disclosure Bonds; and
(e) Information about the Issuer's compliance during the prior five years with the Continuing Disclosure Undertaking then in effect.

"Continuing Disclosure Undertaking" means the Continuing Disclosure Agreement(s), Continuing Disclosure Undertaking(s), Continuing Disclosure Instructions or other written certification(s) or agreement(s) entered into by the Issuer in connection with the issuance of the Disclosure Bonds for the purpose of assisting the underwriters of such Disclosure Bonds in complying with the Rule.

"**Cost"** or **"Costs**" means all costs and expenses paid for the acquisition, design, construction, equipping or improvement of a Project Facility or costs of issuing Tax-Exempt Bonds for a Project Facility.

"**Disclosure Bonds**" means any outstanding bond, note, installment sale agreement, lease or certificate in connection with the issuance of which the Issuer entered into or enters into a Continuing Disclosure Undertaking. A list of all Disclosure Bonds outstanding and subject to this Compliance Procedure as of September 15, 2026, is included on **Exhibit A.**

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures established and maintained by the MSRB, which can be accessed at www.emma.msrb.org, or any successor system designated as the means through which municipal securities disclosures are submitted to the MSRB.

"**Event Notice"** means notice of the occurrence of an event for which notice is required by the Continuing Disclosure Undertaking to be filed on EMMA.

"**Final Written Allocation"** means the Final Written Allocation of Tax-Exempt Bond proceeds prepared pursuant to **Section 5.4** of this Compliance Procedure.

"**Financed Assets**" means that part of a Project Facility treated as financed with Tax-Exempt Bond proceeds as reflected in a Final Written Allocation or, if no Final Written Allocation was prepared, the accounting records of the Issuer and the Tax Compliance Agreement for the Tax-Exempt Bonds.

"Governing Body" means the Board of Trustees of the Issuer, as applicable.

"**Intent Resolution"** means a resolution of the Issuer stating (1) the intent of the Issuer to finance all or a portion of the Project Facility, (2) the expected maximum size of the financing and (3) the intent of the Issuer to reimburse Costs of the Project Facility paid by the Issuer from proceeds of the Tax-Exempt Bonds.

"IRS" means the Internal Revenue Service.

"**Issuer**" means the The City of South Jordan, Utah, or the Municipal Building Authority of The City of South Jordan, Utah, as applicable.

"MSRB" means the Municipal Securities Rulemaking Board, or any successor repository designated as such by the Securities and Exchange Commission in accordance with the Rule.

"**Placed In Service**" means that date (as determined by the Bond Compliance Officer) when the Project Facility is substantially complete and in operation at substantially its design level.

"Primary Disclosure Document" means any official statement or offering document relating to an offering or remarketing of Disclosure Bonds by or on behalf of the Issuer after the date of this Procedure.

"**Project Facility**" means one or more facilities or capital projects, including land, building, equipment, or other property, financed in whole or in part with proceeds of an issue of Tax-Exempt Bonds and other sources of funds, if any, pursuant to the same plan of finance.

"**Rebate Analyst**" means the rebate analyst for the Tax-Exempt Bonds selected pursuant to the Tax Compliance Agreement.

"Regulations" means all regulations issued by the U.S. Treasury Department to implement the provisions of Code §§ 103 and 141 through 150 and applicable to tax-exempt obligations.

"Rule" means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

"**Tax Compliance Agreement**" means the Federal Tax Certificate, Tax Compliance Agreement, Arbitrage Agreement, or other written certification or agreement of the Issuer setting out representations and covenants for satisfying the post-issuance tax compliance requirements for the Tax-Exempt Bonds.

"**Tax-Exempt Bonds**" means any bond, note, installment sale agreement, lease or certificate intended to be a debt obligation of the Issuer or another political subdivision or government instrumentality, the proceeds of which are to be loaned or otherwise made available to the Issuer, and the interest on which is excludable from gross income for federal income tax purposes. A list of all Tax-Exempt Bonds outstanding and subject to this Compliance Procedure as of September 15, 2026, is included on **Exhibit A.**

"**Tax-Exempt Bond File**" means documents and records which may consist of paper and electronic medium, maintained for the Tax-Exempt Bonds. Each Tax-Exempt Bond File will include the following information if applicable:

(a) Intent Resolution.
(b) Bond Transcript.
(c) Final Written Allocation and/or all available accounting records related to the Project Facility showing expenditures allocated to the proceeds of the Tax-Exempt Bonds and expenditures (if any) allocated to other sources of funds.
(d) All rebate and yield reduction payment calculations performed by the Rebate Analyst and all investment records provided to the Rebate Analyst for purposes of preparing the calculations.
(e) Forms 8038-T together with proof of filing and payment of rebate.
(f) Investment agreement bid documents (unless included in the Bond Transcript) including:
    (1) bid solicitation, bid responses, certificate of broker;
    (2) written summary of reasons for deviations from the terms of the solicitation that are incorporated into the investment agreement; and
    (3) copies of the investment agreement and any amendments.
(g) Any item required to be maintained by the terms of the Tax Compliance Agreement involving the use of the Project Facility or expenditures related to tax compliance for the Tax-Exempt Bonds.
(h) Any opinion of Bond Counsel regarding the Tax-Exempt Bonds not included in the Bond Transcript.
(i) Amendments, modifications or substitute agreements to any agreement contained in the Bond Transcript.
(j) Any correspondence with the IRS relating to the Tax-Exempt Bonds including all correspondence relating to an audit by the IRS of the Tax-Exempt Bonds or any

proceedings under the Tax-Exempt Bonds Voluntary Closing Agreement Program (VCAP).

(k) Any available questionnaires or correspondence substantiating the use of the Project Facility in accordance with the terms of the Tax Compliance Agreement for the Tax-Exempt Bonds.

(l) For refunding bond issues, the Tax-Exempt Bond File for the refunded Tax-Exempt Bonds.

ARTICLE II

PURPOSE AND SCOPE

Section 2.1. Purpose of Compliance Procedure.

(a) Issuer's Use of Tax-Exempt Bonds. The Issuer uses Tax-Exempt Bonds to fund Costs of a Project Facility. The Issuer understands that in exchange for the right to issue Tax-Exempt Bonds at favorable interest rates and terms, the Code and Regulations impose ongoing requirements related to the proceeds of the Tax-Exempt Bonds and the Project Facility financed by the Tax-Exempt Bonds. These requirements focus on the investment, use and expenditure of proceeds of the Tax-Exempt Bonds and related funds as well as restrictions on the use of the Project Facility.

(b) IRS Recommends Separate Written Procedures. The Issuer recognizes that the IRS has stated that all issuers of Tax-Exempt Bonds should have separate written procedures regarding ongoing compliance with the federal tax requirements for Tax-Exempt Bonds.

(c) Disclosure Responsibilities. The Issuer recognizes the issuance of Disclosure Bonds involves accessing the public capital markets and involves certain obligations arising out of the federal securities laws, including entering into the Continuing Disclosure Undertaking and properly communicating with investors.

(d) Issuer Commitment. The Issuer is committed to full compliance with the federal tax and securities law requirements applicable to its outstanding and future financings. This Compliance Procedure is adopted by the Governing Body to improve and promote tax and securities law compliance and documentation.

Section 2.2. Scope of Compliance Procedure; Conflicts. This Compliance Procedure applies to all Bonds currently outstanding and all Bonds issued in the future. If the provisions of this Compliance Procedure conflict with a Tax Compliance Agreement, Continuing Disclosure Undertaking or any other specific written instructions of Bond Counsel, the terms of the Tax Compliance Agreement, Continuing Disclosure Undertaking or specific written instructions of Bond Counsel will supersede and govern in lieu of this Compliance Procedure. Any exception to this Compliance Procedure required by Bond Counsel as part of a future issue of Tax-Exempt Bonds will be incorporated in the Tax Compliance Agreement for the future issue. Any requirements imposed on the Issuer in the Tax Compliance Agreement, will be noted by the Bond Compliance Officer and incorporated into the Annual Compliance Checklist.

Section 2.3. Amendments and Publication of Compliance Procedure. This Compliance Procedure may be amended from time-to-time by the Governing Body. Copies of this Compliance Procedure and any amendments will be included in the permanent records of the Issuer.

ARTICLE III

BOND COMPLIANCE OFFICER; TRAINING

Section 3.1. Bond Compliance Officer Duties. The Bond Compliance Officer is responsible for implementing this Compliance Procedure. The Bond Compliance Officer will work with other employees that use the Project Facility to assist in implementing this Compliance Procedure. The Bond Compliance Officer will consult with Bond Counsel, legal counsel to the Issuer, accountants, tax return preparers and other outside consultants to the extent necessary to carry out the purposes of this Compliance Procedure.

Section 3.2. Training.

(a) Training Programs. When appropriate, the Bond Compliance Officer and/or other employees of the Issuer under the direction of the Bond Compliance Officer will attend training programs offered by the IRS or other industry professionals regarding Tax-Exempt Bonds that are relevant to the Issuer. When appropriate, the Bond Compliance Officer and/or other employees of the Issuer under the direction of the Bond Compliance Officer will attend training programs offered by the SEC, the MSRB, Bond Counsel, or other industry professionals regarding securities law and disclosure requirements applicable to the Issuer.

(b) Change in Bond Compliance Officer. Any time an individual acting as the Bond Compliance Officer passes the responsibilities for carrying out the provisions of this Compliance Procedure to another individual, the Issuer will ensure the incoming individual acting as Bond Compliance Officer is trained on how to implement the policies and procedures included in this Compliance Procedure to ensure the Issuer's continued compliance with the provisions of this Compliance Procedure and all Tax Compliance Agreements for any outstanding Tax-Exempt Bonds.

ARTICLE IV

TAX-EXEMPT BONDS CURRENTLY OUTSTANDING

Section 4.1. Tax-Exempt Bonds Covered by Article IV Procedures. This Article IV applies to all Tax-Exempt Bonds issued prior to the date of this Compliance Procedure that are currently outstanding. These Tax-Exempt Bonds are listed on **Exhibit A**.

Section 4.2. Tax-Exempt Bond File. As soon as practical, the Bond Compliance Officer will attempt to assemble as much of the Tax-Exempt Bond File as is available for the Tax-Exempt Bonds listed on **Exhibit A**.

Section 4.3. Annual Compliance Checklists. As soon as practical following the adoption of this Compliance Procedure, the Bond Compliance Officer will work with Bond Counsel and/or legal counsel to the Issuer and cause Annual Compliance Checklists to be completed for all outstanding Tax-Exempt Bonds and will follow the procedures specified in Article VI to complete the Annual Compliance Checklists and thereafter include each completed Annual Compliance Checklist in the Tax-Exempt Bond File.

Section 4.4. Correcting Prior Deficiencies in Compliance. In the event the Bond Compliance Officer determines any deficiency in compliance with a Tax Compliance Agreement for an outstanding Tax-Exempt Bond listed on **Exhibit A,** the Bond Compliance Officer will consult with Bond Counsel and, as necessary, follow the procedures described in the Regulations or the Tax-Exempt Bonds Voluntary Closing Agreement Program (VCAP) to remediate the noncompliance. If remediation of the noncompliance requires the Issuer to submit a request under VCAP, the Bond Compliance Officer will undertake this step only after reporting the violation to the Governing Body and obtaining its approval.

ARTICLE V

COMPLIANCE PROCEDURE FOR NEW TAX-EXEMPT BOND ISSUES

Section 5.1. Application. This Article V applies to Tax-Exempt Bonds issued on or after the date of this Compliance Procedure.

Section 5.2. Prior to Issuance of Tax-Exempt Bonds.

(a) Intent Resolution. The Governing Body will authorize and approve the issuance of Tax-Exempt Bonds. Prior to or as a part of the authorizing resolution or ordinance, the Governing Body may adopt an Intent Resolution.

(b) Directions to Bond Counsel. The Bond Compliance Officer will provide a copy of this Compliance Procedure to Bond Counsel with directions for Bond Counsel to structure the documentation and procedural steps taken prior to issuing the Tax-Exempt Bonds so that they conform to the requirements of this Compliance Procedure, except to the extent Bond Counsel determines that different procedures are required. The Bond Compliance Officer will consult with Bond Counsel so that appropriate provisions are made to fund or reimburse the Issuer's costs and expenses incurred to implement this Compliance Procedure.

(c) Tax Compliance Agreement. For each issuance of Tax-Exempt Bonds, a Tax Compliance Agreement will be signed by the Bond Compliance Officer. The Tax Compliance Agreement will (1) describe the Project Facility and the anticipated Financed Assets, (2) identify all Bond Restricted Funds and provide for arbitrage and rebate compliance, (3) for new money financings, require a Final Written Allocation, and (4) contain a form of the Annual Compliance Checklist for the Tax-Exempt Bonds. The Bond Compliance Officer will confer with Bond Counsel and the Issuer's counsel regarding the meaning and scope of each representation and covenant contained in the Tax Compliance Agreement.

(d) Preliminary Cost Allocations. For each issuance of Tax-Exempt Bonds, the Bond Compliance Officer in consultation with Bond Counsel, will prepare a preliminary cost allocation plan for the Project Facility. The preliminary cost allocation plan will identify the assets and expected costs for the Project Facility, and when necessary, will break-out the portions of Costs that are expected to be financed with proceeds of the Tax-Exempt Bonds (the "Financed Assets") and the portions, if any, expected to be financed from other sources.

(e) Tax Review with Bond Counsel. Prior to the sale of Tax-Exempt Bonds, the Bond Compliance Officer and Bond Counsel will review this Compliance Procedure together with the draft Tax Compliance Agreement to ensure that any tax compliance issues in the new financing are adequately addressed by this Compliance Procedure and/or the Tax Compliance Agreement. If Bond Counsel determines that this Compliance Procedure conflicts with the Tax Compliance Agreement or must be supplemented to account for special issues or requirements for the Tax-Exempt Bonds, the Bond Compliance Officer will ask Bond Counsel to include the written modifications or additions in the final Tax Compliance Agreement. The Bond Compliance Officer will request Bond Counsel to prepare a form of Annual Compliance Checklist for use in monitoring the ongoing compliance requirements for the Tax-Exempt Bonds.

Section 5.3. Accounting and Recordkeeping.

(a) Accounting for New Money Projects. The Bond Compliance Officer will be responsible for accounting for the investment and allocation of proceeds of the Tax-Exempt Bonds. The Bond Compliance Officer will establish separate accounts or subaccounts to record expenditures for Costs of the Project Facility. Where appropriate, the Bond Compliance Officer may use accounts established as part of the Issuer's financial records for this purpose. In recording Costs for the Project Facility, the Bond Compliance Officer will ensure that the accounting system will include the following information: (1) identity of person or business paid, along with any other available narrative description of the purpose for the payment, (2) date of payment, (3) amount paid, and (4) invoice number or other identifying reference.

(b) Accounting for Refunded Bonds and Related Refunded Bond Accounts. For Tax-Exempt Bonds that are issued to refund prior Tax-Exempt Bonds, the Tax Compliance Agreement will set out special accounting and allocation procedures for the proceeds of the financing, and if necessary proceeds of the refinanced Tax-Exempt Bonds.

(c) Tax-Exempt Bond File. The Bond Compliance Officer will be responsible for assembling and maintaining the Tax-Exempt Bond File.

Section 5.4. Final Allocation of Tax-Exempt Bond Proceeds.

(a) Preparation of Final Written Allocation; Timing. The Bond Compliance Officer is responsible for making a written allocation of proceeds of Tax-Exempt Bonds to expenditures and identifying the Financed Assets. This process will be memorialized in the Final Written Allocation. For a new money financing, the Bond Compliance Officer will commence this process as of the earliest of (1) the requisition of all Tax-Exempt Bond proceeds from any segregated Tax-Exempt Bond funded account, (2) the date the Project Facility has been substantially completed or (3) four and one/half years following the issue date of the Tax-Exempt Bonds. For Tax-Exempt Bonds issued only to refund a prior issue of Tax-Exempt Bonds, the Bond Compliance Officer will work with Bond Counsel to prepare and/or document the Final Written Allocation for the Project Facility financed by the refunded Tax-Exempt Bonds and include it in the Tax Compliance Agreement.

(b) Contents and Procedure. The Bond Compliance Officer will consult the Tax Compliance Agreement and, if necessary, contact Bond Counsel to seek advice regarding any special allocation of Tax-Exempt Bond proceeds and other money of the Issuer to the Costs of the Project Facility. If no special allocation is required or recommended, the Bond Compliance Officer will allocate Costs of the Project Facility to the proceeds of the Tax-Exempt Bonds in accordance with the Issuer's accounting records. Each Final Written Allocation will contain the following: (1) a reconciliation of the actual sources and uses to Costs of the Project Facility, (2) the percentage of the cost of the Project Facility financed with proceeds of the Tax-Exempt Bonds (sale proceeds plus any investment earnings on those sale proceeds), (3) the Project Facility's Placed in Service date, (4) the estimated economic useful life of the Project Facility, and (5) any special procedures to be followed in completing the Annual Compliance Checklist (e.g., limiting the Annual Compliance Checklist to specific areas of the Project Facility that the Final Written Allocation or the Tax Compliance Agreement treats as having been financed by Tax-Exempt Bonds).

(c) Finalize Annual Compliance Checklist. As part of the preparation of the Final Written Allocation, the Bond Compliance Officer will update the draft Annual Compliance Checklist contained in the relevant Tax Compliance Agreement. The Bond Compliance Officer will include reminders for all subsequent arbitrage rebate computations required for the Tax-Exempt Bonds in the Annual Compliance Checklist.

(d) Review of Final Written Allocation and Annual Compliance Checklist. Each Final Written Allocation and Annual Compliance Checklist will be reviewed by legal counsel to the Issuer or Bond Counsel for sufficiency and compliance with the Tax Compliance Agreement and this Compliance Procedure. Following the completion of the review, the Bond Compliance Officer will execute the Final Written Allocation.

ARTICLE VI

ONGOING MONITORING PROCEDURES

Section 6.1. Annual Compliance Checklist. An Annual Compliance Checklist will be completed by the Bond Compliance Officer each year following completion of the Final Written Allocation. Each Annual Compliance Checklist will be designed and completed for the purpose of identifying potential noncompliance with the terms of the Tax Compliance Agreement or this Compliance Procedure and obtaining documents (such as investment records, arbitrage calculations, or other documentation for the Project Facility) that are required to be incorporated in the Tax-Exempt Bond File. The Bond Compliance Officer will refer any responses indicating a violation of the terms of the Tax Compliance Agreement to legal counsel to the Issuer or Bond Counsel and, if recommended by counsel, will follow the procedure set out in **Section 4.4** hereof to remediate the non-compliance.

Section 6.2. Arbitrage and Rebate Compliance. The Bond Compliance Officer will monitor the investment of Bond Restricted Funds and provide investment records to the Rebate Analyst on a timely basis. The Bond Compliance Officer will follow the directions of the Rebate Analyst with respect to the preparation of and the timing of rebate or yield reduction computations.

ARTICLE VII

DISCLOSURE

Section 7.1. Continuing Disclosure Compliance File .

(a) Compilation and Maintenance of Continuing Disclosure Compliance File. The Bond Compliance Officer shall compile and maintain the Continuing Disclosure Compliance File.

(b) Annual Review of Continuing Disclosure Compliance File. After the end of each fiscal year of the Issuer, the Bond Compliance Officer will complete the Annual Continuing Disclosure Compliance Checklist and update the Continuing Disclosure Compliance File as indicated by the Annual Continuing Disclosure Compliance Checklist.

(c) Remedying Noncompliance. If the Bond Compliance Officer identifies any non-compliance with the Continuing Disclosure Undertaking as a result of the annual review or otherwise, the Bond Compliance Officer shall promptly take steps to remedy the noncompliance, including by making any necessary remedial filings. In the event the Bond Compliance Officer identifies any such noncompliance, the Bond Compliance Officer shall update the Continuing Disclosure Compliance File to reflect the noncompliance in the Issuer's five-year history of compliance.

Section 7.2. Issuance of New Disclosure Bonds.

(a) Review Primary Offering Documents.

(1) The Bond Compliance Officer will review a draft of the Primary Offering Document for each new issue of Bonds. The Issuer is primarily responsible for the accuracy and completeness of the information in the Primary Offering Document relating to the Issuer. The Bond Compliance Officer will coordinate the Issuer's efforts to ensure that the information in each Primary Disclosure Document relating to the Issuer does not contain any untrue statements of a material fact or omit to state any material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading. In the review and preparation of Primary Offering Documents, the Bond Compliance Officer shall consult with internal or external counsel and other appropriate officials, employees and agents of the Issuer. The Bond Compliance Officer may designate internal or external counsel or other officials, employees or agents of the Issuer, as appropriate, to assist in the preparation of each Primary Disclosure Document or portions thereof and should discuss with internal or external counsel questions relating to the material accuracy and completeness of any information included in any Primary Disclosure Document.

(2) The Bond Compliance Officer will review any statement in a Primary Offering Document related to the Issuer's past compliance with the Continuing Disclosure Undertaking to determine whether such Primary Offering Document accurately describes such past compliance.

(b) Review Continuing Disclosure Undertakings. The Bond Compliance Officer will review each Continuing Disclosure Undertaking related to a new issuance of Disclosure Bonds. If necessary, the Bond Compliance Officer will confer with Bond Counsel or other counsel regarding the meaning and scope of each obligation contained in the Continuing Disclosure Undertaking.

(c) Update Continuing Disclosure Compliance File. As soon as practicable after the issuance of any new Disclosure Bonds, the Bond Compliance Officer will be responsible for updating the Continuing Disclosure Compliance File to reflect the issuance of such new Disclosure Bonds.

Section 7.3. Annual Report and Event Notice Filing Procedures.

(a) Annual Report Preparation and Submission. The Bond Compliance Officer will prepare or cause the preparation of the Annual Report and cause the Annual Report to be filed with the MSRB on EMMA each year before the deadline required by the Continuing Disclosure Undertaking. If the Issuer has engaged a third-party to submit the Annual Report on the Issuer's behalf, the Bond Compliance Officer will request and review confirmation that such filing has been timely made as required.

(b) Event Notice Submissions. As necessary, the Bond Compliance Officer shall coordinate with those other employees and agents of the Issuer most likely to become aware of the occurrence of a Material Event to ensure such employee or agent promptly notifies the Bond Compliance Officer upon the occurrence of a Material Event. After obtaining actual knowledge of the occurrence of any event that the Bond Compliance Officer believes may constitute an event requiring an Event Notice, the Bond Compliance Officer will consult with counsel to assist with the determination of whether to determine if an Event Notice is required under the Continuing Disclosure Undertaking. If it is determined that an Event Notice is required, the Bond Compliance Officer will cause an Event Notice to be filed on EMMA.

ADOPTED BY THE BOARD OF TRUSTEES OF
THE MUNICIPAL BUILDING AUTHORITY OF THE CITY OF SOUTH JORDAN, UTAH

AND THE CITY COUNCIL OF THE
THE CITY OF SOUTH JORDAN, UTAH

Date of Adoption: September 15, 2026

EXHIBIT A

LIST OF TAX-EXEMPT BONDS AND DISCLOSURE BONDS COVERED BY THIS COMPLIANCE PROCEDURE

Tax-Exempt Bonds

Lease Revenue Bonds, Series 2026 (expected to be issued on ________, 2026)

EXHIBIT B

ANNUAL DISCLOSURE COMPLIANCE CHECKLIST

Name of Disclosure Compliance Officer: ____________________
Period covered by checklist ("Annual Period"): ____________________
Date: ____________________

Item	Question	Response
1 New/Defeased Bonds	Were any Disclosure Bonds issued, refunded or defeased during the Annual Period?	☐ Yes ☐ No
	If answer above was "Yes," update the Continuing Disclosure Compliance File to reflect the Disclosure Bonds currently outstanding and changes, if any, to the deadline for filing or the content of information required under the Continuing Disclosure Undertaking.	
2 Annual Report Filings	During the Annual Period, was the required Annual Report filed on EMMA by the due date?	☐ Yes ☐ No
	If answer above was "No," file the required Annual Report on EMMA, if not yet filed, and any required Notice of Failure to File. In either case, update the Disclosure Compliance File to reflect the date the Annual Report was filed.	
3 Material Event Filings	During the Annual Period, did any of the following Material Events occur? • principal and interest payment delinquencies; • non-payment related defaults, if material; • unscheduled draws on debt service reserves reflecting financial difficulties; • unscheduled draws on credit enhancements reflecting financial difficulties; • substitution of credit or liquidity providers, or their failure to perform; • adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds; • modifications to rights of bondholders, if material; • bond calls, if material, and tender offers; • defeasances; • release, substitution or sale of property securing repayment of the Bonds, if material; • rating changes; • bankruptcy, insolvency, receivership or similar event of the obligated person; • the consummation of a merger, consolidation, or acquisition involving the obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; *[Continued on next page]*	☐ Yes ☐ No

	• appointment of a successor or additional trustee or the change of name of the trustee, if material; • incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material; and • default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.	
	If answer above was "Yes," was an Event Notice filed on EMMA within 10 business days? If No, file an Event Notice on EMMA. If a Material Event occurred, update the Continuing Disclosure Compliance File to reflect the occurrence of the Material Event and the date the required notice was filed.	☐ Yes ☐ No
4 **Upcoming Annual Report**	Has the Annual Report for the most recent fiscal year been prepared?	☐ Yes ☐ No
	If answer above was "No," prepare and file or cause the preparation and filing of the Annual Report for the most recent fiscal year as soon as practicable prior to the deadline.	

RESOLUTION R2026 - 29

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, APPROVING THE 2025 CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT AND AUTHORIZING SUBMITTAL TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

WHEREAS, the Department of Housing and Urban Development ("HUD") has developed the Community Development Block Grant ("CDBG") program to provide funds to address community development needs through the development to f viable communities by providing decent housing, a suitable living environment and expanded economic opportunity; and

WHEREAS, the City of South Jordan ("City") has previously qualified, based on the City's 2025 – 2029 Consolidated Plan ("Consolidated Plan"), to received CDBG funds directly from HUD; and

WHEREAS, it was determined through the preparation of the Consolidated Plan that needs do exist within the City that qualify for CDBG funds; and

WHEREAS, an Annual Action Plan (2025 AAP) was approved, and CDBG funds were allocated to the City to conduct projects consistent with the 2025 AAP during the 2025 – 2026 program year; and

WHEREAS, HUD requires that grantees of CDBG funds submit a Consolidated Annual Performance and Evaluation Report (CAPER) within 90 days of the end of the program year; and

WHEREAS, HUD requires that the City hold a public hearing to;

1- Gather public input on the past year performance;

2- Gather public input on the neighborhood and community needs that may be addressed with the future CDBG funds; and

WHEREAS, the South Jordan City Council finds it in the best interest of the City to hold the required public hearing and to approve the 2025 Consolidated Annual Performance and Evaluation Report.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH:

<u>SECTION 1</u>. Approval. The South Jordan City Council hereby approves the 2025 Consolidated Annual Performance and Evaluation Report (2025 CAPER) as indicated in Exhibit "A" and authorizes the City to submit the 2025 to HUD.

<u>SECTION 2</u>. Effective Date. This Resolution shall become effective immediately upon passage.

APPROVED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, ON THIS 15TH DAY OF SEPTEMBER 2026 BY THE FOLLOWING VOTE:

	YES	NO	ABSTAIN	ABSENT
Patrick Harris	_____	_____	_____	_____
Kathie Johnson	_____	_____	_____	_____
Donald Shelton	_____	_____	_____	_____
Tamara Zander	_____	_____	_____	_____
Jason McGuire	_____	_____	_____	_____

Mayor: ______________________________
Dawn R. Ramsey

Attest: ______________________________
Anna Crookston, City Recorder

Approved as to form:

____
Office of the City Attorney

The City of South Jordan

2025-26 Consolidated Annual Performance Evaluation Report

for the use of

Community Development Block Grant

(CDBG) funds

First year of the

2025-2029 Consolidated Plan

Public Comment Draft

Contact Information

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SOUTH JORDAN® UTAH

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

The 2025 program year was the fourteenth year of the City's Community Development Block Grant (CDBG) program and the first year of the City's 2025-2029 Consolidated Plan. The goals and objectives were advanced during the 2025-26 program year, in accordance with the 2025 Annual Action Plan. The 2025-2029 Consolidated Plan includes the following goals:

- Correct accessibility deficiencies
- Provide improvements in deficient neighborhoods
- Support services for vulnerable populations
- Maintain existing housing

The 2025 program year AAP allocated funds to projects associated with all of the goals:

1. Correct accessibility deficiencies
2. Provide improvements in deficient neighborhoods
3. Support services for vulnerable populations
4. Maintain existing housing

Public Comment Draft

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Strategic Plan Expected	Strategic Plan Actuals	Percent Complete	Program Year Expected	Program Year Actuals	Percent Complete
Correct accessibility deficiencies	Non-Housing Community Development	CDBG: $735,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	1000	0	0.00%	200	0	0.00%
Provide improvements in Deficient Neighborhoods	Non-Housing Community Development	CDBG: $50,000	Public Facility or Infrastructure Activities other than Low/Moderate Incoming Housing Benefit	Persons Assisted	100	0	0.00%	20	0	0.00%
Support services for vulnerable populations	Homeless Non-Homeless Special Needs	CDBG: $165,000	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	5020	614	12.23%	1854	614	33.18%
Maintain existing housing	Affordable Housing	CDBG: $150,000	Homeowner Housing Rehabilitated	Household Housing Unit	15	0	0.00%	3	0	0.00%

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Public Comment Draft

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan, giving special attention to the highest priority activities identified.

The City was awarded $253,648 in CDBG funds for the 2025-2026 program year. This was a slight increase from the previous year's grant ($235,886). This is the first year of the 2025-2029 Consolidated Plan. Despite responsibility for the CDBG program shifting between staff members, the City made progress in all open activities and kicking off 2025-2029 Consolidated Plan goals.

The largest goal in terms of funding is correcting accessibility deficiencies, particularly ADA ramps and audible push buttons throughout the City. Due to staffing changes, the City had delayed starting the 2024 program year ADA ramp activity that was combined with the 2025 program year ADA ramp activity. Environmental studies on identified sites have started. Additionally, the 2024 and 2025 program years activity for housing repairs have been delayed due to environmental studies. The City is exploring a tiered environmental system to help expedite identified sites and awards, in hopes that it has a system in place by November. All other activities are closed and completed as planned.

The prior 2020 Consolidated Plan included too many goals, resulting in a broad and overly ambitious approach. For the 2025 Consolidated Plan, the City has streamlined its goals to focus on a smaller number of clearly defined priorities. Activities are now structured around a single goal rather than multiple goals, as this approach better aligns with how program data is collected and reported. The City plans to maintain a straightforward CDBG program focused on achievable priorities, as resources permit.

Public Comment Draft

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted). 91.520(a)

	CDBG
White	403
Multi-Racial or Other	188
Black or African American	11
Asian	8
American Indian/American Native	3
Native Hawaiian/Other Pacific Islander	1
TOTAL	614

Hispanic	287
Non-Hispanic	327

Table 2 – Table of assistance to racial and ethnic populations by source of funds

Public Comment Draft

Narrative

The City compares the percentage of beneficiaries by race at a high level with the City's overall racial makeup. This year, the City compared to the 2020 Census (U.S. Census Bureau. "PROFILE OF GENERAL POPULATION AND HOUSING CHARACTERISTICS." *Decennial Census, DEC Demographic Profile, Table DP1*, 2020, https://data.census.gov/table/DECENNIALDP2020.DP1?q=south jordan racial profile.) Per that data, 81.6% of residents are white, 1% are black or African American, 5.3% are Asian, .4% are American Indian or American Native, 1.1% are Native Hawaiian or Other Pacific Islander, and 7.7% report being of two or more races.

Based on data collected by subrecipients at time of services provided, 65.64% of residents are white, 1.8% are black or African American, 1.3% are Asian, 0.48% are American Indian or American Native, 0.16% are Native Hawaiian or Other Pacific Islander, and 30.62% report being of two or more races or other. Whites were underrepresented, and those of two or more races (multiracial) were over represented.

Subrecipients providing public services also reported serving 32 female-headed households, and two household that reported being elderly.

All direct interactions with beneficiaries are handled by our subrecipients who provide public services.

On the City's side, several bi-lingual staff members are available to assist with calls from Spanish speakers. Disability accommodations, including TDD, are offered for public meetings. The City currently does not translate materials but will upon request. According to the American Community Survey 2024 five-year estimates, an estimated 8635 residents over age five speak a language other than English. Of this group, 4,084 are Spanish speakers, and the remainder are dispersed between several languages. Looking at residents 18 years and older, 4,718 speak a language other than English.

Public Comment Draft

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	Public - Federal	$253,648	$88,700

Table 3 - Resources Made Available

Narrative

The 2023-24 CDBG grant award was $253,648, and 35% of the award has been drawn. The remaining balance is $164,948. Due to staffing changes, the City had delayed starting the 2024 program year ADA ramp activity that was combined with the 2025 program year ADA ramp activity. Environmental studies on identified sites have started. Additionally, the 2024 and 2025 program years activity for housing repairs have been delayed due to environmental studies. The City is exploring a tiered environmental system to help expedite identified sites and awards, in hopes that it has a system in place by November. All other activities are closed and completed as planned.

The City also has $7,201.34 remaining in program years 2020, 2022, and 2023 funds. These are from canceled activities, activities that came in under budget, and $0.40 returned to the line of credit. The $0.40 was reallocated to the 2026 program year and the remaining funds will request a minor amendment to obligate the balances towards public services and ADA Ramps.

All 2025 program year public services and admin and planning activities were closed on 6/30/26 as scheduled and on-budget. In total, the City continues improvements in completing activities on time and ensuring CDBG funds are spent in a timely manner.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description

Table 4 – Identify the geographic distribution and location of investments

Narrative

Since beginning CDBG, the City has had an exception to the standard low-mod income percentage of 51%. Rather than designating target areas, the City continues to focus on ADA ramps and audible push buttons throughout the City that benefit presumed eligible individuals with disabilities. The City does pay special attention to block groups that qualify as low- and moderate-income for these ramps and audible buttons. Locations for the 2024 and 2025 program years are still in the environmental review stage. All other 2025 program activities were completed at subrecipient’s location and served residents of South Jordan based on income and presumed eligible categories without regard to block group

Public Comment Draft

address.

Additionally, the City will consider how to implement the exceptions into the tiered environmental review for home repair and accessibility.

Public Comment Draft

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

All sub-recipients receiving CDBG funds for the 2025-2026 program year projects provide regional services and receive funds from a combination of private, other local governments, state, and federal sources. All 2025-2026 City-managed projects were supported by labor and technical assistance from City employees, including all in-house engineering and long range planning costs, which are paid by the City.

Public Comment Draft

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	0	0
Number of Non-Homeless households to be provided affordable housing units	0	0
Number of Special-Needs households to be provided affordable housing units	0	0
Total	**0**	**0**

Table 5 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	0	0
Number of households supported through The Production of New Units	0	0
Number of households supported through Rehab of Existing Units	0	0
Number of households supported through Acquisition of Existing Units	0	0
Total	**0**	**0**

Table 6 – Number of Households Supported

Public Comment Draft

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The City does not set goals for providing units, due to the small amount of CDBG funds received by the City. The City furthers affordable housing through other means, such as accessory dwelling units and housing funds from the City's Redevelopment Agency (RDA). The RDA is the primary vehicle for addressing housing. Several years ago, the City partnered with a local developer to create nine workforce housing units. These units, part of a townhome development, are made available to city and school district employees who qualify as low and moderate income. The City's RDA subsidized a portion of the unit's construction to bring them to affordable rates. All are owned by LMI families, with deed restrictions to preserve the housing stock for those who qualify. In addition to Workforce Housing, the RDA offers Down Payment Assistance of $20,000 to LMI families. The City awarded one qualified applicant this program year.

The 2025 program year had no public services with mortgage or rental assistance.

In 2014, the City joined the local HOME Consortium. Through HOME Consortium, temporary rental assistance is provided and larger developments that create affordable units are funded. The City's CDBG Coordinator works to select these projects alongside the HOME committee. Since the City's HUD funds are very small, working with HOME is the City's best way to contribute to affordable housing in the valley. Typically, HOME funds have gone to cities with higher needs, but South Jordan is beginning to explore requesting funds for future years.

Discuss how these outcomes will impact future annual action plans.

The City recently reevaluated needs in preparation of its 2025-2029 Consolidated Plan. The City's recently updated Moderate Income Housing study indicates a high need for affordable housing. However, the City will continue to fund affordable housing through other means. The City's CDBG annual award has remained at approximately $245,500 since 2022. Unless the City were to receive more CDBG funds, this amount is insufficient to create affordable units. The City plans to continue using CDBG funds for other types of public services and infrastructure improvements; housing will be addressed via our RDA funds.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	514	0
Low-income	39	0
Moderate-income	16	0
Total	**569**	**0**

Table 7 – Number of Households Served

Narrative Information

No households were served specific to affordable housing, in accordance with the plan. CDBG funds are not designated for affordable housing at this time, due to the City's limited allocation of CDBG funds and the heavy requirements tied with it. While the amount of money South Jordan was allocated was not able to directly fund new housing units, the City used these funds to indirectly support housing related issues. CDBG funds spent this year work on causes indirectly beneficial to affordable housing. Funds

Public Comment Draft

spent on public services, including domestic violence legal aid, and ADA modifications contribute to the larger goal of keeping people in their homes.

Public Comment Draft

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City regularly provides CDBG funds to support two of the leading agencies in the region serving homeless needs and working to reduce homelessness: the Road Home and South Valley Sanctuary. There are currently no facilities or programs operating within the City itself.

The Road Home is the most comprehensive single agency in the region serving the homeless. According to their year-end report, the Road Home served 14 South Jordan residents. These individuals from South Jordan had access to case management, showers, meals, clothing, health and mental health services, and referrals to other community resources. The City provides financial support to the Road Home using other City funds, in addition to CDBG.

South Valley Sanctuary provides shelter and services for victims of domestic violence in the region. Their services are available to women, men, and children. In addition to shelter needs, they operate three Community Resource Centers, a 24/7 hotline, and several education programs. Whereas the shelter is a confidential location, the Advocacy Center and hotline make resources available for a broader range of needs and without having to shelter all individuals with needs. This program year, South Valley Sanctuary provided the following services to South Jordan residents: 270 crisis hotline calls, 7 case management services, and 20 clinical services, in addition to providing services to 13 children. Since the 2018 program year, the number of residents served by SVS has been increasing, a troubling trend though encouraging that we are meeting the needs of more residents.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City funds the Road Home, in part, because of their overall approach towards homelessness. They provide emergency shelter, supportive services, and housing assistance.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

As has been mentioned, the Road Home manages a very comprehensive program founded on a Housing First approach. Services offered by the Road Home include programs for transitional housing. In addition

Public Comment Draft

to this direct service, the City's investments in neighborhood accessibility, domestic violence legal help, and case management services for those experiencing domestic violence all help keep people housed.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

One of the primary objectives of the City's CDBG programs is to "support family and individual stability, self-reliance, and prosperity." The City's CDBG program supports a wide range of public services that serve essential needs (shelter, food, health care) of individuals who may be facing homelessness. The majority of these public services have a comprehensive and collaborative approach to helping homeless persons transition out of homelessness.

Due to the size of our grant, the City's support is limited to helping fund a tiny amount of existing programs. The City supports helping the homeless transition to permanent housing through the HOME Consortium.

Public Comment Draft

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

There are currently no public housing facilities located in the City, and public housing is not directly addressed by the City's CDBG program. However, regional public housing issues are addressed by the local HOME consortium, of which the City is a member.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

Not applicable

Actions taken to provide assistance to troubled PHAs

Not applicable

Public Comment Draft

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The City has continued to take numerous actions to remove barriers to housing. The City adopted an updated Moderate Income Housing study in January 2025. The full study is available at https://sjc.utah.gov/DocumentCenter/View/8116/Appendix-A--Moderate-Income-Housing-Plan-and-Housing-Study-2025 and attached to this plan**.** Per Utah State requirements, the City also updates its Housing Plan every year; however, due to time constrains by the legislature in 2026 session, an updated plan was not required but did request reporting the number of certificates of occupancy and the new residential dwellings. For the time frame of May 1, 2025 through April 30, 2026, the City reported 517 certificates of occupancy and 535 new residential dwelling, including condos with multiple units per certificate of occupancy.

Overall, housing supply in the City is growing at a steady rate, however the City is not immune to trends seen throughout the County where demand is outpacing supply. As a result of the supply shortage and new supply catering to the upper end of the market, affordable housing is becoming harder to find due to the overall increase in the average price of homes in the City.

Therefore, the City may do well to primarily concentrate on increasing the number of affordable housing units. Housing costs have continued to climb. In the 2024 Census's American Community Survey 5-year data the median gross rent was $1,991, compared to $1,806 for the period from 2019-2023. Home prices have dramatically increased. In 2024, about 4.7 percent of South Jordan's single-family homes were below $300,000. The 2024 median home value for a SFR in South Jordan was $650,500 and median mortgage is $2,519.

With rising housing costs, the City is facing a significant shortage of affordable units. As of 2022, there are a total of only 3,417 affordable units and 6,463 low to moderate income households, indicating a shortage in supply of 2,997 affordable units when adjusting for 49 HUD subsidized units.

As the population and number of households continue to rise, the City will have greater need to provide housing that meets the needs of current and future residents. The current shortage plus that additional need each year means that (assuming current distributions of household incomes) the City will have a shortage of 5,025 affordable housing units by 2030.

The City will need funds much more substantial than CDBG to address this affordable unit shortage. The City plans to use RDA funds for this purpose, as the City's CDBG allocation is expected to remain low due to its higher income population.

Public Comment Draft

In addition to this major planning effort, a notable ordinance change was made to remove a density cap on planned developments in areas of the city located between major transportation infrastructures (the FrontRunner commuter rail line and Interstate 15). The City completed and adopted station area plans for four light rail stations and a commuter rail station. These station area plans, which are guided by Utah state law, incorporate an objective to increase the housing supply in these areas near transit resources (within ½ mile).

The City also made minor regulatory changes to detached accessory dwelling units; however, major amendments are currently being drafted to to recent legislative updates and it is anticipated to expand the number of ADUs within the City. During the 202, the City approved 30 ADUs; however, these units are only being tracked if a building permit is being issued and does not include any ADUs being created that already have a certificate of occupancy; therefore, the City estimates the total ADUs may be significantly higher than reported. As previously mentioned, the City continues to actively participate in the local HOME consortium and is funding one housing program through RDA funds.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

The majority of the 2025-2026 funding was allocated to installing and constructing new ADA ramps that were identified to be non-compliant to current regulations. The ramps are planned to be completed with the 2024 program year ADA ramp activity. Through these projects, the City is working hard to identify needs in these areas that may be underserved and better meet the goals of CDBG. When residents with disabilities are able to freely move around their neighborhoods, they can stay in their existing housing longer. Keeping people in their homes is critical in this housing market. Furthermore, these ramps present a liability to the City and upgrading them helps the City's goals of fiscally responsible governance, engaged community, and reliable public infrastructure for our low- and moderate-income community members.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

Based on Census data and City estimates, over 90% of all housing within the City has been built since 1978, so lead-based paint is not considered to be a widespread concern in the City. Residents of South Jordan can access Health Department information and see if they qualify for free home lead clean up and/or removal services at https://www.saltlakecounty.gov/health/healthy-living/healthy-places/lead-poisoning/.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

The City of South Jordan has a relatively wealthy population. Trends since the last CAPER show that wealth for residents has again increased. According to the 2024 American Community Survey 1-year estimates from the Census, the median income is $161,025, up from $126,974 in 2023. However, using the 2024 American Community Survey 1-year estimates, less residents are below poverty level: 3,374 (3.9%) vs. the estimated 4,137 (4.9%) per the 2023 ACS 1-year estimates. Most efforts this program year

Public Comment Draft

have focused on preventing further poverty by increasing accessibility for disabled adults through funding upgraded ADA ramps. Since the low/mod population in South Jordan is quite small, the City gets limited CDBG resources. In addition to its infrastructure improvements, the City funded resources for those experiencing homelessness and domestic violence. These residents are particularly at-risk or already experiencing poverty. By focusing on these services with established non-profit providers, the City can stretch its dollars in this area.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City strives to maintain a simple but complete CDBG program due to limited funds. Responsibility for the program has shifted between Finance, Planning, and the City Manager's Office over the past several years. The Senior Accountant has been overseeing CDBG programs the past few months after inheriting the role from her predecessor. This has been relatively smooth, thanks to local District training, documentation and planning put into place, in addition to the support provided by the finance and planning departments, the Salt Lake County Consortium and the newly assigned HUD representative, Dr. Scott A. Mullner. The City will continue to explore ways to implement processes and controls to ensure continued adherence and compliance with carrying out CDBG programming.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

Despite the staff turnover within South Jordan City and also within Salt Lake County, relations with the County Consortium and other agencies have been improving. The City has seen increased communications from the County now that new roles have taken shape there. Coordination between the consortium members has been more regular since the Consolidated Plan process. The City is continuing to reach out to public service providers and is seeing more applications from different providers than in the past.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

Last fiscal year, the City completed and adopted complete a refresh of its Moderate Income Housing Report, provided by Zions Public Finance, for the new consolidated plan. In addition to this study, the City has a Housing plan that the state requires, which is refreshed every year. The Moderate Income Housing Report study meets the standards of the Affirmatively Furthering Fair Housing interim rule and informed the Consolidated Planning process. The full housing report is included as an attachment to the CAPER. The section on affirmatively furthering fair housing begins on page 8. As the executive summary states, "While South Jordan has proportionately fewer racial and ethnic minority residents as compared to the County, its neighborhoods are highly integrated. South Jordan has no racially or ethnically concentrated areas of poverty. South Jordan's racial and ethnic minority population is growing even more rapidly than its population overall; the City will become more diverse in coming decades." As discussed in the other sections, housing costs remain the biggest obstacle.

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During the program year, the City issued permits for 50 accessory dwelling units. The ADU ordinance was revised a few years ago to improve simplicity and fairness of application. Staff drafted a guidebook designed for residents to understand how and where an ADU may be constructed.

During the program year, the City permitted a majority of its new units in the Daybreak community, which typically consist of small-lot single-family homes, townhomes and multifamily. Though housing prices are still rising rapidly in the Salt Lake area, these additional units are a step towards supply issues and are moving the needle on the number of large single-family lots in the City.

A Housing & Transit Reinvestment Zone (HTRZ) in Downtown Daybreak allows a portion of the tax revenues to be used to create housing and infrastructure, including affordable units.

Additionally, the Planning and Economic Development Department has reworked agreements through amendments to work with Ivory Homes to build up to 500 affordable units alongside a Senior Center located at the District.

The City continues to participate in the local HOME consortium, which directly funds regional projects that include support for existing rent-assisted units and the development of new units.

Public Comment Draft

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

Quarterly Reports have been the primary monitoring tool due to time available for the program. All subrecipients are required to submit reports through a ZoomGrants template. They are required to include a narrative description of any successes and obstacles, in addition to full counts of beneficiaries broken out by race, ethnicity, income, and type of service. The CDBG Coordinator monitors these for any red flags. Any discrepancies in reporting are resolved with the subrecipient; often, they are required to resubmit reports until all reported accomplishments match up and check out. These types of on-going quarterly checks have taken precedence over desk reviews.

Hard cost projects are completed in partnership with the City's Engineering Department and use regular check-ins with project managers, rather than a quarterly report since accomplishments do not happen until the end of the project.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The City's Citizen Participation Plan, which identifies the process for plan and report preparation, was reviewed regularly throughout the program year and followed in preparing the 2025 Program Year CAPER. A public hearing to approve the CAPER was held on September 1, 2026, at the South Jordan City Hall. This public hearing is also advertised as a time for residents and interested parties to comment on general community needs that can be addressed in the 2027-28 program year. The draft of the CAPER and the Citizen Participation Plan were available online, at three city buildings (City Hall, the Public Works Building, and the Community Center), and by request from August 17th to September 16th, a thirty day comment period. On August 25th, an announcement about the public comment period and hearing will be sent to all City residents in the City's enewsletter and a press release announcing the hearing will be made to the media by the communications division on August 19th. On August 13th, a public notice of the hearing and CAPER availability was issued on the City's website and the Utah Public Notice website. On August 14th and 16th, public notices were also printed in two major newspapers, including their online edition.

Public Comment Draft

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The City has not yet completed its 2024 program year and 2025 program year ADA ramp activity. No objectives have changed. Due to staff turnover and on-boarding, the ADA ramp activity was delayed; however, the environmental studies are in process and it is anticipated to be completed in the current program year. It is anticipated that the City will continue doing ADA ramps for quite some time, since there are still many needs outstanding. The City's internal policy has always been to use its 15% allowable for public services, though this increases the administrative burden of the program. Due to the small amount of money the City receives, future allocations need to be focused on fewer goals. Making infrastructure improvements (such as ADA ramps and audible push buttons) are the most reasonable use for our size of grant.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

Public Comment Draft

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

The City has not yet completed its 2024 ADA ramp activity. No objectives have changed. Due to staff turnover, that activity will be combined with the 2025 ADA ramp activity, which will be completed in the current program year. It is anticipated that the City will continue doing ADA ramps for quite some time, since there are still many needs outstanding. The City's internal policy has always been to use its 15% allowable for public services, though this increases the administrative burden of the program. Due to the small amount of money the City receives, future allocations need to be focused on fewer goals. Making infrastructure improvements (such as ADA ramps) is the most reasonable use for our size of grant.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

No

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

Public Comment Draft

CR-58 – Section 3

Identify the number of individuals assisted and the types of assistance provided

Total Labor Hours	CDBG	HOME	ESG	HOPWA	HTF
Total Number of Activities	0	0	0	0	0
Total Labor Hours					
Total Section 3 Worker Hours					
Total Targeted Section 3 Worker Hours					

Table 8 – Total Labor Hours

Qualitative Efforts - Number of Activities by Program	CDBG	HOME	ESG	HOPWA	HTF
Outreach efforts to generate job applicants who are Public Housing Targeted Workers					
Outreach efforts to generate job applicants who are Other Funding Targeted Workers.					
Direct, on-the job training (including apprenticeships).					
Indirect training such as arranging for, contracting for, or paying tuition for, off-site training.					
Technical assistance to help Section 3 workers compete for jobs (e.g., resume assistance, coaching).					
Outreach efforts to identify and secure bids from Section 3 business concerns.					
Technical assistance to help Section 3 business concerns understand and bid on contracts.					
Division of contracts into smaller jobs to facilitate participation by Section 3 business concerns.					
Provided or connected residents with assistance in seeking employment including: drafting resumes,preparing for interviews, finding job opportunities, connecting residents to job placement services.					
Held one or more job fairs.					
Provided or connected residents with supportive services that can provide direct services or referrals.					
Provided or connected residents with supportive services that provide one or more of the following: work readiness health screenings, interview clothing, uniforms, test fees, transportation.					
Assisted residents with finding child care.					
Assisted residents to apply for, or attend community college or a four year educational institution.					
Assisted residents to apply for, or attend vocational/technical training.					
Assisted residents to obtain financial literacy training and/or coaching.					
Bonding assistance, guaranties, or other efforts to support viable bids from Section 3 business concerns.					
Provided or connected residents with training on computer use or online technologies.					
Promoting the use of a business registry designed to create opportunities for disadvantaged and small businesses.					
Outreach, engagement, or referrals with the state one-stop system, as designed in Section 121(e)(2) of the Workforce Innovation and Opportunity Act.					
Other.					

Table 9 – Qualitative Efforts - Number of Activities by Program

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Narrative

No construction activities were completed in 2025 program year. The 2024 program year ADA ramp activity will be combined with the 2025 program year activity and completed during 2026-2027 year. At that time, it will trigger Section 3 requirements. Results will be reported in the 2026 CAPER.

Public Comment Draft

Office of Community Planning and Development
U.S. Department of Housing and Urban Development
Integrated Disbursement and Information System
PR26 - CDBG Financial Summary Report
Program Year 2025
SOUTH JORDAN , UT

DATE: 09-09-26
TIME: 11:38
PAGE: 1

PART I: SUMMARY OF CDBG RESOURCES	
01 UNEXPENDED CDBG FUNDS AT END OF PREVIOUS PROGRAM YEAR	162,910.94
02 ENTITLEMENT GRANT	253,648.00
03 SURPLUS URBAN RENEWAL	0.00
04 SECTION 108 GUARANTEED LOAN FUNDS	0.00
05 CURRENT YEAR PROGRAM INCOME	0.00
05a CURRENT YEAR SECTION 108 PROGRAM INCOME (FOR SI TYPE)	0.00
06 FUNDS RETURNED TO THE LINE-OF-CREDIT	0.00
06a FUNDS RETURNED TO THE LOCAL CDBG ACCOUNT	0.00
07 ADJUSTMENT TO COMPUTE TOTAL AVAILABLE	0.00
08 TOTAL AVAILABLE (SUM, LINES 01-07)	416,558.94
PART II: SUMMARY OF CDBG EXPENDITURES	
09 DISBURSEMENTS OTHER THAN SECTION 108 REPAYMENTS AND PLANNING/ADMINISTRATION	35,625.00
10 ADJUSTMENT TO COMPUTE TOTAL AMOUNT SUBJECT TO LOW/MOD BENEFIT	0.00
11 AMOUNT SUBJECT TO LOW/MOD BENEFIT (LINE 09 + LINE 10)	35,625.00
12 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	50,700.00
13 DISBURSED IN IDIS FOR SECTION 108 REPAYMENTS	0.00
14 ADJUSTMENT TO COMPUTE TOTAL EXPENDITURES	0.00
15 TOTAL EXPENDITURES (SUM, LINES 11-14)	86,325.00
16 UNEXPENDED BALANCE (LINE 08 - LINE 15)	330,233.94
PART III: LOWMOD BENEFIT THIS REPORTING PERIOD	
17 EXPENDED FOR LOW/MOD HOUSING IN SPECIAL AREAS	0.00
18 EXPENDED FOR LOW/MOD MULTI-UNIT HOUSING	0.00
19 DISBURSED FOR OTHER LOW/MOD ACTIVITIES	35,625.00
20 ADJUSTMENT TO COMPUTE TOTAL LOW/MOD CREDIT	0.00
21 TOTAL LOW/MOD CREDIT (SUM, LINES 17-20)	35,625.00
22 PERCENT LOW/MOD CREDIT (LINE 21/LINE 11)	100.00%
LOW/MOD BENEFIT FOR MULTI-YEAR CERTIFICATIONS	
23 PROGRAM YEARS(PY) COVERED IN CERTIFICATION	PY: PY: PY:
24 CUMULATIVE NET EXPENDITURES SUBJECT TO LOW/MOD BENEFIT CALCULATION	0.00
25 CUMULATIVE EXPENDITURES BENEFITING LOW/MOD PERSONS	0.00
26 PERCENT BENEFIT TO LOW/MOD PERSONS (LINE 25/LINE 24)	0.00%
PART IV: PUBLIC SERVICE (PS) CAP CALCULATIONS	
27 DISBURSED IN IDIS FOR PUBLIC SERVICES	35,625.00
28 PS UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	2,375.00
29 PS UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	3,000.00
30 ADJUSTMENT TO COMPUTE TOTAL PS OBLIGATIONS	(2,375.00)
31 TOTAL PS OBLIGATIONS (LINE 27 + LINE 28 - LINE 29 + LINE 30)	32,625.00
32 ENTITLEMENT GRANT	253,648.00
33 PRIOR YEAR PROGRAM INCOME	0.00
34 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PS CAP	0.00
35 TOTAL SUBJECT TO PS CAP (SUM, LINES 32-34)	253,648.00
36 PERCENT FUNDS OBLIGATED FOR PS ACTIVITIES (LINE 31/LINE 35)	12.86%
PART V: PLANNING AND ADMINISTRATION (PA) CAP	
37 DISBURSED IN IDIS FOR PLANNING/ADMINISTRATION	50,700.00
38 PA UNLIQUIDATED OBLIGATIONS AT END OF CURRENT PROGRAM YEAR	0.00
39 PA UNLIQUIDATED OBLIGATIONS AT END OF PREVIOUS PROGRAM YEAR	0.00
40 ADJUSTMENT TO COMPUTE TOTAL PA OBLIGATIONS	0.00
41 TOTAL PA OBLIGATIONS (LINE 37 + LINE 38 - LINE 39 +LINE 40)	50,700.00
42 ENTITLEMENT GRANT	253,648.00
43 CURRENT YEAR PROGRAM INCOME	0.00
44 ADJUSTMENT TO COMPUTE TOTAL SUBJECT TO PA CAP	0.00
45 TOTAL SUBJECT TO PA CAP (SUM, LINES 42-44)	253,648.00
46 PERCENT FUNDS OBLIGATED FOR PA ACTIVITIES (LINE 41/LINE 45)	19.99%

PUBLIC COMMENT DRAFT

LINE 17 DETAIL: ACTIVITIES TO CONSIDER IN DETERMINING THE AMOUNT TO ENTER ON LINE 17

No data returned for this view. This might be because the applied filter excludes all data.

LINE 18 DETAIL: ACTIVITIES TO CONSIDER IN DETERMINING THE AMOUNT TO ENTER ON LINE 18

No data returned for this view. This might be because the applied filter excludes all data.

LINE 19 DETAIL: ACTIVITIES INCLUDED IN THE COMPUTATION OF LINE 19

Plan Year	IDIS Project	IDIS Activity	Voucher Number	Activity Name	Matrix Code	National Objective	Drawn Amount
2025	5	147	7134007	2025 Homeless Shelter and Services	03T	LMC	$5,000.00
					03T	**Matrix Code**	**$5,000.00**
2025	5	148	7122019	2025 Legal Services for Domestic Violence Victims	05G	LMC	$4,250.00
2025	5	148	7170229	2025 Legal Services for Domestic Violence Victims	05G	LMC	$5,250.00
2025	5	149	7122019	2025 Domestic Violence Victim Shelter and Services	05G	LMC	$7,455.93
2025	5	149	7134007	2025 Domestic Violence Victim Shelter and Services	05G	LMC	$3,899.47
2025	5	149	7150287	2025 Domestic Violence Victim Shelter and Services	05G	LMC	$2,434.68
2025	5	149	7170229	2025 Domestic Violence Victim Shelter and Services	05G	LMC	$209.92
					05G	**Matrix Code**	**$23,500.00**
2025	5	150	7150287	2025 Health Services	05M	LMC	$2,375.00
2025	5	150	7170229	2025 Health Services	05M	LMC	$4,750.00
					05M	**Matrix Code**	**$7,125.00**
Total							**$35,625.00**

LINE 27 DETAIL: ACTIVITIES INCLUDED IN THE COMPUTATION OF LINE 27

Plan Year	IDIS Project	IDIS Activity	Voucher Number	Activity to prevent	Activity Name	Grant Number	Fund Type	Matrix Code	National Objective	Drawn Amount
2025	5	147	7134007	No	2025 Homeless Shelter and Services	B25MC490013	EN	03T	LMC	$5,000.00
								03T	**Matrix Code**	**$5,000.00**
2025	5	148	7122019	No	2025 Legal Services for Domestic Violence Victims	B25MC490013	EN	05G	LMC	$4,250.00
2025	5	148	7170229	No	2025 Legal Services for Domestic Violence Victims	B25MC490013	EN	05G	LMC	$5,250.00
2025	5	149	7122019	No	2025 Domestic Violence Victim Shelter and Services	B25MC490013	EN	05G	LMC	$7,455.93
2025	5	149	7134007	No	2025 Domestic Violence Victim Shelter and Services	B25MC490013	EN	05G	LMC	$3,899.47
2025	5	149	7150287	No	2025 Domestic Violence Victim Shelter and Services	B25MC490013	EN	05G	LMC	$2,434.68
2025	5	149	7170229	No	2025 Domestic Violence Victim Shelter and Services	B25MC490013	EN	05G	LMC	$209.92
								05G	**Matrix Code**	**$23,500.00**
2025	5	150	7150287	No	2025 Health Services	B25MC490013	EN	05M	LMC	$2,375.00
2025	5	150	7170229	No	2025 Health Services	B25MC490013	EN	05M	LMC	$4,750.00
								05M	**Matrix Code**	**$7,125.00**
				No	**Activity to prevent, prepare for, and respond to Coronavirus**					**$35,625.00**
Total										**$35,625.00**

LINE 37 DETAIL: ACTIVITIES INCLUDED IN THE COMPUTATION OF LINE 37

Plan Year	IDIS Project	IDIS Activity	Voucher Number	Activity Name	Matrix Code	National Objective	Drawn Amount
2025	7	152	7142087	2025 Eligible Planning	20		$25,350.00
					20	**Matrix Code**	**$25,350.00**
2025	7	151	7122019	2025 Program Administration	21A		$216.22
2025	7	151	7134007	2025 Program Administration	21A		$4,750.00
2025	7	151	7150287	2025 Program Administration	21A		$16,234.28
2025	7	151	7170229	2025 Program Administration	21A		$4,149.50
					21A	**Matrix Code**	**$25,350.00**
Total							**$50,700.00**

PUBLIC COMMENT DRAFT

Dawn R. Ramsey, *Mayor*
Patrick Harris, *Council Member*
Kathie L. Johnson, *Council Member*
Donald J. Shelton, *Council Member*
Tamara Zander, *Council Member*
Jason T. McGuire, *Council Member*

SOUTH JORDAN
UTAH

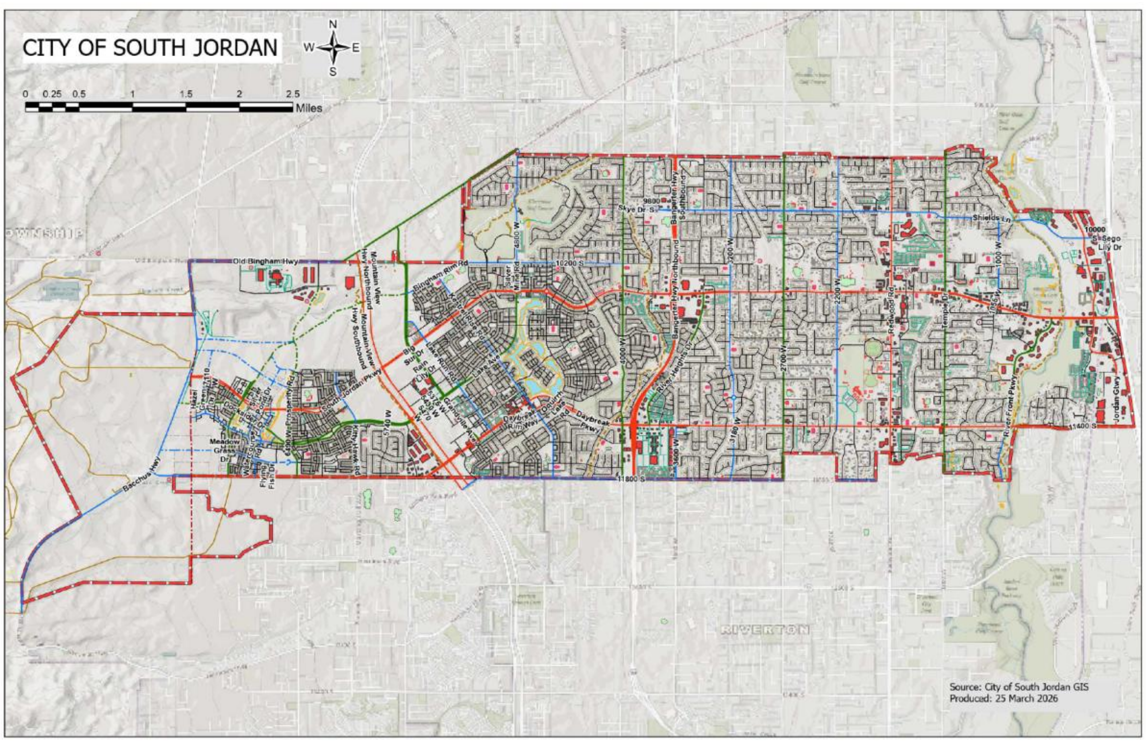
PH: 801.446-HELP @SouthJordanUT

September 4, 2026

NOTICE OF INTENT TO ENACT OR MODIFY THE PUBLIC SAFETY IMPACT FEE FACILITIES PLAN (IFFP) AND IMPACT FEE ANALYSIS (IFA)

South Jordan City, located in Salt Lake County, Utah serving development within the City's current municipal boundaries, intends to enact or modify its Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA) related to public safety (Ordinance 2026-13) see service areas map below.

Notice is hereby given of a Public Hearing at 6:30pm on Tuesday, September 15, 2026 at South Jordan City Council Chambers (1600 W Towne Center Dr. South Jordan, UT 84095). The City invites the public to attend the hearing and provide any comments related to the referenced documents. The draft documents are also available for review at both South Jordan libraries (South Jordan Library, 10673 S Redwood Rd and Daybreak Library, 11358 Grandville Ave) and on the City's website at https://ut-southjordan.civicplus.com/500/Public-Notices



ORDINANCE NO. 2026-13

AN ORDINANCE ADOPTING AN AMENDED AND UPDATED IMPACT FEE FOR PUBLIC SAFETY INFRASTRUCTURE; ESTABLISHING CERTAIN POLICIES RELATED TO IMPACT FEES FOR PUBLIC SAFETY (FIRE INFRASTRUCTURE ONLY) FACILITIES; ESTABLISHING SERVICE AREA; AND/OR OTHER RELATED MATTERS.

WHEREAS, the City of South Jordan (the "City") is a political subdivision of the State of Utah, authorized and organized under the provisions of Utah law; and

WHEREAS, the City has legal authority, pursuant to Title 11, Chapter 36a Utah Code Annotated, as amended ("Impact Fees Act" or "Act"), to impose Impact Fees as a condition of development approval, which impact fees are used to defray capital infrastructure costs attributable to growth activity; and

WHEREAS, the City has historically assessed Impact Fees as a condition precedent to development approval in order to assign capital infrastructure costs to development in an equitable and proportionate manner; and

WHEREAS, the City has traditionally provided a high level of service in its public safety infrastructure, which has been a factor in the City's growth, and high property values due to the unique aesthetics which City residents enjoy; and

WHEREAS, in the exercise of its legislative discretion the South Jordan City Council ("City Council") desires to prepare the Public Safety Impact Fee Facilities Plan ("IFFP") and Impact Fee Analysis ("IFA") and in the assessment of an impact fee in order to promote economic development, expand the tax base, allow for more job creation, and respond to current economic realities; and

WHEREAS, the City properly noticed its intent to prepare the IFFP and IFA on March 26, 2026 and the City held the required hearing on September 15, 2026; and

WHEREAS, the City has completed a Public Safety IFFP and IFA which meets the requirements of State Law and City Ordinance; and

WHEREAS, the City has updated the public safety service area to include its entire municipal boundary; and

WHEREAS, the City, in preparation for building its next fire station ("Fire Station 65"), has updated the Fire Station's projected costs; and

WHEREAS, the City Council has directed LRB Public Finance Advisors ("Consultants") to prepare a Written Impact Fee Analysis including the Executive Summary of the Impact Fee Analysis consistent and in compliance with the Act specifically 11-36a-303; and

WHEREAS, the City and Consultants retained by the City have reviewed and evaluated the land within the City boundaries and have determined there shall be one service area; and

WHEREAS, the City Council has reviewed the Public Safety IFFP and IFA, and find it in the best interest of the welfare of the residents of the City to adopt the Public Safety IFFP and IFA and enact a new Public Safety Impact Fee based on the IFFP and IFA.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF SOUTH JORDAN CITY, UTAH AS FOLLOWS:

SECTION 1 PURPOSE

This Impact Fee Ordinance establishes the City's Public Safety Impact Fee policies and procedures and repeals certain provisions of prior ordinances related to Public Safety Impact Fees and conforms to the requirements of the Utah Impact Fees Act (§ 11-36a, the Act). This Ordinance repeals any prior ordinances related to Public Safety facilities within the Service Area, provides a schedule of Impact Fees for differing types of land-use development, and sets forth direction for challenging, modifying and appealing Impact Fees.

SECTION 2 DEFINITIONS

Words and phrases that are defined in the Act shall have the same definition in this Impact Fee Ordinance. The following words and phrases shall have the following meanings:

1. "City" means a political subdivision of the State of Utah and is referred to herein as City of South Jordan or "City".

2. "Development Activity" means any construction or expansion of building, structure or use, any change in use of building or structure, or any change in the use of land located within the Service Area that creates additional demand and need for Public Safety Facilities.

3. "Development Approval" means any written authorization from the City that authorizes the commencement of Development Activity and vests the property owner with the right to commence Development Activity, whether or not a specific building permit has been issued.

4. "Impact Fee" means a payment of money imposed upon Development Activity as a condition of development approval. "Impact Fee" includes development Impact Fees, but is not a tax, a special assessment, a hookup fee, a building permit fee, a fee for project improvements, or other reasonable permit or application fees.

5. "Impact Fee Analysis" or ("IFA") means the written analysis required by Section 11-36a-303 of the Act and is included in this Ordinance by this reference and attached in Exhibit A.

6. “Impact Fee Facilities Plan” or (“IFFP”) means the plan required by Section 11-36a-301 of the Act. “The City of South Jordan caused to be prepared an Impact Fee Facilities Plan in accordance with the Impact Fees Act. The IFFP is to be adopted by passage of this Ordinance, and is included by this reference and attached hereto in Exhibit A.”

7. “Project Improvements” includes but is not limited to site improvements and facilities that are planned and designed to provide service for development resulting from a Development Activity and are necessary solely for the use and convenience of the occupants or users of said Development Activity. “Project Improvements” do not include “System Improvements” as defined below.

8. “Proportionate Share” of the cost of Public Safety Facility improvements means an amount that is roughly proportionate and reasonably related to the service demands and needs of a Development Activity.

9. “Public Safety Facilities” means a police facility, fire facility, and/or fire apparatus valued at five hundred thousand dollars ($500,000) or greater.

10. “Service Area” refers to a geographic area designated by the City based on sound planning and engineering principles in which a defined set of the City’s Public Safety Facilities provides service. For purposes of this Ordinance, there will be one service area. A map of the Service Area is included in Exhibit A attached hereto.

11. “System Improvements” refer both to existing Public Safety Facilities designed to provide services within the Service Areas and to future Public Safety Facilities identified in the Public Safety IFFP adopted by the City that are intended to provide service to the Service Area. “System Improvements” do not include “Project Improvements” as defined above.

SECTION 3 WRITTEN IMPACT FEE ANALYSIS

1. <u>Executive Summary.</u> A summary of the findings of the written impact fee analysis that is designed to be understood by a lay person is included in the attached Public Safety IFFP and IFA and demonstrates the need for Impact Fees to be assessed on Development Activity. The Executive Summary has been available for public inspection at least ten (10) days prior to the adoption of this Ordinance.

2. <u>Impact Fee Analysis.</u> The City has commissioned the IFFP and IFA for the Public Safety Impact Fees which identifies the impacts upon Public Safety Facilities required by the Development Activity, demonstrates how those impacts impact the City and the facilities required by Development Activity, demonstrates how those impacts on System Improvements are reasonably related to Development Activity, estimates the proportionate share of the costs of impacts on System Improvements that are reasonably related to the Development Activity and identifies how the Impact Fees are calculated. A copy of the Public Safety IFFP and IFA has been

available for public inspection at least ten (10) days prior to the adoption of this Ordinance.

3. Proportionate Share Analysis. In connection with the IFFP and IFA, the City has prepared a Proportionate Share analysis which analyzes whether or not the proportionate share of the costs of future Public Safety Facilities is reasonably related to new Development Activity. The Proportionate Share analysis identifies the costs of existing Public Safety Facilities, the manner of financing existing Public Safety Facilities, the relative extent to which new development will contribute to the cost of existing facilities and the extent to which new development is entitled to a credit for payment towards the costs of new facilities from general taxation or other means apart from user charges in other parts of the City. A copy of the Proportionate Share analysis is included in the written Public Safety Impact Fee Analysis and has been available for public inspection at least ten (10) days prior to the adoption of this Ordinance.

SECTION 4 IMPACT FEE CALCULATIONS

1. Ordinance Enacting Impact Fees. The City Council does, by this Ordinance, approve Impact Fees in accordance with the Public Safety IFFP and IFA as shown in Exhibit A.

   a. Elements. In calculating the Impact Fee, the City has included the construction costs, land acquisition costs, costs of improvements, fees for planning, surveying, and engineering services provided for and directly related to the construction of System Improvements, and outstanding or future debt service charges if the City might use Impact Fees as a revenue stream to pay principal and interest on bonds or other obligations to finance the cost of System Improvements.

   b. Notice and Hearing. In conjunction with the approval of this Ordinance, the City held a public hearing on September 15, 2026 and made a copy of the Ordinance available to the public in the South Jordan City Library, at least ten (10) days before the date of the hearing, all in conformity with the requirements of Utah Code Annotated 11-36a-502 (1). After the public hearing, the Council adopted this Impact Fee Ordinance as presented herein.

   c. Contents of the Ordinance. The Ordinance adopting or modifying an Impact Fee contains such detail and elements as deemed appropriate by the Council, including a designation of the Service Area within which the Impact Fees are to be calculated and imposed. The South Jordan Service Area is the only service area, with a map defining its boundaries included in the Public Safety IFFP and IFA. The Ordinance herein includes (i) a schedule of Impact Fees to be imposed for Public Safety and (ii) the formula to be used by the City in calculating the Impact Fee.

d. Adjustments. The standard Impact Fee may be adjusted at the time the fee is assessed:

i. in response to unusual circumstances in specific cases;

ii. in response to a request for a prompt and individualized impact fee review for the development activity of the state, a school district, or a charter school and an offset or credit for a public facility for which an impact fee has been or will be collected;

iii. to ensure that the impact fees are imposed fairly; or

iv. to a particular development should the developer supply sufficient studies and data to the City showing a discrepancy between the fee being assessed and the actual impact on the system.

e. Previously Incurred Costs. To the extent that new growth and Development Activity will be served by previously constructed improvements, the City's Impact Fees may include Public Safety Facility costs and outstanding bond costs related to the Public Safety improvements previously incurred by the City. These costs may include all projects included in the Impact Fee Facilities Plan which are under construction or completed but have not been utilized to their capacity, as evidenced by outstanding debt obligations. Any future debt obligations determined to be necessitated by growth activity may also be included to offset the costs of future capital projects.

2. Developer Credits. Development Activity may be allowed a credit against Impact Fees for any dedication or improvement to land or new construction of System Improvements provided by the Development Activity provided that the Development Activity is (i) identified in the City's Impact Fee Facilities Plans and (ii) required by the City as a condition of Development Approval. Otherwise, no credit may be given.

3. Impact Fees Accounting. The City will establish a separate interest-bearing ledger account for the Impact Fees collected pursuant to this Ordinance and will conform to the accounting requirements provided in the Impact Fees Act. All interest earned on the collection of Public Safety Impact Fees shall accrue to the benefit of the segregated account. Impact Fees collected prior to the effective date of this Ordinance need not meet the requirements of this section.

a. Reporting. At the end of each fiscal year, the City shall prepare a report pursuant to Utah Code Ann, 11-36a-601.

b. Impact Fee Expenditures. The City may expend Impact Fees pursuant to Utah Code Ann.§ 11-36-602 the Impact Fees Policy only for System Improvements that are (i) Public Safety Facilities identified in the City's

Impact Fee Facilities Plans and (ii) of the specific Public Safety Facility type for which the fee was collected. Impact Fees will be expended on a First-In First-Out ("FIFO") basis.

c. Time of Expenditure. Impact fees collected pursuant to the requirements of this Impact Fees Ordinance are to be expended, dedicated or encumbered for a permissible use within six years of the receipt of those funds by the City, unless the City meets other conditions outlined in the Act. For purposes of this calculation, the first funds received shall be deemed to be the first funds expended.

d. Refunds. The City shall refund any Impact Fees paid by a developer plus interest actually earned when (i) the developer does not proceed with the Development Activity and files a written request for a refund; (ii) the fees have not been spent or encumbered; and (iii) no impact has resulted. An impact that would preclude a developer from a refund from the City may include any impact reasonably identified by the City, including, but not limited to, the City having sized facilities and/or paid for, installed and/or caused the installation of facilities based in whole or in part upon the developer's planned Development Activity even though that capacity may, at some future time, be utilized by another development.

4. Additional Fees and Costs. The Impact Fees authorized hereby are separate from and in addition to user fees and other charges lawfully imposed by the City and other fees and costs that may not be included as itemized component parts of the Impact Fee Schedule. In charging any such fees as a condition of development approval, the City recognizes that the fees must be a reasonable charge for the service provided.

5. Fees Effective at Time of Payment. Unless the City is otherwise bound by a contractual requirement, the Impact Fee shall be determined from the fee schedule in effect at the time of Development Approval and paid in accordance with the provisions of Section 6 below.

6. Imposition of Additional Fee or Refund After Development. Should any developer undertake Development Activities such that the ultimate density or other impact of the Development Activity is not revealed to the City, either through inadvertence, neglect, a change in plans, or any other cause whatsoever, and/or the Impact Fee is not initially charged against all units or the total density within the development, the City shall be entitled to recover the total Impact Fee pursuant the IFFP and IFA from the developer or other appropriate person covering the density for which an Impact Fee was not previously paid.

SECTION 5 IMPACT FEE FACILITIES PLAN

1. Impact Fee Facilities Plan. The City has developed a Public Safety IFFP for the City's public safety system. The Public Safety IFFP has been prepared based on reasonable growth assumptions for the Service Area, and analyzes the general demand characteristics of current and future users of the system. Furthermore, the IFFP identifies the impact on System Improvements created by Development Activity and estimates the Proportionate Share of the costs of impacts on System Improvements that are reasonably related to new Development Activity.

SECTION 6 IMPACT FEE SCHEDULES AND FORMULAS.

1. Fee Adoption. The City hereby adopts as the Impact Fee per unit for Public Safety as found in the South Jordan Public Safety IFFP & IFA and detailed below.

RECOMMENDED PUBLIC SAFETY IMPACT FEE SCHEDULE

AMENDED TABLE 6.3: PROPOSED POLICE AND FIRE/EMS IMPACT FEE SCHEDULE

	Type	Police			Fire		
		Cost per Call	Calls per Unit	Total Impact Fee per Unit	Cost per Call	Calls per Unit	Total Impact Fee per Unit
Residential							
Single Family	Per Unit	$226	0.91	$205	$5,982	0.13	$770
Multifamily	Per Unit	$226	0.31	$70	$5,982	0.05	$285
Non-Residential							
Commercial	Per KSF	$226	1.34	$304	$8,242	0.11	$924
Office	Per KSF	$226	0.35	$78	$8,242	0.04	$355
Industrial	Per KSF	$226	0.28	$62	$8,242	0.03	$228
Schools	Per KSF	$226	0.43	$98	$8,242	0.04	$306
Church	Per KSF	$226	0.50	$112	$8,242	0.08	$630
Nursing/Assisted Living	Per KSF	$226	0.12	$26	$8,242	0.61	$5,035

Figures may not sum due to rounding.

AMENDED TABLE 6.4: PROPOSED PUBLIC SAFETY IMPACT FEE SCHEDULE

	Type	Combined Max
Residential		
Single Family	Per Unit	$975
Multifamily	Per Unit	$354
Non-Residential		
Commercial	Per KSF	$1,228
Office	Per KSF	$434
Industrial	Per KSF	$291
Schools	Per KSF	$404
Church	Per KSF	$742
Nursing/Assisted Living	Per KSF	$5,061

1. Maximum Supportable Impact Fees. The fee schedule included in the Public Safety IFFP and IFA indicates the maximum Impact Fees which the City may impose on development within the defined Service Area and are based upon general demand characteristics and potential demand that can be created by each class of user. The City reserves the right under the Impact Fees Act (Utah Code § 11-36a-402(1)(c)) to assess an adjusted fee to respond to unusual circumstances to ensure that fees are

equitably assessed. The City may also decrease the Impact Fee if the developer can provide documentation that the proposed impact will be less than what could be expected given the type of user (Utah Code § 11-36a-402(1)(d)).

SECTION 7 FEE EXCEPTIONS AND WAIVERS

1. Waiver for "Public Purpose". The City Council may, on a project by project basis, authorize exceptions or waivers to the Impact Fees due from development for those projects the Council determines to be of such benefit to the community as a whole to justify the exception or adjustment. Such projects may include facilities being funded by tax-supported agencies, affordable housing projects, or facilities of a temporary nature. The City Council may elect to waive or adjust Impact Fees in consideration of economic benefits to be received from the Development Activity.

    a. Procedures. Applications for exceptions are to be filed with the City at the time the developer first requests the extension of service to the respective development or property.

SECTION 8 APPEAL PROCEDURE

1. Any person or entity that has paid an Impact Fee pursuant to this Ordinance may challenge the Impact Fee by filing:

    a. An appeal to the City pursuant to South Jordan Municipal Code § 16.32.090. If no decision is issued pursuant to South Jordan Municipal Code §16.32.090 within 30 days of a timely filed appeal the appeal will be deemed denied.

    b. A request for arbitration as provided in Utah Code Ann. § 11-36a-705 as amended; or

    c. An action in district court.

SECTION 9 MISCELLANEOUS

1. Severability. If any section, subsection, paragraph, clause or phrase of this Impact Fee Policy shall be declared invalid for any reason, such decision shall not affect the remaining portions of this Impact Fee Policy, which shall remain in full force and effect, and for this purpose, the provisions of this Impact Fee Ordinance are declared to be severable.

2. Interpretation. This Impact Fee Ordinance has been divided into sections, subsections, paragraphs and clauses for convenience only and the interpretation of this Impact Fee Ordinance shall not be affected by such division or by any heading contained herein.

3. Effective Date. This Impact Fee Ordinance shall become effective 90 days after the day which this Impact Fee Ordinance is passed and adopted by the South Jordan City Council. Except as otherwise specifically provided herein and according to law, this Impact Fee Ordinance shall not repeal, modify or affect any Impact Fee of the City in existence as of the effective date of this Ordinance, other than those expressly referenced in Section 1 above. All Impact Fees established, including amendments and modifications to previously existing Impact Fees, after the effective date of this Ordinance shall comply with the requirements of this Impact Fee Ordinance.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, ON THIS 15th DAY OF SEPTEMBER 2026 BY THE FOLLOWING VOTE:

	YES	NO	ABSTAIN	ABSENT
Patrick Harris	_____	_____	_____	_____
Kathie L. Johnson	_____	_____	_____	_____
Donald Shelton	_____	_____	_____	_____
Tamara Zander	_____	_____	_____	_____
Jason McGuire	_____	_____	_____	_____

Mayor: ________________________________ Attest:________________________________
Dawn R. Ramsey City Recorder

Approved as to form:

Ryan W. Loose
____
Office of the City Attorney

Exhibit A

Public Safety Impact Fee Facilities Plan and
Impact Fee Analysis
(attached)

Item J.2.

SOUTH JORDAN UTAH

AMENDMENT TO 2024 IMPACT FEE FACILITIES PLAN (IFFP) AND IMPACT FEE ANALYSIS (IFA)

PUBLIC SAFETY

JULY 2026

PREPARED BY:

LRB PUBLIC FINANCE ADVISORS
FORMERLY LEWIS YOUNG ROBERTSON & BURNINGHAM INC.

IMPACT FEE CERTIFICATION

IFFP CERTIFICATION

LRB Public Finance Advisors certifies that the attached Impact Fee Facilities Plan (IFFP) amendment:

1. includes only the costs of public facilities that are:
   a. allowed under the Impact Fees Act; and
   b. actually incurred; or
   c. projected to be incurred or encumbered within six years after the day each impact fee is paid;
2. does not include:
   a. costs of operation and maintenance of public facilities;
   b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents;
   c. an expense for overhead, unless the expense is calculated pursuant to a methodology that is consistent with generally accepted cost accounting practices and the methodological standards set forth by the federal Office of Management and Budget for federal grant reimbursement; and
3. complies with every relevant respect with the Impact Fees Act.

IFA CERTIFICATION

LRB Public Finance Advisors certifies that the attached impact fee analysis amendment:

1. includes only the costs of public facilities that are:
   a. allowed under the Impact Fees Act; and
   b. actually incurred; or
   c. projected to be incurred or encumbered within six years after the day on which each impact fee is paid;
2. does not include:
   a. costs of operation and maintenance of public facilities;
   b. costs for qualifying public facilities that will raise the level of service for the facilities, through impact fees, above the level of service that is supported by existing residents;
   c. an expense for overhead, unless the expense is calculated pursuant to a methodology that is consistent with generally accepted cost accounting practices and the methodological standards set forth by the federal Office of Management and Budget for federal grant reimbursement;
3. offsets costs with grants or other alternate sources of payment; and,
4. complies in each and every relevant respect with the Impact Fees Act.

LRB Public Finance Advisors makes this certification with the following caveats:

1. All of the recommendations for implementations of the IFFP made in the IFFP documents or in the IFA documents are followed by City Staff and elected officials.
2. If all or a portion of the IFFP or IFA are modified or amended, this certification is no longer valid.
3. All information provided to LRB is assumed to be correct, complete, and accurate. This includes information provided by the City as well as outside sources.

LRB PUBLIC FINANCE ADVISORS

SECTION 1: SUMMARY AND AMENDED IMPACT FEE

SUMMARY

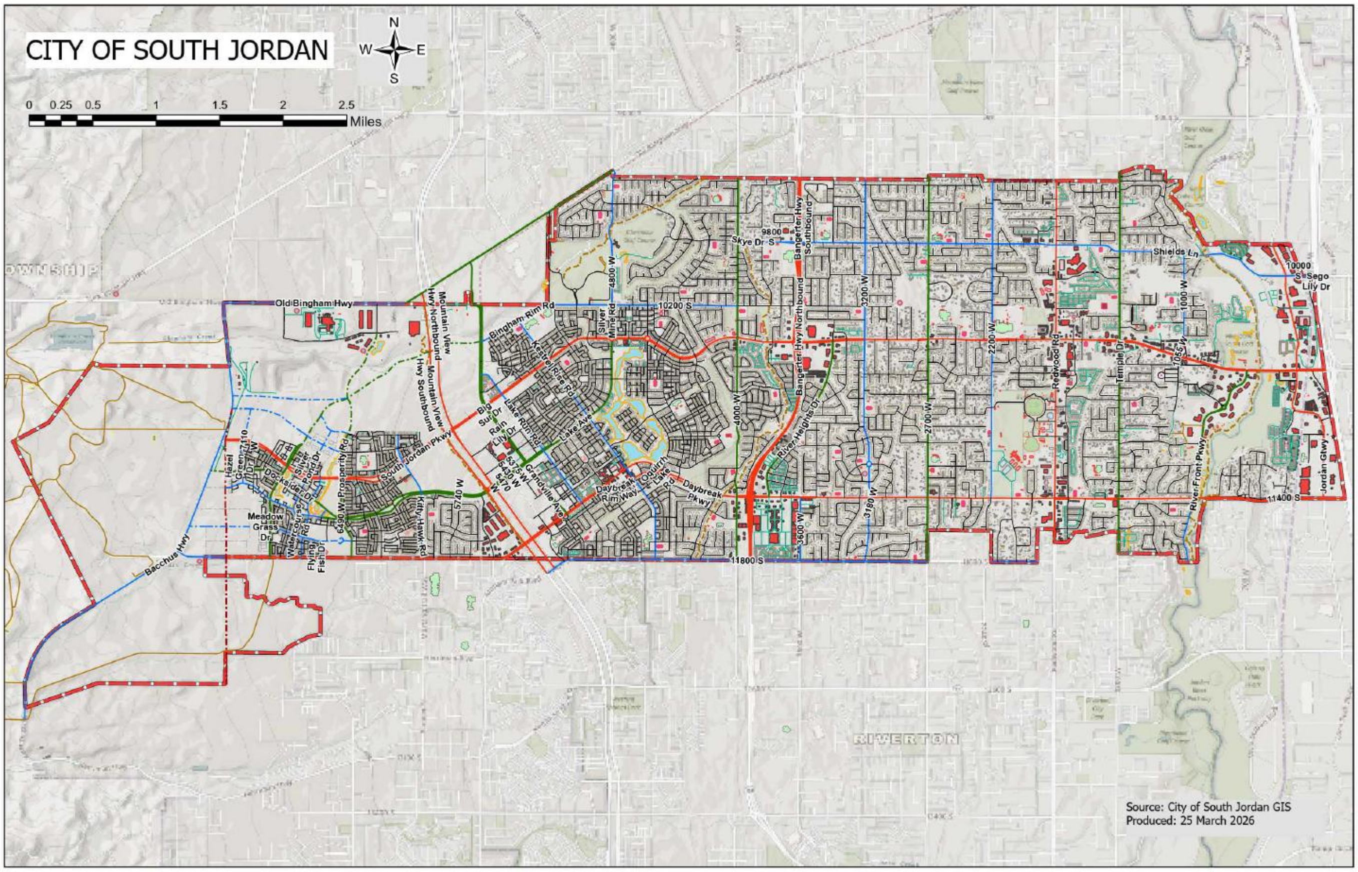
The City of South Jordan (City) Public Safety Impact Fee Facilities Plan (IFFP) and Impact Fee Analysis (IFA), dated March 2024 (the 2024 Study), is being amended to account for changes to the public safety service area and the estimated future fire facility costs. This amendment updates the calculation of the impact fee to account for the following:

- Revised Public Safety Impact Fee Service Area.
- Revised fire station construction costs and square footages.
- Reevaluation of calls served by new fire stations.

REVISED SERVICE AREA

The service area for the assessment of public safety impact fees is amended to include the entire municipal boundaries as shown in **AMENDED FIGURE 3.1**.

AMENDED FIGURE 3.1: PUBLIC SAFETY IMPACT FEE SERVICE AREA



AMENDED FUTURE CAPITAL FACILITIES

The City has also provided updated capital costs related to Station 65. This also result in an update to the estimated construction cost per square foot assumptions used in the 2024 Study as it relates to Station 61 Relocation and the Police Administrative Space. However, these facilities are not included in the final calculation of the Fire Impact Fee. To maintain the square footage LOS identified in the 2024 Study, the City will need to construct new facilities to mitigate the impacts of new development. Based on the square footage LOS, a total of 57,041 SF of fire facilities will be required through buildout. The City will construct an additional **23,528** SF of fire facilities, which will serve **2,588** fire calls for service, with no new SF of police facilities within the IFFP planning horizon. The total estimated construction cost for this facility has been updated to **$22,990,208**. Additionally, information provided by the City suggests a land valuation of $20/SF. Assuming 65,390 SF of land for Station 65, a total of approximately **$1.3** million is included in the estimated cost for this station, for a total cost of **$24,290,208** for Station 65. The City will utilize debt financing to construct Station 65. The total interest included in this analysis related to future financing is **$11.5M** as displayed in the table below. The amended SF, cost, and allocation assumptions for the proposed facilities can be found in **AMENDED TABLES 5.1** and **5.2**.

AMENDED TABLE 5.1: ILLUSTRATION OF PROPOSED CAPITAL IMPROVEMENTS

ASSET DESCRIPTION	ORIGINAL COST	CONST. DATE	CONST. COST	EST. FINANCING COST	TOTAL COST	% IF ELIGIBLE	IFA ELIGIBLE COST	POLICE SF	FIRE SF
Station 61 Relocation	$35,777,676	2034	$45,322,089	$21,375,484	$66,697,573	0%	$0	-	-
Station 65	$24,290,208	2026	$24,290,208	$11,456,112	$35,746,320	100%	$35,746,320	-	23,528
Police Admin. Space	$2,982,591	2035	$3,891,605	$1,835,417	$5,727,023	0%	$0	-	-
TOTAL PUBLIC SAFETY	**$63,050,475**		**$73,503,903**	**$34,667,014**	**$108,170,916**		**$35,746,320**	**-**	**23,528**
APPARATUS									
Station 65 Engine	$800,000	2025	$848,720	-	$848,720	100%	$848,720		
TOTAL APPARATUS	**$800,000**		**$848,720**		**$848,720**		**$848,720**		
							Demand Served	**-**	**2,588**

AMENDED TABLE 5.2: ALLOCATION OF FUTURE CAPITAL IMPROVEMENTS BY FUNCTION

	TOTAL COST	PERCENT ALLOCATED	COST TO IFA
POLICE			
Station 61 Relocation	$0	0%	$0
Station 65	$35,746,320	0%	$0
Police Admin. Space	$0	0%	$0
TOTAL POLICE	**$35,746,320**	**0%**	**$0**
FIRE			
Station 61 Relocation	$0	0%	$0
Station 65	$35,746,320	100%	$35,746,320
Police Admin. Space	$0	0%	$0
TOTAL FIRE	**$35,746,320**	**100%**	**$35,746,320**

AMENDED IMPACT FEE CALCULATION

AMENDED Table 6.2 illustrates the proportionate share analysis and cost per call calculations for fire facilities, based on the amendments described above. The amended fire impact fee is shown in **AMENDED TABLE 6.3**.

AMENDED TABLE 6.2: FIRE PROPORTIONATE SHARE ANALYSIS

	TOTAL COST	% TO IFFP	COST TO IMPACT FEES	% TO GROWTH	COST TO GROWTH	TOTAL CALLS	COST PER CALL
Existing Stations and Facilities	$42,448,448	50%	$21,188,635	27%	$5,758,289	2,588	$2,225
Future Stations	$35,746,320	100%	$35,746,320	27%	$9,714,531	2,588	$3,754
Professional Expense	$6,000	100%	$6,000	100%	$6,000	1,840	$3
FACILITIES IMPACT FEE COST	**$78,200,768**		**$56,940,956**		**$15,478,820**		**$5,982**
APPARATUS							
Existing Apparatus	$7,477,543	100%	$7,477,543	48%	$3,552,013	1,735	$2,047
New Apparatus	$776,699	100%	$776,699	48%	$368,951	1,735	$213
APPARATUS IMPACT FEE COST	**$8,254,242**		**$8,254,242**		**$3,920,963**		**$2,260**
FACILITIES PLUS APPARATUS							**$8,242**

AMENDED TABLE 6.3: PROPOSED POLICE AND FIRE/EMS IMPACT FEE SCHEDULE

	TYPE	POLICE			FIRE		
		COST PER CALL	CALLS PER UNIT	TOTAL IMPACT FEE PER UNIT	COST PER CALL	CALLS PER UNIT	TOTAL IMPACT FEE PER UNIT
RESIDENTIAL							
Single Family	Per Unit	$226	0.91	$205	$5,982	0.13	$770
Multifamily	Per Unit	$226	0.31	$70	$5,982	0.05	$285
NON-RESIDENTIAL							
Commercial	Per KSF	$226	1.34	$304	$8,242	0.11	$924
Office	Per KSF	$226	0.35	$78	$8,242	0.04	$355
Industrial	Per KSF	$226	0.28	$62	$8,242	0.03	$228
Schools	Per KSF	$226	0.43	$98	$8,242	0.04	$306
Church	Per KSF	$226	0.50	$112	$8,242	0.08	$630
Nursing/Assisted Living	Per KSF	$226	0.12	$26	$8,242	0.61	$5,035

Figures may not sum due to rounding.

AMENDED TABLE 6.4: PROPOSED PUBLIC SAFETY IMPACT FEE SCHEDULE

	TYPE	COMBINED MAX
RESIDENTIAL		
Single Family	Per Unit	$975
Multifamily	Per Unit	$354
NON-RESIDENTIAL		
Commercial	Per KSF	$1,228
Office	Per KSF	$434
Industrial	Per KSF	$291
Schools	Per KSF	$404
Church	Per KSF	$742
Nursing/Assisted Living	Per KSF	$5,061

AMENDED FIRE NON-STANDARD IMPACT FEES

The City reserves the right under the Impact Fees Act to assess an adjusted fee that more closely matches the true impact that the land use will have upon public facilities.[1] This adjustment could result in a different impact fee if the City determines that a particular user may create a different

[1] Utah Code § 11-36a-402(1)(c)

impact than what is standard for its land use. To determine the impact fee for non-standard use, the City should use the following **amended** fire impact fee formula:

FIRE NON-STANDARD CALCULATION

RESIDENTIAL FIRE IMPACT FEE

Calls per Unit x $5,982 = Recommended Impact Fee

NON-RESIDENTIAL FIRE IMPACT FEE

Calls per Development x $8,242 = Recommended Impact Fee

SOUTH JORDAN CITY COUNCIL
STAFF REPORT

MEETING DATE: SEPTEMBER 15, 2026

FILE OVERVIEW	
Item Name	Legislative Updates to ADU and Accessory Building Standards in Chapters 17.08, 17.30, 17.40, 17.130.030 of City Code
Address	1600 W Towne Center Drive
File Number	PLZTA202600164 , ORDINANCE NO. 2026 – 24
Applicant	City of South Jordan
Staff Author	Joe Moss, Long Range Planner

ITEM SUMMARY

The proposed modifications to city code will allow for compliance with changes in State legislation (contained in S.B. 284) that allows detached accessory dwelling units (DADUs) on most residential lots over 11,000 square feet. The new legislation prohibits the use of conditional use permits for DADUs. The current ordinance relies heavily on conditional use permits for both DADUs and accessory buildings, which are frequently combined into a single structure. The proposed changes remove the conditional use permit process in favor of modified development standards that are in compliance with the new legislation.

TIMELINE

- **March 18, 2026** S.B. 284 was signed into law by Governor Cox. The portion of the legislation affecting DADUs is set to go into effect October 1, 2026.
- **July 21, 2026** Planning Staff discussed the legislation and possible changes in the code with the City Council at a Study Session.
- **August 18, 2026** Planning Staff continued the discussion with the City Council at a study Session.
- **September 8, 2026** The Planning Commission heard the item at a public hearing and voted 6-0 in favor of recommendation.

REPORT ANALYSIS

Application Summary: S.B. 284 contains modifications to how the state regulates detached accessory dwelling units (DADUs) which are scheduled to go into effect on October 1, 2026. Tis includes allowing DADUs on lots that are at least 11,000 square feet and allow single-family residential as an allowed use. It also prohibits cities from requiring conditional use permits and limits what architectural and design elements can be regulated on the DADUs. It does allow for things to be regulated via setbacks and massing standards.

The proposed modifications of City code cover four chapters: 17.08 Definitions, 17.30 Agriculture Zones, 17.40 Residential Zones, and 17.130.030 Accessory Dwelling Unit Floating Zone. The changes to each section are discussed below.

17.08 Definitions: The current ordinance describes detached ADUs as guesthouses. In order to be consistent with state statutes the term has been updated to "detached accessory dwelling unit or DADU" throughout the code. This definition was also updated to refer to the state code which does define a DADU. The current and proposed ordinance for this chapter are fully depicted in Exhibit D.

17.30 Agriculture Zones and 17.40 Residential Zones: The proposed modifications to these chapters are nearly identical. The current and proposed ordinance for these chapters are fully depicted in Exhibit A and Exhibit B. The proposed modifications include:

- Reorganized side and rear setback requirements. The standards were not modified, but the language and organization have been modified for clarity. A definition of the term "habitable space" has also been included.
- In order to maintain privacy for neighboring properties, the proposed ordinance includes a new prohibition on occupiable outdoor space within 20 feet of a property line if it is more than four feet above grade. This includes roof decks, balconies, exterior staircases, and elevated decks.
- Current requirements for accessory buildings to have a pitched roof have been removed in order to avoid conflicts with state legislation.

- The maximum height requirement of an accessory building has been modified. Currently accessory buildings can be up to 25 feet tall as long as they are lower than the height of the primary structure. However through a conditional use permit, the Planning Commission could allow a taller building up to 25 feet. The new requirement maintains the 25-foot maximum height but allows accessory buildings to be up to five feet taller than the primary structure and eliminates the conditional use option.
- The current ordinance allows the Planning Commission to consider a conditional use permit for accessory building walls that average more than 16 feet tall and accessory building footprints that exceed the maximum allowance. Because the state now prohibits DADUs from requiring a conditional use permit, these regulations have been removed in the proposed amendment. The overall height, lot coverage, and setback regulations currently in place will serve as primary regulations instead.
- The current ordinance prohibits second-story doors or windows within 20 feet of a property line unless otherwise approved by the Planning Commission with a conditional use permit. Whenever a DADU is involved that process is no longer available due to the state legislation. The proposed retains the 20-foot setback for second-story windows and doors however, does allow for two exemptions to it:
  - Windows over seven feet from the floor, such as clearstory windows.
  - Doors and windows rotated a minimum of 80 degrees from the property line.

17.130.030 Accessory Dwelling Unit Floating Zone: The current and proposed ordinance for this chapter is fully depicted in Exhibit C. The proposed modifications to this section include the following:

- Revision of the term “guesthouse” to be “detached accessory building” or “DADU” to be consistent with state language.
- Removes any references to conditional use permits for DADUs which are now prohibited by state law.
- A revision of where DADUs are permitted. Currently they are allowed only in certain zones. The new legislation allows them in any zone where single-family is a permitted use. Development agreements in place prior to May 6, 2026 are exempt from this change and thus Daybreak DADU requirements remain unaffected.
- The minimum lot size for a DADU has been reduced to 6,000 square feet, consistent with the minimum required square footage of an internal ADU. While smaller lots are unlikely to be able to fit a DADU, the setbacks, lot coverage, and lot configuration will be the primary limiting factor for most DADUs.
- Language around architectural compatibility has been re-worded to comply with state legislation. The new language also includes a description for what it means for a building to be “consistent with the primary dwelling.”
- The maximum size of a DADU remains 1,500 square feet, however the maximum percentage of the primary dwelling living area has been increased to 50% since a

conditional use permit for something beyond the current 35% limit is no longer available.

- Addresses setbacks in conversions of existing structures to DADUs.

FINDINGS AND RECOMMENDATION

General Plan Conformance

The application is in conformance with the following goals and strategies from the general plan:

- LIVE GOAL 1: Ensure development of well-designed housing that qualifies as Affordable Housing to meet the needs of moderate income households within the City
- LIVE GOAL 2: Promote the development of diverse housing types which provide life-cycle housing for a full spectrum of users
- GATHER GOAL 3: Promote infill and redevelopment of underutilized properties and public spaces
- GROW GOAL 4: Develop and maintain a pattern of residential land uses that provides for a variety of densities and types and maintains the high standards of existing development

Strategic Priorities Conformance:

The application is in conformance with the following directives from the Strategic Direction:

- BRE-1. Develops effective, well-balanced, and consistently applied ordinances and policies
- BRE-2. Implements ordinances and policies that encourage quality community growth and development

Findings:

- The proposed modifications will bring the City's ADU and accessory building ordinances into compliance with S.B.284.
- The proposed modifications will eliminate conditional use permits for DADUs and accessory buildings.
- The proposed ordinance will modify maximum height of accessory buildings from no taller than the primary structure up to 25 feet to up to five feet taller than the primary structure up to 25 feet.
- The proposed ordinance eliminates the maximum footprint limits, the 16-foot maximum average wall heigh requirement, and pitched roof for accessory buildings.
- The proposed ordinances would allow for some second story windows within 20 feet pf a property line, but they must be located 7 feet above the floor or oriented away from the property line.

- The proposed ordinance prohibits elevated outdoor occupiable space within 20 feet of a property line.
- The proposed ordinance modifies the maximum allowed square footage of a DADU from 35% to 50%, up to 1,500 square feet.
- The proposed ordinance maintains existing standards for accessory building setbacks, enhanced setbacks for buildings above 16 feet, and ADU parking requirements.

Conclusions:

- The application is in conformance with the General Plan and the City's Strategic Priorities.

Planning Staff Recommendation:

Staff recommends approval of the application based on the report analysis, findings, and conclusions listed above.

CITY COUNCIL ACTION

Required Action:

Final Decision

Scope of Decision:

This is a legislative item. The decision should consider prior adopted policies, especially the General Plan.

Motion Ready:

I move that the City Council approves:

1. Ordinance 2026-24, amending chapters 17.08 (Definitions), 17.30 (Agricultural Zones), 17.40 (Residential Zones), and 17.130.030 (Accessory Dwelling Unit Floating Zone) of the City Municipal Code to conform with recent changes in State law.

Alternatives:

1. Recommend approval with conditions.
2. Recommend denial.
3. Schedule the application for a decision at some future date.

SUPPORTING MATERIALS

1. Ordinance 2026-24
    a. Exhibit A, 17.30 Agriculture Zones

b. Exhibit B 17.40 Residential Zones
c. Exhibit C Accessory Dwelling Unit Floating Zone
d. Exhibit D Definitions

ORDINANCE NO. 2026 - 24

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, AMENDING CHAPTERS 17.08 (DEFINITIONS), 17.30 (AGRICULTURAL ZONES), 17.40 (RESIDENTIAL ZONES), AND 17.130.030 (ACCESSORY DWELLING UNIT FLOATING ZONE) OF THE CITY MUNICIPAL CODE TO CONFORM WITH RECENT CHANGES IN STATE LAW.

WHEREAS, Utah Code Section 10-9a-102 grants the City of South Jordan (the "City") authority to enact ordinances that the South Jordan City Council (the "City Council") considers necessary or appropriate for the use and development of land within the City; and

WHEREAS, updating the City Code will enable the City to comply with recent changes in State Law; and

WHEREAS, the South Jordan Planning Commission held a public hearing and reviewed proposed text amendments set forth in the attached **Exhibit A, Exhibit B, Exhibit C, and Exhibit D**, and made a recommendation to the City Council; and

WHEREAS, the City Council held a public hearing and reviewed the proposed text amendments; and

WHEREAS, the City Council finds that the proposed text amendments, set forth in the attached **Exhibit A, Exhibit B, Exhibit C, and Exhibit D**, will enhance the public health, safety and welfare in the City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH:

<u>SECTION 1</u>. Amendment. Section 17.30 of the South Jordan City Municipal Code, as set forth in the attached **Exhibit A**, is hereby amended.

<u>SECTION 2</u>. Amendment. Section 17.40 of the South Jordan City Municipal Code, as set forth in the attached **Exhibit B**, is hereby amended.

<u>SECTION 3</u>. Amendment. Section 17.130.030 of the South Jordan City Municipal Code, as set forth in the attached **Exhibit C**, is hereby amended.

<u>SECTION 4</u>. Amendment. Section 17.08 of the South Jordan City Municipal Code, as set forth in the attached **Exhibit D**, is hereby amended.

<u>SECTION 5</u>. Severability. If any section, part or provision of this Ordinance is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other portion of this Ordinance and all sections, parts, provisions and words of this Ordinance shall be severable.

<u>SECTION 6</u>. Effective Date. This Ordinance shall become effective immediately upon publication or posting as required by law.

[SIGNATURE PAGE FOLLOWS]

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, ON THIS ______ DAY OF ______________, 2026 BY THE FOLLOWING VOTE:

	YES	NO	ABSTAIN	ABSENT
Patrick Harris	_____	_____	_____	_____
Kathie Johnson	_____	_____	_____	_____
Donald Shelton	_____	_____	_____	_____
Tamara Zander	_____	_____	_____	_____
Jason McGuire	_____	_____	_____	_____

Mayor: ______________________________
Dawn R. Ramsey

Attest: ______________________________
Anna Crookston, City Recorder

Approved as to form:

____
Office of the City Attorney

Exhibit A

17.30.020 Agriculture Zones

Current Ordinance Text	Proposed Ordinance Text
Current: 17.30.020.F.2. Minimum Yard ~~Area~~ Requirements ~~F~~or Accessory Buildings: a. ~~Location:~~ Accessory buildings may not be located between the front building line of a main building and the right-of-way that determines the front yard area. b. Side Yard: An accessory building may be located in a side yard, including a street side, ~~if located no closer than~~ the minimum side yard requirement for the main building pursuant to this subsection F~~, except that~~ accessory building~~s~~ no greater than ten feet (10') in height ~~and not containing~~ habitable space may be located no closer than five feet (5') from the side property line ~~or boundary~~. c. Rear Yard: An accessory building may be located in a rear yard no closer than three feet (3') from the side or rear property line or boundary ~~and increased by one foot (1') for each foot of building height in excess of sixteen feet (16')~~, except that the setback shall be increased to no closer than five feet (5') from the side or rear property line or boundary when adjacent to a right-of-way~~, which shall be increased by one foot (1') for each foot of building height in excess of sixteen feet (16').~~	*Proposed:* 17.30.020.F.2. Minimum Yard **and Setback** Requirements **f**or Accessory Buildings: a. **Front Yard:** Accessory buildings may not be located between the front building line of a main building and the right-of-way that determines the front yard area. b. Side Yard: An accessory building may be located in a side yard, including a street side, **if in compliance with the following:** **i. An accessory building with habitable space (defined as a space in a building for living, sleeping, eating or cooking. Bathrooms, toilet rooms, closets, halls, storage or utility spaces and similar areas are not considered habitable spaces) or a height of ten feet (10') or more shall be setback from a side property line a minimum distance equal to the minimum side yard requirement for the main building pursuant to this subsection F.** **ii. An accessory building less than ten feet (10') in height containing no habitable space may be located no closer than five feet (5') from the side property line.** **iii. Any accessory building greater than sixteen feet (16') in height shall require an additional one foot (1') setback for each foot of building height over sixteen feet (16').** c. Rear Yard: An accessory building may be located in a rear **yard if in compliance with the following:** **i. An accessory building may be** no closer than three feet (3') from the side or rear property line or boundary, except that the setback shall be increased to no closer than five feet (5') from the side or rear property line or boundary when adjacent to a right-of-way**.** **ii. Any accessory building greater than sixteen feet (16') in height shall require an additional one foot (1') setback for each foot of building height over sixteen feet (16').** **d. Windows and doors serving a floor located more than four feet (4') above the adjacent finished grade shall be set back from the property line a minimum of twenty feet (20') unless it meets one or more of the following criteria:** **i: The window or door opening is rotated a minimum of eighty (80) degrees away from the adjacent property line.** **ii: The window is located at least seven feet (7') from the floor elevation. This shall be measured from the floor elevation to the bottom of the window.** **e. Occupiable outdoor space (including but not limited to roof terraces, decks, exterior staircases, and balconies) that are elevated more than four feet (4') from finished grade shall be a minimum of twenty feet (20') from a property line.**

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Current: 17.30.020.F.3. ~~Architectural Standards For~~ Accessory Buildings:	*Proposed:* Accessory Building **Height Requirements**: **Accessory buildings may be up to five feet (5') taller than the main building. In no case shall an accessory building be greater than twenty five feet (25') high.**
Current: ~~17.30.020.F.3.a. Accessory buildings may not be higher than the main building, except as approved by the Planning Commission as a conditional use permit. In no case shall an accessory building be greater than twenty five feet (25') high.~~	*Proposed:* *None*
Current: ~~17.30.020.F.3.b. The footprint of an accessory building in Agricultural Zones shall not exceed the footprint of the main building, including the footprint of an attached garage, except as approved by the Planning Commission as a conditional use permit.~~	*Proposed:* *None*
Current: ~~17.30.020.F.3.c. Any portion of an accessory building within twenty feet (20') of a property line shall meet the following requirements, except as approved by the Planning Commission as a conditional use permit:~~ ~~Openings (e.g., windows and doors) that are visible from the subject property line shall not be located in an exterior wall when the floor height exceeds four feet (4') above grade.~~ ~~The average wall height shall not exceed sixteen feet (16') above grade.~~	*Proposed:* *None*
Current: ~~17.30.020.F.3. d. Accessory buildings with a footprint exceeding two hundred (200) square feet shall be constructed with a minimum one to twelve (1:12) roof pitch over a majority of the structure.~~	*Proposed:* *None*

Exhibit B

17.40 Residential Zones

Current Ordinance Text	Proposed Ordinance Text
Current: 17.40.020.F.2. Accessory Buildings: Minimum yard ~~area~~ requirements for accessory buildings are as follows: a. ~~Location:~~ Accessory buildings may not be located between the front building line of a main building and the right-of-way that determines the front yard area. b. Side Yard: An accessory building may be located in a side yard, including a street side, ~~if located no closer than~~ the minimum side yard requirement for the main building pursuant to this subsection F, ~~except that~~ accessory building~~s~~ less than ten feet (10') in height ~~and not~~ containing habitable space may be located no closer than five feet (5') from the side property line. c. Rear Yard: An accessory building may be located in a rear yard no closer than three feet (3') from the side or rear property line or boundary ~~and increased by one foot (1') for each foot of building height in excess of sixteen feet (16')~~, except that the setback shall be increased to no closer than five feet (5') from the side or rear property line or boundary when adjacent to a right-of-way~~, which shall be increased by one foot (1') for each foot of building height in excess of sixteen feet (16').~~	*Proposed:* 17.40.020.F.2. Accessory Buildings: Minimum yard **and setback** requirements for accessory buildings are as follows: a. **Front Yard:** Accessory buildings may not be located between the front building line of a main building and the right-of-way that determines the front yard area. b. Side Yard: An accessory building may be located in a side yard, including a street side, **if in compliance with the following:** **i. An accessory building with habitable space (defined as a space in a building for living, sleeping, eating or cooking. Bathrooms, toilet rooms, closets, halls, storage or utility spaces and similar areas are not considered habitable spaces) or a height of ten feet (10') or more shall be setback from a side property line a minimum distance equal to** the minimum side yard requirement for the main building pursuant to this subsection F**.** **ii. An** accessory building less than ten feet (10') in height containing **no** habitable space may be located no closer than five feet (5') from the side property line. **iii. Any accessory building greater than sixteen feet (16') in height shall require an additional one foot (1') setback for each foot of building height over sixteen feet (16').** c. Rear Yard: An accessory building may be located in a rear **yard if in compliance with the following:** **i. An accessory building may be** no closer than three feet (3') from the side or rear property line or boundary, except that the setback shall be increased to no closer than five feet (5') from the side or rear property line or boundary when adjacent to a right-of-way**.** **ii. Any accessory building greater than sixteen feet (16') in height shall require an additional one foot (1') setback for each foot of building height over sixteen feet (16').** **d. Windows and doors serving a floor located more than four feet (4') above the adjacent finished grade shall be set back from the property line a minimum of twenty feet (20') unless it meets one or more of the following criteria:** **i: The window or door opening is rotated a minimum of eighty (80) degrees away from the adjacent property line.** **ii: The window is located at least seven feet (7') from the floor elevation. This shall be measured from the floor elevation to the bottom of the window.** **e. Occupiable outdoor space (including but not limited to roof terraces, decks, exterior staircases, and balconies) that are elevated more than four feet (4') from finished grade shall be a minimum of twenty feet (20') from a property line.**

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Current Ordinance Text	Proposed Ordinance Text
Current: 17.40.020.I.3. ~~Architectural Standards For~~ Accessory Building~~s:~~	*Proposed:* 17.30.020.I.3. Accessory Building **Height Requirements: Accessory buildings may be up to five feet (5') taller than the main building. In no case shall an accessory building be greater than twenty five feet (25') high.**
Current: ~~17.40.020.I.3.a. Accessory buildings may not be higher than the main building, except as approved by the Planning Commission as a conditional use permit. In no case shall an accessory building be greater than twenty five feet (25') high.~~	*Proposed:* *None*
Current: ~~17.40.020.I.3.b. The footprint of accessory buildings in the R-2.5, R-3, R-4, R-5 and R-M Zones shall not exceed sixty percent (60%) of the footprint of the main building, including the footprint of an attached garage, except that the Planning Commission may approve a conditional use permit for an accessory building with a footprint that is greater than sixty percent (60%) but in no case shall exceed the footprint of the main building. In the R-1.8 Zone, the footprint of an accessory building, such as a barn or a stable, shall not exceed the footprint of the main building, except with a conditional use permit approved by the Planning Commission.~~	*Proposed:* *None*

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Current Ordinance Text	Proposed Ordinance Text
Current: ~~17.40.020.I.3.c. Any portion of an accessory building within twenty feet (20') of a property line shall meet the following requirements, except as approved by the Planning Commission as a conditional use permit:~~ ~~1. Openings (e.g., windows and doors) that are visible from the property line shall not be located in an exterior wall when the floor height exceeds four feet (4') above grade.~~ ~~2. The average wall height shall not exceed sixteen feet (16') above grade.~~	*Proposed:* *None*
Current: ~~17.40.020.I.3.d. Accessory buildings with a footprint exceeding two hundred (200) square feet shall be constructed with a minimum one to twelve (1:12) roof pitch in the R-1.8 Zone, and a minimum three to twelve (3:12) roof pitch over a majority of the structure in all other Residential Zones.~~	*Proposed:* *None*

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Current Ordinance Text	Proposed Ordinance Text
Current: ~~17.40.020.I.3.e. Applications for a conditional use permit under subsections I3a, I3b and I3c of this section shall demonstrate that the proposed accessory building is consistent with the character of the surrounding area, which analysis includes, but is not limited to, consideration of nearby structures and uses and applicable declarations of conditions, covenants and restrictions ("CC&Rs"). Written notice shall be provided to all property owners located within the subdivision plat of the subject property and to all property owners otherwise located within three hundred feet (300') of the subject property. Notice shall be provided no less than ten (10) days prior to the scheduled Planning Commission meeting.~~	*Proposed:* *None*

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Exhibit C

17.130.030 Accessory Dwelling Unit Floating Zone

Current Ordinance Text	Proposed Ordinance Text
Current: 17.130.030.10: Purpose Accessory dwelling units or ADUs, as defined in section 17.08.010 of this Title, are intended to provide affordable housing units, economic relief to homeowners, and create desirable housing forms that appeal to households and individuals at a variety of stages in the life cycle. The Accessory Dwelling Unit Floating Zone provides regulations and design standards for ADUs. Acceptable ADUs shall be one of the following two (2) types (see section 17.08.010 of this Title for definitions): Internal Accessory Dwelling Unit or IADU: An ADU, that qualifies as an internal ADU under Utah State Law, and is contained within the primary dwelling so that the ADU and the primary dwelling appear to be one unit, that includes a kitchen and bathroom. ~~Guesthouse~~: An ADU that is detached from the primary dwelling that includes a kitchen and bathroom.	*Proposed:* 17.130.030.10: Purpose Accessory dwelling units or ADUs, as defined in section 17.08.010 of this Title, are intended to provide affordable housing units, economic relief to homeowners, and create desirable housing forms that appeal to households and individuals at a variety of stages in the life cycle. The Accessory Dwelling Unit Floating Zone provides regulations and design standards for ADUs. Acceptable ADUs shall be one of the following two (2) types (see section 17.08.010 of this Title for definitions): Internal Accessory Dwelling Unit or IADU: An ADU, that qualifies as an internal ADU under **Section 10-21-101 of** Utah State Law, and is contained within the primary dwelling so that the ADU and the primary dwelling appear to be one unit, that includes a kitchen and bathroom. **Detached Accessory Dwelling Unit or DADU**: An ADU that **qualifies as a DADU under Section 10-21-101 of Utah State Law, and** is detached a from the primary dwelling**,** that includes a kitchen and bathroom.
Current: 17.130.030.020 Review Process The use of the Accessory Dwelling Unit Floating Zone may only be established in conformance with the review procedures of this section. Applicants shall follow the procedures, requirements, and standards of this Code. The use of the Accessory Dwelling Unit Floating Zone shall be conducted in accordance with approved plans.	*Proposed:* 17.130.030.020 Review Process The use of the Accessory Dwelling Unit Floating Zone may only be established in conformance with the review procedures of this section. Applicants shall follow the procedures, requirements, and standards of this Code. The use of the Accessory Dwelling Unit Floating Zone shall be conducted in accordance with approved plans.

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Current: 17.130.030.020.A. Planning Department Approval: All ~~Internal~~ Accessory Dwelling Units ~~and Guesthouses~~ shall require the approval of the Planning Department before they are occupied. Applicants shall electronically submit to the Planning Department an accessory dwelling unit application that includes (1) a site plan that is drawn to scale that clearly shows the location of all existing and new structures, parking, driveways, and walkways; and (2) a floor plan that is drawn to scale with room labels and indicating designated use	*Proposed:* 17.130.030.020.A. Planning Department Approval: All Accessory Dwelling Units shall require the approval of the Planning Department before they are occupied. Applicants shall electronically submit to the Planning Department an accessory dwelling unit application that includes (1) a site plan that is drawn to scale that clearly shows the location of all existing and new structures, parking, driveways, and walkways; and (2) a floor plan that is drawn to scale with room labels and indicating designated use
Current: 17.130.030.020.A.1. Resident Occupancy: For all accessory dwelling units, the owner of the property, as reflected in title records, shall make his or her legal residence on the property as evidenced by voter registration, vehicle registration, driver's license, county assessor records or similar means.	*Proposed:* 17.130.030.020.A.1. Resident Occupancy: For all accessory dwelling units, the owner of the property, as reflected in title records, shall make his or her legal residence on the property as evidenced by voter registration, vehicle registration, driver's license, county assessor records or similar means.
Current: 17.130.030.020.A.2. Standards: The Planning Department shall approve accessory dwelling unit applications upon the following standards being met:	*Proposed:* 17.130.030.020.A.2. Standards: The Planning Department shall approve accessory dwelling unit applications upon the following standards being met:
Current: 17.130.030.020.A.2.a. Zoning: The Accessory Dwelling Unit Floating Zone shall be applied to conforming single-family dwellings in ~~the following zones: A-5, A-1, R-1.8, R-2.5, R-3, R-4 and R-5.~~ Approved accessory dwelling units shall meet the requirements of the underlying zone. Only one (1) ADU is allowed per lot. ADUs are not allowed in conjunction with mobile homes or any form of attached housing units.	*Proposed:* 17.130.030.020.A.2.a. Zoning: The Accessory Dwelling Unit Floating Zone shall be applied to conforming single-family dwellings in **zones where single-family is permitted use, unless located in areas with a development agreement adopted prior to May 6. 2026 that prohibits ADUs**. Approved accessory dwelling units shall meet the requirements of the underlying zone. Only one (1) ADU is allowed per lot. ADUs are not allowed in conjunction with mobile homes or any form of attached housing units.

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Current: 17.130.030.020.A.2.b. Lot Size: An ~~internal~~ ADU shall only be approved on a lot that is greater than six thousand (6,000) square feet in area. ~~A Guesthouse shall only be approved on a lot that is equal to or greater than fourteen thousand five hundred twenty (14,520) square feet in area.~~ The addition of an accessory dwelling unit shall not violate the maximum building coverage requirements outlined in Sections 17.40.020 and 17.30.020 of this Title. ~~Guesthouses on flag lots are prohibited.~~	*Proposed:* 17.130.030.020.A.2.b. Lot Size: An ADU shall only be approved on a lot that is greater than six thousand (6,000) square feet in area. The addition of an accessory dwelling unit shall not violate the maximum building coverage requirements outlined in Sections 17.40.020 and 17.30.020 of this Title.
Current: 17.130.030.020.A.2.c. Parking: A minimum of one (1) off-street parking spaces, in addition to those already required for the single-family home, shall be provided for an accessory dwelling unit and shall not render the required parking spaces for the single-family home inaccessible. All parking spots shall meet the requirements of Chapter 16.26 of this Code.	*Proposed:* 17.130.030.020.A.2.c. Parking: A minimum of one (1) off-street parking spaces, in addition to those already required for the single-family home, shall be provided for an accessory dwelling unit and shall not render the required parking spaces for the single-family home inaccessible. All parking spots shall meet the requirements of Chapter 16.26 of this Code.

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Current:	*Proposed:*
17.130.030.020.A.2.d. Setbacks: All ADUs that propose modifications visible from the exterior of the home (i.e., additions and remodels to the primary dwelling or construction of a ~~Guesthouse~~) shall comply with the following requirements: 1. Setbacks~~,~~ ADUs shall comply with the setbacks of the underlying zone or as approved with the subdivision. ~~Guesthouses~~ shall comply with the required setbacks of the underlying zone for an accessory building, however, in no case shall a ~~Guesthouse~~ be located closer than ten feet (10') from a side or rear property line. 2. ~~Exterior Appearance:~~ ADUs shall be designed ~~so that the appearance of the lot, building structure, and landscaping retain the character of a single-family neighborhood.~~ 3. ~~Architectural Compatibility: ADUs shall be designed and constructed to be compatible with the exterior of the primary dwelling (e.g., exterior materials, colors, and roof pitch) in order to maintain the appearance of the primary dwelling as a single-family dwelling.~~	17.130.030.020.A.2.d. Setbacks **and Design Standards**: All ADUs that propose modifications visible from the exterior of the home (i.e., additions and remodels to the primary dwelling or construction of a DADU) shall comply with the following requirements: 1. Setbacks**:** ADUs shall comply with the setbacks of the underlying zone or as approved with the subdivision. **Detached ADUs** shall comply with the required setbacks of the underlying zone for an accessory building, however, in no case shall a **DADU** be located closer than ten feet (10') from a side or rear property line. **An existing accessory structure may be converted to a DADU, provided that all portions of the structure used as, or incorporated into, the DADU are located a minimum of 10 feet (10') from any property line. A portion of an existing structure located within 10 feet (10') of a property line may remain as an accessory structure but shall not be used as or incorporated into the DADU.** 2. **Design: Internal** ADUs shall be designed **to maintain the appearance of the primary dwelling as a single-family dwelling. Detached ADUs shall be designed to be consistent with the primary dwelling. A DADU is consistent with the design of the single-family dwelling when its building placement, orientation, massing, scale, and overall visual relationship to the single-family dwelling result in a coordinated and subordinate accessory structure.**

Current: 17.130.030.020.A.2.e. ~~Guesthouse~~ Maximum Size: In all cases a ~~Guesthouse~~ shall remain subordinate and incidental to the primary dwelling. No ~~Guesthouse~~ shall ~~have more than three (3) bedrooms. The floor space of a Guesthouse shall~~ comprise no more than ~~thirty-five~~ percent (~~35%~~) of the living area of the primary dwelling or be greater than one thousand five hundred (1,500) square feet, whichever is less~~, unless, in the opinion of the Planning Commission, a greater amount of floor area is warranted.~~	*Proposed:* 17.130.030.020.A.2.e. **Detached ADU** Maximum Size: In all cases a **DADU** shall remain subordinate and incidental to the primary dwelling. No **DADU** shall comprise no more than **fifty** percent (**50%**) of the living area of the primary dwelling or be greater than one thousand five hundred (1,500) square feet.
Current: 17.130.030.020.A.3. Affidavit: Applicants for ADUs shall sign and record an affidavit stating that the owner will comply with all regulations of the Accessory Dwelling Unit Floating Zone and will live in either the primary or accessory dwelling unit as their permanent residence. The affidavit shall also include authorization of annual inspections of the ADU by City Staff to ensure compliance with all regulations of the Accessory Dwelling Unit Floating Zone.	*Proposed:* 17.130.030.020.A.3. Affidavit: Applicants for ADUs shall sign and record an affidavit stating that the owner will comply with all regulations of the Accessory Dwelling Unit Floating Zone and will live in either the primary or accessory dwelling unit as their permanent residence. The affidavit shall also include authorization of annual inspections of the ADU by City Staff to ensure compliance with all regulations of the Accessory Dwelling Unit Floating Zone.
Current: 17.130.030.020.B. Building Permit Requirements: In addition to the approval required from the Planning Department, all accessory dwelling units that propose construction or remodeling shall require a building permit from the Building Division and shall conform to all applicable standards in the City's adopted Building Codes. The applicant shall obtain all necessary building permits and pay applicable fees prior to any construction, remodeling, or use of any ADU. ADUs shall not be approved on properties that have outstanding ordinance or building violations or are nonconforming uses or structures. Floor plans, architectural elevations, and structural calculations, as may be required, shall be submitted to the Building Division.	*Proposed:* 17.130.030.020.B. Building Permit Requirements: In addition to the approval required from the Planning Department, all accessory dwelling units that propose construction or remodeling shall require a building permit from the Building Division and shall conform to all applicable standards in the City's adopted Building Codes. The applicant shall obtain all necessary building permits and pay applicable fees prior to any construction, remodeling, or use of any ADU. ADUs shall not be approved on properties that have outstanding ordinance or building violations or are nonconforming uses or structures. Floor plans, architectural elevations, and structural calculations, as may be required, shall be submitted to the Building Division.

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Current: ~~17.130.030.020.C. Guesthouse Planning Commission Approval: In addition to the requirements of subsections A and B of this section, Guesthouses that propose a floor area greater than thirty-five percent (35%) of the living area for the primary dwelling or one thousand five hundred (1,500) square feet shall require review and approval by the Planning Commission.~~	*Proposed:* *None*
Current: 17.130.030.030: Prohibitions A. A. To preserve the appearance of the primary dwelling as a single-family dwelling, the following items are prohibited: 1. The installation of additional outside entrances that are: a. located on the front or primary elevation of the primary dwelling (as defined as the most prominent elevation facing the primary street frontage), or b. located on a side elevation that faces a street unless the entrance is at least 75% below grade or screened by a six foot (6') tall fence. 2. Separate utility meters, mailboxes, and addresses. B. ~~Internal~~ ADUs shall not be rented or offered as rental units for any period less than thirty (30) consecutive days.	*Proposed:* 17.130.030.030: Prohibitions A. A. To preserve the appearance of the primary dwelling as a single-family dwelling, the following items are prohibited **for internal ADUs**: 1. The installation of additional outside entrances that are: a. located on the front or primary elevation of the primary dwelling (as defined as the most prominent elevation facing the primary street frontage), or b. located on a side elevation that faces a street unless the entrance is at least 75% below grade or screened by a six foot (6') tall fence. B. ADUs shall not be rented or offered as rental units for any period less than thirty (30) consecutive days. **C. Separate utility meters, mailboxes, and addresses are prohibited for internal and detached ADUs.**
Current: 17.10.030.040: Inspections Yearly interior and exterior inspections may be required to determine compliance with all regulations of the Accessory Dwelling Unit Floating Zone, as may be deemed appropriate by City Staff. If the owner of the property containing an ADU violates the provisions of this Code, the City may hold a lien against the property as allowed in the Utah State Code.	*Proposed:* 17.10.030.040: Inspections Yearly interior and exterior inspections may be required to determine compliance with all regulations of the Accessory Dwelling Unit Floating Zone, as may be deemed appropriate by City Staff. If the owner of the property containing an ADU violates the provisions of this Code, the City may hold a lien against the property as allowed in the Utah State Code.

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Current: 17.130.030.050: Prior Use An existing accessory dwelling unit may be approved if the ADU complies with the requirements of this section 17.130.030. If a certificate of occupancy was not issued at the time of construction or remodeling, the applicant shall apply for a building permit and the chief building official, or his designee, shall inspect the ADU for Code compliance. All documented violations shall be corrected prior to approval of the ADU. Any uses or dwellings which previously conformed to prior ordinances, including having obtained all necessary and applicable permits, but do not now conform due to adoption of this section 17.130.030, shall be permitted to continue as a legal nonconforming use	*Proposed:* 17.130.030.050: Prior Use An existing accessory dwelling unit may be approved if the ADU complies with the requirements of this section 17.130.030. If a certificate of occupancy was not issued at the time of construction or remodeling, the applicant shall apply for a building permit and the chief building official, or his designee, shall inspect the ADU for Code compliance. All documented violations shall be corrected prior to approval of the ADU. Any uses or dwellings which previously conformed to prior ordinances, including having obtained all necessary and applicable permits, but do not now conform due to adoption of this section 17.130.030, shall be permitted to continue as a legal nonconforming use
Current: 17.130.030.060: Appeals Decisions by the Planning Department ~~and/or the Planning Commission~~ regarding the issuance or denial of an accessory dwelling unit may be appealed to the Appeals and Variance Hearing Officer in accordance with section 17.16.020.020 of this Code.	*Proposed:* 17.130.030.060: Appeals Decisions by the Planning Department regarding the issuance or denial of an accessory dwelling unit may be appealed to the Appeals and Variance Hearing Officer in accordance with section 17.16.020.020 of this Code.

Exhibit D

17.08.010 Definitions

Current Ordinance Text	Proposed Ordinance Text
Current: ACCESSORY DWELLING UNIT OR ADU: A Life Safety and Building Code compliant dwelling unit with contiguous floor space that is incidental and subordinate to a single-family residential unit of one of the following two (2) types: Internal Accessory Dwelling Unit or IADU: An ADU, that qualifies as an internal ADU under Utah State Law, and is contained within the primary dwelling so that the ADU and the primary dwelling appear to be one (1) unit, that includes a kitchen and bathroom. ~~Guesthouse~~: An ADU that is detached from the primary dwelling that includes a kitchen and bathroom.	*Proposed:* ACCESSORY DWELLING UNIT OR ADU: A Life Safety and Building Code compliant dwelling unit with contiguous floor space that is incidental and subordinate to a single-family residential unit of one of the following two (2) types: Internal Accessory Dwelling Unit or IADU: An ADU, that qualifies as an internal ADU under **Section 10-21-101 of** Utah State Law, and is contained within the primary dwelling so that the ADU and the primary dwelling appear to be one (1) unit, that includes a kitchen and bathroom. **Detached Accessory Dwelling Unit or DADU**: An ADU that **qualifies as a DADU under Section 10-21-101 of Utah State Law, and** is detached from the primary dwelling**,** that includes a kitchen and bathroom. **HABITABLE SPACE: A space in a building for living, sleeping, eating or cooking. Bathrooms, toilet rooms, closets, halls, storage or utility spaces and similar areas are not considered habitable spaces.**

DRAFT

ORDINANCE NO. 2026 - 25

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, PROHIBITING OPERATION OF VIRTUAL CURRENCY KIOSKS.

WHEREAS, virtual currency kiosks provide a means of converting cash into digital assets that can be transferred quickly. virtual currency kiosks are frequently used by scammers to obtain funds from individuals; and

WHEREAS, virtual currency kiosks provide a means of converting cash into digital assets that can be transferred rapidly. The nature of these machines can make it difficult for law enforcement to monitor and identify fraudulent activity associated with kiosk transactions; and

WHEREAS, consumers who are misled, make errors, or fall victim to fraud may have limited recourse to recover their funds. Due to unfamiliarity, elderly and vulnerable individuals are frequently targeted by scams involving cryptocurrency kiosks. Scammers can use intimidation, deception, or urgency to convince these victims to transfer money through these machines; and

WHEREAS, reasonable safety limits have been adopted by other jurisdictions to enhance consumer protection and prevent kiosk fraud; and

WHEREAS, the City Council finds it is in the best interest of the health, safety, and welfare of the residents of the City of South Jordan City to prohibit the operation of virtual currency kiosks in the City of South Jordan limits.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH:

SECTION 1. Enactment. Title 9, Chapter 08, in Section 040 “Virtual Currency Kiosks of the South Jordan Municipal Code is hereby enacted as follows:

9.08.040 Virtual Currency Kiosks**:**

A. Definitions: The following definitions shall apply for the purposes of this section:

1. “Virtual Currency” means a digital representation of value that is used as a medium of exchange, a unit of account, or a store of value, but does not have legal tender status as recognized by the United States Government.

2. “Virtual Currency Kiosk” means an electronic terminal or any other similar automated device, located in places of business, or areas generally accessible to the public, which acts as a mechanical agent of the Virtual Currency Kiosk Operator, enabling the exchange of Virtual Currency for money, bank credit, or other virtual currency. The term “Virtual Currency Kiosk” shall not include personal technology such as a personal computer, tablet, mobile device, or digital wallet used by an individual for personal, non-commercial purchase, sale, or storage of virtual currency or digital assets or point-of-sale terminals used by a

merchant for the sole purpose of accepting virtual currency as payment for legal goods or services offered by the merchant.

3. "Virtual Kiosk Operator" means a person or entity that:

   a. Knowingly permits the use or installation of a virtual currency kiosk on property owned, leased, or controlled by the person or entity.

   b. Operates a Virtual Currency Kiosk within the corporate limits of South Jordan City; or

   c. Owns a Virtual Currency Kiosk that is either located or operated within the corporate limits of South Jordan City.

B: Prohibited: It shall be unlawful for any person or entity to host, allow, operate, permit, locate or place a Virtual Currency Kiosk within the corporate limits of South Jordan City. A violation of this Section constitutes a class "B" misdemeanor.

C: Scope of Prohibition: This section shall not be construed to regulate, restrict, or prohibit the personal possession, storage, or transfer of Virtual Currency by an individual, provided such activity does not involve that use of a Virtual Currency Kiosk as defined in this Section and does not apply to transactions conducted via personal computers, mobile devices, or software-based virtual currency wallets that are not part of a Virtual Currency Kiosk located within the City.

SECTION 2. COMPLIANCE. All Virtual Currency Kiosks existing in the City as of the Effective Date of this ordinance must be removed within 60 days after the Effective Date. Failure to remove a Virtual Currency Kiosk within the 60-day period shall constitute a class "B" misdemeanor, with each day of continued violation constituting a separate offense.

SECTION 3. Effective Date. This Ordinance shall become effective immediately upon publication or posting as required by law.

SECTION 4. Severability. If any section, part or provision of this Ordinance is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other portion of this Ordinance and all sections, parts, provisions and words of this Ordinance shall be severable.

[Signatures on Following Page]

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SOUTH JORDAN, UTAH, ON THIS 1st DAY OF SEPTEMBER 2026 BY THE FOLLOWING VOTE:

	YES	NO	ABSTAIN	ABSENT
Patrick Harris	_____	_____	_____	_____
Kathie Johnson	_____	_____	_____	_____
Donald Shelton	_____	_____	_____	_____
Tamara Zander	_____	_____	_____	_____
Jason McGuire	_____	_____	_____	_____

Mayor: ______________________________
Dawn R. Ramsey

Attest: ______________________________
Anna Crookston, City Recorder

Approved as to form:

____
City Attorney