

MARINA SCOTT
CITY TREASURER

SALT LAKE CITY CORPORATION
DEPARTMENT OF FINANCE
TREASURER'S DIVISION



CITY COUNCIL TRANSMITTAL

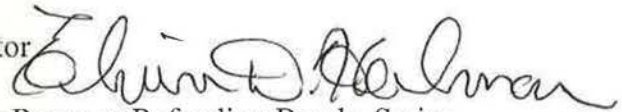

David Everitt, Chief of Staff

SCANNED TO: Mayor
SCANNED BY: Rachel
DATE: 5-20-14
Date Received: 5/20/2014
Date sent to Council: 5/20/2014

TO: Salt Lake City Council
Charlie Luke, Chair

DATE: May 20, 2014

FROM: Elwin Heilmann, Acting Finance Director



SUBJECT: Salt Lake City Sales and Excise Tax Revenue Refunding Bonds, Series 2014A Federally Taxable (Refund Sales Tax Revenue Refunding Bonds, Series 2005A)

STAFF CONTACT: Marina Scott, City Treasurer 801-535-6565

COUNCIL SPONSOR: Exempt

DOCUMENT TYPE: Resolution

RECOMMENDATION: That the City Council adopt a Bond Resolution on June 10, 2014 approving the issuance and sale of up to \$28,000,000 principal amount of Sales and Excise Tax Revenue Refunding Bonds, Series 2014A (the "Bonds") and give authority to certain officers to approve the final terms and provisions of and confirm the sale of the Bonds within certain parameters set forth in the attached Bond Resolution.

BUDGET IMPACT: Approximately \$1,830,000 in savings will be realized over the next six years in reduced debt costs resulting from the refunding of callable outstanding maturities of Sales Tax Revenue Refunding Bonds, Series 2005. These estimates are based on the current interest rate environment and are subject to change based on market conditions at the time of sale.

BACKGROUND/DISCUSSION:

The current interest rate environment provides a favorable opportunity to do a refunding of a portion of the outstanding 2005 bond issue. Assuming interest rates remain at their present levels by the time the bonds are sold, the present value of savings to be achieved will be approximately \$1,712,000, or about 7% of the par value of bonds being refunded.

The current plan calls for the Bonds to be sold on June 24, 2014. The Designated Officers defined in the attached Bond Resolution are authorized to approve the interest rate(s) and other terms and provisions relating to the Bonds by executing the Certificate of Determination, which is also attached.

Please use the attached Agenda and Motion language provided by Bond Counsel immediately following this Transmittal. A draft copy of the Bond Resolution and most of its attachments are included for your review. Please keep in mind that these are preliminary drafts and are subject to change.

Unlike other bonding actions where documents need to be signed the evening of Council action to lock in rates, the Mayor and Council Chair will have until June 11, 2014 at the latest to sign the Bond Resolution.

The Certificate of Determination will need to be signed by the Mayor and Council Chair or their respective designees on the afternoon of the date of pricing and sale of the bonds, which is currently scheduled for June 24, 2014.

Attachments

cc: Gina Chamness, Boyd Ferguson, Gordon Hoskins, Joseph Moratalla, Margaret Plane

Salt Lake City Council

Agenda Item for June 10, 2014

UNFINISHED BUSINESS:

Suggested Agenda Language relating to the delegating bond resolution for the sales and excise tax revenue refunding bonds to be considered by the City Council at its meeting on June 10, 2014:

Resolution: Authorizing the Issuance and the Sale of Sales and Excise Tax Revenue Refunding Bonds

- a. Consider adopting a delegating bond resolution authorizing the issuance and sale of up to \$28,000,000 aggregate principal amount of the City's sales and excise tax revenue refunding bonds, in one or more series on a taxable or tax-exempt basis, to refinance a portion of the City's currently outstanding sales tax revenue bonds; delegating authority to certain officials and officers of the City to approve the final terms and provisions of such refunding bonds; and providing for related matters.

Staff Recommendation: Adopt the resolution.

Suggested Motion Language is as follows:

I move that the City Council adopt the delegating bond resolution that authorizes up to \$28,000,000 of the City's sales and excise tax revenue refunding bonds, on a taxable or tax-exempt basis, to refinance a portion of the City's sales tax revenue bonds, that delegates authority to approve the final terms and provisions of such refunding bonds, and that provides for related matters.

RESOLUTION NO. __ OF 2014

A Resolution authorizing the issuance and the sale of not to exceed \$28,000,000 aggregate principal amount of Sales and Excise Tax Revenue Refunding Bonds for the purpose of refunding certain outstanding Sales Tax Revenue Refunding Bonds of the City; authorizing the execution and delivery of a supplemental trust indenture to secure said bonds; giving authority to certain officials and officers to approve the final terms and provisions of the bonds within the parameters set forth herein; authorizing the taking of all other actions necessary for the consummation of the transactions contemplated by this resolution; and related matters.

*** *** ***

WHEREAS, Salt Lake City, Utah (the “*City*”) is a duly organized and existing city of the first class, operating under the general laws of the State of Utah (the “*State*”);

WHEREAS, the City considers it necessary and desirable and for the benefit of the City to issue its sales and excise tax revenue refunding bonds, in one or more series, on a taxable or tax-exempt basis as hereinafter provided for the purpose of (a) refinancing all or a portion of the City’s currently outstanding Sales Tax Revenue Refunding Bonds, Series 2005A (the “*Series 2005A Bonds*”); (b) funding any necessary reserves and contingencies in connection with the Bonds, and (c) paying the costs incurred in connection with the refunding of the Refunded Bonds (defined below), and issuance and sale of the Bonds pursuant to authority contained in the Utah Refunding Bond Act, Chapter 27 of Title 11 (the “*Act*”), Utah Code Annotated 1953, as amended (the “*Utah Code*”), and other applicable provisions of law;

WHEREAS, for the purposes set forth above, the City has determined (a) to issue its Sales and Excise Tax Revenue Refunding Bonds, in one or more series on a taxable or tax-exempt basis, in an aggregate principal amount not to exceed \$28,000,000 (the “*Series 2014A Bonds*”) (subject to the further limitations outlined herein) pursuant to the Master Trust Indenture, dated as of September 1, 2004, as amended and supplemented to the date hereof (the “*Master Indenture*”), a copy of which is attached here as *Exhibit A* and a Ninth Supplemental Trust Indenture (the “*Ninth Supplemental Indenture*”), between the City and Zions First National Bank, as trustee (the “*Trustee*”) (the Master Indenture and the Ninth Supplemental Indenture are sometimes collectively referred to hereinafter as the “*Indenture*”), and (b) to cause the proceeds of the sale of the Series 2014A Bonds to be applied in accordance with the Indenture;

WHEREAS, the City is authorized by the Utah Code to refund the Refunded Bonds, to enter into the Ninth Supplemental Indenture, and to issue the Series 2014A Bonds to finance all or a portion of the costs of refunding the Refunded Bonds, to fund any necessary reserves, and to pay all related costs authorized by law;

WHEREAS, Section 11-27-4 of the Utah Code provides for the publication of a Notice of Bonds to be Issued (the “*Notice of Bonds*”) and the running of a 30-day contest period, and the City desires to cause the publication of such Notice of Bonds at this time in compliance with said section with respect to the Series 2014A Bonds;

WHEREAS, in the opinion of the City, it is in the best interests of the City that (a) the Designated Officers (defined below) be authorized to approve the final terms and provisions relating to the Series 2014A Bonds and to execute the Certificate of Determination (defined below) containing such terms and provisions; and (b) the Mayor (defined below) be authorized to execute the Official Statement with respect to the Series 2014A Bonds, all as provided herein; and

WHEREAS, the form of an Escrow Agreement between the City and Zions First National Bank, as escrow agent (the “*Escrow Agent*”) has been prepared and distributed to the City, and the City has examined the provisions of the Escrow Agreement and desires at this time to approve the terms and provisions of the Escrow Agreement and to authorize the execution and delivery thereof by the Mayor, the Deputy Mayor or the Mayor’s designee (the “*Mayor*”), and City Treasurer, or the Debt Manager of the City (the “*City Treasurer*”), and by the countersignature and attestation thereof by the City Recorder, or any Deputy City Recorder;

NOW, THEREFORE, BE IT RESOLVED by the City Council of Salt Lake City, Utah, as follows:

Section 1. Issuance of Bonds. (a) For the purposes set forth above, there is hereby authorized and directed the execution, issuance, sale and delivery of the Series 2014A Bonds in one or more series (with such adjustments to the series designation as are necessary) and on a taxable or tax-exempt basis in the aggregate principal amount not to exceed \$28,000,000. The Series 2014A Bonds shall be dated as of the date of the initial delivery thereof. The Series 2014A Bonds shall be in authorized denominations, shall be payable, and shall be executed and delivered all as provided in the Indenture. The Series 2014A Bonds shall be subject to redemption prior to maturity as provided in the Indenture.

(b) The form of the Series 2014A Bonds set forth in the form Ninth Supplemental Indenture, subject to appropriate insertions and revisions in order to comply with the provisions of the Indenture, is hereby approved.

(c) The Series 2014A Bonds shall be special obligations of the City, payable from and secured by a pledge and assignment of the Revenues (as defined in the Indenture) received by the City and of certain other moneys held under the Indenture on a parity with any other Bonds (as defined in the Indenture) issued from time to time under the Master Indenture, including but not limited to the City’s (i) Adjustable Rate Sales Tax Revenue Refunding Bonds, Series 2004, (ii) any remaining Sales Tax Revenue Refunding Bonds, Series 2005A, (iii) Sales Tax Revenue Bonds, Series 2007A, (iv) Sales Tax Revenue Bonds, Series 2009A, (v) Sales and Excise Tax Revenue Bonds, Series 2012A, (vi) Federally Taxable Sales and Excise Tax Revenue Bonds, Series 2013A and (vii) Sales and Excise Tax Revenue Bonds, Series 2013B. The Series 2014A Bonds shall not be obligations of the State or any other political subdivision thereof, other than

the City, and neither the faith and credit nor the ad valorem taxing or appropriation power of the State or any political subdivision thereof, including the City, is pledged to the payment of the Series 2014A Bonds. The Series 2014A Bonds shall not constitute general obligations of the City or any other entity or body, municipal, state or otherwise.

Section 2. Series 2014A Bond Details; Delegation of Authority. (a) The Series 2014A Bonds shall mature on October 1 of the years and in the principal amounts, and shall bear interest (calculated on the basis of a year of 360 days consisting of twelve 30-day months) from the Closing Date, payable semiannually on April 1 and October 1 of each year, and at the rates per annum and commencing on the dates, all as provided in that certain Certificate of Determination, a form of which is attached hereto as *Exhibit C*, of the Designated Officers delivered pursuant to this Section 2, setting forth certain terms and provisions of the Series 2014A Bonds (the “*Certificate of Determination*”).

(b) There is hereby delegated to the Designated Officers, subject to the limitations contained in this resolution, the power to determine and effectuate the following with respect to the Series 2014A Bonds and the Designated Officers are hereby authorized to make such determinations and effectuations:

(i) the principal amount of each series of the Series 2014A Bonds necessary to accomplish the purpose of the Series 2014A Bonds set forth in the recitals hereto and the aggregate principal amount of each series of the Series 2014A Bonds to be executed and delivered pursuant to the Indenture; *provided* that the aggregate principal amount of the Series 2014A Bonds shall not exceed Twenty-eight Million Dollars (\$28,000,000);

(ii) the maturity date or dates and principal amount of each maturity of the Series 2014A Bonds to be issued; *provided, however*, that the Series 2014A Bonds mature over a period of not to exceed seven (7) years from their date or dates;

(iii) the interest rate or rates of the Series 2014A Bonds and the date on which payment of such interest commences, *provided, however*, that the interest rate or rates to be borne by any Series 2014A Bond shall not exceed five percent (5.00%) per annum;

(iv) the sale of the Series 2014A Bonds and the purchase price to be paid by the Underwriter (defined below) of such Series 2014A Bonds; *provided, however*, that the discount from par of each series of the Series 2014A Bonds shall not exceed two percent (2.00%) (expressed as a percentage of the principal amount);

(v) the Series 2014A Bonds, if any, to be retired from mandatory sinking fund redemption payments and the dates and the amounts thereof;

(vi) the time and redemption price at which the Series 2014A Bonds may be called for redemption prior to their maturity at the option of the City;

(vii) the amount of reserves necessary to be maintained in connection with the Series 2014A Bonds, if any;

- (viii) the use and deposit of the proceeds of the Series 2014A Bonds;
- (ix) the maturity dates and amounts of the Series 2005A Bonds to be refunded by the Series 2014A Bonds (the “*Refunded Bonds*”);
- (x) the amount, use and deposit of any funds of the City legally available to provide for the refunding of the Refunded Bonds (including monies held by the City for payment of debt service on the Refunded Bonds); and
- (xi) any other provisions deemed advisable by the Designated Officers not materially in conflict with the provisions of this resolution.

For purposes of this resolution and the Series 2014A Bonds, “*Designated Officers*” means (a) the (i) Mayor of the City, or (ii) in the event of the absence or incapacity of the Mayor, the Mayor’s Chief of Staff, or (iii) in the event of the absence or incapacity of both the Mayor and the Mayor’s Chief of Staff, the City Treasurer or the acting City Treasurer and (b) (i) the Chair of the City Council; or (ii) in the event of the absence or incapacity of the Chair of the City Council, the Vice Chair of the City Council; or (iii) in the event of the absence or incapacity of both the Chair and Vice Chair of the City Council, any other member of the City Council.

Following the sale of the Series 2014A Bonds, the Designated Officers shall obtain such information as they deem necessary to make such determinations as provided above and shall make such determinations as provided above and shall execute the Certificate of Determination containing such terms and provisions of such series of the Series 2014A Bonds, which execution shall be conclusive evidence of the action or determination of the Designated Officers as to the matters stated therein. The provisions of the Certificate of Determination shall be deemed to be incorporated into this Section 2.

Section 3. Approval and Execution of the Ninth Supplemental Indenture. The Ninth Supplemental Indenture, in substantially the form attached hereto as *Exhibit A*, is hereby authorized and approved, and the Mayor is hereby authorized, empowered and directed to execute and deliver the Ninth Supplemental Indenture on behalf of the City, and the City Recorder or any Deputy City Recorder is hereby authorized, empowered and directed to affix to the Ninth Supplemental Indenture the seal of the City and to attest such seal and countersign such Ninth Supplemental Indenture, with such changes to the Ninth Supplemental Indenture from the form attached hereto as are approved by the Mayor, his execution thereof to constitute conclusive evidence of such approval. The provisions of the Ninth Supplemental Indenture, as executed and delivered, are hereby incorporated in and made a part of this resolution. The Master Indenture and the Ninth Supplemental Indenture shall constitute a “system of registration” for all purposes of the Registered Public Obligations Act of Utah.

Section 4. Final Official Statement. The final Official Statement of the City in substantially the form of the Preliminary Official Statement presented at this meeting and in the form attached hereto as *Exhibit D*, is hereby authorized with such changes, omissions, insertions and revisions as the Mayor shall deem advisable, including the completion thereof with the information established at the time of the sale of the Series 2014A Bonds by the Designated

Officers and set forth in the Certificate of Determination. The Mayor shall sign and deliver the final Official Statement for distribution to prospective purchasers of each series of the Series 2014A Bonds and other interested persons. The approval of the Mayor of any such changes, omissions, insertions and revisions shall be conclusively established by the Mayor's execution of such final Official Statement.

Section 5. Preliminary Official Statement Deemed Final. The use and distribution of the Preliminary Official Statement, in substantially the form presented at this meeting and in the form attached hereto as *Exhibit D*, is hereby authorized and approved, with such changes, omissions, insertions and revisions as the Mayor and the City Treasurer shall deem advisable. The Mayor and the City Treasurer are, and each of them is, hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as may be necessary or advisable to provide for the issuance, sale and delivery of the Series 2014A Bonds and to deem final the Preliminary Official Statement within the meaning and for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission, subject to completion thereof with the information established at the time of the sale of the Series 2014A Bonds.

Section 6. Other Certificates and Documents Required to Evidence Compliance with Federal Tax and Securities Laws. Each of the Mayor, the City Recorder or any Deputy City Recorder and the City Treasurer is hereby authorized and directed to execute (a) such certificates and documents as are required to evidence compliance with the federal laws relating to the tax-exempt status of interest on the Series 2014A Bonds and (b) a Continuing Disclosure Agreement, in substantially the form attached hereto as *Exhibit E*, and such other certificates and documents as shall be necessary to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission and other applicable federal securities laws.

Section 7. Other Actions With Respect to the Series 2014A Bonds. The officers and employees of the City shall take all action necessary or reasonably required to carry out, give effect to, and consummate the transactions contemplated hereby and shall take all action necessary in conformity with the Act to carry out the issuance of the Series 2014A Bonds, including, without limitation, the execution and delivery of any closing and other documents required to be delivered in connection with the sale and delivery of the Series 2014A Bonds. If (a) the Mayor, (b) the City Recorder or (c) the City Treasurer shall be unavailable or unable to execute or attest and countersign, respectively, the Series 2014A Bonds or the other documents that they are hereby authorized to execute, attest and countersign, the same may be executed, or attested and countersigned, respectively, (i) by the Deputy Mayor, (ii) by any Deputy City Recorder or (iii) by the Debt Manager of the City. Without limiting the generality of the foregoing, the officers and employees of the City are authorized and directed to take such action as shall be necessary and appropriate to issue the Series 2014A Bonds.

Section 8. Notice of Bonds to be Issued; Contest Period. In accordance with the provisions of Section 11-27-4 of the Utah Code, the City Recorder or any Deputy City Recorder shall cause the Notice of Bonds, in substantially the form attached hereto as *Exhibit F*, to be published one time in *The Salt Lake Tribune* and the *Deseret Morning News*, newspapers published and of general circulation within the City.

For a period of thirty (30) days from and after publication of the Notice of Bonds, any person in interest shall have the right to contest the legality of this resolution (including the Ninth Supplemental Indenture attached hereto) or the Series 2014A Bonds hereby authorized or any provisions made for the security and payment of the Series 2014A Bonds. After such time, no one shall have any cause of action to contest the regularity, formality or legality of this resolution (including the Ninth Supplemental Indenture) or the Series 2014A Bonds or any provisions made for the security and payment of the Series 2014A Bonds for any cause.

Section 9. Sale of the Series 2014A Bonds; Purchase Contract. The Series 2014A Bonds authorized to be issued herein are hereby authorized to be sold and delivered to KeyBanc Capital Markets Inc., as underwriter (the “*Underwriter*”), upon the terms and conditions set forth in the Purchase Contract. The Mayor is hereby authorized, empowered and directed to execute and deliver the Purchase Contract on behalf of the City in substantially the form attached hereto as *Exhibit G*, with such changes therein from the form attached hereto as are approved by the Mayor, his execution thereof to constitute conclusive evidence of such approval. The City Recorder or any Deputy City Recorder is hereby authorized, empowered and directed to affix to the Purchase Contract the seal of the City and to attest such seal and countersign the Purchase Contract.

Section 10. Provision for Refunding the Refunded Bonds. It is hereby found and determined that, pursuant to the Escrow Agreement and this resolution, moneys and governmental obligations permitted under the Act, the principal of and the interest on which, when due, will provide moneys that will be sufficient to pay, when due, pursuant to call for redemption, the redemption price of and interest due and to become due on, the Refunded Bonds, will be deposited with the Escrow Agent and provision thereby made for the refunding of the Refunded Bonds. [The City Treasurer and the Trustee are hereby authorized to transfer from the Series 2005A Bond Service Subaccount for the Series 2005A Bonds the amount designated in the Certificate of Determination pursuant to Section 2(b)(x) hereof.]

Section 11. Authorization of Escrow Agreement. The Escrow Agreement, in substantially the form set forth as *Exhibit H* hereto, with such insertions, changes and additions as shall be made with the approval of the Mayor, his execution thereof to constitute conclusive evidence of such approval, is hereby in all respects authorized and approved. The Mayor, on behalf of the City, and the City Treasurer shall enter into the Escrow Agreement with the Escrow Agent establishing the Escrow Account from which the redemption price of, and interest on, the Refunded Bonds shall be paid when due. After all the Refunded Bonds shall have become due and payable pursuant to call for redemption, any investments remaining in the Escrow Account shall be liquidated, and any proceeds of liquidation over and above the amount necessary to be retained for the payment of any Refunded Bonds not yet presented for payment, including interest due and payable, shall be paid in accordance with the Escrow Agreement. The Mayor and City Treasurer, are hereby authorized and directed to execute and deliver, and the City Recorder to seal, countersign and attest, the Escrow Agreement.

Section 12. Authorization of Redemption Prior to Maturity of Refunded Bonds. The Refunded Bonds are, upon the issuance of the Series 2014A Bonds, irrevocably called for redemption on October 1, 2015, at the redemption price of one hundred percent (100%) of the

principal amount of each such Series 2005A Bond so called for redemption plus accrued interest thereon to the date fixed for redemption. Notice of such redemption shall be given as provided in the Indenture.

Section 13. City Recorder to Perform Certain Acts. The City Recorder is hereby directed to maintain a copy of this Resolution (together with all exhibits hereto), a copy of the Master Indenture and the form of the Ninth Supplemental Indenture on file in the City Recorder's office during regular business hours for public examination by registered voters of the City and other interested persons until at least thirty (30) days from and after the date of publication of the Notice of Bonds.

Section 14. Prior Acts Ratified, Approved and Confirmed. All acts of the officers and employees of the City in connection with the issuance of the Series 2014A Bonds are hereby ratified, approved and confirmed.

Section 15. Resolution Irrepealable. Following the execution and delivery of the Ninth Supplemental Indenture, this resolution shall be and remain irrepealable until all of the Series 2014A Bonds and the interest thereon shall have been fully paid, cancelled, and discharged.

Section 16. Severability. If any section, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this resolution.

Section 17. Effective Date. This resolution shall be effective immediately upon its approval and adoption.

(Signature page follows.)

ADOPTED AND APPROVED by the City Council of Salt Lake City, Utah, this _____ day of _____, 2014.

SALT LAKE CITY, UTAH

Chair
Salt Lake City Council

ATTEST:

City Recorder

[SEAL]

APPROVED:

By _____
Mayor

APPROVED AS TO FORM:

By *David Ferg*
Senior City Attorney

EXHIBIT A

[ATTACH COPY OF MASTER TRUST INDENTURE]

EXHIBIT B

[ATTACH FORM OF NINTH SUPPLEMENTAL TRUST INDENTURE]

EXHIBIT C

[ATTACH FORM OF CERTIFICATE OF DETERMINATION]

EXHIBIT D

[ATTACH FORM OF PRELIMINARY OFFICIAL STATEMENT]

EXHIBIT E

[ATTACH FORM OF CONTINUING DISCLOSURE AGREEMENT]

EXHIBIT F

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of Section 11-27-4, Utah Code Annotated 1953, as amended, that on June 10, 2014, the City Council (the "*Council*") of Salt Lake City, Utah (the "*City*"), adopted a resolution (the "*Resolution*") in which it authorized and approved the issuance of its sales and excise tax revenue refunding bonds in one or more series on a taxable or tax-exempt basis (collectively, the "*Bonds*"), in an aggregate principal amount of not to exceed \$28,000,000, to bear interest at a rate or rates of not to exceed 5.00% per annum and to mature not later than 7 years from their date or dates and to be sold at a discount from par not to exceed 2.00%. The Bonds shall be subject to such optional and mandatory redemption and other provisions as are contained in the Master Trust Indenture, described below, and the final form of the Bonds and Ninth Supplemental Trust Indenture, described below.

Pursuant to the Resolution, the Bonds are to be issued for the purpose of paying all or part of the cost of (1) refinancing all or a portion of the City's currently outstanding Sales Tax Revenue Refunding Bonds, Series 2005A (the "*Refunded Bonds*") (2) funding any necessary reserves and contingencies in connection with the Bonds, and (3) paying the costs incurred in connection with the issuance and sale of the Bonds and the refunding of the Refunded Bonds. The Bonds are to be issued and sold by the City pursuant to the Resolution, including as part of the Resolution a draft, in substantially final form, of a Ninth Supplemental Trust Indenture, and a copy of the Master Trust Indenture, dated as of September 1, 2004, as heretofor amended and supplemented (the "*Master Indenture*"), between the City and Zions First National Bank, a trustee, that were before the Council and attached to the Resolution at the time of the adoption of the Resolution. The City will cause the Ninth Supplemental Trust Indenture to be executed and delivered in such form and with such changes thereto as certain designated officers of the City shall approve, *provided* that the principal amount, interest rate or rates, maturity and discount, if any, will not exceed the respective maximums described above.

The repayment of the Bonds will be secured by a pledge of the legally available revenues from: (a) Local Sales and Use Taxes received by the City pursuant to Title 59, Chapter 12, Part 2, Utah Code (currently levied and collected pursuant to Chapter 3.04 of the Salt Lake City Code); (b) Municipal Energy Sales and Use Taxes received by the City pursuant to Title 10, Chapter 1, Part 3, Utah Code (currently levied and collected pursuant to Chapter 3.06 of the Salt Lake City Code); (c) the franchise fees for energy and utilities received by the City pursuant to Title 10, Chapter 1, Part 3, Utah Code (currently levied and collected pursuant to Chapter 3.06 of Salt Lake City Code); (d) the Municipal Telecommunications License Tax revenues received by the City pursuant to Title 10, Chapter 1, Part 4, Utah Code (currently levied and collected pursuant to Chapter 3.10 of Salt Lake City Code); (e) the franchise fees associated with public utilities received by the City pursuant to Title 10, Chapter 1, Part 3, Utah Code (currently levied and collected pursuant to Chapter 17.16.070 of Salt Lake City Code); and (f) the franchise fees associated with cable television received by the City pursuant to Salt Lake City Code Chapter 5.20 (collectively, the "*Pledged Taxes*").

A copy of the Resolution (including the draft of the Ninth Supplemental Trust Indenture and a copy of the Master Indenture attached to the Resolution) is on file in the office of the City Recorder, located in Room 415, City and County Building, 451 South State Street, in Salt Lake City, Utah, where the Resolution may be examined during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m. The Resolution shall be so available for inspection for a period of at least thirty (30) days from and after the date of the publication of this notice.

NOTICE IS FURTHER GIVEN that pursuant to law for a period of thirty (30) days from and after the date of the publication of this notice, any person in interest shall have the right to contest the legality of the Resolution (including the Ninth Supplemental Trust Indenture attached thereto) of the City or the Bonds authorized thereby or any provisions made for the security and payment of the Bonds. After such time, no one shall have any cause of action to contest the regularity, formality or legality of the Resolution, the Bonds or the provisions for their security or payment for any cause.

DATED this ____ day of _____, 2014.

SALT LAKE CITY, UTAH

By _____
City Recorder

[SEAL]

EXHIBIT G

[ATTACH FORM OF PURCHASE CONTRACT]

EXHIBIT H

[ATTACH FORM OF ESCROW AGREEMENT]

MASTER TRUST INDENTURE

BETWEEN

SALT LAKE CITY, UTAH

AND

ZIONS FIRST NATIONAL BANK

AS TRUSTEE

DATED AS OF SEPTEMBER 1, 2004

PROVIDING FOR THE ISSUANCE OF

SALES AND EXCISE TAX REVENUE BONDS

As Amended by the Fifth Supplemental Trust Indenture, dated as of January 1, 2012 and the Sixth Supplemental Trust Indenture, dated as of June 1, 2012, each between Salt Lake City, Utah and Zions First National Bank, as Trustee

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MASTER TRUST INDENTURE

THIS MASTER TRUST INDENTURE, dated as of September 1, 2004, by and between Salt Lake City, Utah, a municipal corporation and political subdivision of the State of Utah (the “City”), and Zions First National Bank, a national banking association duly organized and qualified under the laws of the United States to accept and administer the trust hereby created, and having a place of business in Salt Lake City, Utah (the “Trustee”):

WITNESSETH:

WHEREAS, the City desires to undertake the acquisition, improvement or extension of one or more improvements, facilities or property (or interests therein) which the City is authorized by law to acquire and to finance the cost of such acquisition, improvement or extension by the issuance of sales and excise tax revenue bonds as authorized by law, all payable on a parity as to Revenues of the City as provided herein;

NOW, THEREFORE, the City and the Trustee agree as follows for the benefit of the other and for the benefit of the owners of the Bonds issued pursuant to this Indenture:

NOW, THEREFORE, THIS MASTER TRUST INDENTURE WITNESSETH:

GRANTING CLAUSE

In order to secure the payment of Principal, Redemption Price and interest on the Bonds and of Repayment Obligations in accordance with their terms and the provisions of the Indenture, and to secure the observance and performance of all the covenants contained herein, in the Bonds and in the Repayment Obligations, the City hereby assigns and pledges to the Trustee and grants to the Trustee a security interest in all right, title and interest of the City in and to (1) the proceeds of sale of the Bonds, (2) the Revenues, and (3) all Funds established or confirmed by the Indenture (except for any Rebate Fund), including the investments, if any, thereof, subject to any required rebate of all or a portion of the earnings on such investments to the United States of America pursuant to the requirements of Section 148(f) of the Code, and all other rights hereinafter granted for the further securing of said Bonds and Repayment Obligations (collectively, the “Trust Estate”), subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth herein; such Trust Estate to be held:

FIRST, for the equal and proportionate benefit, security and protection of all Bondholders and all Security Instrument Issuers, without preference, priority or distinction as to security or otherwise of any of the Bonds or Security Instrument Repayment Obligations over any of the others, except as otherwise expressly provided in or permitted by the Indenture, by reason of time of issuance, sale, delivery, maturity or expiration thereof or otherwise for any cause whatsoever; and

SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Issuers, without preference, priority or distinction as to security or otherwise of any Reserve Instrument Repayment Obligations over any of the others by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever.

PROVIDED, HOWEVER, that if the City, its successors or assigns, shall well and truly pay, or cause to be paid, the principal and premium, if any, on the Bonds and the interest due or to become due thereon, at the times and in the manner mentioned in the Bonds, all Security Instrument Repayment Obligations, according to the true intent and meaning thereof and all Reserve Instrument Repayment Obligations, according to the true intent and meaning thereof, or shall provide, as permitted by this Indenture, for the payment thereof as provided in Article XI hereof, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions of this Indenture, then upon such final payments or provisions for such payments by the City, this Indenture, and the rights hereby granted, shall terminate; otherwise this Indenture shall remain in full force and effect.

The terms and conditions upon which the Bonds are to be executed, authenticated, delivered, secured and accepted by all persons who from time to time shall be or become Registered Owners thereof, and the trusts and conditions upon which the Revenues are to be held and disposed, which said trusts and conditions the Trustee hereby accepts, are as follows:

ARTICLE I

DEFINITIONS, STATUTORY AUTHORITY AND EQUALITY OF BONDS

Section 1.01. Definitions. Unless the context otherwise requires, the terms in this Section defined shall, for all purposes of the Indenture and of any certificate, opinion or other document herein mentioned, have the meanings herein specified.

“Accountant’s Certificate” means a certificate signed by an Independent Public Accountant.

“Accreted Amount” means, with respect to Capital Appreciation Bonds of any Series and as of the date of calculation, the amount established pursuant to the Supplemental Indenture authorizing such Capital Appreciation Bonds as the amount representing the initial public offering price, plus the accumulated and compounded interest on such Bonds.

“Accrued Debt Service” means, as of any date of calculation, the amount of Debt Service that has accrued with respect to any Series of Bonds and any related Security Instrument Repayment Obligations, calculating the Debt Service that has accrued with respect to each Series of Bonds and any related Security Instrument Repayment Obligations as an amount equal to the sum of (a) the interest on the Bonds of such Series and on any related Security Instrument Repayment Obligations that has accrued and is unpaid and that will have accrued by the end of the then-current calendar month, and (b) that portion of all Principal Installments payable within the 12-month period following the date of calculation for the Bonds of such Series and on any

related Security Instrument Repayment Obligations that would have accrued, if deemed to accrue in the same manner as interest accrues, by the end of the then current calendar month.

“*Act*” means the Utah Municipal Bond Act, Chapter 14 of Title 11, Utah Code Annotated 1953, as amended, and, to the extent applicable, the Registered Public Obligations Act, Chapter 7 of Title 15, Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Chapter 27 of Title 11, Utah Code Annotated 1953, as amended, and all laws amendatory thereof or supplemental thereto.

“*Agent*” or “*Agents*” means the Trustee, the Paying Agents, any Transfer Agent, any Depositary, or any or all of them, as may be appropriate.

“*Aggregate Debt Service*” means, as of any date of calculation and with respect to any period, the sum of the amounts of Debt Service for (a) all Series of Bonds then Outstanding and (b) any Repayment Obligations then outstanding.

“*Amortized Value*” means par, if an obligation was purchased at par or, when used with respect to an obligation purchased at a premium above par or at a discount below par, means the value as of any given date obtained by dividing the total amount of the premium or discount at which such obligation was purchased by the number of days remaining to the maturity of such obligation on the date of such purchase and by multiplying the amount thus calculated by the number of days having passed since the date of such purchase and: (a) in the case of an obligation purchased at a premium, by subtracting the product thus obtained from the purchase price to obtain Amortized Value, or (b) in the case of an obligation purchased at a discount, by adding the product thus obtained to the purchase price to obtain Amortized Value.

“*Authorized Amount*” means, with respect to a Commercial Paper Program, the maximum principal amount of commercial paper which is then authorized by the City to be outstanding at any one time pursuant to such Commercial Paper Program.

“*Authorized Officer*” means the Mayor, the City Treasurer, the City Recorder and any other person duly authorized to perform the act or sign the document in question.

“*Average Aggregate Debt Service*” means, as of any date of calculation, the sum of the amounts of Aggregate Debt Service for each Fiscal Year during which any Series of Bonds is Outstanding divided by the number of such Fiscal Years; *provided, however*, that for purposes of the debt service coverage test required under Section 11-14-17.5(4) of the Utah Municipal Bond Act, the City may exclude from such calculation the Debt Service on any Series of Bonds which are secured, in addition to the pledge of Revenues pursuant to the Indenture, by a pledge of Special Revenues.

“*Balloon Bonds*” means Bonds, other than Bonds which mature within one year of the date of issuance thereof, 25% or more of the Principal Installments on which (a) are due or, (b) at the option of the Holder thereof may be redeemed, during any period of a Year.

“*Bond Service Account*” means the Bond Service Account in the Principal and Interest Fund established in Section 5.03.

“*Bondholder*,” “*Holder*,” “*Owner*” or “*Registered Owner*,” or any similar term, means the owner of any Bond or Bonds. In the case of a fully-registered Bond, Bondholder means the registered owner of such Bond.

“*Bonds*” means bonds, notes, commercial paper or other obligations (other than Repayment Obligations) authorized by and at any time Outstanding pursuant to the Indenture. The term Bonds includes Construction Bonds and Refunding Bonds.

“*Business Day*” means a day of the year which is not a Saturday, Sunday or legal holiday in New York, New York, or a day on which the Trustee, any Depositary and any Security Instrument Issuer are authorized or obligated to close.

“*Calendar Year*” means the period commencing on January 1 of each year and terminating on the next succeeding December 31.

“*Capital Appreciation Bonds*” means Bonds the interest on which (a) is compounded and accumulated at the rates and on the dates set forth in the Supplemental Indenture authorizing the issuance of such Bonds and designating them as Capital Appreciation Bonds, and (b) is payable upon maturity or redemption of such Bonds.

“*City*” means Salt Lake City, Utah, a municipal corporation and political subdivision of the State, and its successors and assigns.

“*City Recorder*” means the City Recorder of the City, or in the event of his or her disability or absence, a Deputy City Recorder or other person duly authorized to perform the duties of the City Recorder.

“*City Treasurer*” means the City Treasurer of the City, or in the event of his or her disability or absence, the Cash Manager/Investment Analyst or other person duly authorized to perform the duties of the City Treasurer.

“*Code*” means the Internal Revenue Code of 1986, as amended and supplemented from time to time. Each reference to a section of the Code shall be deemed to include the United States Treasury Regulations, including temporary and proposed regulations, relating to such section which are applicable to tax-exempt bonds.

“*Commercial Paper Program*” means commercial paper obligations with maturities of not more than one Year from the dates of issuance thereof which are issued and reissued by the City from time to time pursuant to Article II hereof and are outstanding up to an Authorized Amount.

“*Construction Bonds*” means all Bonds, whether issued in one or more Series, authenticated and delivered pursuant to Section 2.03, and any Bonds thereafter authenticated and

delivered in lieu thereof or in substitution therefor pursuant to Article III or Section 4.04 or Section 8.06.

“Construction Fund” means the fund by that name established in Section 5.03.

“Cost of Construction” means the costs of the City properly attributable to the financing, acquisition, construction, reconstruction, modification or improvement of facilities, property or improvements (or interests therein) which the City is authorized by law to acquire, as identified for a particular Project, and all expenses preliminary and incidental thereto incurred by the City in connection therewith and in the issuance of the Bonds, including all engineering, fiscal and legal expenses and costs of issuance, printing and advertising for which funds may be disbursed from the Construction Fund and the establishment of necessary reserves and payment of interest during construction, including but not limited to:

- (1) Payment of the costs of acquiring, constructing, reconstructing, modifying, or improving a Project.
- (2) Payment of the initial or acceptance fee of the Trustee.
- (3) Payment to the City of such amounts, if any, as shall be necessary to reimburse the City in full for advances and payments theretofore made or costs theretofore incurred by the City for any item of Cost of Construction.
- (4) Costs for the obtaining of any insurance policies or surety bonds with respect to a Project by the City during the acquisition, construction, reconstruction, modification or improvement of such Project.
- (5) Payment of audit fees and expenses for maintenance of construction records required to be kept with respect to a Project.
- (6) Payment of the costs of any necessary litigation and the obtaining of all necessary permits, licenses and rulings.
- (7) Payment of the costs of issuance of the Bonds including legal, accounting, fiscal agent and underwriting fees and expenses, payments and fees due under any agreement pursuant to which any Series of Bonds is sold, premiums, fees or other charges for or under any Security Instrument or Reserve Instrument, bond discount, printing and engraving costs, and fees of rating agencies, incurred in connection with the authorization, sale and issuance of the Bonds and preparation of the Indenture and Supplemental Indenture pursuant to which the Bonds will be issued.
- (8) Payment of interest on the Bonds estimated to fall due during the period of construction of a Project and for up to twelve (12) months thereafter (or such different period as may then be permitted by law).

(9) The amount, if any, to be deposited into any Series Subaccount in the Debt Service Reserve Account pursuant to paragraph (10) of Section 2.02(a).

(10) Working capital determined by the City to be necessary or desirable in connection with a Project and payment of any other costs and expenses relating to a Project, including fees and expenses of the Trustee during the acquisition, construction, reconstruction, modification or improvement of a Project.

“*Council*” means the City Council of the City, or any other governing body of the City hereafter provided for pursuant to law.

“*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 refunded by Cross-over Refunding Bonds.

“*Cross-over Refunding Bonds*” means Refunding Bonds if the proceeds of such Cross-over Refunding Bonds are irrevocably deposited in escrow to secure the payment on an applicable redemption date or maturity date of the Cross-over Refunded Bonds (subject to possible use to pay Principal of the Cross-over Refunding Bonds under certain circumstances) and the earnings on such escrow deposit are required to be applied to pay interest on the Cross-over Refunding Bonds until the Cross-over Date.

“*Current Interest Bonds*” means Bonds not constituting Capital Appreciation Bonds. Interest on Current Interest Bonds shall be payable periodically on the interest payment dates provided therefor in a Supplemental Indenture.

“*Debt Service*” means, for any particular Fiscal Year and for any Series of Bonds and any Repayment Obligations, an amount equal to the sum of:

(a) all interest (net of any amounts deposited with the Trustee from the proceeds of the sales of a Series of Bonds and any interest subsidy with respect to Bonds paid or payable to or for the account of the City by any governmental body or agency, which are available to pay interest on such Series of Bonds) payable during such Fiscal Year on such Bonds then Outstanding and such Repayment Obligations then outstanding, plus

(b) the Principal Installments payable during such Fiscal Year on (i) such Bonds Outstanding, calculated on the assumption that Bonds Outstanding on the day of calculation cease to be Outstanding by reason of, but only by reason of, payment either upon maturity or application of any Sinking Fund Installments required by the Indenture, and (ii) such Repayment Obligations then outstanding;

provided, however that for purposes of Sections 2.02, 2.03 and 2.04,

(1) when calculating the Principal Installments payable during such Fiscal Year, there shall be treated as payable in such Fiscal Year the amount of Principal Installments which would have been payable during such Fiscal Year had the Principal of each Series of Balloon Bonds Outstanding been amortized, from their date of issuance over a period of 30 years, on a level debt service basis at an interest rate equal to the rate borne by such Balloon Bonds on the date of calculation, *provided* (A) that if the date of calculation is within twelve months before the actual maturity of such Balloon Bonds, the full amount of Principal payable at maturity shall be included in such calculation, and (B) that if there is any Security Instrument Repayment Obligation relating to such Balloon Bonds, the amount of Principal to be taken into account shall be the principal component of such Security Instrument Repayment Obligation;

(2) when calculating interest payable during such Fiscal Year for any Series of Variable Rate Bonds or Repayment Obligations bearing interest at a variable rate that cannot be ascertained for any particular Fiscal Year, (A) it shall be assumed that such Series of Variable Rate Bonds or Repayment Obligations will bear interest at the average of the variable rates applicable to such Series of Variable Rate Bonds or Repayment Obligations during any consecutive 12-month period during the immediately preceding 24 months (or a shorter period, commencing on the date of issuance of the Series of Variable Rate Bonds or the date of incurring such Repayment Obligations and ending within 30 days prior to the date of computation), or, (B) with respect to any Series of Variable Rate Bonds or Repayment Obligations for which such an average of variable rates cannot be determined, (i) at a rate equal to 110% of the most recent Bond Market Association Municipal Swap Index theretofore published in *The Bond Buyer*, or (ii) if *The Bond Buyer* is no longer published or no longer publishes the Bond Market Association Municipal Swap Index, at a rate certified by the City's financial advisor, underwriter or other agent, including a Remarketing Agent, to be the rate of interest such Series of Variable Rate Bonds or Repayment Obligations would bear if issued on the date of computation in the same amount, with the same maturity or maturities, with the same security, and bearing interest at a variable rate;

(3) when calculating interest payable during such Fiscal Year for any Variable Rate Bonds that are issued with an Interest Rate Swap in which the City has agreed to pay a fixed rate, such Series of Variable Rate Bonds shall be deemed to bear interest at such fixed rate as a result of such Interest Rate Swap; *provided* that such fixed rate may be utilized so long as such Interest Rate Swap is contracted to remain in full force and effect;

(4) when calculating interest payable during such Fiscal Year for any Bonds which are issued with a fixed interest rate and with respect to which an Interest Rate Swap is in effect in which the City has agreed to pay a variable rate, such Series of Bonds shall be deemed to be Variable Rate Bonds bearing interest at such variable rate as a result of such Interest Rate Swap; *provided* that such

amounts may be utilized only so long as such Interest Rate Swap is contracted to remain in full force and effect;

(5) when calculating interest payable during such Fiscal Year with respect to any Commercial Paper Program, “*Debt Service*” shall mean an amount equal to the sum of all principal and interest payments that would be payable during such Fiscal Year assuming that the Authorized Amount of such Commercial Paper Program is amortized on a level debt service basis over a period of 30 years beginning on the date of calculation or the period during which obligations can be issued under such Commercial Paper Program, and bearing interest (A) at an interest rate equal to the average of the interest rates applicable to such Commercial Paper Program during any consecutive 12-month period during the immediately preceding 24 months (or a shorter period, commencing on the date obligations are first issued under the Commercial Paper Program) ending within 30 days prior to the date of computation, or (B) with respect to any Commercial Paper Program for which such an average of the interest rates cannot be determined, (i) at a rate equal to 110% of the most recent Bond Market Association Municipal Swap Index theretofore published in *The Bond Buyer*, or (ii) if *The Bond Buyer* is no longer published or no longer publishes the Bond Market Association Municipal Swap Index, at an interest rate certified by the City’s financial advisor, underwriter or other agent, including a Remarketing Agent, to be the rate of interest that obligations of the Commercial Paper Program would bear if issued on the date of computation in the Authorized Amount, with the same security, bearing interest at a variable rate and maturing over a period of 30 years beginning on the date of calculation; and

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

and *further provided, however*, that there shall be excluded from “*Debt Service*” (1) interest on Bonds (whether Cross-over Refunding Bonds or Cross-over Refunded Bonds) to the extent that Escrowed Interest is available to pay such interest, (2) Principal on Cross-over Refunded Bonds to the extent that the proceeds of Cross-over Refunding Bonds are on deposit in an irrevocable escrow in satisfaction of the requirements of Section 11-27-3, Utah Code Annotated 1953, as amended, and such proceeds or the earnings thereon are required to be applied to pay such Principal (subject to the possible use to pay the Principal of the Cross-over Refunding Bonds under certain circumstances) and such amounts so required to be applied are sufficient to pay such Principal, (3) Repayment Obligations to the extent that payments on Pledged Bonds relating to such Repayment Obligations satisfy the City’s obligation to pay such Repayment Obligations, and (4) any termination payments with respect to an Interest Rate Swap.

“*Debt Service Reserve Account*” means the Debt Service Reserve Account in the Principal and Interest Fund established in Section 5.03.

“Debt Service Reserve Requirement” means, with respect to any Series Subaccount that has been established in the Debt Service Reserve Account, the amount specified in a Supplemental Indenture as being required to be on deposit in such Series Subaccount.

“Depository” means any bank or trust company selected by the City as a depository of moneys and securities held under the provisions of the Indenture and may include the Trustee.

“Escrowed Interest” means amounts irrevocably deposited in escrow in accordance with the requirements of Section 11-27-3, Utah Code Annotated 1953, as amended, in connection with the issuance of Bonds or Cross-over Refunding Bonds secured by such Cross-over Refunding Bonds or earnings on such amounts which are required to be applied to pay interest on such Cross-over Refunding Bonds or the related Cross-over Refunded Bonds.

“Estimated Completion Date” means the estimated date upon which a Project will have been substantially completed in accordance with the plans and specifications applicable thereto as that date shall be set forth in a Written Certificate of the City.

“Event of Default” has the meaning specified in Section 9.01.

“Fiscal Year” means the annual accounting period of the City as from time to time in effect, initially a period commencing on July 1 of each Calendar Year and ending on the next succeeding June 30.

“Fitch” means Fitch Ratings, a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, *“Fitch”* shall be deemed to refer to another nationally recognized securities rating agency, if any, designated by the City.

“Fund” means one of the funds confirmed or established pursuant to Section 5.03, including the Construction Fund, the Principal and Interest Fund and the Revenue Fund.

“Government Obligations” means:

- (i) Direct obligations of or obligations guaranteed by the United States of America;
- (ii) Any other evidences of an ownership interest in obligations or in specified portions thereof (which may consist of specified portions of the interest thereon) of the character described in clause (i) above; and
- (iii) Any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (a) which are not callable at the option of the obligor or otherwise prior to maturity or as to which irrevocable notice has been given by the obligor to call such bonds or obligations on the date specified in the notice, (b) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or bonds

or other obligations of the character described in clause (i) or clause (ii) above, which fund may be applied only to the payment of interest when due, principal of and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (c) as to which the principal of and interest on the bonds and obligations of the character described in clause (i) or clause (ii) above, which have been deposited in such fund along with any cash on deposit in such fund is sufficient to pay interest when due, principal of and redemption premium, if any, on the bonds or other obligations described in this clause (iii) on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in subclause (a) of this clause (iii), as appropriate.

“*Indenture*” means this Master Trust Indenture, as from time to time amended or supplemented by Supplemental Indentures.

“*Independent Public Accountant*” means any certified public accountant or firm of such accountants appointed and paid by the City, and who, or each of whom: (1) is in fact independent and not under domination of the City; (2) does not have any substantial interest, direct or indirect, with the City; and (3) is not connected with the City as an officer or employee of the City, but who may be regularly retained to make annual or other audits of the books of or reports to the City. The Trustee shall be entitled to rely on the written statement of a certified public accountant or firm of such accountants as to his or its compliance with the terms of this definition.

“*Information Services*” means Financial Information, Inc.’s “*Daily Called Bond Service*,” 30 Montgomery Street, 10th Floor, Jersey City, New Jersey 07302, Attention: Editor; Standard & Poor’s J. J. Kenny’s “*Called Bond Service*,” 55 Water Street, 45th Floor, New York, New York 10041; Mergent’s “*Municipal and Government Manual*,” 60 Madison Avenue, New York, New York 10010, Attention: Customer Service and the Municipal Securities Rulemaking Board, CDI, 1900 Duke Street, Alexandria, Virginia 22314, Attention: MSIL Dept.; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other addresses and/or such other services providing information with respect to called bonds, or no such services, as may be designated in a Written Certificate of the City delivered to the Trustee.

“*Interest Rate Swap*” means an “interest rate contract” within the meaning of the State Money Management Act or other similar agreement related to Bonds of one or more Series, *provided* that such agreement satisfies the requirements of the State Money Management Act or other applicable provision of State law.

“*Investment Securities*” means any of the following securities, if and to the extent that the same are at the time legal for investment of City funds:

- (i) any investment authorized from time to time by the provisions of the State Money Management Act, including without limitation the Treasurer’s Investment Fund;

(ii) The following investments fully insured by the Federal Deposit Insurance Corporation: (a) certificates of deposit, (b) savings accounts, (c) deposit accounts, or (d) depository receipts of a bank, savings and loan associations and mutual savings banks;

(iii) Certificates of deposit properly secured at all times by collateral security consisting of Government Obligations;

(iv) Government Obligations;

(v) Bonds, debentures or notes or other evidence of indebtedness issued by any one or a combination of any of the following federal agencies: 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; or the Public Housing Authority;

(vi) Repurchase agreements collateralized by Government Obligations or obligations described in clause (v) of this definition with any registered broker/dealer subject to Securities Investors' Protection Corporation jurisdiction, which has an uninsured, unsecured and unguaranteed obligation rated "*Prime-1*" or "*A3*" or better by Moody's and "*A-1*" or "*A*" or better by S&P Corporation, or any commercial bank with the above ratings, *provided*:

(a) a master repurchase agreement or specific written repurchase agreement governs the transaction,

(b) the securities are held free and clear of any lien by the Trustee or an independent third party acting solely as agent for the Trustee, and such third party is (1) a Federal Reserve Bank, (2) a bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$25,000,000, or (3) a bank approved in writing for such purpose by each Security Instrument Issuer which at the time has a Security Instrument outstanding on which there is no payment default, and the Trustee shall have received written confirmation from such third party that it holds such securities, free and clear of any lien, as agent for the Trustee,

(c) a perfected first security interest under the Uniform Commercial Code, or book entry procedures prescribed at 31 CFR 306.1 et seq. or 31 CFR 350.0 et seq. (or similar successor provision of law) in such securities is created for the benefit of the Trustee,

(d) the repurchase agreement has a term of 30 days or less, or the Trustee will value the collateral securities no less frequently than monthly and will liquidate the collateral securities if any deficiency in the required collateral percentage is not restored within two business day of such valuation,

(e) the repurchase agreement matures at least ten days (or other appropriate liquidation period) prior to the date when liquidation is required, and

(f) the fair market value of the securities in relation to the amount of the repurchase obligation is equal to at least 100%;

(vii) Money market funds rated AAA by Fitch or Aaa by Moody's or AAA by S&P, including such funds from which the Trustee or its affiliates derive a fee for investment advisory or other services to the fund;

(viii) Direct and general obligations of any state within the territorial United States of America, to the payment of the principal of and interest on which the full faith and credit of such state is pledged, *provided* that at the time of their purchase under the Indenture, such obligations are rated in either of the two highest rating categories by a Rating Agency;

(ix) Commercial paper rated "first tier" by two Ratings Agencies, one of which must be Moody's or S&P, and having a remaining term to maturity of 270 days or less;

(x) Refunded municipal obligations rated at the time of purchase in the highest rating category by a Rating Agency; and

(xi) Investment agreements permitted by the State Money Management Act.

"Issue Date" means (i) the first day of any calendar month, or (ii) any other date, established in a Supplemental Indenture with respect to a Series of Bonds.

"Mayor" means the Mayor of the City, or in the event of his or her disability or absence, the Deputy Mayor or other person duly authorized to perform the duties of the Mayor.

"Maximum Annual Debt Service" means the greatest amount of Aggregate Debt Service coming due in any Fiscal Year, less any adjustments thereto as provided in Section 2.03(d).

"Moody's" means Moody's Investors Service Inc., 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 another nationally recognized securities rating agency, if any, designated by the City.

"NRMSIRs" means, as of any date, all Nationally Recognized Municipal Securities Information Repositories then recognized by the Securities and Exchange Commission.

"Opinion of Bond Counsel" means an Opinion of Counsel from counsel of nationally recognized standing in the field of law relating to municipal bonds.

"Opinion of Counsel" means a written opinion of counsel selected by the City and satisfactory to the Trustee. Any Opinion of Counsel may be based, insofar as it relates to factual

matters, on information with respect to which is in the possession of the City, upon a Written Certificate of the City, unless such counsel knows, or in the exercise of reasonable care should have known, that such Written Certificate is erroneous.

“Outstanding” means with respect to the Bonds, as of any date of calculation (subject to the provisions of Section 8.04), all Bonds which have been duly authenticated and delivered by the Trustee except: (a) Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation; (b) Bonds for the payment or redemption of which cash funds or Investment Securities shall have theretofore been deposited with the Trustee (whether upon or prior to the maturity or redemption date of any such Bonds), *provided* that, if such Bonds are to be redeemed, notice of such redemption has been duly given pursuant to the provisions of the Indenture or arrangements satisfactory to the Trustee shall have been made therefor, or waiver of such notice satisfactory in form to the Trustee shall have been filed with the Trustee; (c) Bonds in exchange for or in lieu of which other Bonds have been authenticated or delivered pursuant to the terms of Section 3.07 as permitted by the Indenture; and (d) the Principal amount of any Bond issued pursuant to a Supplemental Indenture authorizing partial payment without cancellation if payment is noted on a payment record attached to such Bond *provided* that such payment has been made and duly noted on the payment record attached to such Bond.

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

“Paying Agent” means any bank or trust company designated as paying agent for the Bonds of any Series, and its successor or successors hereinafter appointed in the manner provided in Section 7.02 of the Indenture.

“Pledged Bonds” means any Bonds that have been pledged or in which any interest has otherwise been granted to a Security Instrument Issuer as collateral security for Security Instrument Repayment Obligations.

“Principal” means (a) with respect to any Capital Appreciation Bond, the Accreted Amount thereof (the difference between the stated amount to be paid at maturity and the Accreted Amount being deemed unearned interest), except as used in connection with the authorization and issuance of Bonds and with the order of priority of payment of Bonds after an Event of Default, in which case *“Principal”* means the initial public offering price of a Capital Appreciation Bond (the difference between the Accreted Amount and the initial public offering price being deemed interest), and (b) with respect to any Current Interest Bond, the principal amount of such Bond payable at maturity.

“Principal and Interest Fund” means the fund by that name established in Section 5.03.

“Principal Installment” means, as of any date of calculation, (a) with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, (1) the Principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established, or (2) the unsatisfied balance (determined as provided in the definition of *“Sinking Fund Installment”* in this Section) of any Sinking Fund Installment due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a Principal amount equal to such unsatisfied balance of such Sinking Fund Installment, or (3) if such future dates coincide as to different Bonds of such Series, the sum of such Principal amount of Bonds and of such unsatisfied balance of such Sinking Fund Installment due on such future date plus such applicable redemption premiums, if any, and (b) with respect to any Repayment Obligations, the principal amount of such Repayment Obligations due on a certain future date.

“Project” means the acquisition, construction, improvement or extension of improvements, facilities or property (or an interest therein) which the City is authorized by law to acquire, regardless of whether the City shall hold title thereto, if and to the extent that the same shall be designated by the City as a Project by a Supplemental Indenture.

“Project Account” means the separate account for each Project in the Construction Fund pursuant to Section 5.04.

“Put Bond” means any Bond which is part of a Series of Bonds which is subject to purchase by the City, its agent or a third party from the Holder of the Bond pursuant to provisions of the Supplemental Indenture authorizing the issuance of the Bond and designating it as a *“Put Bond.”*

“Rating Agency” means Fitch, Moody’s or S&P.

“Rating Category” means one or more of the generic rating categories of a Rating Agency, without regard to any refinement or gradation of such rating category or categories by a numerical modifier or otherwise.

“Rebate Fund” means any fund established with respect to a Series of Bonds issued under the Indenture to provide for the payment of arbitrage rebate pursuant to the Code.

“Record Date” means, with respect to any interest payment date for any Series of Bonds, the date specified as the Record Date in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

“Redemption Price” means, with respect to any Bond, the Principal thereof plus the applicable premium, if any, payable upon redemption thereof pursuant to any Supplemental Indenture.

“Refunded Bonds” means all or a part of the Outstanding Bonds of one or more Series or all or part of any other bonds, notes or other borrowing or obligations of the City or its Municipal Building Authority to be refunded or refinanced by the issuance of Refunding Bonds.

“Refunding Bonds” means all Bonds, whether issued in one or more Series, authenticated and delivered pursuant to Section 2.04, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor pursuant to Article III or Section 4.04 or Section 8.06.

“Remarketing Agent” means a remarketing agent appointed by the City pursuant to Section 7.09 and its successors under the Indenture.

“Repayment Obligations” means, collectively, all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations.

“Reserve Instrument” means an instrument or other device issued by a Reserve Instrument Issuer to satisfy all or any portion of the Debt Service Reserve Requirement, if any, for a Series of Bonds. The term *“Reserve 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 other devices; *provided, however*, that no such device or instrument shall be a *“Reserve Instrument”* for purposes of this Indenture unless specifically so designated in the Supplemental Indenture authorizing the use of such device or instrument.

“Reserve Instrument Agreement” means any agreement entered into by the City and a Reserve Instrument Issuer pursuant to a Supplemental Indenture and providing for the issuance by such Reserve Instrument Issuer of a Reserve Instrument.

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

“Reserve Instrument Coverage” means, as of any date of calculation and with respect to any Reserve Instrument, the amount available to be paid under such Reserve Instrument into the related Series Subaccount in the Debt Service Reserve Account to satisfy all or any portion of the Debt Service Reserve Requirement.

“Reserve Instrument Issuer” 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 Limit” means, as of any date of calculation and with respect to any Reserve Instrument, the maximum amount available to be paid under such Reserve Instrument into the related Series Subaccount in the Debt Service Reserve Account to satisfy all or any portion of the Debt Service Reserve Requirement, assuming for purposes of such calculation that the amount initially available under each Reserve Instrument has not been reduced or that the amount initially available under each Reserve Instrument has only been reduced as a result of the payment of Principal on the corresponding Series of Bonds.

“Reserve Instrument Repayment Obligations” means, as of any date of calculation and with respect to any Reserve Instrument, any outstanding amounts payable by the City under the Reserve Instrument Agreement or the Supplemental Indenture authorizing the use of such Reserve Instrument to repay the Reserve Instrument Issuer 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. Each Reserve Instrument Agreement or the Supplemental Indenture providing for the use of such Reserve Instrument shall specify any amounts payable under it which, when outstanding, shall constitute Reserve Instrument Repayment Obligations and shall specify the portions of any such amounts that are allocable as principal of and as interest on such Reserve Instrument Repayment Obligations.

“Revenue Fund” means the fund by that name established in Section 5.03.

“Revenues” means (a) 100% of the Local Sales and Use Tax revenues received by the City pursuant to Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended; (b) 100% of the Municipal Energy Sales and Use Tax revenues received by the City pursuant to Title 10, Chapter 1, Part 3, Utah Code Annotated 1953, as amended, and Salt Lake City Code Chapter 3.06; (c) 100% of the franchise fees for energy and utilities received by the City pursuant to Title 10, Chapter 1, Part 3, Utah Code Annotated 1953, as amended, and Salt Lake City Code Chapter 3.06; (d) 100% of the Municipal Telecommunications License Tax revenues received by the City pursuant to Title 10, Chapter 1, Part 4, Utah Code Annotated 1953, as amended, and Salt Lake City Code Chapter 3.10; (e) 100% of the franchise fees associated with public utilities received by the City pursuant to Title 10, Chapter 1, Part 3, Utah Code Annotated 1953, as amended, and Salt Lake City Code Section 17.16.070; and (f) 100% of franchise fees associated with cable television received by the City pursuant to Salt Lake City Code Chapter 5.20.

“S&P” means Standard & Poor’s Credit Market Services, a division of The McGraw-Hill Companies, Inc., its successors and assigns, and, if such corporation shall no longer perform the functions of a securities rating agency, *“S&P”* shall be deemed to refer to another nationally recognized securities rating agency, if any, designated by the City.

“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; *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 City and a Security Instrument Issuer pursuant to 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, savings and loan association, savings bank, thrift institution, credit union, insurance company, surety company or other institution issuing a Security Instrument that is in full force and effect with respect to any Series of Bonds Outstanding.

“Security Instrument Repayment Obligations” means, as of any date of calculation and with respect to any Security Instrument, any outstanding amounts payable by the City 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. Each Security Instrument Agreement or the Supplemental Indenture providing for the use of such Security Instrument shall specify any amounts payable under it which, when outstanding, shall constitute Security Instrument Repayment Obligations and shall specify the portions of any such amounts that are allocable as principal of and as interest on such Security Instrument Repayment Obligations.

“Series” means all of the Bonds designated as being of the same Series authenticated and delivered on original issuance in a simultaneous transaction, and any Bonds thereafter authenticated and delivered in lieu thereof or in substitution therefor pursuant to Article III or Section 4.04 or Section 8.06.

“Series Subaccount” means the separate subaccount created for each Series of Bonds in the Bond Service Account pursuant to Section 5.07 or in the Debt Service Reserve Account pursuant to Section 5.08, as appropriate.

“Sinking Fund Installment” means an amount so designated which is established pursuant to Section 2.02(a)(8). The portion of any such Sinking Fund Installment remaining after the deduction of any such amounts credited pursuant to Sections 5.08(c) or 5.09 toward the same (or the original amount of any such Sinking Fund Installment if no such amounts shall have been credited toward the same) shall constitute the unsatisfied balance of such Sinking Fund Installment for the purpose of calculation of Sinking Fund Installments due on a future date.

“Special Revenues” means any legally available moneys or income from an enterprise of the City or any other source available to the City which are pledged to the payment of one or more Series of the Bonds as provided in a Supplemental Indenture pursuant to Section 8.01(b)(17). Such Supplemental Indenture shall (1) specifically identify the Special Revenues and pledge the same to the payment of one or more Series of Bonds, and (2) require such Special Revenues to be transferred and deposited into the Series Subaccount in the Bond Service Account and, if applicable, the Series Subaccount in the Debt Service Reserve Account for such Series of Bonds at the same time and in the same manner as provided in Section 5.06.

“*State*” means the State of Utah.

“*State Money Management Act*” means the State Money Management Act, Title 51, Chapter 7, Utah Code Annotated 1953, as amended, and any applicable regulations and rules promulgated thereunder.

“*Supplemental Indenture*” means any indenture supplemental hereto or amendatory hereof that is in full force and effect and has been duly executed and delivered by the City and the Trustee in accordance with the provisions hereof.

“*Tax Certificate*” means any agreement or certificate of the City that the City may execute in order to establish and maintain the excludability of interest on a Series of Bonds from gross income of the owners thereof for federal income tax purposes.

“*Transfer Agent*” means, as the agent of the City, the Trustee and each and every additional agent appointed from time to time as the agent of the City pursuant to Section 7.10 for the transfer and authentication of Bonds for so long as such appointment shall continue in effect.

“*Treasurer’s Investment Fund*” means the fund held by the Treasurer of the State and commonly known as the Utah State Public Treasurer’s Investment Fund.

“*Trust Estate*” has the meaning specified in the Granting Clause.

“*Trustee*” means the trustee identified in the preamble hereof and appointed by the City pursuant to Section 7.01, its successors and assigns, and any other corporation or association which may at any time be substituted in its place as provided herein.

“*Variable Rate Bonds*” means, as of any date of calculation, Bonds the terms of which on such date of calculation are such that interest thereon for any future period of time is expressed to be calculated at a rate which is not susceptible of a precise determination.

“*Written Certificate of the City*,” “*Written Request of the City*” and “*Written Statement of the City*” means an instrument in writing signed on behalf of the City by an Authorized Officer thereof. Any such instrument and any supporting opinions or certificates may, but need not, be combined in a single instrument with any other instrument, opinion or certificate, and the two or more so combined shall be read and construed so as to form a single instrument. Any such instrument may be based, insofar as it relates to legal, accounting or engineering matters, upon the opinion or certificate of counsel, consultants, accountants or engineers, unless the Authorized Officer signing such Written Certificate or Request or Statement knows, or in the exercise of reasonable care should have known, that the opinion or certificate with respect to the matters upon which such Written Certificate or Request or Statement may be based, as aforesaid, is erroneous. The same Authorized Officer, or the same counsel, consultant, accountant or engineer, as the case may be, need not certify to all of the matters required to be certified under any provision of the Indenture, but different Authorized Officers, counsel, consultants, accountants or engineers may certify to different facts, respectively. Every Written Certificate or

Request or Statement of the City, and every certificate or opinion of counsel, consultants, accountants or engineers provided for herein shall include:

- (a) a statement that the person making such certificate, request, statement or opinion has read the pertinent provisions of the Indenture to which such certificate, request, statement or opinion relates;
- (b) a brief statement as to the nature and scope of the examination or investigation upon which the certificate, request, statement or opinion is based;
- (c) a statement that, in the opinion of such person, he has made such examination or investigation as is necessary to enable him to express an informed opinion with respect to the subject matter referred to in the instrument to which his signature is affixed; and
- (d) with respect to any statement relating to compliance with any provision hereof, a statement whether or not, in the opinion of such person, such provision has been complied with.

“Year” means any period of twelve consecutive months.

Section 1.02. Construction. This Indenture, except where the context by clear implication herein otherwise requires, shall be construed as follows:

- (a) The terms “hereby,” “hereof,” “herein,” “hereto,” “hereunder”, and any similar terms used in this Indenture shall refer to this Indenture in its entirety unless the context clearly indicates otherwise.
- (b) Words importing the singular number shall include the plural number and vice versa, and words importing persons shall include firms, associations, trusts, corporations or governments or agencies or political subdivisions thereof.
- (c) Words in the masculine gender include the feminine and the neuter, and when the sense so indicates, words of the neuter gender refer to any gender.
- (d) Articles, sections, subsections, paragraphs and subparagraphs mentioned by number, letter, or otherwise, correspond to the respective articles, sections, subsections, paragraphs and subparagraphs hereof so numbered or otherwise so designated.
- (e) The titles or leadlines applied to articles, sections and subsections herein are inserted only as a matter of convenience and ease in reference and in no way define, limit or describe the scope or intent of any provisions of this Indenture.

Section 1.03. Authority for the Indenture. The Indenture is executed and delivered pursuant to the provisions of the Act.

Section 1.04. Special Obligations. The Bonds and the Repayment Obligations are special obligations of the City payable from and secured by the Revenues, moneys, securities and funds pledged therefor.

ARTICLE II

AUTHORIZATION AND ISSUANCE OF BONDS

Section 2.01. Authorization of Bonds. Bonds designated as “*Sales and Excise Tax Revenue Bonds*” (or “*Sales and Excise Tax Revenue Notes*” or “*Sales and Excise Tax Revenue Obligations*,” as appropriate) are hereby authorized to be issued by the City under the Indenture. The maximum Principal amount of the Bonds which may be issued hereunder is not limited; however, the City reserves the right to limit or restrict the aggregate Principal amount of the Bonds which may at any time be issued or Outstanding hereunder. Bonds may be issued in such Series as from time to time shall be established and authorized by the City. The Bonds may be issued in one or more Series pursuant to one or more Supplemental Indentures. The designation of the Bonds shall include, in addition to the name “*Sales and Excise Tax Revenue Bonds*” (or “*Sales and Excise Tax Revenue Notes*” or “*Sales and Excise Tax Revenue Obligations*,” as appropriate), such further appropriate particular designation added to or incorporated in such title for the Bonds of any particular Series as the City may determine. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs. Each Bond shall recite in substance that it, including the interest thereon, is payable solely from the Revenues and other funds of the City pledged for the payment thereof and that it does not constitute a debt of the City within the meaning of any constitutional or statutory limitations or provisions.

Section 2.02. General Provisions for the Issuance of Bonds.

(a) Whenever the City shall determine to issue any Series of Bonds, the City shall execute and deliver a Supplemental Indenture which shall specify the following:

- (1) The purpose for which such Series of Bonds is to be issued, which shall be for a purpose set forth in Section 2.03 or Section 2.04, or a combination of such purposes;
- (2) The authorized Principal amount and Series designation of such Series of Bonds;
- (3) The Issue Date and the maturity date or dates of the Bonds of such Series;
- (4) The interest rate or rates (including a zero interest rate) of the Bonds of such Series, or the manner of determining such rate or rates, *provided* that the Supplemental Indenture shall specify the maximum rate that the Bonds of such Series may bear if such Bonds are Variable Rate Bonds, and the interest payment dates of the Bonds of such Series;
- (5) The authorized denominations of the Bonds of such Series;

(6) Any Paying Agents and the places of payment of the Principal and Redemption Prices, if any, of, and interest on, the Bonds of such Series, and, if other than the Trustee, any Transfer Agents and the places where Bonds may be registered for transfer or exchange;

(7) The Redemption Prices, if any, and subject to Article IV, the redemption terms, if any, for the Bonds of such Series;

(8) The amount and due date of each Sinking Fund Installment, if any, for the Bonds of such Series;

(9) The Record Date for the Bonds of such Series;

(10) Any Debt Service Reserve Requirement for such Series of Bonds pursuant to Section 5.08(a) and the amount, if any, to be deposited from the proceeds of such Series of Bonds into any Series Subaccount in the Debt Service Reserve Account established for such Series of Bonds;

(11) The amount, if any, to be deposited from any legally available source into the Construction Fund;

(12) The forms of the Bonds of such Series;

(13) Unless otherwise identified in the Security Instrument Agreement or Reserve Instrument Agreement, as applicable, and to the extent applicable, the obligations payable under any Security Instrument Agreement or Reserve Instrument Agreement entered into in connection with the issuance of the Bonds of such Series which, when outstanding, shall constitute Security Instrument Repayment Obligations or Reserve Instrument Repayment Obligations, as the case may be, and which portions of such Security Instrument Repayment Obligations or Reserve Instrument Repayment Obligations, as the case may be, are to be attributed to principal of and to interest on such Repayment Obligations; and

(14) Any further covenants by the City required by any Security Instrument Issuer, Reserve Instrument Issuer or purchaser of Bonds deemed necessary or desirable by the City in connection with the sale of such Series of Bonds.

(b) The Bonds of any Series shall be executed by the City for issuance under the Indenture and delivered to the Trustee and thereupon shall be authenticated by the Trustee and by it delivered to the City or upon the Written Request of the City but only upon receipt by the Trustee of the following documents or moneys or securities, all of such documents dated or certified, as the case may be, as of the date of such delivery by the Trustee (unless the Trustee shall accept any of such documents bearing a prior date):

(1) An executed copy of the Supplemental Indenture relating to the issuance of the Bonds of such Series;

(2) A Written Request of the City as to the delivery of the Bonds of such Series;

(3) An Opinion of Bond Counsel to the effect that (i) the City has the power under the Act, as amended to the date of such Opinion, to issue the Bonds of such Series and to execute and deliver the Indenture, and the Indenture has been duly and lawfully executed and delivered by the City, is in full force and effect and is valid and binding upon the City and enforceable in accordance with its terms, and no other authorization for the Indenture is required; (ii) the Indenture creates the valid pledge which it purports to create of the Revenues, Funds, moneys, securities and funds held or set aside under the Indenture, subject to the application thereof to the purposes and on the conditions permitted by the Indenture; (iii) the Bonds of such Series are valid and binding special obligations of the City, enforceable in accordance with their terms and the terms of the Indenture and are entitled to the benefits of the Indenture and the Act, as amended to the date of such Opinion; and (iv) the Bonds of such Series have been duly and validly authorized and issued in accordance with law and the Indenture; *provided* that such Opinion of Counsel may contain limitations acceptable to the purchaser of such Series of Bonds, including limitations as to enforcement by bankruptcy or similar laws, equity principles, sovereign police powers, and federal powers;

(4) A Written Certificate of the City setting forth (A) the principal amount of the Bonds, (B) the Debt Service for each Fiscal Year of the Bonds of such Series and (C) the Aggregate Debt Service for all Outstanding Bonds, including such Series of Bonds being issued, for each Fiscal Year;

(5) A Written Certificate of the City demonstrating compliance with the requirements of Section 11-14-17.5(4) of the Utah Municipal Bond Act; *provided, however,* that the requirements of this subparagraph (5) shall at all times be deemed to conform to, and shall without further action by the City be amended or supplemented so as to conform to, any applicable debt service coverage requirements imposed by the Utah Municipal Bond Act upon bonds payable from and secured by a pledge of tax revenues under the Local Sales and Use Tax Act and *provided further* that if said Section 11-14-17.5(4) shall be repealed without replacement, it shall not be necessary for the City to comply with this subparagraph (5);

(6) The amounts, if any, necessary for deposit into the Construction Fund, the Revenue Fund, and any Series Subaccount in the Debt Service Reserve Account for such Series of Bonds; and

(7) Such further documents, moneys and securities as are required by the provisions of Section 2.03 or Section 2.04, or of any Supplemental Indenture.

(c) The City may authorize by Supplemental Indenture the delivery to the Trustee of one or more Security Instruments with respect to any Series of Bonds and the execution and delivery of any Security Instrument Agreements deemed necessary in connection therewith.

(d) The City may authorize by Supplemental Indenture the issuance and delivery to the Trustee of one or more Reserve Instruments and the execution and delivery of any Reserve Instrument Agreements deemed necessary in connection therewith.

(e) The City may authorize by Supplemental Indenture the issuance of Put Bonds; *provided* that any obligation of the City to pay the purchase price of any such Put Bonds shall not be secured by a pledge of Revenues on a parity with the pledge contained in Section 5.01. The City may provide for the appointment of such Remarketing Agents, indexing agents or other agents as the City may determine.

(f) The City may authorize by Supplemental Indenture such other provisions relating to a Series of Bonds as are permitted by law and are consistent with the provisions of the Indenture.

(g) After the original issuance of the Bonds of any Series, no Bonds of such Series shall be issued except in lieu of or in substitution for other Bonds of such Series pursuant to Article III, Section 4.04 or Section 8.06.

(h) Notwithstanding any provision of this Section 2.02 to the contrary, a Supplemental Indenture may provide for the delivery of a Series of Bonds, issued in the form of a single Bond, in installments to be noted by the Trustee in a delivery schedule on the reverse side thereof or attached thereto.

Section 2.03. Special Provisions for the Issuance of Construction Bonds.

(a) One or more Series of Construction Bonds may be authenticated and delivered upon original issuance from time to time in such principal amount for each such Series as may be determined by the City for the purpose of paying or providing for the payment of all or a portion of the Cost of Construction of a Project. Each such Series shall be in such principal amount which, when taken together with funds previously used or to be provided by the City for such Project, will provide the City with sufficient funds to pay the estimated Cost of Construction of such Project, as set forth in the Written Certificate of the City furnished pursuant to Section 2.03(c).

(b) Each Supplemental Indenture authorizing the issuance of a Series of Construction Bonds:

(1) shall specify the Project for which the proceeds of such Series of Construction Bonds will be applied; and

(2) may provide for the deposit of a specified amount of money from the proceeds of the sale of such Series of Construction Bonds or from other legally available sources into a Project Account in the Construction Fund to pay when due (together with any investment earnings available for such purpose) all or a portion of the interest on such Series of Construction Bonds accrued and to accrue to the Estimated Completion Date, plus interest to accrue on such Series of Construction Bonds after the Estimated

Completion Date for up to one Year (or such different period as may then be permitted by law).

(c) Each Series of Construction Bonds shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required by Section 2.02) of a Written Certificate of the City which shall:

(1) set forth the then Estimated Completion Date and the then estimated Cost of Construction of the Project being financed by such Series of Bonds;

(2) state that, upon the authentication and delivery of the Bonds of such Series, no event will have occurred which, with the passage of time or the giving of notice, or both, would give rise to an Event of Default under the Indenture;

(3) set forth, for any Year within the twenty-four (24) calendar months next preceding the authentication and delivery of such Series of Construction Bonds, the Revenues for such period;

(4) set forth the Maximum Annual Debt Service on all Outstanding Bonds upon the issuance of the proposed Series of Construction Bonds, together with any adjustments to the Maximum Annual Debt Service permitted by Section 2.03(d); and

(5) demonstrate that the Revenues set forth in (3) above are equal to or greater than 200% of the Maximum Annual Debt Service set forth in (4) above.

(d) In determining the Maximum Annual Debt Service on all Outstanding Bonds, the City may reduce the Debt Service on any Series of Bonds for any Fiscal Year by (1) the amount of capitalized interest available to pay the interest on such Bonds in such Fiscal Year pursuant to Section 2.03(b)(2), and (2) the Special Revenues pledged to pay such Debt Service in an amount equal to either (i) the average annual amount of the Special Revenues for the most recent three (3) Fiscal Years or (ii) 75% of the Special Revenues for the most recent Fiscal Year, each as shown in, or calculated on the basis of the information contained in, the applicable audited financial statements of the City filed with the Trustee as provided in Section 6.06(b), but not exceeding the Debt Service on such Series of Bonds in any Fiscal Year. If Special Revenues are to be used in connection with the determination of the Maximum Annual Debt Service, then the City shall deliver to the Trustee (A) confirmation from each Rating Agency then maintaining a rating on any Outstanding Bonds that the pledge of Special Revenues will not result in the reduction or withdrawal of any rating on any Outstanding Bonds, and (B) an Opinion of Counsel of nationally recognized standing in the field of law relating to municipal bonds to the effect that such pledge of Special Revenues will not adversely affect the tax-exempt status of any Bonds then Outstanding.

(e) The proceeds, including accrued interest, of the Construction Bonds of each Series shall be deposited simultaneously with the delivery of such Bonds into the Construction Fund and, to the extent permitted by law and the provisions of the Indenture, in any other Funds or Accounts or such other funds or accounts as may be established by the Supplemental Indenture

authorizing the issuance of such Series of Construction Bonds in such amounts as may be provided in such Supplemental Indenture; and

(f) There may also be deposited from any legally available source, to the extent permitted by law and the provisions of the Indenture, in the Funds and Accounts or such other funds or accounts as may be established by the Supplemental Indenture, such amounts, if any, as may be provided in the Supplemental Indenture authorizing the issuance of such Series of Construction Bonds.

Section 2.04. Special Provisions for the Issuance of Refunding Bonds.

(a) One or more Series of Refunding Bonds may be issued in such principal amount which, when taken together with other legally available funds, will provide the City with funds which will be sufficient to accomplish the refunding of the Refunded Bonds including the payment of all expenses and the establishment of any reserves in connection with such refunding.

(b) Each Supplemental Indenture authorizing the issuance of a Series of Refunding Bonds shall specify the Refunded Bonds to be refunded.

(c) Each Series of Refunding Bonds shall be authenticated and delivered by the Trustee only upon receipt by the Trustee (in addition to the documents required by Section 2.02) of the following documents or moneys or securities (or if such documents or moneys or securities are to be delivered to the trustee or debtor for the other borrowings, to such trustee or debtor, with a copy or other evidence of such delivery to the Trustee):

(1) Either

(A) for Refunded Bonds originally issued pursuant to the provisions of the Indenture, a Written Certificate of the City which shall:

(i) set forth the Aggregate Debt Service on the Refunded Bonds for each Fiscal Year to and including the scheduled final maturity date thereof,

(ii) set forth the Aggregate Debt Service on the Refunding Bonds for each Fiscal Year to and including the scheduled final maturity date thereof, and

(iii) demonstrate that the Aggregate Debt Service on the Refunding Bonds for each such Fiscal Year set forth pursuant to clause (ii) is no greater than one hundred percent (100%) of the Aggregate Debt Service on the Refunded Bonds for each such Fiscal Year set forth pursuant to clause (i), and containing such additional statements as may be

reasonably necessary to show compliance with the requirements of the Indenture;

or

(B) A Written Certificate of the City which shall:

(i) set forth, for any Year within the twenty-four (24) calendar months next preceding the authentication and delivery of such Series of Refunding Bonds, the Revenues for such period;

(ii) set forth the Maximum Annual Debt Service upon the issuance of the proposed Series of Refunding Bonds, together with any adjustments to the Maximum Annual Debt Service permitted by Section 2.03(d); and

(iii) demonstrate that the Revenues set forth in (i) above are equal to or greater than 200% of the Maximum Annual Debt Service set forth in (ii) above.

The provisions of this paragraph (c)(1) shall not apply to the first Series of Bonds issued hereunder.

(2) Irrevocable instructions to the Trustee (or such trustee or lender or its designee, as appropriate), satisfactory to it, to give due notice of redemption of all the Refunded Bonds on the redemption date or dates specified in such instructions;

(3) If the Refunded Bonds are not by their terms subject to redemption within the next succeeding ninety (90) days, irrevocable instructions to the Trustee (or such trustee or lender or its designee, as appropriate), satisfactory to it, to mail the notice provided for in Section 11.01(b) (or any similar provision for other borrowings, as appropriate) to the holders of the Refunded Bonds;

(4) Either (A) moneys in an amount sufficient to effect payment at the applicable redemption price of the Refunded Bonds, together with accrued interest to the redemption date, which moneys shall be held by the Trustee or any one or more of the Paying Agents (or such trustee or lender or its designee, as appropriate) in a separate account irrevocably in trust for and assigned to the respective holders of the Refunded Bonds, or (B) Government Obligations (or similar investments as provided for in the documents relating to other borrowings, as appropriate) in such principal amounts, of such maturities, bearing such interest, and otherwise having such terms and qualifications and any moneys, as shall be necessary to comply with the provisions of Section 11.01(b) (or any similar provision for other borrowings, as appropriate), which Government Obligations and moneys shall be held in trust and used only as provided in such Section.

(d) A Series of Refunding Bonds may be combined with a Series of Construction Bonds.

Section 2.05. Provisions Regarding Bonds Secured by a Security Instrument.

(a) The City may include such provisions in a Supplemental Indenture authorizing the issuance of a Series of Bonds secured by a Security Instrument as the City deems appropriate, including:

(1) So long as the Security Instrument is in full force and effect, and payment on the Security Instrument is not in default, (A) the Security Instrument Issuer shall be deemed to be the Holder of the Outstanding Bonds of such Series when the approval, consent or action of the Bondholders for such Series of Bonds is required or may be exercised under the Indenture and following an Event of Default and (B) the Indenture may not be amended in any manner which affects the rights of such Security Instrument Issuer without its prior written consent.

(2) In the event that the Principal and Redemption Price, if applicable, and interest due on any Series of Bonds Outstanding shall be paid under the provisions of a Security Instrument, all covenants, agreements and other obligations of the City to the Bondholders of such Series of Bonds shall continue to exist and such Security Instrument Issuer shall be subrogated to the rights of such Bondholders in accordance with the terms of such Security Instrument.

(b) In addition, such Supplemental Indenture may establish such provisions as are necessary to provide relevant information to the Security Instrument Issuer and to provide a mechanism for paying Principal Installments and interest on such Series of Bonds from the Security Instrument.

ARTICLE III

TERMS AND PROVISIONS OF BONDS

Section 3.01. Terms of Bonds.

(a) The Principal and Redemption Price of the Bonds shall be payable in lawful money of the United States of America at the principal corporate trust operations office of the Trustee, or at the principal office of any Paying Agent, or otherwise as provided in a Supplemental Indenture with respect to any Series of Bonds. Unless otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, payment of interest on any Bond shall be made to the person who is the registered owner thereof as of the close of business on the Record Date and shall be paid by check mailed to the registered owner thereof at the address of such registered owner as it appears on the registration books of the City maintained by the Trustee or at such other address as is furnished to the Trustee in writing by such registered owner prior to the Record Date.

(b) Unless otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, the Bonds of any Series shall be issued in fully registered form without coupons. Each Series of Bonds shall be in such denominations as may be authorized by the Supplemental Indenture authorizing the issuance of the Bonds of such Series. A Supplemental Indenture may provide for the delivery of a Series of Bonds, issued in the form of a single fully registered Bond, in installments to be noted by the Trustee in a delivery schedule attached to such Bond. Anything in this Indenture to the contrary notwithstanding, a Supplemental Indenture may provide that Bonds issued in such single fully registered form may be submitted to the Trustee for notation of payment of installments and for notation of transfer, without requiring cancellation of such single fully registered Bond. Such Supplemental Indenture may provide for transfer of such Bonds to a new Holder by delivery after such notation, and without cancellation.

(c) The Bonds shall be dated as of the Issue Date specified in the Supplemental Indenture pursuant to which the Series of Bonds is issued. Unless otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, each fully-registered Bond of any Series shall bear interest from the interest payment date next preceding the date of registration and authentication thereof unless it is registered as of an interest payment date, in which event it shall bear interest from the date thereof, or unless it is registered prior to the first interest payment date, in which event it shall bear interest from its date, or unless, as shown by the records of the Trustee, interest on the Bonds of such Series shall be in default, in which event it shall bear interest from the date to which interest has been paid in full.

(d) The Bonds of each Series may contain or have endorsed thereon such provisions, specifications and descriptive words not inconsistent with the provisions of the Indenture as may be necessary or desirable to comply with the Act, custom, the rules of any securities exchange or commission or brokerage board, or otherwise, as may be determined by the City prior to the authentication and delivery thereof.

(e) From and after the issuance of the Bonds of any Series, the findings and determinations of the Council respecting that Series shall be conclusive evidence of the existence of the facts so found and determined in any action or proceeding in any court in which the validity of such Bonds is at issue, and no bona fide purchaser of any such Bonds shall be required to see to the existence of any fact or to the performance of any condition or to the taking of any proceeding required prior to such issuance, or to the application of the purchase price paid for such Bonds. The validity of the issuance of any Series of Bonds shall not be dependent on or affected in any way by (1) any proceedings taken by the City for the planning, acquisition or construction of a Project, or (2) any contracts made by the City in connection therewith, or (3) the failure to complete the planning, acquisition or construction of a Project. The recital contained in the Bonds that the same are issued pursuant to the Act shall be conclusive evidence of their validity and of the regularity of their issuance and all the Bonds shall be incontestable from and after their issuance. Bonds shall be deemed to be issued, within the meaning of the Indenture, whenever the definitive Bonds, or any temporary Bonds exchangeable therefor, have been delivered to the purchasers thereof, and the purchase price thereof received, or in the case of Bonds to be refunded through exchange, whenever such exchange has been made.

(f) Subject to any limitations contained in a Supplemental Indenture, the City may provide a Security Instrument for any Series of Bonds (or may substitute one Security Instrument for another) if the City has provided to the Trustee written evidence satisfactory to the Trustee from each Rating Agency then having a rating in effect for any Series of Bonds then Outstanding to the effect that the Rating Agency has reviewed the proposed Security Instrument and that the use of such Security Instrument (or the substitution of one Security Instrument for another, as appropriate) will not, by itself result in a reduction or withdrawal of such Rating Agency's rating of such Series of Bonds.

Section 3.02. Execution of Bonds; Limited Obligations.

(a) The Bonds shall be signed on behalf of the City by the manual or facsimile signature of its Mayor and attested and countersigned by the manual or facsimile signature of its City Recorder, and its seal shall be thereunto affixed by its City Recorder, which may be by a facsimile of the City's seal imprinted upon the Bonds. The Bonds shall then be delivered to the Trustee for manual authentication by it or by any Transfer Agent. In case any officer who shall have signed or attested any of the Bonds shall cease to be such officer before the Bonds so signed or attested shall have been authenticated or delivered by the Trustee or by any Transfer Agent or issued by the City, such Bonds may nevertheless be authenticated, delivered and issued and, upon such authentication, delivery and issuance, shall be as binding upon the City as though such person who signed or attested the same had continued to be such officer of the City. Also, any Bond may be signed, countersigned or attested on behalf of the City by any person who on the actual date of the execution of such Bond shall be the proper officer of the City, although on the nominal date of such Bond any such person shall not have been such officer of the City.

(b) Only such of the Bonds as shall bear thereon a certificate of authentication, executed by the Trustee or by any Transfer Agent, shall be valid or obligatory for any purpose or entitled to the benefits of the Indenture, and such certificate of the Trustee or of any Transfer Agent shall be conclusive evidence that the Bonds so authenticated have been duly authenticated and delivered under, and are entitled to the benefits of, the Indenture and that the Holder thereof is entitled to the benefits of the Indenture.

(c) The Bonds, together with interest thereon, and all Repayment Obligations shall be limited obligations of the City payable solely from the Revenues (except to the extent paid out of moneys attributable to the Bond proceeds or other funds created hereunder or the income from the temporary investment thereof) as provided herein. The issuance of the Bonds and delivery of any Security Instrument Agreement or Reserve Instrument Agreement shall not, directly, indirectly or contingently, obligate the City or any agency, instrumentality or political subdivision thereof to levy any form of ad valorem taxation therefore.

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

Section 3.03. Transfer of Bonds. Unless otherwise provided in a Supplemental Indenture authorizing a Series of Bonds:

(a) Any Bond may, in accordance with its terms, be transferred, upon the books required to be kept pursuant to the provisions of Section 3.06, 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, if applicable, notation of the new Holder together with the signature of the Trustee or any applicable Transfer Agent on the back of such Bond or on a form of record attached to such Bond for such purpose, accompanied by delivery of a written instrument of transfer in a form approved by the Trustee, duly executed. No transfer will be effective until entered upon the books required to be kept pursuant to the provisions of Section 3.06.

(b) Whenever any Bond shall be surrendered for transfer, the Trustee or any Transfer Agent shall authenticate and deliver a new fully registered Bond or Bonds duly executed by the City or, if applicable, shall deliver the same Bond, duly annotated with the new Holder and signed by the Trustee or any applicable Transfer Agent on the back of such Bond or on a form of record attached to such Bond for such purpose, for like aggregate principal amount. The Trustee or any Transfer Agent shall require the payment by the Bondholder requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

(c) The City, the Trustee and any Transfer Agent shall not be required (1) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the date of the mailing of a notice of redemption of Bonds selected for redemption under Article IV and ending at the close of business on the day of such mailing, or (2) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part.

(d) The City, the Trustee and any Transfer Agent may treat and consider the person in whose name each Bond is registered upon the books required to be kept pursuant to Section 3.06 as the Holder and absolute owner of such Bond for the purpose of payment of Principal of and interest on such Bond and for all other purposes whatsoever.

Section 3.04. Exchange of Bonds. Fully-registered Bonds may be exchanged at the principal corporate trust operations office of the Trustee or of any Transfer Agent for a like aggregate Principal amount of fully-registered Bonds of the same Series and maturity of authorized denominations. The Trustee or any Transfer Agent shall require the payment by the Bondholder requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange. Except as otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, no such exchange shall be required to be made subsequent to the Record Date.

Section 3.05. Form of Bonds. The Bonds of each Series of Bonds 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 3.06. Bond Registration Books. The Trustee will keep or cause to be kept, at its principal corporate trust operations office, sufficient books for the registration and transfer of Bonds, which shall at all times be open to inspection by the City; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on said books, Bonds as hereinbefore provided.

Section 3.07. Bonds Mutilated, Lost, Destroyed or Stolen. If any Bond shall become mutilated, the City, at the expense of the Holder of such Bond, shall execute, and the Trustee or any Transfer Agent shall, at the expense of the Holder of such Bond, thereupon authenticate and deliver, a new Bond of like tenor in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee or any Transfer Agent of the Bond so mutilated. Every mutilated Bond so surrendered to the Trustee or to any Transfer Agent shall be cancelled by it and delivered to, or upon the order of, the City. If any Bond issued hereunder shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the City and the Trustee and, if such evidence be satisfactory to both and indemnity as required by the Act or State law and satisfactory to the Trustee shall be given, the City, at the expense of the Holder of such Bond, shall execute, and the Trustee shall, at the expense of the Holder of such Bond, thereupon authenticate and deliver, a new Bond of like tenor in lieu of and in substitution for the Bond so lost, destroyed or stolen (or if any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond the Trustee may pay the same without surrender thereof). Any Bond issued under the provisions of this Section in lieu of any Bond alleged to be lost, destroyed or stolen shall constitute an additional contractual obligation of the City, and shall be equally and proportionately entitled to the benefits of the Indenture with all other Bonds of the same Series secured by the Indenture. Neither the City nor the Trustee shall be required to treat both the original Bond and any duplicate Bond as being Outstanding for the purpose of determining the Principal amount of Bonds which may be issued hereunder or for the purpose of determining any percentage of Bonds Outstanding hereunder, but both the original and duplicate Bond shall be treated as one and the same.

ARTICLE IV

REDEMPTION OF BONDS

Section 4.01. Privilege of Redemption of Bonds. Any Series of Bonds subject to redemption prior to maturity pursuant to a Supplemental Indenture shall be redeemable, upon notice being given, at such times, at such Redemption Prices and upon such terms as provided in this Article and (in addition to and consistent with the terms contained in this Article) in the Supplemental Indenture authorizing the issuance of the Bonds of such Series.

Section 4.02. Selection of Bonds for Redemption. Except as otherwise provided in a Supplemental Indenture:

- (a) If less than all of the Bonds of any Series are called for redemption and if the Bonds of such Series shall mature on more than one date, the Bonds of such Series shall be redeemed from the Outstanding Bonds of such Series in inverse order of maturities.

(b) If less than all of the Bonds of any Series maturing on any single date are called for redemption, the Trustee shall select the Bonds to be redeemed, from the Outstanding Bonds of such Series maturing on that date not previously called for redemption, in such manner as in the Trustee's sole discretion it shall deem appropriate and fair; *provided, however*, that subject to other applicable provisions of the Indenture or of any Supplemental Indenture, the portion of any Bond to be redeemed shall be in a Principal amount equal to a denomination in which Bonds of such Series are authorized to be issued. In selecting Bonds for redemption the Trustee shall treat each Bond as representing the number of Bonds which is obtained by dividing the Principal amount of each Bond by the minimum denomination in which such Series of Bonds is authorized to be issued. If part but not all of a Bond shall be selected for redemption, the Holder thereof or his attorney or legal representative shall present and surrender such Bond to the Trustee for payment of the Principal amount thereof so called for redemption and the redemption premium, if any, on such Principal amount. The City shall execute and the Trustee or any Transfer Agent shall authenticate and deliver to or upon the order of such Holder or his legal representative, without charge therefor, a Bond or Bonds of the same maturity and bearing interest at the same rate as the Bond so surrendered for the unredeemed portion of the surrendered Bond. The Trustee shall promptly notify the City in writing of the Bonds or portions thereof selected for redemption.

Section 4.03. Notice of Redemption. Except as otherwise provided in a Supplemental Indenture authorizing a Series of Bonds:

(a) Notice of redemption shall be given by first class mail, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date, to the registered owner of such Bond, at his address as it appears on the bond registration books of the Trustee or at such address as he may have filed with the Trustee for that purpose, but neither failure to mail any such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of any of the Bonds. Each notice of redemption shall state the redemption date, the place of redemption, the source of the funds to be used for such redemption, the Principal amount and, if less than all of the Bonds of any like Series and maturity are to be redeemed, the distinctive numbers of the Bonds to be redeemed, and shall also state that the interest on the Bonds or portions thereof in such notice designated for redemption shall cease to accrue from and after such redemption date and that on said date there will become due and payable on each of said Bonds the Redemption Price thereof and interest accrued thereon to the redemption date.

(b) Notice of redemption shall be given by the Trustee for and on behalf and at the expense of the City, at the Written Request of the City given to the Trustee at least 60 days prior to the date fixed for redemption. The City shall deposit with, or otherwise make available to, the Trustee the money required for payment of the Redemption Price of and the accrued interest to the redemption date on all Bonds then to be called for redemption at least two Business Days before the date fixed for such redemption.

(c) If at the time of mailing of notice of redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all Bonds called for redemption,

such notice may state that it is conditional upon the deposit of moneys sufficient to redeem all Bonds with the Trustee not later than the redemption date, and such notice shall be of no effect unless such moneys are so deposited. If the notice contains such condition and if moneys sufficient to redeem all Bonds called for redemption have not been deposited with the Trustee by the redemption date, the notice of redemption shall be rescinded, none of the Bonds described in such notice shall be redeemed, the Redemption Price shall not be due and payable under the Indenture, and the Trustee shall, as soon as possible after the redemption date, give notice for and on behalf and at the expense of the City, by first class mail, postage prepaid, to the registered owners of the Bonds called for redemption of the rescission of such notice of redemption.

Section 4.04. *Partial Redemption of Bonds; Disposition of Redeemed Bonds.* Except as otherwise provided in a Supplemental Indenture authorizing a Series of Bonds:

(a) Upon surrender of any Bond redeemed in part only, the City shall duly execute and the Trustee or any Transfer Agent shall authenticate and deliver to the registered owner thereof, at the expense of the City, a new Bond or Bonds of the same Series and maturity and of authorized denominations equal in aggregate Principal amount to the unredeemed portion of the Bond surrendered.

(b) All Bonds redeemed in whole or in part pursuant to the provisions of this Article shall be cancelled by the Trustee or any Transfer Agent and shall thereafter be delivered to, or upon the order of, the City.

Section 4.05. *Effect of Redemption.* Except as otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, if notice of redemption has been duly given as aforesaid, and moneys for payment of the Redemption Price, together with interest to the redemption date on the Bonds so called for redemption, are held by the Trustee, then such Bonds shall, on the redemption date designated in such notice, become due and payable at the Redemption Price specified in such notice and interest accrued thereon to the redemption date; and from and after the date so designated interest on the Bonds so called for redemption shall cease to accrue.

ARTICLE V

PLEDGE OF REVENUES; ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 5.01. *The Pledge Effected by the Indenture.* The Bonds and the Repayment Obligations are special obligations of the City payable from and secured by the Revenues, moneys, securities and funds pledged therefor. There are hereby pledged for the payment of Principal, Redemption Price and interest on the Bonds and of Repayment Obligations in accordance with their terms and the provisions of the Indenture, subject only to the provisions of the Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in the Indenture (1) the proceeds of sale of the Bonds, (2) the Revenues, and (3) the Construction Fund, Principal and Interest Fund, Revenue Fund and any other Funds hereafter

established or confirmed by the Indenture (except for any Rebate Fund) and pledged for the payment of Principal, Redemption Price and interest on the Bonds and of Repayment Obligations, including the investments, if any, thereof, subject to any required rebate of all or a portion of the earnings on such investments to the United States of America pursuant to the requirements of Section 148(f) of the Code.

Section 5.02. Perfection of Security Interest.

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

(b) Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-28, Utah Code Annotated 1953, as amended, and hereafter has priority against all parties having claims of any kind in tort, contract, or otherwise against the City, regardless of whether or not the parties have notice of the lien created hereunder.

Section 5.03. Establishment of Funds.

(a) The following Funds are hereby established:

(1) Revenue Fund, to be held by the City;

(2) Construction Fund, to be held by the Trustee, in which the Trustee shall establish a Project Account for each Project; and

(3) Principal and Interest Fund, to be held by the Trustee, consisting of

(A) a Bond Service Account, in which the Trustee shall establish a separate Series Subaccount for each Series of Bonds, and

(B) a Debt Service Reserve Account, in which the Trustee may establish a separate Series Subaccount for one or more Series of Bonds.

(c) The City may, by Supplemental Indenture, establish one or more additional Funds, accounts or subaccounts, including, but not limited to, a Rebate Fund.

Section 5.04. Construction Fund.

(a) There shall be paid into the Construction Fund the amounts required to be so paid by the provisions of the Indenture or any Supplemental Indenture.

(b) The Trustee shall establish within the Construction Fund a separate Project Account for each Project and may establish one or more subaccounts in each Project Account.

(c) Amounts in each Project Account established for a Project shall be applied to pay the Cost of Construction of the Project. In the event and to the extent that proceeds of the sale of Bonds were deposited in a Project Account to provide for the payment of capitalized interest, the Trustee shall, during the period for which such interest was capitalized, transfer from such Project Account, to the appropriate Series Subaccount in the Bond Service Account, the amounts required to pay interest on the Bonds when due, subject to any limitations contained in the Supplemental Indenture authorizing such Bonds.

(d) Before any payment is made from any Project Account by the Trustee (except for transfers into Series Subaccounts in the Bond Service Account to pay interest on the Bonds as contemplated in (c) above), the City shall file with the Trustee a Written Request of the City, showing with respect to each payment to be made, the name of the person to whom payment is due and the amount to be paid with payment instructions, and stating that the obligation to be paid was incurred and is a proper charge against the Project Account. Each such Written Request shall be sufficient evidence to the Trustee that obligations in the stated amounts have been incurred by the City and that each item thereof is a proper charge against the applicable Project Account.

(e) Upon receipt of each such Written Request, the Trustee shall pay the amounts set forth therein as directed by the terms thereof.

(f) The City shall maintain on file with the Trustee a schedule of dates on which the City estimates that money in each Project Account will be expended and the amounts estimated to be required on those dates. The City may revise such schedule at any time to reflect changes in the estimated dates and amounts. Amounts in the Construction Fund shall be invested and reinvested by the Trustee, in accordance with instructions received from an Authorized Officer of the City, to the fullest extent practicable in Investment Securities (or, to the extent permitted by a Supplemental Indenture executed and delivered pursuant to Section 10.02(a)(3), in other investments) maturing in such amounts and at such times as may be necessary to make funds available when needed. The Trustee may, and to the extent required for payments from the Construction Fund shall, sell any such Investment Securities at any time, and the proceeds of such sale, and of all payments at maturity and upon redemption of such investments, shall be held in the applicable Project Account in the Construction Fund.

(g) Unless otherwise provided in a Supplemental Indenture authorizing a Series of Construction Bonds, all net income earned on any moneys or investments in the Project Account established in the Construction Fund for a Project shall be held in such Project Account and applied to pay the Costs of Construction.

(h) The substantial completion of construction of each Project shall be evidenced by a Written Certificate of the City, which shall be filed with the Trustee. Upon the filing of such Certificate, the balance in the Project Account in the Construction Fund in excess of the amount, if any, stated in such Certificate shall, to the extent permitted under applicable law and covenants, including any covenants contained in any Tax Certificate, regarding the use of proceeds of the Bonds, and as directed in such Written Certificate or in a Supplemental Indenture, be (i) used to purchase Bonds as provided in Section 5.09, (ii) deposited into the Debt

Service Reserve Account to fund any amounts required to be deposited therein, (iii) deposited into the Bond Service Account, (iv) transferred into another Project Account to pay Costs of Construction of a Project or (v) used for any other purpose for which proceeds of Bonds may be used under applicable law and covenants regarding the use of proceeds of Bonds. If subsequent to the filing of such Certificate, a supplemental Written Certificate of the City is filed with the Trustee stating that the balance of the money remaining in the Construction Fund is no longer needed to pay Costs of Construction of such Project, any remaining balance in the Project Account in the Construction Fund shall, to the extent permitted under applicable law and covenants, including any covenants contained in any Tax Certificate, regarding the use of proceeds of the Bonds and as directed in such supplemental Written Certificate or in a Supplemental Indenture, be (i) used to purchase Bonds as provided in Section 5.09, (ii) deposited into the Debt Service Reserve Account to fund any amounts required to be deposited therein, (iii) deposited into the Bond Service Account, (iv) transferred into another Project Account to pay Costs of Construction of a Project or (v) used for any other purpose for which proceeds of Bonds may be used under applicable law and covenants regarding the use of proceeds of Bonds.

Section 5.05. Revenues; Revenue Fund.

(a) All Revenues shall be promptly deposited by the City to the credit of the Revenue Fund. There shall also be deposited into the Revenue Fund all amounts required to be so deposited by the Indenture, including, but not limited to, Section 10.02.

(b) Following the deposits required by Section 5.06(a), there shall be retained in the Revenue Fund, to the extent such amounts are not otherwise required to be transferred from the Revenue Fund pursuant to the provisions of Section 5.06, the amount estimated to be required for deposit into the Principal and Interest Fund in the next succeeding month; *provided, however*, for purposes of calculating the interest payable for the next succeeding month for any Series of Variable Rate Bonds or Repayment Obligations bearing interest at a variable rate that cannot be ascertained for any such month, it shall be assumed that such Series of Variable Rate Bonds or Repayment Obligations will bear interest at the greater of (i) the maximum interest rate permitted under the applicable Supplemental Indenture authorizing the issuance of such Series of Variable Rate Bonds, (ii) the maximum interest rate permitted under any Reserve Instrument Agreement then in effect with respect to such Series of Variable Rate Bonds, or (iii) the maximum interest rate permitted under any Security Instrument Agreement then in effect with respect to such Series of Variable Rate Bonds, as applicable.

Section 5.06. Flow of Funds.

(a) On or before the last Business Day prior to the end of each month the City shall transfer from the Revenue Fund, to the extent of moneys available therein, and deposit, in the following order:

- (1) into the following Funds and Accounts, the amounts set forth below:
 - (A) Into the Principal and Interest Fund:

(i) for credit to the Bond Service Account, the amount, if any, required so that the balance in each of the Series Subaccounts in the Bond Service Account shall equal the Accrued Debt Service on the Series of Bonds and, to the extent that the Supplemental Indenture creating such Series Subaccount authorizes the use of a Security Instrument, on any Security Instrument Repayment Obligations for which such Series Subaccount was established; *provided* that if there are not sufficient moneys to satisfy the requirements of this subsection (i) with respect to all Series Subaccounts in the Bond Service Account, all moneys available for distribution among such Series Subaccounts shall be deposited into the Bond Service Account and distributed on a pro rata basis to the deficient Series Subaccounts in the Bond Service Account, such distribution to be determined by multiplying the amount available for distribution by the proportion that the deficiency for each Series Subaccount bears to the total deficiency for all Series Subaccounts; and *provided further*, that in the event and to the extent moneys have been deposited in any Project Account to provide for the payment of capitalized interest, such moneys shall be transferred from the appropriate Project Account and deposited into the appropriate Series Subaccount in the Bond Service Account in an amount sufficient to cause the balance in such Series Subaccount to equal the interest component of Accrued Debt Service on the Series of Bonds; and

(ii) for credit to the Debt Service Reserve Account, without priority or preference as between subsections (A) or (B):

(A) if, after the issuance of a Series of Bonds, an amount equal to the Debt Service Reserve Requirement is not on deposit in the Series Subaccount established in the Debt Service Reserve Account for such Series of Bonds because sufficient moneys for that purpose were not required by a Supplemental Indenture to be deposited into the Debt Service Reserve Account pursuant to the provisions of Section 2.02(a)(10), such amount as shall be required by the Supplemental Indenture authorizing such Series of Bonds, in not to exceed sixty (60) approximately equal monthly installments commencing no later than the Business Day immediately preceding the first Interest Payment Date of such Series of Bonds, computed as of the contemplated date of issuance of such Series of Bonds, necessary to cause the balance in such Series Subaccount to equal the Debt Service Reserve Requirement; and

(B) if moneys shall ever have been paid out of any Series Subaccount in the Debt Service Reserve Account for the purpose specified in Section 5.08(b) or if for any other reason moneys in any Series Subaccount in the Debt Service Reserve

Account shall have been removed and in either case if such moneys shall not have been replaced from any source, such amount as shall be necessary to cause either the amount so paid out of or removed from such Series Subaccount in the Debt Service Reserve Account to be replaced, or the amount to be on deposit in such Series Subaccount to be equal to the Debt Service Reserve Requirement attributable to the corresponding Series of Bonds, whichever is less;

provided that if there are not sufficient moneys in the Revenue Fund to satisfy the requirements of this subsection (ii), all moneys available for distribution among the Series Subaccounts in the Debt Service Reserve Account shall be deposited into the Debt Service Reserve Account and distributed pro rata based on the amount of the deficiencies to the deficient Series Subaccounts in the Debt Service Reserve Account.

provided, however, that so long as there shall be held in the Principal and Interest Fund, excluding any Reserve Instrument Coverage, an amount sufficient to pay in full all Outstanding Bonds and all outstanding Repayment Obligations in accordance with their terms (including Principal or applicable sinking fund Redemption Price and interest thereon), no deposits shall be required to be made into the Principal and Interest Fund.

(b) Amounts remaining in the Revenue Fund at the end of each month after payment of the amounts required by subsection (a) of this Section may be applied by the City, free and clear of the lien of the Indenture, to any one or more of the following, to the extent permitted by law: (1) the purchase or redemption of any Bonds and payment of expenses in connection therewith; (2) payments of Principal or redemption price of and interest on any bonds, including general obligation or junior lien revenue bonds of the City; (3) payments into any Project Account or Accounts established in the Construction Fund for application to the purposes of such Accounts; and (4) any other lawful purpose of the City.

(c) Upon any purchase or redemption, pursuant to subsection (b) of this Section, of Bonds of any Series and maturity for which Sinking Fund Installments shall have been established, the principal amount of such Bonds shall be credited toward such Sinking Fund Installments as directed in a Written Certificate or Request of the City, unless the City shall elect to have the Sinking Fund Installments next due credited as provided in Section 5.07(c).

Section 5.07. Principal and Interest Fund - Bond Service Account.

(a) Each Supplemental Indenture providing for the issuance of a Series of Bonds shall establish a separate Series Subaccount in the Bond Service Account for each such Series of Bonds issued; *provided, however*, that such a separate Series Subaccount need not be established in the Principal and Interest Fund for a Series of Bonds if such Series of Bonds is secured by a Series Subaccount in the Debt Service Reserve Account that also secures one or more other Series of Bonds as contemplated by Section 5.08(a) (in which case the Supplemental Indenture may provide for the payment of principal and interest on such Series of Bonds from the same Series Subaccount in the Principal and Interest Fund as the principal and interest on such other Series of Bonds are payable from). There shall be deposited into each Series Subaccount the amounts required to be so deposited pursuant to Section 5.06(a)(1)(A)(i). Any payments made by a Security Instrument Issuer with respect to a Series of Bonds shall be deposited into the Series Subaccount in the Bond Service Account relating to such Series of Bonds, subject to the provisions of the Supplemental Indenture authorizing the issuance of such Series of Bonds.

(b) The Trustee shall pay out of the appropriate Series Subaccount in the Bond Service Account to the respective Paying Agent (1) on or before each interest payment date for each Series of Bonds, the amount required for the interest payable on such date; (2) on or before each Principal Installment due date, the amount required for the Principal Installment payable on such due date; and (3) on or before any redemption date for each Series of Bonds, the amount required for the payment of Redemption Price of and accrued interest on such Bonds then to be redeemed. Such amounts shall be applied by the Paying Agents to pay Principal Installments and Redemption Price of, and interest on the related Series of Bonds. The Trustee shall pay out of the appropriate Series Subaccount in the Bond Service Account to the Security Instrument Issuer, if any, that has issued a Security Instrument with respect to such Series of Bonds an amount equal to any Security Instrument Repayment Obligation then due and payable to such Security Instrument Issuer. If payment is so made on Pledged Bonds held for the benefit of the Security Instrument Issuer, a corresponding payment on the Security Instrument Repayment Obligation shall be deemed to have been made (without requiring an additional payment by the City) and the Trustee shall keep its records accordingly.

(c) Except as otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, amounts accumulated in any Series Subaccount in the Bond Service Account with respect to any Sinking Fund Installment (together with amounts accumulated therein with respect to interest on the Bonds for which such Sinking Fund Installment was established) shall, if so directed by the City in a Written Request not less than 30 days before the due date of such Sinking Fund Installment, be applied by the Trustee to (1) the purchase of Bonds of the Series and maturity for which such Sinking Fund Installment was established, (2) the redemption at the applicable sinking fund Redemption Price of such Bonds, if then redeemable by their terms, or (3) any combination of (1) and (2). The applicable sinking fund Redemption Price (or Principal amount of maturing Bonds) of any Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Service Account until such Sinking Fund Installment date for the purpose of calculating the amount of such Account. As soon as practicable after the 60th day preceding the due date of any such Sinking Fund Installment, the Trustee shall proceed to call for redemption on such due date, by giving notice as required by the Indenture, Bonds of the Series

and maturity for which such Sinking Fund Installment was established (except in the case of Bonds maturing on a Sinking Fund Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Sinking Fund Installment. The Trustee shall pay out of the appropriate Series Subaccount in the Bond Service Account to the appropriate Paying Agents, on or before such redemption date (or maturity date), the amount required for the redemption of the Bonds so called for redemption (or for the payment of such Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment).

Section 5.08. Principal and Interest Fund - Debt Service Reserve Account.

(a) Each Supplemental Indenture providing for the issuance of a Series of Bonds shall establish in the Debt Service Reserve Account a separate Series Subaccount for each such Series of Bonds issued *provided, however*, that such a separate Series Subaccount need not be established in the Principal and Interest Fund for a Series of Bonds if such Series of Bonds is secured by a Series Subaccount in the Debt Service Reserve Account that also serves one or more other Series of Bonds. Such Supplemental Indenture shall also specify the Debt Service Reserve Requirement to be on deposit in such Series Subaccount.

(b) If on the third Business Day prior to the end of any month, after the deposit of moneys required by Section 5.06(a)(1)(A)(i), the amount in any Series Subaccount in the Bond Service Account shall be less than the amount required to be in such Series Subaccount, the Trustee shall (1) apply amounts from the corresponding Series Subaccount, if any, in the Debt Service Reserve Account to the extent necessary to make good the deficiency; and (2) to the extent that moneys and investments available in the corresponding Series Subaccount, if any, in the Debt Service Reserve Account are not sufficient to eliminate the deficiency in the Series Subaccount in the Bond Service Account and Reserve Instruments are in effect for the corresponding Series of Bonds, immediately make a demand for payment on all such Reserve Instruments, to the maximum extent authorized by such Reserve Instruments, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof in the appropriate Series Subaccount in the Bond Service Account.

(c) Whenever the moneys on deposit in a Series Subaccount in the Debt Service Reserve Account, including investment earnings and Reserve Instrument Coverage with respect thereto, shall exceed the Debt Service Reserve Requirement for such Series Subaccount, such excess shall be transferred by the Trustee to the corresponding Series Subaccount in the Bond Service Account and shall be used to pay Debt Service on the related Bonds, subject to any limitations contained in the Tax Certificate relating to such Bonds.

(d) Whenever the amount in a Series Subaccount in the Debt Service Reserve Account, excluding any Reserve Instrument Coverage, together with the amount in the corresponding Series Subaccount in the Bond Service Account for a Series of Bonds, is sufficient to pay in full all Outstanding Bonds of such Series and related Repayment Obligations in accordance with their terms (including Principal or applicable sinking fund Redemption Price and interest thereon), the funds on deposit in such Series Subaccount in the Debt Service Reserve Account shall be transferred to the corresponding Series Subaccount in the Bond Service Account and no

deposits shall be required to be made into such Series Subaccount in the Debt Service Reserve Account.

(e) Unless otherwise provided in a Supplemental Indenture authorizing a Series of Bonds, in calculating the amount on deposit in a Series Subaccount in the Debt Service Reserve Account, the amount of the Reserve Instrument Coverage for the corresponding Series of Bonds will be treated as an amount on deposit in such Series Subaccount in the Debt Service Reserve Account. The City may deposit a Reserve Instrument into any Series Subaccount in the Debt Service Reserve Account to satisfy all or a portion of the Debt Service Reserve Requirement with respect to the Series of Bonds for which such Series Subaccount was established and upon such deposit may withdraw any moneys in such Series Subaccount in excess of such Debt Service Reserve Requirement.

(f) Unless otherwise specified in the Supplemental Indenture authorizing a Series of Bonds, no Reserve Instrument for such Series of Bonds shall be allowed to expire unless and until cash has been deposited into the appropriate Series Subaccount in the Debt Service Reserve Account, or a new Reserve Instrument has been issued in place of the expiring Reserve Instrument, in an amount or to provide coverage at least equal to the Debt Service Reserve Requirement for the corresponding Series of Bonds.

Section 5.09. Purchase of Bonds. The City may, to the extent permitted under applicable law and covenants, including any covenants contained in any Tax Certificate, purchase Bonds of any Series from any available funds at public or private sale, as and when and at such prices as the City may in its discretion determine. All Bonds so purchased shall at such times as shall be selected by the City be delivered to and cancelled by the Trustee or any Registrar and shall thereafter be delivered to, or upon the order of, the City, and no Bonds shall be issued in place thereof. In the case of the purchase of Bonds of a Series and maturity for which Sinking Fund Installments shall have been established, the City shall, by a Written Request of the City delivered to the Trustee, elect the manner in which the Principal amount of such Bonds shall be credited toward Sinking Fund Installments, consistent with the procedures of Section 5.07(c).

ARTICLE VI

GENERAL COVENANTS

Section 6.01. Punctual Payment of Bonds. The City will punctually pay or cause to be paid, solely from the Revenues and funds pledged therefor pursuant to the Indenture, the principal or Redemption Price and the interest to become due in respect of all the Bonds in strict conformity with the terms of the Bonds and the City will punctually pay or cause to be paid all Sinking Fund Installments which may be established for any Series of Bonds.

Section 6.02. Construction of Projects. Once the City has determined to construct a Project and issued Bonds with respect to such Project, the City will promptly commence, or cause to be commenced, the construction of such Project and will continue, or cause to be

continued, the same to completion with all practicable dispatch, and such Project will be constructed in a sound and economic manner.

Section 6.03. No Impairment of Revenues. Pursuant to Section 11-14-17.5(2)(d) of the Utah Municipal Bond Act, (i) the ordinances, resolutions or other enactments of the Council imposing the sales taxes constituting the Revenues and pursuant to which such sales taxes are being collected and (ii) the obligation of the City to levy, collect and allocate the sales taxes constituting the Revenues and to apply the Revenues as provided in the Indenture, shall be irrevocable so long as the Bonds are Outstanding and are not subject to amendment in any manner which would impair the rights of the Bondholders or which would in any way jeopardize the timely payment of the principal of or interest on the Bonds when due.

Section 6.04. Against Encumbrances; Further Assurances.

(a) The City will not sell, convey, mortgage, encumber, pledge or otherwise dispose of any part of the Revenues except as provided in the Indenture.

(b) The City will do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, such Supplemental Indentures and such further accounts, instruments and transfers as may be reasonably required for the better assuring, pledging and confirming to the Trustee all and singular the Revenues and the other amounts pledged hereby to the payment of the principal of, Redemption Price and interest on the Bonds.

Section 6.05. Covenant of State of Utah. Pursuant to Section 11-14-17.5(3) of the Utah Municipal Bond Act, the State pledges and agrees with the Bondholders, Security Instrument Issuers and Reserve Instrument Issuers that the State will not alter, impair or limit the Revenues in a manner that reduces the amounts to be rebated to the City which are devoted or pledged by the Indenture until the Bonds, together with applicable interest, are fully met and discharged; *provided, however*, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the Bondholders, Security Instrument Issuers and Reserve Instrument Issuers.

Section 6.06. Accounts and Reports.

(a) The City will at all times keep, or cause to be kept, proper books of record and accounts, separate and apart from all other records and accounts of the City, in which complete and accurate entries shall be made of all transactions relating to the Revenues. Such books of record and accounts shall at all times during business hours be subject to the inspection of the Trustee, the Holders of not less than five percent (5%) of any Series of Bonds then Outstanding, any Security Instrument Issuer, any Reserve Instrument Issuer, any party specified by a Supplemental Indenture, or their representatives authorized in writing.

(b) The City will place on file with the Trustee and with any party specified by a Supplemental Indenture annually within six (6) months after the close of each Fiscal Year, a financial statement in reasonable detail for the preceding Fiscal Year showing the receipt and disposition of all Revenues and the balances of all Funds as of the end of each Fiscal Year,

which financial statement and balance sheet shall be accompanied by an Accountant's Certificate. Each such financial statement, in addition to whatever matters may be thought proper by the Independent Public Accountant to be included therein, shall include the following:

(1) An analysis of all Funds provided for herein, setting out as to each all deposits and disbursements made during the Fiscal Year and the amount in each Fund at the end of the Fiscal Year; and

(2) Such other matters as may be required by Supplemental Indenture.

Simultaneously with the filing of such financial statement, there shall be filed with the Trustee and with any party specified by a Supplemental Indenture a report of indenture compliance review conducted by the firm of Independent Public Accountants which signed the Accountants' Certificate accompanying the financial statement.

(c) The reports, statements and other documents required to be furnished to the Trustee pursuant to any provisions of the Indenture shall be available for inspection of Bondholders, Security Instrument Issuers and Reserve Instrument Issuers at the principal corporate trust office of the Trustee and, upon the Written Request of the City, shall be mailed to each Bondholder, Security Instrument Issuer and Reserve Instrument Issuer who shall file a written request therefor with the City.

(d) The City shall file with the Trustee and with any party specified by a Supplemental Indenture (1) immediately upon becoming aware of any Event of Default or other default in the performance by the City of any covenant, agreement or condition contained in the Indenture, a Written Certificate of the City specifying such default; and (2) not later than six (6) months following the end of each Fiscal Year a Written Certificate of the City stating that, to the best of the knowledge and belief of the Authorized Officer of the City executing such Written Certificate, except for any default then existing which shall have been specified in the Written Certificate of the City referred to in (1) above, the City has kept, observed, performed and fulfilled each and every one of its covenants and obligations contained in the Indenture and there does not exist at the date of such Written Certificate any default by the City under the Indenture or any Event of Default or other event which, with the lapse of time specified in Section 9.01, would become an Event of Default, or, if any such default or Event of Default or other event shall so exist, specifying the same and the nature and status thereof.

Section 6.07. Maintenance of Paying Agents. The Trustee shall pay to each Paying Agent, to the extent of the moneys held by the Trustee for such payment, funds for the prompt payment of the principal and Redemption Price of and interest on the Bonds of such Series presented at any such place of payment.

Section 6.08. Compliance with Indenture. The City will not issue any Bonds in any manner other than in accordance with the provisions of the Indenture and will not suffer or permit any default to occur under the Indenture, but will faithfully observe and perform all the covenants, conditions and requirements hereof. The City will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper

to carry out the intention or to facilitate the performance of the Indenture, and for the better assuring and confirming unto the Holders of the Bonds, the Security Instrument Issuers and the Reserve Instrument Issuers of the rights, benefits and security provided in the Indenture. The City for itself, its successors and assigns, represents, covenants and agrees with the Holders of the Bonds, the Security Instrument Issuers and the Reserve Instrument Issuers as a material inducement to the purchase of the Bonds and the issuance of the Security Instruments and the Reserve Instruments, that so long as any of the Bonds shall remain Outstanding and the principal or Redemption Price thereof or interest thereon shall be unpaid or unprovided for, it will faithfully perform all of the covenants and agreements contained in the Indenture and the Bonds.

Section 6.09. Power to Issue Bonds and Pledge Revenues and Other Funds. The City is duly authorized under all applicable laws to create and issue the Bonds and to adopt the Indenture and to pledge the Revenues and other moneys, securities and funds purported to be pledged by the Indenture in the manner and to the extent provided in the Indenture. The Bonds and the provisions of the Indenture are and will be the valid and legally enforceable obligations of the City in accordance with their terms and the terms of the Indenture. The City shall at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Revenues and other moneys, securities and Funds pledged under the Indenture and all the rights of the Bondholders, the Security Instrument Issuers and the Reserve Instrument Issuers under the Indenture against all claims and demands of all persons whomsoever.

Section 6.10. General.

(a) The City shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the City under the provisions of the Act and the Indenture.

(b) The City covenants that upon the date of authentication and delivery of any of the Bonds, all acts, conditions and things required by law and the Indenture to exist, to have happened and to have been performed precedent to and in the issuance of such Bonds shall exist, have happened and have been performed in regular and in due time, form and manner as required by law and the City will have duly and regularly complied with all applicable provisions of law and will be duly authorized to issue the Bonds under the Act in the manner and upon the terms as in the Indenture provided.

ARTICLE VII

THE TRUSTEE, THE PAYING AGENTS AND THE TRANSFER AGENTS

Section 7.01. Trustee.

(a) The City hereby appoints Zions First National Bank, as the initial Trustee hereunder to act as the legal depositary of the City for the purpose of receiving all moneys which the City is required to pay to the Trustee hereunder and to hold, allocate, use and apply the same as provided in the Indenture. The Trustee hereby accepts and agrees to execute the trusts hereby created upon the terms set forth herein. The Trustee shall act as the legal depositary of the City for the purpose of receiving all moneys which the City is required to pay to the Trustee hereunder, and to hold, allocate, use and apply the same as provided in the Indenture. The Trustee shall also act as registrar and Transfer Agent for the Bonds, with the duties herein provided, and shall also act in accordance with the duties specified in Section 3.02(a). In acting as registrar and Transfer Agent, the Trustee shall be the agent of the City.

(b) The Trustee may at any time resign or be discharged of its duties and obligations hereby created by giving not less than 60 days' written notice to the City, specifying the date when such resignation shall take effect, and mailing notice thereof to the Holders of all Bonds then Outstanding, and such resignation shall take effect on the day specified in such notice unless previously a successor shall have been appointed as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment of such successor; *provided, however*, that such resignation of the Trustee shall in no event take effect until such successor shall have been appointed and accepted the duties of Trustee.

(c) The City may at any time remove the Trustee initially appointed or any successor thereto by a Written Certificate of the City providing for such removal, for the appointment of a successor, and for the effective date of the change of Trustee; *provided, however*, that such removal of the Trustee shall in no event take effect until such successor shall have been appointed and accepted the duties of Trustee by the execution of a Supplemental Indenture. A copy of such Written Certificate of the City shall be mailed by first class mail to the Trustee.

(d) Notice of the resignation or removal of the Trustee and the appointment of a successor shall be mailed by first class mail to the registered Holders of all Bonds then Outstanding, the Information Services, the NRMSIRs and to each Security Instrument Issuer and Reserve Instrument Issuer then having a Security Instrument or Reserve Instrument outstanding, within 30 days after delivery of the Written Certificate of the City providing for such appointment. Any successor Trustee appointed by the City subsequent to the issuance of the first Series of Bonds issued hereunder shall be a bank or trust company with a capital, undivided profits and surplus of not less than \$50,000,000.

(e) If no successor Trustee shall have been appointed and shall have accepted appointment within 45 days of giving notice of the resignation or removal of the Trustee as aforesaid, the Trustee or any Bondholder (on behalf of himself and all other Bondholders) 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 may deem proper, appoint such successor Trustee.

Section 7.02. *Paying Agents; Appointment and Acceptance of Duties; Removal.* The City shall appoint Paying Agents for the Bonds of each Series pursuant to Supplemental Indentures. Each Paying Agent shall signify its acceptance of the duties and obligations imposed upon it by the Indenture by executing and delivering to the City and to the Trustee a written acceptance thereof. The City may remove any Paying Agent and any successor thereto, and appoint a successor or successors thereto; *provided, however*, that any such Paying Agent designated by the City shall continue to be a Paying Agent of the City for the purpose of paying the Principal and Redemption Price of and interest on the Bonds until the designation of a successor as such Paying Agent. Each Paying Agent is hereby authorized to redeem Bonds when duly presented to it for payment or redemption, which Bonds shall thereafter be delivered to the Trustee for cancellation.

Section 7.03. *Terms and Conditions of the Trusts.* Notwithstanding any other provision of this Indenture to the contrary, the Trustee shall, prior to an Event of Default, and after the curing of all Events of Default which may have occurred, perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations of the Trustee shall be read into this Indenture. Subject to Article IX and Section 7.03(l) hereof, the Trustee shall, during the existence of any Event of Default (which has not been cured), exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of his own affairs. The Trustee shall perform such duties, rights and powers only upon and subject to the following express terms and conditions:

(a) The Trustee shall perform such duties and only such duties as are specifically set forth in the Indenture. The duties and obligations of the Trustee shall be determined solely by the express provisions of the Indenture, and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in the Indenture, and no implied covenants or obligations shall be read into the Indenture against the Trustee.

(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 any of the same who have been selected by it with ordinary care in accordance with the standard specified above, and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of any attorney for the City or any other attorneys, if, in the case of such other attorneys, they are 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 non-action in good faith in reliance upon such opinion or advice. The Trustee shall not be liable for any error of judgment made in good faith by

any of its officers or employees unless it shall be proved that the Trustee was negligent in ascertaining pertinent facts.

(c) The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of authentication of the Trustee endorsed on the Bonds), or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby, and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the City herein set forth; but the Trustee may require of the City full information and advice as to the performance of the covenants, conditions and agreements aforesaid. The Trustee shall have no obligation to perform any of the duties of the City under the Indenture.

(d) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder. The Trustee may become the owner or pledgee of Bonds secured hereby with the same rights which it would have if not Trustee. To the extent permitted by law, the Trustee may also receive tenders and purchase in good faith Bonds from itself, including any department, affiliate or subsidiary, with like effect as if it were not Trustee.

(e) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed by it 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 owner of any Bond, shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof. The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holders of not less than a majority in Principal amount of the Bonds at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under the Indenture.

(f) As to the existence or non-existence 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 Written Certificate of the City as sufficient evidence of the facts therein contained and shall also be at liberty to accept a similar Written Certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of the City Recorder to the effect that a resolution in the form therein set forth has been adopted by the City 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 gross negligence or willful default.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder except:

(1) Failure by the City to cause to be made any of the payments to the Trustee required to be made pursuant to Article V;

(2) Failure of the City to file with the Trustee any document required by the Indenture to be so filed prior to or subsequent to the issuance of the Bonds; or

(3) Any default with respect to a Security Instrument Agreement or a Reserve Instrument Agreement as to which any of the parties thereto has notified the Trustee in writing;

provided that the Trustee shall be required to take notice or be deemed to have notice of any default hereunder if specifically notified in writing of such default by the Holders of not less than 10% in aggregate Principal amount of Bonds then Outstanding, by any Security Instrument Issuer or by any Reserve Instrument Issuer, 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 corporate trust office of the Trustee and in the absence of such notice, the Trustee may conclusively assume there is no default except as aforesaid;

(i) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect any and all books, papers and records of the City pertaining to the Revenues and the Bonds, and to take such memoranda from and in 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 contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds or any action whatsoever within the purview of the Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee reasonably deemed desirable by it for the purpose of establishing the right of the City to the authentication of any Bonds or the taking of any other action by the Trustee.

(l) The Trustee shall be under no obligation to exercise any of the trusts or powers vested in it by the Indenture at the request, order or direction of any of the

Bondholders, Security Instrument Issuers or Reserve Instrument Issuers pursuant to the provisions of the Indenture, unless such Bondholders, Security Instrument Issuers or Reserve Instrument Issuers shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might 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 mandatory provisions of law.

(n) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, consent, order, approval, appraisal, Bond or other paper or document, unless requested in writing to do so by (i) the Holders of not less than 25% in aggregate Principal amount of the Bonds then Outstanding, (ii) any Security Instrument Issuer of a Security Instrument then in full force and effect and not in default on a payment obligation or (iii) any Reserve Instrument Issuer of a Reserve Instrument then in full force and effect and not in default on a payment obligation; *provided*, that, if the payment within a reasonable time to the Trustee of the costs, expenses or liabilities likely to be incurred by it in the making of such investigation is, in the opinion of the Trustee, not reasonably assured to the Trustee by the security afforded to it by the terms of the Indenture, the Trustee may require reasonable indemnity against such expenses or liabilities as a condition to so proceeding. The reasonable expense of every such inquiry or examination shall be paid by the City or, if paid by the Trustee, shall be repaid by the City.

(o) The Trustee shall not be liable for any action taken by it in good faith and reasonably believed by it to be authorized or within the discretion, rights or powers conferred upon it by the Indenture.

(p) None of the provisions contained in the Indenture shall require the Trustee to expend or risk its own funds or otherwise incur personal financial liability in the performance of any of its duties or in the exercise of any of its rights or powers, if there is reasonable ground for believing that the repayment of such funds or liability is not reasonably assured to it.

(q) The Trustee shall not be obligated to take or omit to take any action hereunder if, upon the basis of advice of counsel selected by it, the Trustee determines it would be unlawful to take or omit to take such action.

(r) The Trustee shall have no responsibility with respect to any information, statement or recital in any offering memorandum or other disclosure material prepared or distributed with respect to any Series of Bonds.

(s) The Trustee shall not be liable for actions taken at the direction of Bondholders or Security Instrument Issuer pursuant to the provisions of Article IX.

Section 7.04. *Intervention by the Trustee.* In any judicial proceeding to which the City is a party and which in the opinion of the Trustee has a substantial bearing on the interests of Holders of the Bonds, the Trustee may intervene on behalf of Bondholders and shall do so if requested in writing by (i) the Holders of a majority of the aggregate Principal amount of Bonds then Outstanding or (ii) any Security Instrument Issuer of a Security Instrument then in full force and effect and not in default on a payment obligation. The rights and obligations of the Trustee under this Section are subject to the approval of a court of competent jurisdiction.

Section 7.05. *Successor Trustee.* Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business or 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 a successor Trustee hereunder and vested with 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 the Trustee or the City, anything herein to the contrary notwithstanding.

Section 7.06. *Concerning Any Successor Trustee.* Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its or his predecessor and also to the City a Supplemental Indenture accepting such appointment hereunder and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the Written Request of the City, or of its successor, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its or his successor. Should any instrument in writing from the City be required by any successor Trustee for more fully and certainly vesting in such successor the estates, properties, rights, powers, trusts, duties and obligations 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 City. Any Trustee ceasing to act shall, nevertheless, retain a lien upon all property or funds held or collected by such Trustee to secure any amounts then due it pursuant to the provisions of Section 7.07 hereof.

Section 7.07. *Compensation of the Trustee and Its Lien.* The City covenants and agrees to pay to the Trustee from time to time and the Trustee shall be entitled to, reasonable compensation and, except as otherwise expressly provided, the City covenants and agrees to pay or reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any of the provisions of the Indenture (including the reasonable compensation and the expenses and disbursements of its counsel and of all persons not regularly in its employ including but not limited to any Paying Agent, Transfer Agent or Depository) except any such expense, disbursement or advance as may arise from its negligence or bad faith. The City also covenants to indemnify the Trustee for, and

to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on the part of the Trustee, arising out of or in connection with the acceptance or administration of this trust, including the costs and expenses of defending itself against any claim of liability in the premises. The obligations of the City under this Section to compensate and indemnify the Trustee and to pay or reimburse the Trustee for expenses, disbursements and advances shall constitute additional indebtedness hereunder and shall survive the satisfaction and discharge of the Indenture. Such additional indebtedness shall be secured by a lien prior to that of the Bonds upon all property and funds held or collected by the Trustee as such, except funds held in trust for the benefit of the Holders of particular Bonds.

Section 7.08. Appointment of Co-Trustee. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the law of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in case of litigation under the Indenture, and in particular in case of the enforcement thereof on default, or in the 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 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 are adapted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended by the Indenture to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vest 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 instrument in writing from the City be required by the separate trustee or co-trustee so appointed by the Trustee for more fully and certainly vesting in and confirming to him or it such estates, properties, rights, powers, trusts, duties and obligations, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the City. In case any separate trustee or co-trustee, or a successor to either of them shall die, become incapable of acting, resign or be removed, all the estates, properties, rights, powers, trusts, duties and obligations of such separate trustee or co-trustee, so far as permitted by law, shall vest in and be exercised by the Trustee until the appointment of a new trustee or successor to such separate trustee or co-trustee.

Section 7.09. Appointment, Duties and Term of Remarketing Agent. The City may pursuant to a Supplemental Indenture appoint one or more Remarketing Agents from time to time to purchase or remarket Put Bonds.

Section 7.10. Appointment, Duties and Term of Additional Transfer Agents. The City may appoint one or more Transfer Agents from time to time in addition to the Trustee to transfer and authenticate Bonds. Each appointment of a Transfer Agent other than the Trustee shall be

made by a Supplemental Indenture which shall, among other things, specify the duties, qualifications and term of such Transfer Agent and the conditions under which such Transfer Agent may resign, be removed or be replaced. Each Transfer Agent other than the Trustee shall signify its acceptance of the duties imposed upon it pursuant to the Indenture by depositing with the City and the Trustee a written acceptance of such duties, together with a certificate stating that the Transfer Agent is duly qualified to perform such duties under the terms of the Indenture and under all applicable local, state and federal laws.

ARTICLE VIII

MODIFICATION OR AMENDMENT OF INDENTURE

Section 8.01. Amendments Permitted.

(a) The Indenture or any Supplemental Indenture and the rights and obligations of the City and of the Holders of the Bonds may be modified or amended at any time by a Supplemental Indenture and pursuant to the affirmative vote at a meeting of Bondholders, or with the written consent without a meeting, (1) of the Holders of at least a majority in Principal amount of the Bonds then Outstanding, and (2) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the Holders of at least a majority in Principal amount of the Bonds of each Series so affected and then Outstanding, and (3) in case the modification or amendment changes the terms of any Sinking Fund Installment, of the Holders of at least a majority in Principal amount of the Bonds of the particular Series and maturity entitled to such Sinking Fund Installment and then Outstanding; *provided, however*, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified Series remain Outstanding, the consent of the Holders of Bonds of such Series shall not be required and Bonds of such Series shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section.

(b) The Indenture or any Supplemental Indenture and the rights and obligations of the City, the Holders of the Bonds, the Security Instrument Issuers and the Reserve Instrument Issuers may also be modified or amended at any time by a Supplemental Indenture, without notice to or the consent of any Bondholders for any of the following purposes:

(1) to add to the covenants and agreements of the City contained in the Indenture, to add other covenants and agreements thereafter to be observed, to pledge or provide additional security hereunder or to surrender any right or power herein reserved to or conferred upon the City;

(2) to make such provisions for the purpose of curing any ambiguity, or of curing or correcting any defective provision contained in the Indenture or in regard to questions arising under the Indenture, as the City may deem necessary or desirable, and which shall not adversely affect the interests of the Holders of the Bonds;

(3) to provide for the issuance of a Series of Bonds in accordance with the provisions of Article II;

(4) to provide for the issuance of the Bonds pursuant to a book-entry system or as uncertificated registered public obligations pursuant to the provisions of the Registered Public Obligations Act, Chapter 7 of Title 15 of the Utah Code Annotated 1953, as amended, or any successor provision of law or to modify or eliminate the book-entry registration system for any of the Bonds;

(5) to confirm, as further assurance, any pledge of or lien on the Revenues or any other moneys, securities or funds subject or to be subjected to the lien of this Indenture;

(6) to comply with the requirements of the Trust Indenture Act of 1939, as from time to time amended;

(7) to modify, alter, amend or supplement this Indenture or any Supplemental Indenture in any other respect which in the judgment of the Trustee is not materially adverse to the Holders of the Bonds; *provided, however*, that any such modification, alteration, amendment or supplement pursuant to this Section 8.01(b)(7) shall not take effect until the Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation thereunder shall have consented in writing to such modification, alteration, amendment or supplement; *provided further* that in determining whether any such modification, alteration, amendment or supplement is materially adverse to the Holders of the Bonds, the Trustee shall consider the effect on the Holders as if there were no Security Instrument with respect to the Bonds;

(8) to make any change which in the judgment of the Trustee shall not materially adversely affect the rights or interests of the Holders of any Outstanding Bonds requested by a Rating Agency in order to obtain or maintain any rating on the Bonds or by a Security Instrument Issuer or Reserve Instrument Issuer in order to insure or provide other security for any Bonds;

(9) to make any change necessary (A) to establish or maintain the exemption from federal income taxation of interest on any Series of Bonds as a result of any modifications or amendments to Section 148 of the Code (or any successor provision of law) or interpretations thereof by the Internal Revenue Service, or (B) to comply with the provisions of Section 148(f) of the Code (or any successor provision of law), including provisions for the payment of all or a portion of the investment earnings of any of the Funds established hereunder to the United States of America;

(10) if the Bonds affected by such change are rated by a Rating Agency, to make any change which does not result in a reduction of the rating applicable to any of the Bonds so affected, *provided* that if any of the Bonds so affected are secured by a

Security Instrument, such change must be approved in writing by the related Security Instrument Issuer;

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

(12) to the extent permitted by a Supplemental Indenture authorizing a Series of Bonds, the designation of the facilities to constitute a Project by such Supplemental Indenture may be modified or amended if the City delivers to the Trustee (1) a Supplemental Indenture designating the facilities to comprise the Project and (2) a Written Certificate of the City setting forth the costs of the Project and an Estimated Completion Date and certifying that such amendment will not adversely affect the City's ability to comply with the provisions of the Indenture;

(13) to provide for the appointment of a successor Trustee, a Paying Agent, a separate or co-trustee pursuant to Section 7.08, a Remarketing Agent or a Transfer Agent;

(14) to provide for uncertificated Bonds or for the issuance of coupons and bearer Bonds or Bonds registered only as to principal, but only to the extent that such would not adversely affect the Tax-Exempt status of the Bonds;

(15) to provide the procedures required to permit any Holder to separate the right to receive interest on the Bonds from the right to receive principal thereof and to sell or dispose of such right as contemplated by Section 1286 of the Code;

(16) to provide for the appointment or replacement of a Security Instrument Issuer or a Reserve Instrument Issuer or for an additional Security Instrument Issuer or an additional Reserve Instrument Issuer following the occurrence of an event of default under the respective Security Instrument or Reserve Instrument, as applicable, or to provide for an additional Security Instrument Issuer following the withdrawal or suspension or reduction below the Rating Category of AAA, Aaa or any equivalent rating by any rating agency of the long-term ratings of the Security Instrument Issuer provided that the Security Instrument provided by the replacement or additional Security Instrument Issuer would result in a long-term rating on the Bonds equal to the Rating Category of AAA, Aaa or any equivalent rating by any Rating Agency;

(17) to provide for the pledge of Special Revenues, additional monies, funds or other assets to secure payment of one or more Series of Bonds; and

(18) to correct any references contained herein to provisions of the Act, the Code or other applicable provisions of law that have been amended so that the references herein are incorrect.

No modification or amendment shall be permitted pursuant to subparagraph (1), (7), (8), (10), (11), (12) or (16) unless the City delivers to the Trustee an Opinion of Counsel of nationally recognized standing in the field of law relating to municipal bonds to the effect that such modification or amendment will not adversely affect the tax-exempt status or validity of any Bonds affected by such modification or amendment.

(c) No modification or amendment permitted by this Section shall (1) extend the fixed maturity of any Bond, or reduce the Principal amount or Redemption Price thereof, or reduce the rate or extend the time of payment of interest thereon, without the consent of the Holder of each Bond so affected, or (2) reduce the aforesaid percentage of Bonds required for the affirmative vote or written consent to an amendment or modification of the Indenture, without the consent of the Holders of all of the Bonds then Outstanding, or (3) without its written consent thereto, modify any of the rights or obligations of the Trustee.

(d) Each Supplemental Indenture authorized by this Section shall become effective as of the date of its execution and delivery or such other date as shall be specified in such Supplemental Indenture.

(e) No amendment shall be permitted pursuant to this Section 8.01 which shall affect (1) the rights or duties of a Security Instrument Issuer or Reserve Instrument Issuer of a Security Instrument or a Reserve Instrument as the case may be, then in full force and effect and not in default on a payment obligation, or (2) the Series of Bonds for which a Security Instrument Issuer or Reserve Instrument Issuer provides security, without the consent of such Security Instrument Issuer or Reserve Instrument Issuer as the case may be.

(f) Notwithstanding any provisions of the Indenture to the contrary, a Supplemental Indenture providing for the issuance by a Security Instrument Issuer of a Security Instrument in connection with a Series of Bonds issued under the Indenture may provide, among other provisions, that the Security Instrument Issuer shall at all times, so long as the Series of Bonds remains Outstanding, be deemed to be the exclusive owner of all of the Bonds of such Series for the purpose of consenting to the execution and delivery of a Supplemental Indenture pursuant to the provisions of Section 8.01(a).

Section 8.02. Bondholders' Meetings.

(a) The Trustee may, and upon the Written Request of the City shall, at any time, call a meeting of the Holders of Bonds, to be held at such place as may be selected by the Trustee and specified in the notice calling such meeting. Written notice of such meeting, stating the time and place of the meeting and in general terms the business to be submitted, shall be mailed by the Trustee, postage prepaid, not less than 30 nor more than 60 days before such meeting, to any Security Instrument Issuer or Reserve Instrument Issuer that is in full force and effect with respect to any Series of Bonds Outstanding and to each registered owner of Bonds then Outstanding at his address, if any, appearing upon the Bond register of the City. The cost and expense of the giving of such notice shall be borne by the City, and the Trustee shall be reimbursed by the City for any expense incurred by it.

(b) Prior to calling any meeting of the Holders of Bonds, the Trustee shall adopt regulations for the holding and conduct of such meeting, and copies of such regulations shall be filed at the principal corporate trust office of the Trustee and at the office of the City and shall be open to the inspection of all Bondholders. The regulations shall include such provisions as the Trustee may deem advisable for evidencing the ownership of Bonds, for voting in person or by proxy, for the selection of temporary and permanent officers to conduct the meeting and inspectors to tabulate and canvass the votes cast thereat, the adjournment of any meeting and the records to be kept of the proceedings of such meeting, including rules of order for the conduct of such meeting and such other regulations as, in the opinion of the Trustee, may be necessary or desirable.

(c) No resolution adopted by such meeting of Bondholders shall be binding unless and until a valid Supplemental Indenture has been executed and delivered containing the modifications or amendments authorized by the resolution adopted at such meeting. Such Supplemental Indenture shall become effective upon the filing with the Trustee of the resolution adopted at such meeting and such Supplemental Indenture.

Section 8.03. Amendment by Written Consent. The City may at any time execute and deliver a valid Supplemental Indenture amending the provisions of the Bonds or of the Indenture or any Supplemental Indenture, to the extent that such an amendment is permitted by this Article, to become effective when and as approved by written consent of the Bondholders, and any necessary Security Instrument Issuers and Reserve Instrument Issuers, and as provided in this Section. Such Supplemental Indenture shall not be effective unless there shall have been filed with the City or the Trustee the written consents of the necessary number of Holders of the Bonds then Outstanding and the consents of any necessary Security Instrument Issuers and Reserve Instrument Issuers, and a notice shall have been published as hereinafter in this Section provided. It shall not be necessary for any consent under this Section to approve the particular form of any proposed Supplemental Indenture, but it shall be sufficient if such consent shall approve the substance thereof. Each consent of a Bondholder shall be effective only if accompanied by proof of ownership of the Bonds for which such consent is given, which proof shall be such as is permitted by Section 12.04. Any such consent shall be binding upon the Holder of the Bonds giving such consent and on any subsequent Holder thereof (whether or not such subsequent Holder has notice thereof) unless such consent is revoked in writing by the Holder of the Bonds giving such consent or a subsequent Holder thereof by filing such revocation with the City and the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed. Notice of the execution and delivery of such Supplemental Indenture shall be mailed by the City to Bondholders (but failure to mail copies of such notice shall not affect the validity of the Supplemental Indenture when assented to by the requisite percentage of the Holders of the Bonds as aforesaid) and to each Security Instrument Issuer and Reserve Instrument Issuer of a Security Instrument or a Reserve Instrument as the case may be, then in full force and effect and not in default in a payment obligation.

Section 8.04. Disqualified Bonds. Bonds owned or held by or for the account of the City shall not be deemed Outstanding for the purpose of any vote, consent or other action or any calculation of Outstanding Bonds in this Article provided for, and neither the City nor any owner or Holder of such Bonds shall be entitled to vote or consent to, or to take, any other action

provided for in this Article. Any Pledged Bonds shall be deemed Outstanding and, for the purposes of any vote, shall be considered to be owned by the appropriate Security Instrument Issuer.

Section 8.05. *Effect of Modification or Amendment.* When any Supplemental Indenture modifying or amending the provisions of the Indenture or any Supplemental Indenture shall become effective, as provided in this Article, the Indenture or such Supplemental Indenture shall be and be deemed to be modified and amended in accordance therewith and the respective rights, duties and obligations under the Indenture or such Supplemental Indenture of the City, the Trustee, any Security Instrument Issuer, any Reserve Instrument Issuer, and all Holders of Bonds Outstanding hereunder shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any such Supplemental Indenture shall be and be deemed to be part of the terms and conditions of the Indenture or the modified or amended Supplemental Indenture for any and all purposes.

Section 8.06. *Endorsement or Replacement of Bonds Issued After Amendments.* The City or the Trustee may determine that Bonds executed and delivered after the effective date of a Supplemental Indenture executed and delivered as provided in this Article shall bear a notation, by endorsement or otherwise, in form approved by the City, as to the modification or amendment provided for by such Supplemental Indenture. In that case, upon demand of the Holder of any Bond Outstanding at such effective date and presentation of his Bond for the purpose at the principal corporate trust operations office of the Trustee or at such other office as the Trustee may select and designate for that purpose, a suitable notation shall be made on such Bond. The City may determine that new Bonds, so modified as in the opinion of the City is necessary to conform to such Supplemental Indenture, shall be prepared, executed and delivered. In that case, upon demand of the Holder of any Bond then Outstanding, such new Bonds shall be exchanged at the principal corporate trust operations office of the Trustee without cost to any Bondholder, for Bonds then Outstanding, upon surrender of such Bonds.

Section 8.07. *Irrevocable Consent.* Subject to Section 8.03, any consent pursuant to the provisions of this Article by any Holder of a Bond shall be irrevocable, and shall be conclusive and binding upon all future Holders of the same Bond delivered on transfer thereof or in exchange therefor or in replacement thereof.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES OF BONDHOLDERS

Section 9.01. *Events of Default.* The occurrence of one or more of the following events shall constitute an “*Event of Default*”:

- (a) failure by the City to make the due and punctual payment of the Principal or Redemption Price of any Bond when and as the same shall become due and payable, whether at maturity as therein expressed, by proceedings for redemption or otherwise;

(b) failure by the City to make the due and punctual payment of any installment of interest on any Bond or any Sinking Fund Installment when and as such interest installment or Sinking Fund Installment shall become due and payable;

(c) failure by the City to observe any of the covenants, agreements or conditions on its part contained in the Indenture or in the Bonds contained, and failure to remedy the same for a period of 30 days after written notice thereof, specifying such failure and requiring the same to be remedied, shall have been given to the City by the Trustee, or to the City and the Trustee by the Holders of not less than 25% in aggregate principal amount of the Bonds at the time Outstanding;

(d) bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, including without limitation proceedings under Chapter 9 of Title 11, United States Code (as the same may from time to time be hereafter amended), or other proceedings for relief under any federal or state bankruptcy law or similar law for the relief of debtors are instituted by or against the City and, if instituted against the City, said proceedings are consented to or are not dismissed within 30 days after such institution; or

(e) any event specified in a Supplemental Indenture as constituting an Event of Default under the Indenture;

provided that any failure by the City to make payment as described in subparagraph (a) or (b) of this Section shall not constitute an Event of Default with respect to any Bond if the Supplemental Indenture authorizing the issuance of such Bond provides that due and punctual payment by a Security Instrument Issuer or a Reserve Instrument Issuer shall not give rise to an Event of Default and such payment is, in fact, duly and punctually made.

The Trustee shall give notice to any Security Instrument Issuer or Reserve Instrument Issuer of any Event of Default known to the Trustee within 30 days after it has knowledge thereof.

Section 9.02. Remedies.

(a) Upon the occurrence and continuance of an Event of Default:

(i) the Trustee may proceed, and

(ii) upon the written request of (x) the Holders of a majority of the Principal amount of the Outstanding Bonds, (y) Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure a majority in aggregate Principal amount of the Bonds then Outstanding, or (z) any combination of Bondholders and Security Instrument Issuers described under clauses (x) and (y) representing a majority in aggregate Principal amount of the Bonds at the time Outstanding, shall proceed,

to protect and enforce its rights and the rights under the Indenture of the Bondholders, the Security Instrument Issuers and the Reserve Instrument Issuers forthwith by any available remedy, including, without limitation, suit or suits in equity or at law, whether for the payment of any amount due hereunder or on the Bonds, or for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted or any remedy granted under the Act, or for an accounting against the City, as if the City were the trustee of an express trust, or in the enforcement of any other legal or equitable right, as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under the Indenture.

(b) All rights of action under this 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. Any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining any Holders or other parties as plaintiffs or defendants.

(c) No delay in exercising or omission to exercise any remedy, right or power accruing upon any Event of Default shall impair that remedy, right or power or shall be construed to be a waiver of any default or Event of Default or acquiescence therein. Every remedy, right and power may be exercised from time to time and as often as may be deemed to be expedient.

(d) In case the Trustee shall have proceeded to enforce any remedy, right or power under this Indenture in any suit, action or proceedings, and the suit, action or proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then the City, the Trustee, the Bondholders, the Security Instruments Issuers and the Reserve Instrument Issuers 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 suit, action or proceedings had been taken.

Section 9.03. Accounting and Examination of Records After Default. The City covenants that if an Event of Default shall have happened and shall not have been remedied, the books of record and accounts of the City and all other records of the City relating to the Revenues shall at all times be subject to the inspection and use of the Trustee and of its agents and attorneys. The City covenants that if an Event of Default shall happen and shall not have been remedied, the City, upon demand of the Trustee, will account, as if it were the trustee of an express trust, for all Revenues and other moneys, securities and funds pledged or held under the Resolution for such period as shall be stated in such demand.

Section 9.04. Application of Revenues and Other Moneys after Default.

(a) During the continuance of an Event of Default, the Trustee shall apply Revenues and such moneys, securities and funds and the income therefrom as follows and in the following order, *provided* that moneys held in any Series Subaccount in the Bond Service Account or in the Debt Service Reserve Account or received under any Security Instrument shall not be used for purposes other than payment of the interest and Principal or Redemption Price then due on the

Series of Bonds corresponding to such Series Subaccount or such Security Instrument in accordance with paragraph (3) of this Section:

(1) to the payment of the reasonable and proper charges and expenses of the Trustee and the reasonable fees and disbursements of its counsel;

(2) to the payment of the interest and Principal or Redemption Price then due on the Bonds and Security Instrument Repayment Obligations, as follows:

FIRST: To the payment to the persons entitled thereto of all installments of interest then due on the Bonds and the Security Instrument Repayment Obligations in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

SECOND: To the payment to the persons entitled thereto of the unpaid Principal or Redemption Price of any Bonds and Security Instrument Repayment Obligations which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Bonds and Security Instrument Repayment Obligations due on any date, then to the payment thereof ratably, according to the amounts of Principal or Redemption Price due on such date, to the persons entitled thereto, without any discrimination or preference.

(3) to the payment of all obligations owed to all Reserve Instrument Issuers according to the amounts due without any discrimination or preference.

(b) If and whenever all overdue installments of interest on all Bonds and Repayment Obligations, together with the reasonable and proper charges and expenses of the Trustee, and all other sums payable by the City under the Indenture, including the Principal and Redemption Price of and accrued unpaid interest on all Bonds and Repayment Obligations which shall then be payable, shall either be paid by or for the account of the City, or provision satisfactory to the Trustee shall be made for such payment, and all defaults under the Indenture or the Bonds shall be made good or secured to the satisfaction of the Trustee and the Repayment Obligations shall be made good or secured to the satisfaction of the Security Instrument Issuers and the Reserve Instrument Issuers as appropriate, or provision deemed by the Trustee and, in the case of Repayment Obligations, to the Security Instrument Issuers and the Reserve Instrument Issuers, as appropriate, to be adequate shall be made therefor, the Trustee shall pay over to the City all such Revenues then remaining unexpended in the hands of the Trustee (except Revenues deposited or pledged, or required by the terms of the Indenture to be deposited or pledged, with the Trustee), and thereupon the City and the Trustee shall be restored, respectively, to their former positions

and rights under the Indenture, and all Revenues shall thereafter be applied as provided in Article V. No such payment over to the City by the Trustee or resumption of the application of Revenues as provided in Article V shall extend to or affect any subsequent default under the Indenture or impair any right consequent thereon.

Section 9.05. Rights and Remedies of Bondholders.

(a) No Holder of any Bond, any Security Instrument Issuer or Reserve Instrument Issuer shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless:

(1) such Holder, Security Instrument Issuer or Reserve Instrument Issuer has previously given written notice to the Trustee of a continuing Event of Default;

(2) either (x) the Holders of not less than 25% in aggregate Principal amount of the Outstanding Bonds, (y) Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure 25% in aggregate Principal amount of the Bonds at the time Outstanding, or (z) any combination of Bondholders and Security Instrument Issuers described in clauses (x) and (y) representing not less than 25% in aggregate Principal amount of the Bonds at the time Outstanding, shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holders or Security Instrument Issuers have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceedings; and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60 day period by (1) the Holders of a majority in Principal amount of the Outstanding Bonds, (2) Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure a majority in aggregate Principal amount of the Bonds then Outstanding, or (3) any combination of Bondholders and Security Instrument Issuers described in clauses (1) and (2) representing a majority in aggregate Principal amount of the Bonds at the time Outstanding;

it being understood and intended that no one or more Holders of Bonds or Security Instrument Issuers shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other such parties, or to obtain or to seek to obtain priority or preference over any other such parties or to enforce any right under

this Indenture, except in the manner herein and therein provided and for the equal and ratable benefit of all such parties in accordance with the provisions of the Indenture.

(b) Notwithstanding any other provision in this Indenture, the Holder of any Bond shall have the right which is absolute and unconditional to receive payment of the Principal of, Redemption Price and interest on such Bond on the respective stated maturities expressed in such Bond (or, in the case of redemption, on the redemption date of such Bond) and to institute suit for the enforcement of any such payment, subject only to any conditions of any Security Instrument Issuer providing a Security Instrument securing such Bond. Such right to receive payment shall not be impaired without the consent of such Holder.

(c) (i) The Holders of a majority of the Principal amount of the Outstanding Bonds, (ii) Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure a majority in aggregate Principal amount of the Bonds then Outstanding, or (iii) any combination of Bondholders and Security Instrument Issuers described under clauses (i) and (ii) representing a majority in aggregate Principal amount of the Bonds at the time Outstanding, shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred on the Trustee, *provided* that:

(1) such direction shall not be in conflict with any rule of law or this Indenture,

(2) the Trustee shall not determine that the action so directed would be unjustly prejudicial to the Holders and Security Instrument Issuers not taking part in such direction, and

(3) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Section 9.06. Appointment of Receiver. Upon the occurrence of an Event of Default, and upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Bondholders, the Security Instrument Issuers and the Reserve Instrument Issuers, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the trust estate created hereby, including, without limitation, the proceeds of the sale of the Bonds, the Revenues and the Funds, including the investments, if any, thereof, pending such proceedings, with such powers as a court making such appointments shall confer.

Section 9.07. Non-Waiver. Nothing in this Article or in any other provision of the Indenture or in the Bonds shall affect or impair the obligation of the City, which is absolute and unconditional, to pay the Principal and Redemption Price of and interest on the Bonds and the Repayment Obligations to the respective Holders of the Bonds, the Security Instrument Issuers and the Reserve Instrument Issuers, as appropriate, at the respective dates of maturity, or upon call for redemption, as herein provided, out of the Revenues, Funds and other moneys, securities and funds herein pledged for such payment, or affect or impair the right of action, which is also absolute and unconditional, of such Holders, Security Instrument Issuers or Reserve Instrument

Issuers, as appropriate, to institute suit to enforce such payment by virtue of the contract embodied in the Bonds and Repayment Obligations. No delay or omission of the Trustee or of any Holder of the Bonds or, with respect to Repayment Obligations, of any Security Instrument Issuer or Reserve Instrument Issuer as appropriate, to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein, and every power and remedy given by this Article to the Trustee or to the Holders of Bonds or, with respect to Repayment Obligations, to Security Instrument Issuers and Reserve Instrument Issuers, as appropriate, may be exercised from time to time and as often as shall be deemed expedient by the Trustee, the Holders of the Bonds, the Security Instrument Issuers and the Reserve Instrument Issuers.

Section 9.08. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee or to the Holders of Bonds or, with respect to Repayment Obligations, to Security Instrument Issuers and Reserve Instrument Issuers, as appropriate, is intended to be exclusive of any other remedy, 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 or by statute or otherwise, and may be exercised at any time or from time to time, and as often as may be necessary, by the Trustee, the Holder of any one or more of the Bonds or, with respect to Repayment Obligations, by Security Instrument Issuers and Reserve Instrument Issuers, as appropriate. Nothing herein contained shall permit the levy of any attachment or execution upon any of the properties of the City, nor shall any properties of the City be subject to forfeiture by reason of any default hereunder, it being expressly understood and agreed by each and every Bondholder by the acceptance of any Bond and by each and every Security Instrument Issuer and Reserve Instrument Issuer by entering into Security Instrument Agreements and Reserve Instrument Agreements, as appropriate, that the rights of all such Bondholders, Security Instrument Issuers and Reserve Instrument Issuers are limited and restricted to the use and application of Revenues, Funds and other moneys, securities and funds pledged under the Indenture in accordance with the terms of the Indenture.

Section 9.09. Waivers of Events of Default. The Trustee:

- (i) may waive, and
- (ii) upon the written direction of (x) the Holders of a majority of the Principal amount of the Outstanding Bonds, (y) Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure a majority in aggregate Principal amount of the Bonds then Outstanding, or (z) any combination of Bondholders and Security Instrument Issuers described under clauses (x) and (y) representing a majority in aggregate Principal amount of the Bonds at the time Outstanding, shall waive,

any Event of Default hereunder and its consequences; *provided, however*, that (x) there shall not be waived any Event of Default specified in Section 9.01(a) or Section 9.01(b) hereof unless prior to such waiver the City shall have caused to be deposited with the Trustee a sum sufficient to pay all matured installments of interest upon all Bonds and the Principal of any and all Bonds

which shall have become due (with interest upon such Principal and, to the extent permissible by law, on overdue installments of interest, at the rate per annum specified in the Bonds) and (y) no Event of Default shall be waived unless (in addition to the applicable conditions as aforesaid) there shall have been deposited with the Trustee such amounts as shall be sufficient to cover reasonable compensation and reimbursement of expenses payable to the Trustee. No such waiver shall extend to or shall affect any subsequent default or Event of Default or shall impair any remedy, right or power consequent thereon.

ARTICLE X

DEPOSITS AND INVESTMENT OF FUNDS

Section 10.01. Deposits.

(a) All moneys held by the Trustee under the provisions of the Indenture shall be deposited with the Trustee. All moneys held by the City under the Indenture shall be deposited in the name of the City in the Treasurer's Investment Fund or in one or more Agents. All moneys deposited under the provisions of the Indenture with the Trustee or any Agent shall be held in trust and applied only in accordance with the provisions of the Indenture, and each of the Funds established by the Indenture shall be a trust fund for the purposes thereof.

(b) Each Agent (other than the Trustee) shall be a bank or trust company organized under the laws of any state of the United States of America or a national banking association, having deposits insured by an agency of the United States of America, having capital stock, undivided profits and surplus aggregating at least \$25,000,000, and willing and able to accept the office on reasonable and customary terms and authorized by law to act in accordance with the provisions of the Indenture. Each Agent (other than the Trustee) shall signify its acceptance of the duties imposed upon it pursuant to the Indenture by depositing with the Trustee a written acceptance of such duties, together with a certificate stating that it is duly qualified to perform such duties under the terms of the Indenture and under all applicable local, state and federal laws.

(c) All Revenues and other moneys held by any Agent under the Indenture may be placed on demand or time deposit, if and as directed by the City, *provided* that such deposits shall permit the moneys so held to be available for use at the time when needed. The City and the Trustee shall not be liable for any loss or depreciation in value resulting from any investment made pursuant to the Indenture. Any such deposit may be made in the commercial banking department of any Agent which may honor checks and drafts on such deposit with the same force and effect as if it were not such Agent. All moneys held by any Agent, as such, may be deposited by such Agent in its banking department on demand or, if and to the extent directed by the City and acceptable to such Agent, on time deposit, *provided* that such moneys on deposit be available for use at the time when needed. Such Agent shall allow and credit on such moneys such interest, if any, as it customarily allows upon similar funds of similar size and under similar conditions or as required by law.

(d) All moneys deposited with the Trustee and each Agent shall be credited to the particular Fund or account to which such moneys belong; *provided, however*, nothing herein contained shall prohibit the City from directing the Trustee or a Agent by a Written Request of the City to make inter-Fund or account transfers of investments at the market value of the investments so transferred, as such market value shall be determined by the City at the time of transfer and set forth in the Written Request. The Trustee shall be entitled to rely on the determination set forth in the Written Request.

Section 10.02. Investment of Funds.

(a) Moneys held in any Fund or account shall be invested and reinvested by the City or the Trustee to the fullest extent practicable in Investment Securities which mature not later than such times as shall be necessary to provide moneys when needed for payments to be made from such Fund or account, subject to the following:

(1) the Trustee shall make such investments only in accordance with written instructions received from an Authorized Officer of the City;

(2) any Supplemental Indenture authorizing a Series of Bonds may impose additional restrictions on moneys held in any Fund or account; and

(3) any Supplemental Indenture authorizing a Series of Bonds may authorize the investment of moneys to be held in any Project Account, Series Subaccount in the Bond Service Account or Series Subaccount in the Debt Service Account created by such Supplemental Indenture and relating to such Series of Bonds in such other investments as may be specified by the Supplemental Indenture.

(b) Subject to any required rebate of earnings on investments in any Fund or account to the United States of America pursuant to Section 148(f) of the Code and except as otherwise provided in a Supplemental Indenture establishing a Project Account or a Series Subaccount: (i) all moneys earned as an investment of moneys in the Construction Fund shall be retained therein; (ii) net income earned on any moneys or investments in the Revenue Fund and the Bond Service Account shall remain in or be transferred to the Revenue Fund; (iii) whenever a Series Subaccount in the Debt Service Reserve Account is in its full required amount, net income earned on any moneys or investments in such Series Subaccount shall be transferred to the corresponding Series Subaccount in the Bond Service Account as provided in Section 5.08(c), otherwise, to be retained therein.

(c) The Trustee shall have no liability or responsibility for any loss or for failure to maximize earnings resulting from any investment made in accordance with the provisions of this Section 10.02. The Trustee shall be entitled to assume, absent receipt by the Trustee of written notice to the contrary, that any investment which at the time of purchase is an Investment Security, remains an Investment Security thereafter.

(d) The Trustee may make any and all investments permitted by the provisions of this Section 10.02 through its own investment department or that of its affiliates. As and when any

amount invested pursuant to this Article X may be needed for disbursement, the Trustee may cause a sufficient amount of such investments to be sold and reduced to cash to the credit of such funds. The City acknowledges that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory agency grant the City the right to receive brokerage confirmations of security transactions, the City waives receipt of such confirmations. The Trustee shall furnish to the City periodic statements that include detail of all investment transactions made by the Trustee.

Section 10.03. Arbitrage Covenant. The City covenants that moneys on deposit in any Fund, whether or not such moneys were derived from proceeds of sales of Bonds or from any other sources, will not be used in a manner which will cause any Bonds, the interest on which is to be exempt from federal income taxation under the Code, to be “arbitrage bonds” within the meaning of Section 148 of the Code; *provided, however*, that this covenant shall not prevent the issuance of a Series of Bonds the interest on which is subject to Federal income taxation under the Code.

ARTICLE XI

DEFEASANCE

Section 11.01. Discharge of Indebtedness.

(a) If the City shall pay or cause to be paid, or there shall otherwise be paid, subject to any limitations contained in a Supplemental Indenture with respect to a Series of Bonds, to the Holders of all Bonds the Principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture and if all Repayment Obligations owed to Security Instrument Issuers and Reserve Instrument Issuers shall have been paid in full, then the pledge of any Revenues and other moneys, securities and Funds pledged under the Indenture and all covenants, agreements and other obligations of the City to the Bondholders, Security Instrument Issuers and Reserve Instrument Issuers shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall cause an accounting for such period or periods as shall be requested by the City to be prepared and filed with the City and, upon the request of the City, shall execute and deliver to the City all such instruments as may be desirable to evidence such discharge and satisfaction, and the Agents shall pay over or deliver to the City all moneys or securities held by them pursuant to the Indenture which are not required for the payment of Principal or Redemption Price, if applicable, and interest on Bonds not theretofore surrendered for such payment or redemption. If the City shall pay or cause to be paid, or there shall otherwise be paid, to the Holders of any Outstanding Bonds the Principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in the Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under the Indenture, and all covenants, agreements and obligations of the City to the Holders of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied.

(b) Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee (through deposit by the City of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section, unless otherwise provided in a Supplemental Indenture with respect to a Series of Bonds. Subject to any further conditions in a Supplemental Indenture with respect to a Series of Bonds, all Outstanding Bonds of any Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section if:

(1) in case any of said Bonds are to be redeemed on any date prior to their maturity, the City shall have given to the Trustee in form satisfactory to it irrevocable instructions to mail as provided in Article IV notice of redemption of such Bonds on said date;

(2) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or noncallable Government Obligations (including any Government Obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States of America) the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the Principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as the case may be; and

(3) in the event said Bonds are not by their terms subject to redemption within the next succeeding 90 days, the City shall have given the Trustee in form satisfactory to it irrevocable instructions to mail, first class postage prepaid, a notice to the Holders of such Bonds that the deposit required by (2) above has been made with the Trustee and that said Bonds are deemed to have been paid in accordance with this Section 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.

Neither Government Obligations nor moneys deposited with the Trustee pursuant to this Section nor principal or interest payments on any such Government Obligations shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the Principal or Redemption Price, if applicable, and interest on said Bonds; *provided* that any cash received from such principal or interest payments on such Government Obligations deposited with the Trustee, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Government Obligations maturing at times and in amounts sufficient to pay when due the Principal or Redemption Price, if applicable, and interest to become due on said Bonds on and prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over to the City, as received by the Trustee, free and clear of any trust, lien or pledge.

Section 11.02. Unclaimed Moneys. Anything in the Indenture to the contrary notwithstanding, any moneys held by an Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for four years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Agent at such date, or for four years after the date of deposit of such moneys if deposited with the Agent after the said date when such Bonds become due and payable, shall, at the Written Request of the City, be repaid by the Agent to the City, as its absolute property and free from trust, and the Agent shall thereupon be released and discharged with respect thereto and the Bondholders shall look only to the City for the payment of such Bonds.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Limited Liability of City. Notwithstanding anything in the Indenture contained, the City shall not be required to advance any moneys derived from any source of income other than the Revenues and other moneys, securities and Funds pledged under the Indenture for the payment of the Principal or Redemption Price of or interest on the Bonds, for Repayment Obligations. Nevertheless, the City may, but shall not be required to, advance for any of the purposes hereof any funds of the City which may be available to it for such purposes.

Section 12.02. Benefits of Indenture Limited to Parties. Nothing in the Indenture, expressed or implied, is intended to give to any person other than the City, the Trustee, any Paying Agent, any Transfer Agent, any Remarketing Agent, any Depositary, the Holders of the Bonds, any Security Instrument Issuer or any Reserve Instrument Issuer, any right, remedy or claim under or by reason of the Indenture. Any covenants, stipulations, promises or agreements in the Indenture contained by and on behalf of the City shall be for the sole and exclusive benefit of the Trustee, the Paying Agents, any Transfer Agent, any Remarketing Agent, any Depositary, the Holders of the Bonds, any Security Instrument Issuer and any Reserve Instrument Issuer.

Section 12.03. Successor is Deemed Included in All References to Predecessor. Whenever in the Indenture the City, the Trustee, any Paying Agent, any Transfer Agent, any Remarketing Agent, any Depositary, any Security Instrument Issuer or any Reserve Instrument Issuer is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in the Indenture contained by or on behalf of the City, the Trustee, any Transfer Agent, any Paying Agent, any Remarketing Agent, any Depositary, any Security Instrument Issuer or any Reserve Instrument Issuer shall bind and inure to the benefit of the respective successors and assigns thereof whether so expressed or not.

Section 12.04. Execution of Documents by Bondholders. Any request, declaration or other instrument which the Indenture may require or permit to be executed by Bondholders may be in one or more instruments of similar tenor, and shall be executed by Bondholders in person or by their attorneys appointed in writing.

Except as otherwise expressly provided, the fact and date of the execution by any Bondholder or his attorney of such request, declaration or other instrument, or of such writing appointing such attorney, may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state in which he purports to act, that the person signing such request, declaration or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer.

The ownership of the Bonds and the amount, maturity, number and date of holding the same shall be proved by the Bond register.

Any request, declaration or other instrument or writing of the Holder of any Bond shall bind all future Holders of such Bond in respect of anything done or suffered to be done by the City or the Trustee in good faith and in accordance therewith or in reliance thereon.

Section 12.05. Waiver of Notice. Whenever in the Indenture the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice, and in any such case the giving or receipt of such notice shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 12.06. Cremation or Destruction of Cancelled Bonds. Whenever in the Indenture provision is made for the surrender to the City of any Bonds which have been paid or cancelled pursuant to the provisions of the Indenture, the City may, by a Written Request of the City, but shall not unless otherwise provided by law be required to, direct the Trustee to cremate or destroy such Bonds and to furnish to the City a certificate of such cremation or destruction.

Section 12.07. Payments Due on Other Than Business Days. Except as otherwise provided in a Supplemental Indenture, in any case where the date of payment of principal, premium, if any, or interest on the Bonds or the date fixed for redemption of any Bonds, on the date for performing any act or exercising any right, shall be a day other than a Business Day, then payment of interest or principal and premium, if any, or the performance of such act or exercise of such right 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 it had been made on the date scheduled for such payment, performance, or exercise.

Section 12.08. Governing Law. The Indenture shall be governed by and construed in accordance with the laws of the State.

Section 12.09. System of Registration. This Indenture shall constitute a system of registration within the meaning and for all purposes of the Registered Public Obligations Act, Chapter 7 of Title 15, Utah Code Annotated 1953, as amended.

Section 12.10. Plan of Financing. This Indenture shall constitute a plan of financing within the meaning and for all purposes of Section 11-14-14(3), Utah Code Annotated 1953, as amended.

Section 12.11. Article and Section Headings. All references herein to “Articles”, “Sections” and other subdivisions are to the corresponding articles, sections or subdivisions of the Indenture, and the words “hereby,” “herein”, “hereof,” “hereunder” and other words of similar import refer to the Indenture as a whole and not to any particular article, section or subdivision hereof. The headings or titles of the several articles and sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of the Indenture.

Section 12.12. Partial Invalidity. If any one or more of the covenants or agreements, or portions thereof, provided in the Indenture to be performed shall be contrary to law, then such covenant or covenants, such agreement or agreements, or such portions thereof, shall be null and void and shall be deemed separable from the remaining covenants and agreements or portions thereof and shall in no way affect the validity of the Indenture or of the Bonds; but the Bondholders, any Security Instrument Issuer and any Reserve Instrument Issuer shall retain all the rights and benefits accorded to them under the Act or any other applicable provisions of law.

Section 12.13. Notices. Except as otherwise provided herein, all notices, requests, demands and other communications required or permitted under this Indenture shall be deemed to have been duly given if delivered or mailed, first class, postage prepaid, as follows:

- (i) IF TO THE CITY:
Salt Lake City
451 South State Street
Salt Lake City, Utah 84111
Attention: City Treasurer
- (ii) IF TO THE TRUSTEE:
Zions First National Bank, as Trustee
10 East South Temple, Twelfth Floor
Salt Lake City, Utah 84111
Attention: Corporate Trust Department

or to such other person or addresses as the respective party hereafter designates in writing to the City and the Trustee.

Section 12.14. Counterparts. This Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original; and such counterparts shall constitute but one and the same instrument.

Section 12.15. Effective Date. This Indenture shall become effective immediately.

Section 12.16. Compliance with Municipal Bond Act and Refunding Bond Act. It is hereby declared by the Council that it is the intention of the City by the execution of this Indenture to comply in all respects with the applicable provisions of the Utah Municipal Bond 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, and other applicable provisions of law.

Section 12.17. Representation Regarding Ethical Standards for City Officers and Employees and Former City Officers and Employees. The Trustee represents that it has not: (a) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (b) retained any person to solicit or secure this Indenture upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (c) knowingly breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

(Signature page follows.)

IN WITNESS WHEREOF, the City has caused this Indenture to be executed by the Mayor and countersigned by the City Recorder, and its official seal to be hereunto affixed and attested by the City Recorder, and to evidence its acceptance of the trusts hereby created, Zions First National Bank has caused this Indenture to be executed by its Vice President, all as of the date hereof.

SALT LAKE CITY, UTAH

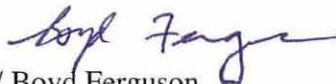
By /s/ Ross C. Anderson
Mayor

COUNTERSIGN:

By /s/ Christine Meeker
Deputy City Recorder

[SEAL]

APPROVED AS TO FORM:


By /s/ Boyd Ferguson
Senior City Attorney

ZIONS FIRST NATIONAL BANK,
as Trustee

By /s/ Dawn Craig
Vice President

NINTH SUPPLEMENTAL TRUST INDENTURE

BETWEEN

SALT LAKE CITY, UTAH

AND

**ZIONS FIRST NATIONAL BANK,
AS TRUSTEE**

DATED AS OF JULY 1, 2014

\$_____
FEDERALLY TAXABLE SALES AND
EXCISE TAX REVENUE REFUNDING BONDS,
SERIES 2014A

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EXHIBIT A — FORM OF BOND

THIS NINTH SUPPLEMENTAL TRUST INDENTURE (the "*Ninth Supplemental Indenture*"), dated as of July 1, 2014, between Salt Lake City, Utah, a municipal corporation and political subdivision of the State of Utah (the "*City*"), and Zions First National Bank, a national banking association duly organized and qualified under the laws of the United States of America, authorized by law to accept and execute trusts and having an office in Salt Lake City, Utah (the "*Trustee*");

WITNESSETH

WHEREAS, the City has entered into a Master Trust Indenture, dated as of September 1, 2004, as amended and supplemented to the date hereof (the "*Master Indenture*" and, together with the Ninth Supplemental Indenture, the "*Indenture*"), with the Trustee;

WHEREAS, the City considers it necessary and desirable and for the benefit of the City and its residents to issue sales tax revenue bonds pursuant to the Indenture and as hereinafter provided for the purpose of (a) refinancing [all] [or a portion] of the City's currently outstanding Sales Tax Revenue Refunding Bonds, Series 2005A (the "*Series 2005A Bonds*"), (b) funding any necessary reserves and contingencies in connection with the Series 2014A Bonds (defined below) and (c) paying all related costs authorized by law pursuant to authority contained in the Utah Refunding Bond Act, Chapter 27 of Title 11, Utah Code Annotated 1953, as amended;

WHEREAS, the \$_____ Salt Lake City, Utah, Federally Taxable Sales and Excise Tax Revenue Refunding Bonds, Series 2014A (the "*Series 2014A Bonds*") will be authorized, issued and secured under the Indenture on a parity with all other Bonds (as defined in the Indenture) issued and outstanding from time to time thereunder; and

WHEREAS, the execution and delivery of the Series 2014A Bonds and of this Ninth Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2014A Bonds, when executed by the City and authenticated by the Trustee, the valid and binding legal obligations of the City and to make this Ninth Supplemental Indenture a valid and binding agreement have been done;

NOW, THEREFORE, THIS NINTH SUPPLEMENTAL TRUST INDENTURE WITNESSETH:

The terms and conditions upon which the Series 2014A Bonds are to be executed, authenticated, delivered, secured and accepted by all persons who from time to time shall be or become Registered Owners thereof are as follows:

ARTICLE I

DEFINITIONS AND AUTHORITY

Section 101. Definitions.

(a) Except as provided in Section 101(b), all defined terms contained in the Master Indenture shall have the same meanings when used in this Ninth Supplemental Indenture as set forth in the Master Indenture.

(b) As used in this Ninth Supplemental Indenture, the following terms shall have the following meanings, unless the context otherwise requires:

“Beneficial Owner” means, when the Series 2014A Bonds are registered in the Book-Entry System, any person who acquires a beneficial ownership interest in a Series 2014A Bond held by the Securities Depository.

“Bond Counsel” means Chapman and Cutler LLP, or other counsel of nationally recognized standing in matters pertaining to the tax-exempt status of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States.

“Book-Entry System” means the system maintained by the Securities Depository and described in Section 210.

“Cede” means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Series 2014A Bonds pursuant to Section 210 hereof.

“Closing Date” means [July 17, 2014].

“DTC” means The Depository Trust Company, New York, New York, and its successors and assigns.

“Escrow Account” means that certain Escrow Account established pursuant to the Escrow Agreement.

“Escrow Agent” means Zions First National Bank, as escrow agent under the Escrow Agreement.

“Escrow Agreement” means that certain Escrow Agreement, dated as of July 1, 2014, between the City and the Escrow Agent, relating to the escrow of amounts sufficient to provide for the defeasance and refunding of the Refunded Bonds.

“Indenture” means the Master Indenture as amended and supplemented by this Ninth Supplemental Indenture and as from time to time hereafter amended and supplemented by Supplemental Indentures.

“Issue Date” means the date of initial authentication and delivery of the Series 2014A Bonds, as designated in Section 203 hereof.

“Master Indenture” means the Master Trust Indenture, dated as of September 1, 2004, as amended and supplemented to the date hereof, between the City and the Trustee.

“Ninth Supplemental Indenture” means this Ninth Supplemental Trust Indenture, dated as of July 1, 2014, between the City and the Trustee.

“Opinion of Bond Counsel” means an opinion of Bond Counsel experienced in matters relating to the tax exemption of interest on obligations issued by states and their political subdivisions.

“Participants” means those broker-dealers, banks and other financial institutions from time to time for which DTC holds Series 2014A Bonds as securities depository.

“Person” means natural persons, firms, partnerships, associations, corporations, trusts, public bodies and other entities.

“Principal Corporate Trust Office” means, with respect to the Trustee, the office of the Trustee at One South Main Street, Suite 1200, Salt Lake City, Utah 84133-1109, Attention: Corporate Trust Department, or such different or additional offices as may be specified in writing by the Trustee to the City and the Holders of Series 2014A Bonds.

“Purchase Contract” means the Purchase Contract between the City and the Underwriter, pursuant to which the Series 2014A Bonds are to be sold by the City to the Underwriter.

[*“Record Date”* means the fifteenth day of the month next preceding any interest payment date.]

“Refunded Bonds” means _____.

“Representation Letter” means the Blanket Issuer Letter of Representations, dated May 30, 1995, between the City and DTC relating to a book-entry system for bonds and other obligations of the City.

“Securities Depository” means DTC or its nominee, and its successors and assigns.
“Securities Depositories” means The Depository Trust Company, Call Notification Department, 570 Washington Blvd., Jersey City, NJ 07310, Fax: (212) 855-7232; or, in accordance with then-current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories, or no such depositories, as the City may designate in a certificate delivered to the Trustee.

“Series 2005A Bonds” means the City’s Sales Tax Revenue Refunding Bonds, Series 2005A, originally issued in the aggregate principal amount of \$47,355,000.

“*Series 2014A Bonds*” means the City’s Federally Taxable Sales and Excise Tax Revenue Refunding Bonds, Series 2014A, authorized by this Ninth Supplemental Indenture.

“*Series 2014A Bond Service Subaccount*” means the Series Subaccount for the Series 2014A Bonds in the Bond Service Account established pursuant to Section 302 hereof.

“*Series 2014A Cost of Issuance Fund*” means the Series 2014A Cost of Issuance Fund established in section 301 hereof.

“*Series 2014A Debt Service Reserve Requirement*” means the amount, if any, required to be deposited in the Series 2014A Debt Service Reserve Subaccount pursuant to Section 304 of this Ninth Supplemental Indenture.

“*Series 2014A Debt Service Reserve Subaccount*” means the Series Subaccount for the Series 2014A Bonds in the Debt Service Reserve Account established in Section 303 hereof.

“*State*” means the State of Utah.

“*Trustee*” means Zions First National Bank, in Salt Lake City, Utah, and its successors and permitted assigns under the Indenture.

“*Underwriter*” means KeyBanc Capital Markets Inc.

The terms “*hereby*,” “*hereof*,” “*hereto*,” “*herein*,” “*hereunder*,” and any similar terms as used in this Ninth Supplemental Indenture, refer to this Ninth Supplemental Indenture.

(c) Except as otherwise specified, each reference herein (i) to a time of day is to the time on such day in New York, New York, and (ii) to a Section is to the referenced Section hereof.

Section 102. Authority for Ninth Supplemental Indenture. This Ninth Supplemental Indenture is adopted pursuant to the provisions of the Act and the Indenture.

ARTICLE II

AUTHORIZATION, TERMS AND ISSUANCE OF SERIES 2014A BONDS

Section 201. Authorization of Series 2014A Bonds, Principal Amount, Designation and Series. In order to provide funds for the refunding and defeasance in advance of their maturity of the Refunded Bonds and in accordance with and subject to the terms, conditions and limitations established in the Indenture, including this Ninth Supplemental Indenture, a Series of Sales and Excise Tax Revenue Refunding Bonds, designated “*Federally Taxable Sales and Excise Tax Revenue Bonds, Series 2014A*,” is hereby authorized to be issued in the aggregate Principal amount of \$_____.

Section 202. Finding and Purpose.

(a) The City hereby finds, determines and declares that:

(i) In order to achieve debt service savings with respect to the Refunded Bonds and to better match Revenues with Principal and interest payments on the outstanding Bonds, it is necessary and desirable and for the benefit of the City and the residents of the City to refund the Refunded Bonds as contemplated by this Ninth Supplemental Indenture, and as permitted by the Act and the Indenture.

(ii) With the exception of the City's (i) Adjustable Rate Sales Tax Revenue Refunding Bonds, Series 2004, originally issued in the aggregate Principal amount of \$17,300,000, (ii) Series 2005A Bonds, (iii) Sales Tax Revenue Bonds, Series 2007A, originally issued in the aggregate Principal amount of \$8,590,000, (iv) Sales Tax Revenue Bonds, Series 2009A, originally issued in the aggregate Principal amount of \$36,240,000, (v) Sales and Excise Tax Revenue Bonds, Series 2012A, originally issued in the aggregate Principal amount of \$15,855,000, (vi) Federally Taxable Sales and Excise Tax Revenue Bonds, Series 2013A, originally issued in aggregate Principal amount of \$51,270,000, and (vii) Sales and Excise Tax Revenue Bonds, Series 2013B, originally issued in the aggregate Principal amount of \$7,315,000, after the issuance of the Series 2014A Bonds, as provided herein, (A) the City will have no other bonds, notes or other obligations issued or authorized to be issued or outstanding pursuant to the Indenture, and (B) there will be no other outstanding bonds, notes or other obligations payable from and secured by a parity pledge of Revenues.

(b) The Series 2014A Bonds are hereby authorized to be issued pursuant to Sections 2.02 and 2.04 of the Indenture for the purpose of refunding the Refunded Bonds pursuant to the Indenture by depositing into the Escrow Account an amount sufficient to provide for the payment of the interest on and the Principal or Redemption Price of the Refunded Bonds.

Section 203. Issue Date. The Series 2014A Bonds shall be dated as of the date of delivery thereof.

Section 204. Series 2014A Bonds. (a) The Series 2014A Bonds shall mature on the dates and in the principal amounts and shall bear interest from the date of delivery thereof, payable semi-annually thereafter on April 1 and October 1 in each year, beginning _____ 1, 201_, at the rates shown below:

MATURITY
(OCTOBER 1)

PRINCIPAL
AMOUNT

INTEREST
RATE

\$

%

MATURITY
(OCTOBER 1)

PRINCIPAL
AMOUNT

INTEREST
RATE

(b) Each Series 2014A Bond shall bear interest from the interest payment date next preceding the date of registration and authentication thereof unless it is registered as of an interest payment date, in which event it shall bear interest from the date thereof, or unless it is registered prior to the first interest payment date, in which event it shall bear interest from its date, or unless, as shown by the records of the Trustee, interest on the Series 2014A Bonds shall be in default, in which event it shall bear interest from the date to which interest has been paid in full.

Section 205. Registered Bonds; Denomination and Numbers. The Series 2014A Bonds shall be issued solely as fully-registered Bonds, without coupons, in the denomination of \$5,000 or any whole multiple thereof; *provided* that no individual Series 2014A Bond shall represent more than one maturity of Series 2014A Bonds. The Series 2014A Bonds shall be numbered from one (1) consecutively upwards with the prefix “R” preceding each number.

Section 206. Paying Agent. Zions First National Bank, as Trustee, is hereby appointed the Paying Agent for the Series 2014A Bonds, pursuant and subject to Section 7.02 of the Indenture. Principal of and Redemption Price on the Series 2014A Bonds when due shall be payable at the principal corporate trust operations office of the Trustee, or of its successor as Paying Agent. Payment of interest on the Series 2014A Bonds shall be made to the registered owner thereof and shall be paid by check or draft mailed on the payment date to the person who is the registered owner of record as of the close of business on the Record Date at his address as it appears on the registration books of the Trustee or at such other address as is furnished in writing by such registered owner to the Trustee prior to the Record Date. In the written acceptance of each Paying Agent referred to in Section 7.02 of the Indenture, such Paying Agent shall agree to take all action necessary for all representations of the City in the Letter of Representations with respect to the Paying Agent to at all times be complied with.

[Section 207. Optional Redemption and Redemption Price. (a) The Series 2014A Bonds maturing on or after October 1, 20__, are subject to redemption, in whole or in part, at the election of the City, on any date on or after October 1, 20__ (if in part, such Series 2014A Bonds to be redeemed shall be selected from such maturities as shall be determined by the City in its

discretion and within each maturity as selected by the Trustee), upon notice as provided in Section 4.03 of the Indenture, and at a Redemption Price equal to the principal amount thereof plus accrued interest to the redemption date.

(b) With respect to any notice of optional redemption of Series 2014A Bonds, unless upon the giving of such notice such Series 2014A Bonds shall be deemed to have been paid within the meaning of Article XI of the Indenture, such notice may state that such redemption shall be conditioned upon the receipt by the Trustee on or prior to the date fixed for such redemption of money sufficient to pay the Redemption Price of and interest on the Series 2014A Bonds to be redeemed, and that if such money shall not have been so received said notice shall be of no force and effect, and the City shall not be required to redeem such Series 2014A Bonds. In the event that such notice of redemption contains such a condition and such money is not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such money was not so received and that such redemption was not made.

(c) In addition to the notice described in Section 4.03 of the Indenture, further notice of any redemption of the Series 2014A Bonds shall be given by the Trustee as set out below, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as described in Section 4.03 of the Indenture.

(i) Each further notice of redemption given hereunder shall contain (A) the CUSIP numbers of all Series 2014A Bonds being redeemed; (B) the date of issue of the Series 2014A Bonds as originally issued; (C) the rate of interest borne by each Series 2014A Bond being redeemed; (D) the maturity date of each Series 2014A Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Series 2014A Bonds being redeemed.

(ii) Each further notice of redemption shall be sent at least 35 days before the redemption date by registered or certified mail or overnight delivery service to:

The Depository Trust Company
Call Notification Department
570 Washington Blvd.
Jersey City, New Jersey 07310
Tele — (212) 855-7207, -7208 or -7209
Fax — (212) 855-7232, -7233, -7234 or -7235

and to all other registered Securities Depositories then in the business of holding substantial amounts of obligations of types comprising the Series 2014A Bonds designated to the Trustee by the City, to the Rating Agencies and to any other nationally recognized information services as designated by the City to the Trustee.

(iii) Each check or other transfer of funds issued for the payment of the redemption price of the Series 2014A Bonds being redeemed shall bear the CUSIP

number identifying, by issue and maturity, the Series 2014A Bonds being redeemed with the proceeds of such check or other transfer.]

Section 208. Execution and Authentication of Series 2014A Bonds. The Series 2014A Bonds shall be executed on behalf of the City by the Mayor by manual or facsimile signature, and attested and countersigned by the City Recorder or, if the City Recorder shall be unavailable or unable to attest and countersign the Series 2014A Bonds, any Deputy City Recorder by manual or facsimile signature, and the City's seal shall be affixed to, or a facsimile thereof shall be imprinted upon, the Series 2014A Bonds. The Series 2014A Bonds shall then be delivered to the Trustee (or any Transfer Agent appointed pursuant to Section 7.10 of the Indenture) and manually authenticated by it.

Section 209. Delivery of Series 2014A Bonds. The Series 2014A Bonds shall be delivered to the Underwriter, upon compliance with the provisions of Section 3.02 of the Indenture, at such time and place as provided in, and subject to, the provisions of the Purchase Contract.

Section 210. Book-Entry System. The Series 2014A Bonds shall be initially issued in the name of Cede, as nominee for DTC as the initial Securities Depository and registered owner of the Series 2014A Bonds, and held in the custody of the Securities Depository. A single certificate will be issued and delivered to the Securities Depository for each maturity of the Series 2014A Bonds, and the Beneficial Owners will not receive physical delivery of Series 2014A Bond certificates except as provided herein. For so long as the Securities Depository shall continue to serve as securities depository for the Series 2014A Bonds as provided herein, all transfers of beneficial ownership interests will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Series 2014A Bonds is to receive, hold or deliver any Series 2014A Bond certificate.

At the direction of the City, with notice to the Trustee, but without the consent of the Series 2014A Bondholders and the Trustee, the City may appoint a successor Securities Depository and enter into an agreement with the successor Securities Depository to establish procedures with respect to a Book-Entry System for the Series 2014A Bonds not inconsistent with the provisions of the Indenture. Any successor Securities Depository shall be a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934, as amended.

The City and the Trustee may rely conclusively upon (a) a certificate of the Securities Depository as to the identity of the Participants in the Book-Entry System with respect to the Series 2014A Bonds and (b) a certificate of any such Participant as to the identity of and the respective Principal amount of the Series 2014A Bonds beneficially owned by the Beneficial Owners.

Whenever, during the term of the Series 2014A Bonds, the beneficial ownership thereof is determined by a book-entry at the Securities Depository, the requirements in the Indenture of holding, delivering or transferring such Series 2014A Bonds shall be deemed modified to require the appropriate person to meet the requirements of the Securities Depository as to registering or transferring the book-entry to produce the same effect. Any provision hereof permitting or

requiring delivery of the Series 2014A Bonds shall, while such Series 2014A Bonds are in the Book-Entry System, be satisfied by the notation on the books of the Securities Depository in accordance with applicable state law.

Except as otherwise specifically provided in the Indenture and the Series 2014A Bonds with respect to the rights of Participants and Beneficial Owners, when a Book-Entry System is in effect, the City and the Trustee may treat the Securities Depository (or its nominee) as the sole and exclusive owner of the Series 2014A Bonds registered in its name for the purposes of payment of the Principal or purchase price of and interest on such Series 2014A Bonds or portion thereof to be redeemed or purchased, of giving any notice permitted or required to be given to the Series 2014A Bondholders under the Indenture and of voting, and none of the City and the Trustee shall be affected by any notice to the contrary. None of the City or the Trustee will have any responsibility or obligations to the Securities Depository, any Participant, any Beneficial Owner or any other person which is not shown on the bond register, with respect to (i) the accuracy of any records maintained by the Securities Depository or any Participant; (ii) the payment by the Securities Depository or by any Participant of any amount due to any Beneficial Owner in respect of the Principal amount or redemption or purchase price of, or interest on, any Series 2014A Bonds; (iii) the delivery of any notice by the Securities Depository or any Participant; (iv) the selection of the Beneficial Owners to receive payment in the event of any partial redemption of any of the Series 2014A Bonds; or (v) any other action taken by the Securities Depository or any Participant. The Trustee shall pay all Principal or purchase price of and interest on the Series 2014A Bonds registered in the name of Cede only to or “upon the order of” the Securities Depository (as that term is used in the Uniform Commercial Code as adopted in Utah and New York), and all such payments shall be valid and effective to fully satisfy and discharge the City’s obligations with respect to the Principal or purchase price of and interest on such Series 2014A Bonds to the extent of the sum or sums so paid.

The Book-Entry System may be discontinued for the Series 2014A Bonds by the Trustee and the City, at the direction and expense of the City, and the City and the Trustee will cause the delivery of Series 2014A Bond certificates to such Beneficial Owners of the Series 2014A Bonds and registered in the names of such Beneficial Owners as shall be specified to the Trustee by the Securities Depository in writing, under the following circumstances:

(A) The Securities Depository determines to discontinue providing its service with respect to the Series 2014A Bonds and no successor Securities Depository is appointed as described above. Such a determination may be made at any time by giving 30 days’ notice to the City and the Trustee and discharging its responsibilities with respect thereto under applicable law.

(B) The City determines not to continue the Book-Entry System through a Securities Depository for the Series 2014A Bonds.

When the Book-Entry System is not in effect, all references herein to the Securities Depository shall be of no further force or effect.

Section 211. Representation Letter. The City's execution and delivery of the Representation Letter shall not in any way limit the provisions of Section 210 hereof or in any other way impose upon the City any obligation whatsoever with respect to persons having interests in the Series 2014A Bonds other than the Holders thereof.

Section 212. Partial Payment of Series 2014A Bonds Held by DTC. In the event of a redemption or any other similar transaction necessitating a reduction in aggregate Principal amount of any of the Series 2014A Bonds outstanding, DTC in its discretion: (a) may request the Trustee to issue and authenticate a new Series 2014A Bond certificate, or (b) shall make an appropriate notation on the Series 2014A Bond 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 Trustee prior to payment.

Section 213. Payments to Cede. Notwithstanding any other provision of this Ninth Supplemental Indenture to the contrary, so long as any Series 2014A Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to Principal of and interest on such Series 2014A Bond and all notices with respect to such Series 2014A Bond shall be made and given, respectively, in the manner provided in the Representation Letter.

ARTICLE III

ESTABLISHMENT OF ACCOUNTS AND APPLICATION OF SERIES 2014A BOND PROCEEDS

Section 301. Series 2014A Cost of Issuance Fund. There is hereby established a separate fund to be held by the Trustee designated as the "*Series 2014A Cost of Issuance Fund.*" Moneys in the Series 2014A Cost of Issuance Fund shall, to the extent available, be used for the payment of costs of issuance of the Series 2014A Bonds. Any moneys remaining in the Series 2014A Cost of Issuance Fund on the earlier of (a) October 1, 2014, or (b) the date of the full and final payment of all costs of issuance of the Series 2014A Bonds, shall be transferred promptly by the Trustee and deposited into the Series 2014A Bond Service Subaccount and applied to the payment of interest on the Series 2014A Bonds due on the next following Interest Payment Date.

Section 302. Series 2014A Bond Service Subaccount. Pursuant to Section 5.07(a) of the Indenture, there is hereby established a subaccount in the Bond Service Account in the Principal and Interest Fund designated as the "*Series 2014A Bond Service Subaccount.*" Moneys shall be deposited into and paid from the *Series 2014A Bond Service Subaccount* in accordance with Section 5.07 of the Indenture to pay the Principal of and interest on the Series 2014A Bonds.

Section 303. Series 2014A Debt Service Reserve Subaccount. In satisfaction of the requirement of Section 5.08(a) of the Indenture, there is hereby established a separate Series Subaccount in the Debt Service Reserve Account in the Principal and Interest Fund designated as the "*Series 2014A Debt Service Reserve Subaccount.*"

Section 304. Series 2014A Debt Service Reserve Requirement. The Series 2014A Debt Service Reserve Requirement will be \$-0-.

Section 305. Application of Proceeds of Series 2014A Bonds. From the proceeds of the Series 2014A Bonds there shall be paid to or on behalf of the Trustee for deposit as follows:

- (a) \$-0- into the Series 2014A Bond Service Subaccount;
- (b) \$-0- into the Series 2014A Debt Service Reserve Subaccount;
- (c) \$_____ into the Escrow Account held by the Escrow Agent to provide for the refunding of the Refunded Bonds; and
- (d) the balance of the proceeds of the sale of the Series 2014A Bonds shall be deposited into the Series 2014A Cost of Issuance Fund.

ARTICLE IV

REDEMPTION OF REFUNDED BONDS

Section 401. Authorization of Redemption Prior to Maturity of Refunded Bonds. The Refunded Bonds are hereby irrevocably called for redemption on October 1, 2015, at the Redemption Price of one hundred percent (100%) of the Principal amount of each such Series 2005A Bond so called for redemption plus accrued interest thereon to the date fixed for redemption. Notice of such redemption shall be given as provided in the Indenture and in accordance with the provisions of the Escrow Agreement.

ARTICLE V

FORM OF SERIES 2014A BONDS

Section 501. Form of Series 2014A Bonds. Subject to the provisions of the Indenture, each Series 2014A Bond shall be in substantially the form attached hereto as *Exhibit A*, with such insertions or variations as to any redemption or amortization provisions and such other insertions or omissions, endorsements and variations as may be required or permitted by the Indenture.

ARTICLE VI

MISCELLANEOUS

Section 601. System of Registration. The Indenture shall constitute a system of registration within the meaning and for all purposes of the Registered Public Obligations Act, Chapter 7 of Title 15, Utah Code Annotated 1953, as amended.

Section 602. Authorized Officer. The Mayor, the Deputy Mayor, the City Recorder, any Deputy City Recorder, the City Treasurer, the Debt Manager of the City, or other officers of the City are each hereby designated as an “Authorized Officer” as that term is defined in Section 1.01 of the Indenture.

Section 603. Notice to Rating Agencies. The Trustee will promptly notify in writing each Rating Agency then rating the Series 2014A Bonds of the following events:

- (a) the redemption, purchase, payment, acceleration of maturity or defeasance of Outstanding Series 2014A Bonds;
- (b) amendments to the Indenture (including this Ninth Supplemental Indenture) of which the Trustee has notice; and
- (c) a change in the Trustee.

Notices shall be mailed by first-class mail, postage prepaid, to such address as the Trustee has been advised in writing by the City or such Rating Agency is appropriate for sending such notices.

Section 604. Limitation on Duties of Trustee. The Trustee shall not be required to expend, advance, or risk its own funds or incur any financial liability in the performance of its duties or in the exercise of any of its rights or powers if it shall have reasonable grounds for believing that repayment of such funds or satisfactory indemnity against such risk or liability is not assured to it.

Section 605. Article and Section Headings. The headings or titles of the several articles and sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Ninth Supplemental Indenture.

Section 606. Amendments to this Ninth Supplemental Indenture. This Ninth Supplemental Indenture may be amended without the consent of the Holders of the Series 2014A Bonds to make any change necessary to evidence or give effect to, or to facilitate, provide for or authorize the delivery and administration under this Ninth Supplemental Indenture of any Security Instrument.

Section 607. Partial Invalidity. If any one or more of the covenants or agreements, or portions thereof, provided in this Ninth Supplemental Indenture to be performed shall be contrary to law (other than Section 12.01 of the Indenture and any other provisions of the Indenture and the Series 2014A Bonds limiting the liability of the City to make payments on such Series 2014A Bonds solely from Revenues and other amounts pledged therefore by the Indenture), then such covenant or covenants, such agreement or agreements, or such portions thereof, shall be null and void and shall be deemed separable from the remaining covenants and agreements or portions thereof and shall in no way affect the validity of this Ninth Supplemental Indenture or of the Series 2014A Bonds; but the Holders of the Series 2014A Bonds shall retain

all the rights and benefits accorded to them under the Act or any other applicable provisions of law.

Section 608. Representation Regarding Ethical Standards for City Officers and Employees and Former City Officers and Employees. The Trustee represents that it has not: (a) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (b) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, or brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (c) knowingly breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (d) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

(Signature page follows.)

IN WITNESS WHEREOF, the City has caused this Ninth Supplemental Indenture to be executed by the Mayor and attested and countersigned by the City Recorder, and its official seal to be hereunto affixed and attested by the City Recorder, and to evidence its acceptance of the trusts hereby created, Zions First National Bank has caused this Ninth Supplemental Indenture to be executed by its Vice President, all as of the date hereof.

SALT LAKE CITY, UTAH


By _____
Mayor

ATTEST AND COUNTERSIGN:

By _____
City Recorder

[SEAL]

APPROVED AS TO FORM:

By 
Senior City Attorney

ZIONS FIRST NATIONAL BANK,
as Trustee

By _____
Vice President

EXHIBIT A

[FORM OF BOND]

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

REGISTERED
No. R-_____

REGISTERED
\$_____

UNITED STATES OF AMERICA

STATE OF UTAH

COUNTY OF SALT LAKE

SALT LAKE CITY

FEDERALLY TAXABLE SALES AND EXCISE TAX REVENUE REFUNDING BOND, SERIES 2014A

INTEREST RATE	MATURITY DATE	DATED DATE	CUSIP
_____%	October 1, _____	_____, 2014	_____

Registered Owner:

Principal Amount: ----- DOLLARS -----

KNOW ALL MEN BY THESE PRESENTS that Salt Lake City, Utah (the "City"), a duly organized and existing municipal corporation and political subdivision of the State of Utah, located in Salt Lake County, Utah, acknowledges itself indebted and for value received hereby promises to pay, in the manner and from the source hereinafter provided, to the registered owner identified above, or registered assigns, on the maturity date identified above, unless this Bond shall have been called for redemption and payment of the redemption price shall have been duly made or provided for, upon presentation and surrender hereof, the principal amount identified above, and to pay, in the manner and from the source hereinafter provided, to the registered owner hereof interest on the balance of said principal amount from time to time remaining unpaid from the interest payment date next preceding the date of registration and authentication of this Bond, unless this Bond is registered and authenticated as of an interest payment date, in which event this Bond shall bear interest from such interest payment date, or unless this Bond is

registered and authenticated prior to the first interest payment date, in which event this Bond shall bear interest from the dated date specified above, or unless, as shown by the records of the hereinafter referred to Trustee, interest on the hereinafter referred to Series 2014A Bonds shall be in default, in which event this Bond shall bear interest from the date to which interest has been paid in full, at the rate per annum specified above (calculated on the basis of a year of 360 days comprised of twelve 30-day months), payable in each year on April 1 and October 1, beginning _____ 1, 201_, until payment in full of such principal amount, except as the provisions hereinafter set forth with respect to redemption prior to maturity may become applicable hereto. This Bond, as to principal and redemption price when due, will be payable at the principal corporate trust operations office of Zions First National Bank, of Salt Lake City, Utah, as paying agent of the City, or its successor as such paying agent, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts; *provided, however*, that payment of the interest hereon shall be made to the registered owner hereof and shall be paid by check or draft mailed to the person who is the registered owner of record as of the close of business on the fifteenth day of the month next preceding each interest payment date (the “*Record Date*”) at his address as it appears on the registration books of the Trustee (as defined below) or at such other address as is furnished in writing by such registered owner to the Trustee prior to the Record Date.

THE CITY IS OBLIGATED TO PAY PRINCIPAL OF, REDEMPTION PRICE OF, AND INTEREST ON THIS BOND SOLELY FROM THE REVENUES AND OTHER FUNDS OF THE CITY PLEDGED THEREFOR UNDER THE TERMS OF THE INDENTURE (AS DEFINED BELOW). THIS BOND IS NOT A DEBT OF THE CITY WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY LIMITATIONS OF INDEBTEDNESS OR PROVISIONS THEREFOR. PURSUANT TO THE INDENTURE, SUFFICIENT REVENUES HAVE BEEN PLEDGED AND WILL BE SET ASIDE INTO SPECIAL FUNDS BY THE CITY TO PROVIDE FOR THE PROMPT PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS BOND AND ALL BONDS OF THE SERIES OF WHICH IT IS A PART.

This Bond and the issue of Bonds of which it is a part are issued in conformity with and after full compliance with the Constitution of the State of Utah and pursuant to the provisions of the Utah Refunding Bond Act, Chapter 27 of Title 11, Utah Code Annotated 1953, as amended (the “*Act*”), and all other laws applicable thereto.

This Bond is a special obligation of the City and is one of the Sales and Excise Tax Revenue Refunding Bonds of the City (the “*Bonds*”) issued under and by virtue of the Act and under and pursuant to a Master Trust Indenture, dated as of September 1, 2004, as heretofore amended and supplemented (the “*Master Indenture*”), between the City and Zions First National Bank, as trustee (said trustee and any successor thereto under the Master Indenture being herein referred to as the “*Trustee*”), and as further amended and supplemented by an Ninth Supplemental Trust Indenture, dated as of July 1, 2014 (the “*Ninth Supplemental Indenture*”), between the City and the Trustee (such Master Indenture, as amended and supplemented by the Ninth Supplemental Indenture and as hereafter amended and supplemented, being herein referred to as the “*Indenture*”), for the purpose of refinancing certain outstanding Bonds of the City and paying all expenses incident thereto and to the issuance of the Series 2014A Bonds described below.

As provided in the Indenture, Bonds may be issued from time to time in one or more series in various principal amounts, may mature at different times, may bear interest at different rates, and may otherwise vary as provided in the Indenture, and the aggregate principal amount of Bonds which may be issued is not limited. All Bonds issued and to be issued under the Indenture are and will be equally and ratably secured by the pledge and covenants made therein, except as otherwise expressly provided or permitted in or pursuant to the Indenture.

This Bond is one of a Series of Bonds designated as “*Federally Taxable Sales and Excise Tax Revenue Refunding Bonds, Series 2014A*” (the “*Series 2014A Bonds*”), limited to the aggregate principal amount of \$_____, dated as of the dated date identified above, and duly issued under and by virtue of the Act and under and pursuant to the Indenture. Copies of the Indenture are on file at the office of the City Recorder in Salt Lake City, Utah, and at the principal corporate trust office of the Trustee, in Salt Lake City, Utah, and reference to the Indenture and the Act is made for a description of the pledge and covenants securing the Series 2014A Bonds, the nature, manner and extent of enforcement of such pledge and covenants, the terms and conditions upon which the Series 2014A Bonds are issued and additional Bonds may be issued thereunder, and a statement of the rights, duties, immunities and obligations of the City and of the Trustee. Such pledge and other obligations of the City under the Indenture may be discharged at or prior to the maturity or redemption of the Series 2014A Bonds upon the making of provision for the payment thereof on the terms and conditions set forth in the Indenture.

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

This Bond is transferable, as provided in the Indenture, only upon the books of the City kept for that purpose at the principal corporate trust office of the Trustee, by the registered owner hereof in person or by his attorney duly authorized in writing, upon surrender hereof together with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or such duly authorized attorney, and thereupon the City shall issue in the name of the transferee a new registered Bond or Bonds of the same aggregate principal amount and series, designation, maturity and interest rate as the surrendered Bond, all as provided in the Indenture and upon the payment of the charges therein prescribed. The City and the Trustee may treat and consider the person in whose name this Bond is registered as the holder and absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes whatsoever.

The Series 2014A Bonds are issuable solely in the form of fully registered Bonds, without coupons, in the denomination of \$5,000 or any whole multiple of \$5,000.

The Series 2014A Bonds maturing on or after October 1, 20___, are subject to redemption, in whole or in part, at the election of the City on any date on or after October 1, 20___ (if in part,

such Series 2014A Bonds to be redeemed shall be selected from such maturities as shall be determined by the City in its discretion and within each maturity as selected by the Trustee), upon notice given as hereinafter set forth, at a Redemption Price equal to the Principal amount thereof plus accrued interest to the redemption date.

With respect to any notice of optional redemption of Series 2014A Bonds, unless upon the giving of such notice such Series 2014A Bonds shall be deemed to have been paid within the meaning of Article XI of the Indenture, such notice may state that such redemption shall be conditioned upon the receipt by the Trustee on or prior to the date fixed for such redemption of money sufficient to pay the Redemption Price of and interest on the Series 2014A Bonds to be redeemed, and that if such money shall not have been so received said notice shall be of no force and effect, and the City shall not be required to redeem such Series 2014A Bonds. In the event that such notice of redemption contains such a condition and such money is not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such money was not so received and that such redemption was not made.

If less than all of the Series 2014A Bonds are to be redeemed, the particular Series 2014A Bonds to be redeemed shall be selected as provided in the Indenture.

Notice of redemption shall be given by first-class mail, not less than thirty nor more than sixty days prior to the redemption date, to the registered owner of each Series 2014A Bond being redeemed, at his address as it appears on the bond registration books of the Trustee or at such address as he may have filed with the Trustee for that purpose.

If notice of redemption shall have been given as aforesaid, the Series 2014A Bonds or portions thereof specified in said notice shall become due and payable at the applicable Redemption Price on the redemption date therein designated, and if on the redemption date moneys for the payment of the Redemption Price of all the Series 2014A Bonds to be redeemed, together with interest to the redemption date, shall be available for such payment on said date, then from and after the redemption date interest on such Series 2014A Bonds shall cease to accrue and become payable.

Less than all of a Series 2014A Bond in a denomination in excess of \$5,000 may be so redeemed, and in such case, upon the surrender of such Series 2014A Bond, there shall be issued to the registered owner thereof, without charge therefor, for the unredeemed balance of the Principal amount of such Bond, at the option of such owner, registered Bonds of any of the authorized denominations, all as more fully set forth in the Indenture.

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

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of Utah or by the Act or the Indenture to exist, to have happened or to have been performed precedent to or in the issuance of this Bond exist, have

happened and have been performed and that the issue of Bonds, together with all other indebtedness of the City, is within every debt and other limit prescribed by said Constitution and statutes.

This Bond shall not be valid until the Certificate of Authentication hereon shall have been signed by the Trustee.

(Signature page follows.)

IN WITNESS WHEREOF, SALT LAKE CITY, UTAH, has caused this Bond to be signed in its name and on its behalf by the signature of its Mayor, and its corporate seal to be impressed or imprinted hereon, and attested and countersigned by the signature of its City Recorder, all as of the dated date specified above.

SALT LAKE CITY, UTAH

By _____
Mayor

[SEAL]

ATTEST AND COUNTERSIGN:

By _____
City Recorder

[FORM OF TRUSTEE'S CERTIFICATE OF AUTHENTICATION]

This Bond is one of the Bonds described in the within mentioned Indenture and is one of the Federally Taxable Sales and Excise Tax Revenue Refunding Bonds, Series 2014A, of Salt Lake City, Utah.

Date of registration and authentication: _____.

ZIONS FIRST NATIONAL BANK,
as Trustee

By _____
Authorized Officer

[FORM OF ASSIGNMENT]

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM	—	as tenants in common	UNIF TRAN MIN ACT—
TEN ENT	—	as tenants by the entirety	_____ Custodian _____
JT TEN	—	as joint tenants with right	(Cust) (Minor)
		of survivorship and not as	under Uniform Transfers to Minors Act of
		tenants in common	_____
			(State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

Insert Social Security or Other
Identifying Number of Assignee

(Please Print or Typewrite Name and Address of Assignee)

the within Bond of SALT LAKE CITY, UTAH, and hereby irrevocably constitutes and appoints _____ attorney to register the transfer of the Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

SIGNATURE: _____

SIGNATURE GUARANTEED:

NOTICE: Signature(s) must be guaranteed by an “eligible guarantor institution” meeting the requirements of the Bond Registrar, which requirements include membership or participation in STAMP or such other “signature guarantee program” as may be determined by the Bond Registrar in addition to, or in substitution for, STAMP, all in accordance with the Securities and Exchange Act of 1934, as amended.

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.

CERTIFICATE OF DETERMINATION

PURSUANT TO

**RESOLUTION No. __ OF 2014
PROVIDING FOR THE ISSUANCE OF
SALES AND EXCISE TAX REVENUE REFUNDING BONDS**

DATED: _____, 2014

1. *Authority; Definitions.* Pursuant to Resolution No. __ of 2014, adopted by the City Council (the “*City Council*”) of Salt Lake City, Utah (the “*City*”) on June 10, 2014 (the “*Resolution*”), the City Council has authorized the issuance of the City’s Federally Taxable Sales and Excise Tax Revenue Refunding Bonds, Series 2014A (the “*Series 2014A Bonds*”) under and pursuant to that certain Master Trust Indenture, dated as of September 1, 2004, as heretofore amended and supplemented, and as further amended and supplemented by that certain Ninth Supplemental Trust Indenture, dated as of July 1, 2014 (collectively, the “*Indenture*”), each between the City and the Zions First National Bank as trustee (the “*Trustee*”). This certificate is executed pursuant to and in accordance with the delegation of authority contained in the Resolution, as authorized by law. All terms used herein and not otherwise defined herein shall have the meanings specified in the Resolution or the Indenture.

2. *Acceptance of Offer.* The offer of KeyBanc Capital Markets Inc. (the “*Underwriter*”) for the purchase of the Series 2014A Bonds, which is set out in full in the Purchase Contract, dated _____, 2014 (the “*Purchase Contract*”), between the City and Underwriter, is hereby accepted, it being hereby found, determined and declared that such offer is in the best interests of the City. The Series 2014A Bonds shall be issued by the City for the purposes set forth in the Indenture. The sale of the Series 2014A Bonds to the Underwriter at the price of \$_____ (representing the par amount of the Series 2014A Bonds, less \$_____ Underwriter’s discount) is hereby confirmed. The Series 2014A Bonds shall be delivered to the Underwriter and the proceeds of sale thereof applied as provided in the Indenture, the Purchase Contract and paragraph 4 hereof.

3. *Aggregate Principal Amount and Maturities of Series 2014A Bonds.* The Series 2014A Bonds shall be issued in the aggregate principal amount of \$_____. The Series 2014A Bonds shall mature on October 1 of the years, and shall bear interest payable semiannually on April 1 and October 1, commencing _____ 1, 201_, at the rates per annum as follows:

	AMOUNT MATURING	INTEREST RATE
OCTOBER 1		
	\$	%

OCTOBER 1	AMOUNT MATURING	INTEREST RATE
-----------	--------------------	------------------

4. *Use of Proceeds[and Legally Available Funds of the Issuer].* The proceeds of the sale of the Series 2014A Bonds[, together with \$_____ of _____,] shall be deposited and used as follows:

- (a) \$-0- into the Series 2014A Bond Service Subaccount;
- (b) \$-0- into the Series 2014A Debt Service Reserve Subaccount;
- (c) \$_____ into the Escrow Account held by the Escrow Agent to provide for the refunding of the Refunded Bonds; and
- (d) all remaining proceeds shall be deposited into the Series 2014A Cost of Issuance Fund.

5. *Refunded Bonds.* The portion of the City's currently outstanding Series 2005A Bonds to be refunded as Refunded Bonds pursuant to the Resolution and the Indenture shall be as follows:

SCHEDULED MATURITY (OCTOBER 1)	PRINCIPAL AMOUNT	INTEREST RATE
	\$	%

SCHEDULED
MATURITY
(OCTOBER 1)

PRINCIPAL
AMOUNT

INTEREST
RATE

TOTAL: \$ _____

[6. *Redemption Provisions.* The Series 2014A Bonds maturing on or after October 1, 20__, are subject to redemption at the election of the City, on any date on or after October 1, 20__ in whole or in part, from such maturities or parts thereof as shall be selected by the City, upon notice given as provided in the Indenture, at a redemption price equal to 100% of the principal amount of the Series 2014A Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.]

(Signature page follows.)

IN WITNESS WHEREOF, we have hereunto set our hand on the ____ day of _____,
2014.

By _____
Mayor

By _____
Chair
Salt Lake City Council

APPROVED AS TO FORM:

By 
Senior City Attorney

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2014**NEW ISSUE—Issued in Book-Entry Only Form****RATINGS: S&P “_____”****Moody’s “_____”****See “RATINGS” herein.**

Interest on the Series 2014A Bonds is includible in gross income of the owners thereof for federal income tax purposes. In the opinion of Chapman and Cutler LLP, Bond Counsel, under the existing laws of the State of Utah, as presently enacted and construed, interest on the Series 2014A Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. See “TAX MATTERS” herein for a more complete discussion.

\$ _____ *

SALT LAKE CITY, UTAH
FEDERALLY TAXABLE SALES AND
EXCISE TAX REVENUE REFUNDING BONDS
SERIES 2014A

DATED: Date of Delivery**DUE: October 1, as shown below**

The \$ _____ * Federally Taxable Sales and Excise Tax Revenue Refunding Bonds, Series 2014A, dated the date of delivery thereof, are issuable by the City as fully-registered bonds and, when initially issued, will be in book-entry form only, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York. DTC will act as securities depository for the Series 2014A Bonds.

The Series 2014A Bonds are being issued to (a) refinance [all] [a portion] of the City’s currently outstanding Sales Tax Revenue Refunding Bonds, Series 2005A and (b) pay the costs incurred in connection with the issuance and sale of the Series 2014A Bonds.

Principal of and interest on the Series 2014A Bonds (interest payable April 1 and October 1 of each year, commencing October 1, 2014) are payable by Zions First National Bank, Salt Lake City, Utah, as Trustee, to the registered owners thereof, initially DTC. See “THE SERIES 2014A BONDS – Book-Entry Only System” herein.

[The Series 2014A Bonds are subject to optional redemption prior to maturity as described more fully under the heading “THE SERIES 2014A BONDS – Redemption Provisions” herein.]

The Series 2014A Bonds are special limited obligations of the City payable solely from the Revenues, moneys, securities and funds pledged therefor under the Indenture on a parity basis with Bonds, including the Outstanding Parity Bonds, that have been or may be issued by the City pursuant to the provisions of the Indenture. The Revenues consist of the Pledged Excise Taxes. No assurance can be given that the Revenues will remain sufficient for the payment of the Principal of or interest on the Series 2014A Bonds, and the City is limited by Utah law in its ability to increase the rate of the Pledged Excise Taxes. See “RISK FACTORS” herein. The Series 2014A Bonds do not constitute a general obligation indebtedness or a pledge of the ad valorem taxing power or the full faith and credit of the City, and are not obligations of the State of Utah or any other agency or other political subdivision or entity of the State of Utah. See “SECURITY FOR THE SERIES 2014A BONDS” herein.

Maturity Schedule

Due	Principal	Interest				Due	Principal	Interest			
October 1	Amount*	Rate	Yield	CUSIP		October 1	Amount*	Rate	Yield	CUSIP	
	\$	%	%					%	%		

The Series 2014A Bonds are offered when, as and if issued and received by the Underwriter, subject to prior sale and to the approval of legality by Chapman and Cutler LLP, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the City by Margaret D. Plane, Esq., City Attorney and by Chapman and Cutler LLP, Disclosure Counsel to the City. [_____ has served as counsel to the Underwriter in connection with the issuance of the Series 2014A Bonds.] It is expected that the Series 2014A Bonds will be available for delivery to DTC or its agent on or about July 17, 2014.

KeyBanc Capital Markets

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 _____, 2014 and the information contained herein speaks only as of that date.

* Preliminary; subject to change.

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\$ _____
SALT LAKE CITY, UTAH
FEDERALLY TAXABLE SALES AND EXCISE TAX REVENUE BONDS
SERIES 2014A

Salt Lake City
City and County Building
451 South State Street
Salt Lake City, Utah 84111
(801) 535-7946

CITY COUNCIL

Charlie Luke..... Council Chair
Luke Garrott..... Council Vice Chair
Lisa Ramsey Adams Council Member
Kyle LaMalfa Council Member
Erin J. Robinson Mendenhall..... Council Member
Stan Penfold..... Council Member
James Rogers Council Member

CITY ADMINISTRATION

Ralph Becker..... Mayor
David Everitt..... Chief of Staff
Margaret D. Plane City Attorney
Cindi Mansell..... City Recorder
Marina Scott..... City Treasurer

BOND COUNSEL

Chapman and Cutler LLP
201 South Main, Suite 2000
Salt Lake City, Utah 84111
(801) 533-0066; (801) 533-9595 (Fax)

INDEPENDENT AUDITORS

Eide Bailly LLP
5 Triad Center, Suite 750
Salt Lake City, Utah 84180
(801) 532-2200; (801) 532-7944 (Fax)

FINANCIAL ADVISOR

Lewis Young Robertson & Burningham, Inc.
41 North Rio Grande
Suite 101
Salt Lake City, Utah 84101
(801) 596-0700; (801) 596-2800 (Fax)

TRUSTEE, REGISTRAR AND PAYING AGENT

Zions First National Bank
One South Main Street, 12th Floor
Salt Lake City, Utah 84133
(801) 844-7517; (855) 547-5637 (Fax)

The information set forth herein has been obtained from the Salt Lake City, Utah (the “City”), The Depository Trust Company and other sources that are believed to be reliable. No dealer, broker, salesperson or any other person has been authorized by the City or the Underwriter to give any information or to make any representations other than those contained in this Official Statement in connection with the offering contained herein, and, if given or made, such information or representations must not be relied upon as having been authorized by the Underwriter. 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 2014A Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither delivery of this Official Statement nor any sale made thereafter shall under any circumstances create any implication that there has been no change in the affairs of the City or in any other information contained herein since the date hereof.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITER MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT MARKET PRICES OF THE SERIES 2014A BONDS. SUCH TRANSACTIONS, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

WHILE THE UNDERWRITER HAS PERFORMED A REVIEW SUFFICIENT TO FORM A REASONABLE BASIS FOR ITS BELIEF IN THE ACCURACY AND COMPLETENESS OF THE KEY REPRESENTATIONS OF THE CITY CONTAINED IN THIS OFFICIAL STATEMENT, THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF THE OFFICIAL STATEMENT.

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.

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

The City maintains a website. However, the information presented on that website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Series 2014A Bonds.

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OFFICIAL STATEMENT

RELATING TO

\$_____

SALT LAKE CITY, UTAH FEDERALLY TAXABLE SALES AND EXCISE TAX REVENUE BONDS, SERIES 2014A

INTRODUCTION

This Official Statement, including the cover page, introduction, and appendices, provides information in connection with the issuance and sale by Salt Lake City, Utah (the “City”), of its \$_____ Federally Taxable Sales and Excise Tax Revenue Bonds, Series 2014A (the “*Series 2014A 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 Series 2014A Bonds to potential investors is made only by means of the entire Official Statement.

See also the following appendices attached hereto: “APPENDIX A – SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013;” “APPENDIX B – MASTER TRUST INDENTURE;” “APPENDIX C – DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY;” “APPENDIX D – PROPOSED FORM OF OPINION OF BOND COUNSEL;” “APPENDIX E – PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM” and “APPENDIX F – FORM OF CONTINUING DISCLOSURE AGREEMENT.”

Capitalized terms used herein and not otherwise defined are defined in the conformed copy of the Indenture (defined below) attached hereto as “APPENDIX B – MASTER TRUST INDENTURE.”

THE CITY

The City is a municipal corporation and political subdivision of the State of Utah (the “State”) and is the capital of the State. The City is the most populous city in the State, with an estimated 2012 population of approximately 189,400. The City has a council-mayor form of government. For more information with respect to the City, see “THE CITY,” “DEBT STRUCTURE,” “FINANCIAL INFORMATION REGARDING THE CITY,” “APPENDIX A – SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013” and “APPENDIX C – DEMOGRAPHIC AND ECONOMIC INFORMATION REGARDING THE CITY AND SALT LAKE COUNTY.”

AUTHORIZATION AND PURPOSE OF THE SERIES 2014A BONDS

The Series 2014A Bonds are being issued pursuant to (i) the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the “*Utah Code*”), and other applicable provisions of law (collectively, the “*Act*”), (ii) a resolution adopted by the City Council of the City on June 10, 2014 (the “*Resolution*”), that provides for the issuance and delivery of the Series 2014A Bonds, and (iii) a Master Trust Indenture, dated as of September 1, 2004, as heretofore amended and supplemented (the “*Master Indenture*”), and as further amended and supplemented by a Ninth Supplemental Trust Indenture, dated as of July 1, 2014 (the “*Ninth Supplemental Indenture*” and, together with the Master Indenture, the “*Indenture*”), each between the City and Zions First National Bank, as trustee (the “*Trustee*”). A conformed copy of the Master Indenture is attached hereto as APPENDIX B.

The proceeds from the sale of the Series 2014A Bonds will be used for the purpose of (a) refinancing [all] [a portion] of the City’s currently outstanding Sales Tax Revenue Refunding Bonds, Series 2005A and (b) paying the costs incurred in connection with the issuance and sale of the Series 2014A Bonds.

SECURITY AND SOURCE OF PAYMENT

The Series 2014A Bonds will be special limited obligations of the City, payable solely from and secured solely by a pledge of the Revenues and certain funds and accounts pledged therefor in the Indenture. “*Revenues*” means, collectively, all of the revenues received by the City that are produced by:

- (a) local sales and use taxes (the “*Local Sales Taxes*”);
- (b) municipal energy sales and use taxes (the “*Municipal Energy Taxes*”);
- (c) municipal telecommunications license taxes (the “*Telecommunications Taxes*” and, collectively with the Local Sales Taxes and the Municipal Energy Taxes, the “*Pledged Sales and Use Taxes*”);
- (d) franchise fees for electric energy (the “*Energy Franchise Fees*”);
- (e) franchise fees charged to the City’s Public Utilities Department (the “*Public Utilities Franchise Fees*”); and
- (f) franchise fees associated with cable television (the “*Cable Franchise Fees*” and, collectively with the Energy Franchise Fees and the Public Utilities Franchise Fees, the “*Pledged Franchise Fees*”).

The term Revenues is used interchangeably herein with the term Pledged Excise Taxes.

No assurance can be given that the Revenues will remain sufficient for the payment of the Principal or interest on the Series 2014A Bonds and the City is limited by contract or by State

law in its ability to increase the rate of the Pledged Excise Taxes. See “RISK FACTORS” herein. The Series 2014A Bonds do not constitute a general obligation indebtedness or a pledge of the ad valorem taxing power or the full faith and credit of the City, and are not obligations of the State or any other agency or other political subdivision or entity of the State. See “SECURITY FOR THE SERIES 2014A BONDS” herein.

The City currently levies the Pledged Excise Taxes at the maximum rates permitted by State law. In general, the Pledged Sales and Use Taxes are collected by the Utah State Tax Commission (the “*Tax Commission*”) and distributed to the City and all other counties and municipalities in the State on a monthly basis. The Pledged Franchise Fees are collected by the applicable franchisee and distributed to the City as required by contract or ordinance. See “SECURITY FOR THE SERIES 2014A BONDS – Pledged Excise Taxes” and “RISK FACTORS” herein for additional information.

OUTSTANDING PARITY BONDS

The Series 2014A Bonds will be issued on a parity with any other Bonds (as defined below) issued from time to time under the Master Indenture, including, but not limited to, the City’s (i) Adjustable Rate Sales Tax Revenue Refunding Bonds, Series 2004, originally issued in the aggregate principal amount of \$17,300,000 (the “*Series 2004 Bonds*”), (ii) Sales Tax Revenue Refunding Bonds, Series 2005A, originally issued in the aggregate principal amount of \$47,355,000 (the “*Series 2005A Bonds*”), (iii) Sales Tax Revenue Bonds, Series 2007A, originally issued in the aggregate principal amount of \$8,590,000 (the “*Series 2007A Bonds*”), (iv) Sales Tax Revenue Bonds, Series 2009A, originally issued in the aggregate principal amount of \$36,240,000 (the “*Series 2009A Bonds*”), (v) Sales Tax Revenue Bonds, Series 2012A, originally issued in the aggregate principal amount of \$15,855,000 (the “*Series 2012A Bonds*”), (vi) Federally Taxable Sales and Excise Tax Revenue Bonds, Series 2013A, originally issued in the aggregate principal amount of \$51,270,000 (the “*Series 2013A Bonds*”) and (vii) Sales and Excise Tax Revenue Bonds, Series 2013B, originally issued in the aggregate principal amount of \$7,315,000 (the “*Series 2013B Bonds*” and, collectively with the Series 2004 Bonds, the Series 2005A Bonds, the Series 2007A Bonds, the Series 2009A Bonds, the Series 2012A Bonds and the Series 2013A Bonds, the “*Outstanding Parity Bonds*”).

ADDITIONAL BONDS

The Indenture permits the issuance of additional bonds secured by the Revenues, but requires that the City provide certain certificates relating to certain conditions to the issuance of Additional Bonds (as defined below). Included in these conditions is the requirement that the Revenues for any year within the 24 calendar months next preceding the authentication and delivery of the Bonds proposed to be issued are equal to or greater than 200% of the Maximum Annual Debt Service on all Outstanding Bonds upon the issuance of the Bonds proposed to be issued. See “SECURITY FOR THE SERIES 2014A BONDS – Additional Bonds” herein.

The Series 2014A Bonds, the Outstanding Parity Bonds and any additional bonds heretofore or hereafter issued under the Indenture (the “*Additional Bonds*”) are referred to collectively herein as the “*Bonds*. ”

NO DEBT SERVICE RESERVE

There is no debt service reserve for the Series 2014A Bonds. See “SECURITY FOR THE SERIES 2014A BONDS — No Debt Service Reserve” herein.

[REDEMPTION]

The Series 2014A Bonds are subject to optional redemption prior to maturity as described herein. See “THE SERIES 2014A BONDS – Redemption Provisions” herein.]

REGISTRATION, DENOMINATION AND MANNER OF PAYMENT

The Series 2014A Bonds will be issued only as fully-registered bonds, and initially, 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 a securities depository for the Series 2014A Bonds and purchases of beneficial interests in the Series 2014A Bonds initially will be made in book-entry only form through brokers and dealers who are, or who act through DTC participants, and under certain circumstances are exchangeable as more fully described herein. The Series 2014A Bonds will be issued in the denomination of \$5,000 and any whole multiple thereof.

Principal of and any premium on the Series 2014A Bonds are payable upon surrender thereof at the principal corporate trust office of the Trustee, as Paying Agent for the Series 2014A Bonds. Interest on the Series 2014A Bonds is payable on each Interest Payment Date (defined below) to the registered owners thereof (initially DTC), as described herein. So long as DTC or its nominee, Cede & Co., is the registered owner of the Series 2014A Bonds, payments of the Principal of, and interest on such Bonds will be made directly to DTC. See “THE SERIES 2014A BONDS – Book-Entry Only System” herein.

TAX TREATMENT

Interest on the Series 2014A Bonds is includible in gross income of the owners thereof for federal income tax purposes. In the opinion of Chapman and Cutler LLP, Bond Counsel, under the existing laws of the State of Utah, as presently enacted and construed, interest on the Series 2014A Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. See “TAX MATTERS.”

CONDITIONS OF DELIVERY, ANTICIPATED DATE, MANNER AND PLACE OF DELIVERY

The Bonds are offered, subject to prior sale, when, as and if issued and received by the Underwriter, subject to the approving legal opinion of Chapman and Cutler LLP, Bond Counsel, and certain other conditions. Certain legal matters will be passed upon for the City by the City Attorney [and by Chapman and Cutler LLP, as the City’s Disclosure Counsel.] It is expected that the Bonds in book-entry only form will be available for delivery through DTC or its agent on or about July 17, 2014.

CONTINUING DISCLOSURE

The City will execute a Continuing Disclosure Agreement for the benefit of the beneficial owners of the Series 2014A Bonds to enable the Underwriter to comply with the requirements of Rule 15c2-12 under the Securities Exchange Act of 1934. See “CONTINUING DISCLOSURE AGREEMENT” and “APPENDIX F—FORM OF CONTINUING DISCLOSURE AGREEMENT.”

BASIC DOCUMENTATION

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of the City and the Series 2014A Bonds are included in this Official Statement. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Indenture are qualified in their entirety by reference to such document, and references herein to the Series 2014A Bonds are qualified in their entirety by reference to the form thereof included in the Indenture and the information with respect thereto included in the aforementioned document, copies of which are available for inspection at the principal office of the Trustee on or after the delivery of the Series 2014A Bonds. Descriptions of the Indenture and the Series 2014A Bonds are qualified by reference to bankruptcy¹ laws affecting the remedies for the enforcement of the rights and security provided therein and the effect of the exercise of the police power by any entity having jurisdiction. During the period of the offering of the Series 2014A Bonds, copies of the preliminary forms of any of the aforementioned documents will be available from the “contact persons” as indicated herein. Also see “APPENDIX B – MASTER TRUST INDENTURE” herein. The “basic documentation,” which includes the Resolutions, the Indenture and other documentation authorizing the issuance of the Series 2014A Bonds and establishing the rights and responsibilities of the City and other parties to the transaction, may be obtained from the “contact persons” as indicated herein.

CONTACT PERSONS

The primary contact for the City in connection with the issuance of the Series 2014A Bonds is:

Marina Scott, City Treasurer
451 South State Street, Room 228
P.O. Box 145462
Salt Lake City, Utah 84114-5462
Telephone: (801) 535-6565; (801) 535-6082 (Fax)
e-mail: marina.scott@slcgov.com

ADDITIONAL INFORMATION

In preparing this Official Statement, the City has relied upon information furnished by DTC and others. This Official Statement also includes summaries of the terms of the Series

¹ There is currently no specific authorization under the Utah Code for the City to file bankruptcy under Chapter 9 of the U.S. Bankruptcy Code.

2014A Bonds, the Indenture, certain provisions of the Act and the Utah Code. The summaries of and references to all documents and statutes referred to herein do not purport to be complete, comprehensive or definitive, and each such summary and reference is qualified in its entirety by reference to each such document or statute.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of the fact. This Official Statement is not to be construed as a contract or agreement between the City and the purchasers or owners of any of the Series 2014A Bonds.

PLAN OF REFUNDING

The Series 2014A Bonds are being issued for the purpose of refunding prior to their maturity the Series 2005A Bonds, currently outstanding in the principal amount of \$_____.

Proceeds from the Series 2014A Bonds in the aggregate principal amount of \$_____, together with \$_____ of available monies held for the payment of Principal and interest on the [Refunded][Series 2005A] Bonds, will be deposited with Zions First National Bank, as escrow agent (the "*Escrow Agent*"), pursuant to an Escrow Agreement dated as of July 1, 2014, to establish an irrevocable trust escrow account (the "*Escrow Account*"), consisting of cash and noncallable direct full faith and credit obligations of the United States of America.

Amounts in the Escrow Account will be used to refund [all] [a portion] of the currently outstanding Series 2005A Bonds (the "*Refunded Bonds*"). The Refunded Bonds will be redeemed on October 1, 2015, at the redemption price equal to 100% of the principal amount thereof, plus accrued interest thereon to the redemption date.

The cash and investments held in the Escrow Account will bear interest and mature in amounts sufficient to pay the interest falling due on the Refunded Bonds and the redemption price of the Refunded Bonds through the redemption dates of the Refunded Bonds.

Certain mathematical computations regarding the sufficiency of the investments held in the Escrow Account will be verified by _____, _____, _____, independent Certified Public Accountants. See "ESCROW VERIFICATION" below.

SOURCES AND USES OF FUNDS

The estimated sources and uses of funds for the Series 2014A Bonds are shown below:

SOURCES OF FUNDS

Par Amount of Series 2014A Bonds	\$ _____
Other Available Amounts of the City	_____
Net Original Issue Premium	_____
Total	\$ _____

USES OF FUNDS

Deposit to Escrow Account	\$ _____
Purchaser's discount	_____
Costs of Issuance ⁽¹⁾	_____
Total	\$ _____

(1) Costs of Issuance include legal, Financial Advisor, rating agency and Trustee fees; and other costs and expenses related to the issuance of the Series 2014A Bonds.

THE SERIES 2014A BONDS

GENERAL

The Series 2014A Bonds will be dated the date of delivery thereof and will bear interest from that date (calculated on the basis of a 360-day year consisting of twelve 30-day months), payable semiannually on April 1 and October 1 of each year (each an “*Interest Payment Date*” and, collectively, the “*Interest Payment Dates*”), commencing _____ 1, 201_. The Series 2014A Bonds will mature on the dates and in the amounts and will bear interest at the rates set forth on the cover page of this Official Statement.

The Series 2014A Bonds are issuable as fully-registered bonds, without coupons, and when initially issued will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Series 2014A Bonds. The Series 2014A Bonds will be issued in the denomination of \$5,000 and any whole multiple thereof. So long as the book-entry only system is in effect, purchases of beneficial ownership interests in the Series 2014A Bonds will be made in book-entry form only, in the principal amount of \$5,000 and any whole multiple thereof. See “APPENDIX E – PROVISION REGARDING BOOK-ENTRY ONLY SYSTEM.”

The Series 2014A Bonds are special limited obligations of the City, payable solely from the proceeds of the Bonds, the Revenues, moneys, securities and funds pledged therefor in the Indenture. The Revenues consist of the Pledged Excise Taxes. No assurance can be given that the Revenues will remain sufficient for the payment of the Principal or interest on the

Series 2014A Bonds and the City is limited by State law in its ability to increase the rate of the Pledged Excise Taxes. See “RISK FACTORS” herein. The Series 2014A Bonds do not constitute a general obligation indebtedness or a pledge of the ad valorem taxing power or the full faith and credit of the City, and are not obligations of the State or any other agency or other political subdivision or entity of the State. See “SECURITY FOR THE SERIES 2014A BONDS” herein.

BOOK-ENTRY ONLY SYSTEM

The Series 2014A Bonds originally will be issued solely in book-entry form to DTC or its nominee, Cede & Co., to be held in DTC’s book-entry only system. So long as such Series 2014A Bonds are held in the book-entry only system, DTC or its nominee will be the Registered Owner or Holder of such Series 2014A Bonds for all purposes of the Indenture, the Series 2014A Bonds and this Official Statement. For a description of the book-entry only system, see “APPENDIX E – PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM.”

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, the Series 2014A Bonds will be printed and delivered and will be governed by the provisions of the Indenture with respect to payment of Principal and interest and rights of exchange and transfer.

The City cannot and does not give any assurances that DTC participants or others will distribute payments with respect to the Series 2014A Bonds received by DTC or its nominee as the Registered Owner, or any prepayment or other notices, to the Beneficial Owners, or that they will do so on a timely basis, or that DTC will service and act in the manner described in this Official Statement. For a description of the book-entry only system, see “APPENDIX E – PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM.”

PAYMENT OF PRINCIPAL AND INTEREST

The Principal of, premium, if any, and interest on, the Series 2014A Bonds is payable in lawful money of the United States of America. In the event that the book-entry only system has been terminated, Principal of and Redemption Price on the Series 2014A Bonds when due will be payable at the principal corporate trust operations office of the Trustee, or of its successor as Paying Agent for the Series 2014A Bonds. In the event that the book-entry only system has been terminated, payment of interest on the Series 2014A Bonds will be paid by check or draft mailed on an Interest Payment Date to the Registered Owner of record as of the close of business on the Record Date at such Owner’s address as it appears on the registration books of the Trustee or at such other address as is furnished in writing by such Registered Owner to the Trustee prior to the Record Date.

[REDEMPTION PROVISIONS]

Optional Redemption. The Series 2014A Bonds maturing on or after October 1, 20__, are subject to redemption at the election of the City on any date on or after October 1, 20__, in

whole or in part (if in part, such Series 2014A Bonds to be redeemed will be selected from such maturities as are determined by the City in its discretion and within each maturity as selected by the Trustee), upon notice as provided below. Such optional redemption of the Series 2014A Bonds will be at the Redemption Price equal to the Principal amount thereof, but without premium, plus accrued interest thereon to the redemption date.

Partial Redemption. Upon surrender of a Series 2014A Bond redeemed in part, the City will execute and the Trustee (or any Transfer Agent) will authenticate and deliver to the Holder thereof a new Series 2014A Bond or Series 2014A Bonds in the denomination of \$5,000 and any whole multiple thereof equal in Principal amount to the unredeemed portion of the Series 2014A Bond surrendered. So long as the Series 2014A Bonds are held in the book-entry only system, Series 2014A Bonds will not be delivered as set forth above; rather transfers of beneficial ownership of the Series 2014A Bonds to the person indicated will be effected on the registration books of DTC pursuant to its rules and procedures. See “APPENDIX E – PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM.”

NOTICE OF REDEMPTION

At least 30 but not more than 60 days prior to each redemption date, the Trustee will mail notice of redemption by first-class mail to each Bondholder at the Holder’s registered address. Unless moneys sufficient to pay the Principal of, and interest on the Series 2014A Bonds to be redeemed have been received by the Trustee prior to the giving of such notice of redemption, such notice may state that said redemption will be conditioned upon the receipt of such moneys by the Trustee on or prior to the date fixed for redemption. If such moneys are not received, such notice will be of no force and effect, the City will not redeem such Series 2014A Bonds and the Trustee will give notice, in the same manner in which the notice of redemption was given, that such moneys were not so received and that such Series 2014A Bonds will not be redeemed. Neither failure to give any required notice of redemption as to any particular Series 2014A Bonds nor any defect in any notice so mailed will affect the validity of the call for redemption of any Series 2014A Bonds. Any notice mailed as provided in this paragraph will be conclusively presumed to have been given whether or not actually received by the addressee.

Except as otherwise described in the preceding paragraph with respect to a conditional notice of redemption, when notice of redemption is required and given, Series 2014A Bonds called for redemption become due and payable on the redemption date at the applicable redemption price, and in such case when funds are deposited with the Trustee sufficient for redemption, interest on the Series 2014A Bonds to be redeemed ceases to accrue as of the date of redemption.]

REGISTRATION, TRANSFER AND EXCHANGE

In the event the book-entry system is discontinued, any Series 2014A Bond may, in accordance with its terms, be transferred, upon the registration books kept by the Trustee, by the person in whose name it is registered, in person or by his or her duly authorized attorney, upon surrender of such Bond for cancellation, or, if applicable, notation of the new Holder together with the signature of the Trustee or any applicable Transfer Agent on the back of such Bond, or

on a form of record attached to such Series 2014A Bond for such purpose, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee. No transfer will be effective until entered on the registration books kept by the Trustee.

For every such exchange or transfer of the Series 2014A Bonds, the Trustee or the Transfer Agent will require the payment by the Bondholder requesting such exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer of the Bonds.

The City, the Trustee and any Transfer Agent are not required (a) to issue, register the transfer of or exchange any Series 2014A Bond during a period beginning at the opening of business 15 days before the date of mailing of a notice of redemption of the Series 2014A Bonds selected for redemption and ending on the close of business on the day of such mailing, or (b) to register the transfer of or exchange of any Series 2014A Bond so selected for redemption in whole or in part, except the unredeemed portion of the Series 2014A Bonds being redeemed in part.

The City, the Trustee and the Transfer Agent may treat and consider the person in whose name each Series 2014A Bond is registered in the registration books kept by the Trustee as the Holder and absolute owner of such Series 2014A Bond for the purpose of payment of Principal of and interest on such Series 2014A Bond and for all other purposes whatsoever.

SECURITY FOR THE SERIES 2014A BONDS

PLEDGED EXCISE TAXES

The Series 2014A Bonds will be special limited obligations of the City, payable solely from and secured solely by a pledge of the Revenues, or the Pledged Excises Taxes, which consist of the Local Sales Taxes, the Municipal Energy Taxes, the Telecommunications Taxes, the Energy Franchise Fees, the Public Utilities Franchise Fees and the Cable Franchise Fees, each of which is described in more detail below.

Local Sales Taxes. The Local Sales and Use Tax Act, Title 59, Chapter 12, Part 2, Utah Code (the “*Local Sales and Use Tax Act*”), provides that each county, city and town in the State may levy a local sales and use tax of up to 1.00% on the purchase price of taxable goods and services. The legislative intent contained in the Local Sales and Use Tax Act is to provide an additional source of revenues to counties and municipalities that is to be used to finance their capital outlay requirements and to service their bonded indebtedness. The City has levied the Local Sales Taxes at the maximum legal rate of 1.00%.

Sales tax is imposed on the amount paid or charged for sales of tangible personal property in the State and for services rendered in the State for the repair, renovation or installation of tangible personal property. Use tax is imposed on the amount paid or charged for the use, storage or other consumption of tangible personal property in the State, including services for the repair, renovation or installation of such tangible personal property. Sales and

use taxes also apply to leases and rentals of tangible personal property if the tangible personal property is in the State, the lessee takes possession in the State or the tangible personal property is stored, used or otherwise consumed in the State.

In addition to the Local Sales Taxes levied by the City, the State levies a statewide sales and use tax (the “*Statewide Tax*”) which is currently imposed at a rate of 4.70% of the purchase price of taxable goods and services, excluding unprepared food and food ingredients. Sales of unprepared food and food ingredients are taxed at a rate of 1.75%. The State also levies a 2.00% tax on sales of natural gas, electricity and fuel oil for residential use. The Statewide Tax is not pledged to payment of the Series 2014A Bonds and is paid to the State.

In addition to the sales and use taxes described above, counties and cities in the State are authorized to impose certain additional sales and use taxes for various purposes as authorized by State law. The maximum sales and use tax levied on taxable goods and services within the City’s boundaries by the State, Salt Lake County and the City is 6.85% and is comprised of certain of the various sales taxes mentioned in the preceding sentence, the Statewide Tax and the Local Sales Taxes. However, only 1.00% of the revenues derived from the collection of these sales and use taxes makes up the Local Sales Taxes pledged to the payment of the debt service on the Series 2014A Bonds.

Local sales and use taxes, including the Local Sales Taxes, are collected by the Tax Commission and distributed on a monthly basis to each county, city and town. The distributions to the City are based on a formula, which provides that (a) 50% of each dollar of sales tax collections will be distributed on the basis of the population of the local government and (b) 50% of each dollar of sales tax collections will be distributed on the basis of the point of sale.

For the fiscal year ended June 30, 2013, the City budgeted Local Sales Tax revenues of \$46,495,055 and the City actually received revenues of \$47,691,666. The City budgeted Local Sales Tax revenues of \$48,638,055 for the fiscal year ending June 30, 2014; the City is currently projecting Local Sales Tax revenues of approximately \$49,253,745 for the fiscal year ending June 30, 2014.

The City is not legally allowed to provide actual dollar figures of sales and use tax collections by specific businesses. However, during the fiscal year ended June 30, 2013, of the top 50 businesses, only eight of such businesses generated at least 1.0% of the total Local Sales Taxes collected in the City. Together, these eight businesses generated 14.68% of the Local Sales Tax revenues generated in the City. No single business accounted for more than 3.04% of the City’s total Local Sales Tax revenues.

Municipal Energy Taxes and Energy Franchise Fees. Prior to July 1, 1998, municipalities were granted the authority to charge public utilities a franchise tax of up to 6% of gross revenue from the sale of taxable property or service, including providers of energy. In 1997, the Municipal Energy Sales and Use Tax Act, Title 10, Chapter 1, Part 3, Utah Code (the “*Municipal Energy Tax Act*”) was passed. The Municipal Energy Tax Act prohibited the collection of a franchise tax on suppliers of energy and authorized cities or towns to levy a municipal sales and use tax of up to 6% of the sale or use of taxable energy. The municipal

energy sales and use tax is levied on the value of the sale or use of gas and electricity (including the value of the energy and the costs typically incurred in providing such energy in usable form to the customer). Certain limited transactions are exempted from the tax. The Municipal Energy Tax Act stipulates that municipalities with franchise fee agreements that were in effect prior to July 1, 1997, may continue to collect revenues under such agreements for the remaining term of such agreements. By City ordinance, there is credited against an entity's Municipal Energy Tax liability an amount equal to any franchise fees collect by the City from such entity.

The City has a franchise agreement with the major public electric utility servicing the residents of the City (the "*Electric Franchise Agreement*") that implements a 6% franchise fee on the gross revenues of such utility, which is the maximum permitted amount. The Electric Franchise Agreement expires in 2016, after which time a Municipal Energy Tax of 6% will automatically be levied on the sale or use of the electricity provided by the public electric utility.

The City also had a franchise agreement with the major public natural gas utility servicing the residents of the City (the "*Gas Franchise Agreement*") that implemented a 2% franchise fee on the gross revenues of such utility and served as a credit against the 6% Municipal Energy Tax. The Gas Franchise Agreement expired in 2003, but until recently the City and the utility have continued collections on the basis of a 2% franchise fee and a 4% Municipal Energy Tax. Beginning in July 2012, the franchise fee no longer serves as a credit against the 6% Municipal Energy Tax.

The sale or use of taxable energy within the City provided by several other smaller suppliers of energy are being taxed at the maximum rate of 6% under the Municipal Energy Tax Act.

Municipal energy sales and use taxes, including the Municipal Energy Taxes, are collected by the Tax Commission and transferred (less certain administrative fees) monthly to each city or town based on the point of sale or the point of use. Under certain circumstances, municipal energy sales and use taxes may be collected by the energy supplier and distributed directly to the applicable city or town. Under the applicable franchise agreement, Energy Franchise Fees are collected by the applicable energy provider and distributed to the City each month.

For the fiscal year ended June 30, 2013, the City budgeted Municipal Energy Tax revenues of \$6,382,000 and Energy Franchise Fee revenues of \$15,120,000 and the City actually received \$6,127,042 and \$16,368,000, respectively, of such revenues. The City budgeted Municipal Energy Tax revenues of \$6,382,000 and Energy Franchise Fee revenues of \$15,120,000 for the fiscal year ending June 30, 2014; the City is currently projecting Municipal Energy Tax revenues of approximately \$6,501,118 and Energy Franchise Fee revenues of approximately \$15,500,000 for the fiscal year ending June 30, 2014.

Telecommunications Taxes. The Municipal Telecommunications License Tax Act, Title 10, Chapter 1, Part 4, Utah Code (the "*Municipal Telecommunications Tax Act*"), provides that a city or town may levy on and provide that there is collected from a telecommunications provider a municipal telecommunications license tax on the telecommunications provider's gross receipts

that are attributed to such city or town. The gross receipts from a telecommunication service are attributable to a municipality if the gross receipts are for telecommunication service that is located within the municipality. The City collects the Telecommunications Taxes at the maximum legal rate of 3.50%.

Telecommunication license taxes, including the Telecommunication Taxes, are collected by the Tax Commission and transferred (less certain administrative fees) monthly to each city or town.

For the fiscal year ended June 30, 2013, the City budgeted Telecommunications Tax revenues of \$6,200,000 and the City actually received \$5,715,596 of such revenues. The City budgeted Telecommunications Tax revenues of \$6,200,000 for the fiscal year ending June 30, 2014; the City is currently projecting Telecommunications Tax revenues of approximately \$6,200,000 for the fiscal year ending June 30, 2014.

Public Utilities Franchise Fees. The City requires the Public Utilities Department of the City to pay the City a franchise fee equal to 6% of the gross revenues received by the department from the operation of the public utility. The purpose of the Public Utilities Franchise Fee is to fairly and equally charge for the department's use of the City's streets. The Public Utilities Department collects the Public Utilities Franchise Fee in its billing for water, sewer and stormwater services rendered within City limits. The Public Utilities Franchise Fees collected by the Public Utilities Department are paid to the City's general fund within 45 days after the close of each month.

For the fiscal year ended June 30, 2013, the City budgeted Public Utilities Franchise Fee revenues of \$3,601,800 and the City actually received \$3,957,310 of such revenues. The City budgeted Public Utilities Franchise Fee revenues of \$4,200,000 for the fiscal year ending June 30, 2014; the City is currently projecting Public Utilities Franchise Fee revenues of approximately \$4,200,000 for the fiscal year ending June 30, 2014.

Cable Franchise Fees. The City requires that grantees of a cable franchise within the City pay a franchise fee equal to 5% of the gross revenues received from the operation of the cable system. Cable Franchise Fees are calculated on a quarterly basis and are due and payable 90 days after the close of the quarter. Any Cable Franchise Fees that have not been paid when due shall bear interest at a rate of 18% per year until paid. The City may request an audit of a grantee's full billing records.

For the fiscal year ended June 30, 2013, the City budgeted Cable Franchise Fee revenues of \$1,300,000 and the City actually received \$1,465,596 of such revenues. The City budgeted Cable Franchise Fee revenues of \$1,300,000 for the fiscal year ending June 30, 2014; the City is currently projecting Cable Franchise Fee revenues of approximately \$1,300,000 for the fiscal year ending June 30, 2014.

Pledged Sales and Use Taxes. A sales and use tax, including the Pledged Sales and Use Taxes, due and unpaid constitutes a debt due from the vendor and may be collected, together with interest, penalty, and costs, by appropriate judicial proceeding within three years after the

vendor is delinquent. Furthermore, if a sales and use tax is not paid when due and if the vendor has not followed the procedures to object to a notice of deficiency, the Tax Commission may issue a warrant directed to the sheriff of any county commanding him to levy upon and sell the real and personal property of a delinquent taxpayer found within such county for the payment of the tax due. The amount of the warrant shall have the force and effect of an execution against all personal property of the delinquent taxpayer and shall become a lien upon the real property of the delinquent taxpayer in the same manner as a judgment duly rendered by any district court.

HISTORICAL PLEDGED EXCISE TAXES

The following table shows the amounts of the various taxes and fees comprising the Pledged Excise Taxes received by the City for the fiscal year indicated.

	FOR FISCAL YEARS ENDING,				
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Local Sales Taxes	\$41,533,420	\$39,738,331	\$41,644,390	\$45,586,564	\$47,691,666
Municipal Energy Taxes	5,770,481	4,350,985	4,774,058	4,049,019	6,127,042
Energy Franchise Fees	14,992,465	15,502,477	16,025,368	16,779,541	16,368,000
Telecommunications Taxes	6,404,629	6,335,642	5,742,342	6,140,356	5,715,597
Public Utilities Franchise Fees	3,535,350	3,102,904	3,343,866	3,905,533	3,957,310
Cable Franchise Fees	<u>1,266,814</u>	<u>1,297,077</u>	<u>1,337,085</u>	<u>1,356,549</u>	<u>1,465,596</u>
Total Pledged Excise Taxes	\$73,503,159	\$70,327,416	\$72,867,109	\$77,817,562	\$81,325,211
Percentage Change from Prior Year	n/a	(4.32)%	3.61%	6.79%	4.51%

Note: In 2012, the City amended the definition of Pledged Excise Taxes to include the taxes and fees that are listed above other than the Local Sales Taxes. The table above reflects the amounts collected in the years indicated although prior to 2012 such taxes and fees (other than Local Sales Taxes) were not pledged under the Indenture.

* Preliminary; subject to change.

(Source: The City.)

FLOW OF FUNDS

To secure the timely payment of the Principal of and interest on the Bonds, the City has pledged and assigned to the Trustee the Revenues and all moneys in the funds and accounts (except the Rebate Fund, if any) established by the Indenture. The Indenture establishes a Principal and Interest Fund, to be held by the Trustee and a Revenue Fund to be held by the City and certain other funds and accounts.

In general, the Indenture requires that all Revenues be deposited into the Revenue Fund and that the City transfer, on or before the last Business Day of each month, from the Revenue Fund (a) first, the amount, if any, required so that the balance in each of the Series Subaccounts in the Bond Service Account equals the Accrued Debt Service on the related Series of Bonds and (b) second, the amount, if any, required to be deposited into the Series Subaccounts in the Debt Service Reserve Account. Following such deposits, the City is to retain in the Revenue Fund the amount estimated to be required for deposits described in (a) and (b) above in the next succeeding month. Any remaining Revenues may be used by the City, free and clear of the lien

of the Indenture. For a more detailed description of application of Revenues under the Indenture see “APPENDIX B – MASTER TRUST INDENTURE – Section 5.05. Revenues; Revenue Fund” and “– Section 5.06. Flow of Funds.”

NO DEBT SERVICE RESERVE

General. The Indenture requires the establishment of a separate Series Subaccount in the Debt Service Reserve Account for each Series of Bonds, including the Series 2014A Bonds. The Supplemental Indenture relating to each Series of Bonds is required to specify the Debt Service Reserve Requirement for the applicable Series of Bonds that is to be on deposit in the related Series Subaccount. Each Series Subaccount in the Debt Service Reserve Account secures only the related Series of Bonds. For more information regarding the Debt Service Reserve Account see “APPENDIX B – MASTER TRUST INDENTURE – Section 5.08. Principal and Interest Fund - Debt Service Reserve Account.”

Series 2014A Bonds. Although the Ninth Supplemental Trust Indenture creates a Series 2014A Debt Service Reserve Subaccount, the Series 2014A Debt Service Reserve Requirement is equal to \$-0- and no amounts will be on deposit in the Series 2014A Debt Service Reserve Subaccount as a reserve for the Series 2014A Bonds.

Contingent Reserves for Certain of the Outstanding Parity Bonds. The Series 2004 Bonds, the [Series 2005A][Refunded] Bonds, the Series 2007A Bonds and the Series 2009A Bond (the “*Pre-2012 Bonds*”) are secured by separate contingent reserves. So long as any Pre-2012 Bonds are Outstanding, the City is required to deliver to the Trustee an independent accountant’s certificate within six months after the close of each fiscal year, certifying as to whether the Revenues for the preceding fiscal year were equal to at least 150% of the Maximum Annual Debt Service on all Bonds then outstanding under the Indenture (the “*Coverage Certificate*”). In the event that the Coverage Certificate indicates that Revenues did not meet such coverage requirement, the Debt Service Reserve Requirement for each Series of the Pre-2012 Bonds immediately increases to the lesser of (a) the Maximum Annual Debt Service on the applicable Series of the Pre-2012 Bonds, (b) 125% of Average Aggregate Debt Service on the applicable Series of the Pre-2012 Bonds, and (c) 10% of the original Principal amount of the applicable Series of the Pre-2012 Bonds.

On or before the last Business Day preceding the end of the calendar month following delivery of the Coverage Certificate showing that the coverage requirement described above was not met, the City is required to commence a schedule of transfers into each of the applicable Series Subaccounts in the Debt Service Reserve Account, either from Revenues, subject to the provisions of the Indenture, or from other legally available moneys, sufficient to cause the related Debt Service Reserve Requirement to be on deposit therein within 24 months.

If, after the end of any succeeding fiscal year, the Coverage Certificate indicates that the Revenues were equal to at least 200% of the Maximum Annual Debt Service on all Bonds outstanding under the Indenture for such fiscal year, each Debt Service Reserve Requirement for the Pre-2012 Bonds shall immediately be reduced to zero and the Trustee will pay over to the

City all amounts then on deposit in the applicable Series Subaccounts in the Debt Service Reserve Account, free and clear of the lien of the Indenture.

The deposit, if any, described above would not secure the Series 2014A Bonds.

OUTSTANDING PARITY BONDS

When the Series 2014A Bonds are issued, the Outstanding Parity Bonds will also be outstanding under the Master Indenture in the aggregate principal amount of [144,045,000]. The Series 2014A Bonds, the Outstanding Parity Bonds and any Additional Bonds are equally and ratably secured under the terms of the Master Indenture.

ADDITIONAL BONDS

Whenever the City determines to issue any Additional Bonds under the Indenture, the following requirements must be met:

(a) The City must execute and deliver to the Trustee (among other things) the following documents:

(i) a Written Certificate of the City setting forth the Principal amount of the Additional Bonds, the Debt Service for each Fiscal Year of such Additional Bonds and the Aggregate Debt Service for all Outstanding Bonds, including the Additional Bonds being issued; and

(ii) a Written Certificate of the City demonstrating (A) in the case of Additional Bonds issued to finance a Project, that the Revenues for any Year within the 24 calendar months next preceding the authentication and delivery of the Additional Bonds proposed to be issued are equal to or greater than 200% of the Maximum Annual Debt Service on all Outstanding Bonds upon the issuance of the Additional Bonds proposed to be issued; or (B) in the case of Additional Bonds issued to refund Bonds issued under the Indenture, either (I) that the Aggregate Debt Service on the Additional Bonds being issued to refund prior Bonds is no greater than 100% of the Aggregate Debt Service on the Bonds being refunded for each Fiscal Year to and including the schedule of final maturity of the Bonds being refunded, or (II) that the Revenues are equal to or greater than 200% of the Maximum Annual Debt Service on all Bonds Outstanding upon the issuance of the refunding Bonds; and

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

The City may, in determining the Maximum Annual Debt Service on all Outstanding Bonds and in accordance with the terms of the Indenture, reduce the Debt Service on any Series of Bonds for any Fiscal Year by (1) the amount of capitalized interest available to pay interest on such Bonds in such Fiscal Year and (2) the Special Revenues (defined below) pledged to pay such Debt Service in an amount equal to either (x) the average of the Special Revenues received by the City for the past three Fiscal Years or (y) 75% of the Special Revenues received by the City for the immediately preceding Fiscal Year, each as reflected in the applicable audited financial statements of the City filed with the Trustee; provided however, the Special Revenues applied in either (x) or (y) above to reduce the Debt Service on a Series of Bonds for a particular Fiscal Year are not to exceed the Debt Service on such Series of Bonds for said Fiscal Year. “*Special Revenues*,” as defined in the Master Indenture, means any legally available moneys or income from an enterprise of the City or any other source available to the City that are pledged to the payment of one or more series of the Bonds as provided in a supplemental indenture. If Special Revenues are to be used in connection with the determination of Maximum Annual Debt Service, then the City is to deliver to the Trustee (a) confirmation from each Rating Agency then maintaining a rating on any Outstanding Bonds that the pledge of Special Revenues will not result in the reduction or withdrawal of any rating on any Outstanding Bonds and (b) an Opinion of Bond Counsel of nationally recognized standing in the field of law relating to municipal bonds to the effect that such pledge of Special Revenues will not adversely affect the tax-exempt status of any Bonds then Outstanding.

STATE PLEDGE OF NONIMPAIRMENT

In accordance with Section 11-14-307, Utah Code, the State pledges and agrees with the Holders of the Series 2014A Bonds that it will not alter, impair or limit the Pledged Excise Taxes in a manner that reduces the amounts to be rebated to the City which are devoted or pledged for the payment of the Series 2014A Bonds until the Series 2014A Bonds, together with applicable interest, are fully met and discharged; *provided, however*, that nothing shall preclude such alteration, impairment or limitation if and when adequate provision shall be made by law for the protection of the Holders of the Series 2014A Bonds.

The City notes that this provision has not been interpreted by a court of law and, therefore, the City cannot predict the extent that such provision would (a) be upheld under constitutional or other legal challenge, (b) protect the current rates and collection of all Pledged Excise Taxes, or (c) impact any other aspect of Pledged Excise Taxes.

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**DEBT SERVICE SCHEDULE ON THE SERIES 2014A BONDS AND THE
OUTSTANDING PARITY BONDS**

The following table sets forth the debt service requirements on the Series 2014A Bonds and the Outstanding Parity Bonds:

FISCAL YEARS ENDING <u>JUNE 30</u>	<u>SERIES 2014A BONDS</u>		OUTSTANDING PARITY BONDS ⁽¹⁾⁽²⁾	TOTAL DEBT <u>SERVICE</u>
	<u>PRINCIPAL</u>	<u>INTEREST</u>		
2014	\$	\$	\$ 10,124,401	\$
2015			10,551,866	
2016			11,889,606	
2017			13,209,432	
2018			13,206,824	
2019			13,211,167	
2020			13,212,098	
2021			13,228,189	
2022			7,629,573	
2023			7,352,467	
2024			7,361,367	
2025			7,385,061	
2026			7,399,508	
2027			7,411,386	
2028			7,038,991	
2029			7,052,016	
2030			4,302,266	
2031			4,322,816	
2032			10,615,991	
2033			10,633,581	
2034			9,445,642	
2035			8,903,702	
2036			8,904,107	
2037			8,910,230	
2038			<u>8,910,784</u>	
TOTAL ⁽³⁾	\$	\$	<u>\$232,213,071</u>	\$

(1) While not obligated to make principal payments on the Series 2004 Bonds prior to their final maturity on June 1, 2015, the column reflects the City's anticipated amortization schedule for the Series 2004 Bonds.

(2) For the Series 2004 Bonds, assumes an interest rate equal to [3.0%] per annum. From the time the Series 2004 Bonds were issued through [May 31], 2014, the average interest rate has been ____% per annum.

(3) Totals may not add due rounding.

Based on the average amount of the Pledged Excise Taxes actually received by the City over the past 5 fiscal years (\$_____), and the anticipated maximum total debt service shown above (\$_____), the average amount of the Pledged Excise Taxes received by the

City are ____ times the maximum total debt service. See “SECURITY FOR THE SERIES 2014A BONDS – Pledged Excise Taxes” herein.

RISK FACTORS

The purchase of the Series 2014A Bonds involves certain investment risks. Accordingly, each prospective purchaser of the Series 2014A Bonds should make an independent evaluation of all of the information presented in this Official Statement in order to make an informed investment decision. Certain of these risks are described below; *however*, it is not intended to be a complete representation of all the possible risks involved.

UNCERTAINTY OF REVENUES

The amount of Pledged Excise Taxes to be collected by the City is dependent on a number of factors beyond the control of either the City or the State, including, but not limited to, current economic conditions and weather patterns. Any one or more of these factors could result in the City receiving less Pledged Excise Tax revenues than anticipated. For example, during periods in which economic activity declines, Local Sales Taxes are likely to decline as compared to an earlier year. In addition, Pledged Excise Taxes are dependent on the volume of the transactions subject to the tax. From time to time, proposals have been made by the Utah State Legislature to remove certain types of purchases from the sales and use taxes or to change the method of distributing the sales and use taxes. In addition, the State (like many other states) has recognized the potential reduction in sales tax revenues as a result of purchases made through the internet and other non-traditional means. The City cannot predict what impact these items may have on the Pledged Excise Taxes it receives.

THE SERIES 2014A BONDS ARE LIMITED OBLIGATIONS

The Series 2014A Bonds are special limited obligations of the City, payable solely from the Revenues, moneys, securities and funds pledged therefor in the Indenture. The Series 2014A Bonds do not constitute general obligation indebtedness or a pledge of the ad valorem taxing power or the full faith and credit of the City, and are not obligations of the State or any other agency or other political subdivision or entity of the State. The City will not mortgage or grant any security interest in the improvements financed with the proceeds of the Series 2014A Bonds or any portion thereof to secure payment of the Series 2014A Bonds.

LIMITATION ON INCREASING RATES FOR PLEDGED EXCISE TAXES

The City currently either levies the maximum tax rate (taking into account any credit for franchise fees) allowed under State law for all component taxes making up the Pledged Excise Taxes or is limited by contract and by State law in its ability to increase franchise fees. No assurance can be given that the Pledged Excise Taxes will remain sufficient for the payment of the Principal or interest on the Series 2014A Bonds and the City is limited by State law in its ability to increase the rate of such Pledged Excise Taxes.

POSSIBLE USE OF SPECIAL REVENUES TO MEET ADDITIONAL BONDS TEST; RELIANCE ON RATING AGENCIES

In determining the Maximum Annual Debt Service for purposes of meeting the coverage requirements under the Indenture in order to issue Additional Bonds, the City, at its option, may apply Special Revenues up to a certain amount as an assumed reduction in Debt Service on an Outstanding Series of Bonds. See “THE SERIES 2014A BONDS – Additional Bonds” herein. As a condition (among others) to including Special Revenues for this purpose, each Rating Agency then maintaining a rating on any Outstanding Bonds must confirm the rating on the Outstanding Bonds. Owners of the Series 2014A Bonds will be relying on Rating Agencies’ approval with respect to the inclusion by the City of Special Revenues in the determination of Maximum Annual Debt Service with respect to any future Additional Bonds, if such Special Revenues are pledged to such Bonds. Additionally, the inclusion of Special Revenues could potentially dilute the coverage ratio of Pledged Revenues to Maximum Annual Debt Service. The City currently has no plans to apply Special Revenues for a Series of Bonds.

THE CITY

CITY OFFICIALS

The City has a Council-Mayor form of government. The City Council consists of seven members, who are elected by voters within seven geographic districts of approximately equal population. The Mayor is elected at large by the voters of the City and is charged with the executive and administrative duties of the government.

The seven-member, part-time City Council is charged with the responsibility of performing the legislative functions of the City. The City Council performs three primary functions: it passes laws for the City, adopts the City budget and provides administrative oversight by conducting management and operational audits of City departments.

Term information concerning the Mayor and the members of the City Council is set forth below:

<u>OFFICE</u>	<u>DISTRICT</u>	<u>PERSON</u>	<u>YEARS IN SERVICE</u>	<u>EXPIRATION OF CURRENT TERM</u>
Mayor	—	Ralph Becker	6	January 2016
Council Chair	#6	Charlie Luke	2	January 2016
Council Vice Chair	#4	Luke Garrott	6	January 2016
Council Member	#7	Lisa Ramsey Adams	-	January 2018
Council Member	#2	Kyle LaMalfa	2	January 2016
Council Member	#5	Erin J. Robinson Mendenhall	-	January 2018
Council Member	#3	Stan Penfold	4	January 2018
Council Member	#1	James Rogers	-	January 2018

CITY ADMINISTRATION

The offices of Chief of Staff, City Attorney, City Recorder and City Treasurer are appointive offices.

David Everitt, Chief of Staff, was appointed to his position by Mayor Becker on January 7, 2008. He is an experienced educator and program manager. David Everitt received his B.S. degree in Geology from the University of Washington and his Master's degree in Environment and Community from Antioch Seattle University. He co-founded an environmental consulting business ten years ago and has worked throughout the country for the last twelve years as an environmental educator and program supervisor.

Margaret D. Plane, City Attorney, was appointed to her position by Mayor Becker on June 28, 2013. Ms. Plane received her Juris Doctorate degree from the University of Utah in 2002, her Master of Arts degree in Philosophy from the University of Utah, and her Bachelor of Arts degree from Rollins College. Before being appointed as City Attorney, Ms. Plane worked in the City Attorney's office as a litigator and as chief counsel for the Department of Human Resources. Prior to working for the City, she was legal director of the American Civil Liberties Union of Utah and was a judicial clerk for the Honorable Pamela T. Greenwood on the Utah Court of Appeals.

Cindi Mansell, City Recorder, was appointed by Mayor Becker on July 31, 2012. Prior to employment with Salt Lake City, Ms. Mansell worked for various city governments (including Ogden City and Riverdale City) for a total of 24 years. Through the International Institute of Municipal Clerks and in conjunction with the University of Utah, Ms. Mansell completed the Master Municipal Clerk Certificate in 2004. In 2005, she received the Certified Records Manager designation for professional record managers.

Marina Scott, City Treasurer, was appointed to her position by Mayor Becker on June 4, 2013. From December 2006 until her appointment, Mrs. Scott was Deputy Treasurer for the City; and from September 2005 until December 2006 she served as an Accountant III for the Public Services Department. Mrs. Scott holds a Bachelor of Science degree in Accounting, and a Master of Professional Accountancy from Weber State University. She also holds a Master of Arts in Library and Information Science from Vilnius State University.

CITY FUND STRUCTURE; ACCOUNTING BASIS

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 are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance or net assets, revenues, and expenditures or expenses. The various funds are grouped by type in the basic financial statements.

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. The City uses 60 days as a cutoff for meeting the available criterion. Property taxes are considered “measurable” when levied and available when collected and held by Salt Lake County. Any amounts not available are recorded as delayed revenue. Franchise taxes are considered “measurable” when collected and held by the utility company, and are recognized as revenue at that time. Other revenues that are determined to be susceptible to accrual include grants-in-aid earned and other intergovernmental revenues, charges for services, interest, assessments, interfund service charges, and proceeds of the sale of property. Property taxes and assessments are recorded as receivables when assessed; however, they are reported as delayed revenue until the “available” criterion has been met. Sales and use taxes collected by the state and remitted to the City within the “available” time period are recognized as revenue. Revenues collected in advance are delayed and recognized in the period to which they apply.

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.

FINANCIAL CONTROLS

The City utilizes a computerized financial accounting system which includes a system of budgetary controls. State law requires budgets to be controlled by individual departments, but the City also maintains computerized control by major categories within departments. These computerized controls are such that a requisition cannot be entered into the purchasing system unless the appropriated funds are available. The system checks for sufficient funds again, prior to the purchase order being issued, and again before the payment check is issued. Voucher payments are also controlled by the computer for sufficient appropriations.

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 of the Utah Code (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 Fund. These budgets are to provide a complete financial plan for the budget (ensuing fiscal) year. Each budget is required to specify, in tabular form, estimates of anticipated revenues and appropriations for expenditures. Under the Fiscal Procedures Act, the total of anticipated revenues must equal the total of appropriated expenditures.

On or before the first regular meeting of the City Council 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 request 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 nonproperty tax sources available for each fund and the revenue from general property

taxes required by each fund. The tentative budget is then provisionally adopted by the City Council, with any amendments or revisions that the City Council deems advisable prior to the public hearings on the tentative budget. After public notice and hearing, the tentative budget is adopted by the City Council, subject to further amendment or revisions by the City Council prior to adoption of the final budget.

Prior to June 22nd 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.

INVESTMENT POLICY

City Policy. It is the policy of the City to invest public funds in accordance with the principles of sound treasury management and in compliance with State and local laws, regulations, and other policies governing the investment of public funds, specifically, according to the terms and conditions of the State Money Management Act of 1974 and Rules of the State Money Management Council as currently amended (the “*Money Management Act*”), and the City’s own written investment policy. The following investment objectives, in order of priority, are met when investing public funds: safety of principal, need for liquidity, and maximum yield on investments consistent with the first two objectives.

The City may use investment advisers to conduct investment transactions on its behalf as permitted by the Money Management Act and local ordinance or policy. Investment advisers must be certified by the Director of the Utah State Division of Securities of the Department of Commerce (the “*Director*”). Broker/dealers and agents who desire to become certified dealers must be certified by the Director and meet the requirements of the Money Management Act. Only qualified depositories as certified by Utah’s Commissioner of Financial Institutions are eligible to receive and hold deposits of public funds. The State Money Management Council issues a quarterly list of certified investment advisers, certified dealers, and qualified depositories authorized by State statute to conduct transactions with public treasurers. Transactions involving authorized deposits or investments of public funds may be conducted only through issuers of securities authorized by Section 51-7-11(3) of the Utah Code, qualified depositories included in the current State list, and certified dealers included in the current State list. The City Treasurer must take delivery of all investments purchased, including those purchased through a certified investment adviser. This may be accomplished by the City Treasurer taking physical delivery of the security or delivering the security to a bank or trust company designated by the City Treasurer for safekeeping. The City Treasurer may use a qualified depository bank for

safekeeping securities or maintain an account with a money center bank for the purpose of settling investment transactions and safekeeping and collecting those investments.

City policy provides that not more than 25% of total City funds or 25% of the qualified depository's allotment, whichever is less, can be invested in any one qualified depository. Not more than 20% of total City funds may be invested in any one certified out-of-state depository institution. However, there is no limitation placed on the amount invested with the Utah Public Treasurer's Investment Fund ("PTIF") and other money market mutual funds, provided that the overall standards of investments achieve the City's policy objectives.

All funds pledged or otherwise dedicated to the payment of interest on and principal of bonds or notes issued by the City are invested in accordance with the terms and borrowing instruments applicable to such bonds or notes. City policy also provides that the remaining term to maturity of an investment may not exceed the period of availability of the funds invested. The investment of City funds cannot be of a speculative nature.

The City's entire portfolio is currently in compliance with all of the provisions of the Money Management Act.

The Utah Public Treasurers' Investment Fund. The PTIF is a local government investment fund, established in 1981, and managed by the State Treasurer. Currently, the City has approximately \$820 million on deposit in the PTIF, representing a substantial portion of the City's funds. All investments in the PTIF must comply with the Money Management Act and rules of the State Money Management Council. The PTIF invests primarily in money market securities. 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 federal government. By policy, the maximum weighted average adjusted life of the portfolio is not to exceed 90 days and the maximum final maturity of any security purchased by the PTIF is limited to five years. Safekeeping and audit controls for all investments owned by the PTIF must comply with the Money Management Act.

All securities purchased are delivered versus payment to the custody of the State Treasurer or the State Treasurer's safekeeping bank, assuring a perfected interest in the securities. Securities owned by the PTIF are completely segregated from securities owned by the State. The State has no claim on assets owned by the PTIF except for any investment of State moneys in the PTIF. Deposits are not insured or otherwise guaranteed by the State.

Investment activity of the State Treasurer in the management of the PTIF is reviewed monthly by the State Money Management Council and is audited by the State Auditor.

The information in this section concerning the current status of the PTIF has been obtained from sources the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

See “APPENDIX A – SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013 – Notes to the Financial Statements – Note 2 – Cash, Cash Equivalents and Investments” below.

INSURANCE COVERAGE

The City is self-insured for general liability claims, except for liability incurred on premises owned, rented or occupied by the Department of Airports (the “*Airport*”). The Airport carries a commercial general liability insurance policy with a \$500,000,000 limit and no deductible. The Governmental Immunity Fund (an internal service fund) has been established to pay liability claims other than those at the Airport along with certain City Attorney litigation expenses.

The City has an all risk property insurance policy that has a limit of \$500,000,000 with a \$100,000 deductible. Sublimits include: (1) earthquake coverage of \$100,000,000 with a deductible of 2% of the value up to \$5,000,000 maximum, (2) flood coverage of \$100,000,000 with deductibles of \$250,000 or \$500,000 depending on location, (3) errors and omissions coverage of \$100,000,000 with \$100,000 deductible, and (4) certified acts of terrorism coverage of \$5,000,000 with a \$100,000 deductible. The City is self-insured for property loss above the limits and below the deductibles. The operating departments of the General Fund or proprietary funds assume financial responsibility for risk retained by the City for property damage. The Airport is covered by a separate property insurance policy with a maximum policy limit of \$500,000,000 annually and a \$100,000 deductible per occurrence with sublimits similar to those under the City’s policy. Locations covered include Salt Lake City International Airport, South Valley Regional Airport, and Tooele Valley Airport.

The City carries a treasurer’s bond with a \$10,000,000 limit and a \$50,000 deductible and a crime bond covering: (1) employee theft with a \$1,000,000 limit per occurrence and a \$50,000 deductible, (2) depositors forgery or alteration with a \$25,000 limit and a deductible of \$500, (3) money orders and counterfeit currency with a \$50,000 limit and no deductible, (4) crime - inside and outside premises - each with a \$50,000 limit and a \$2,500 deductible, and (5) money, securities and other property with a \$50,000 limit and a \$2,500 deductible.

The City purchases excess workers’ compensation coverage with a \$40,000,000 limit and \$1,000,000 self-insured retention (SIR) per claim. The City is self-insured for losses above the limit and below the SIR. Further, the City is self-insured for employee long-term disability and unemployment. The Risk Management Fund (an internal service fund) has been established to pay these claims along with health insurance premiums and certain administrative expenses. During the past three fiscal years, there have been no settlements that exceeded the self-insured retention.

See “APPENDIX A – SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013 – Note 11 – Risk Management.”

EMPLOYEE WORKFORCE AND RETIREMENT SYSTEM; POSTEMPLOYMENT BENEFITS

Employee Workforce and Retirement System. The City currently employs approximately 2,622 full-time employees and approximately 419 hourly and part-time employees for a total employment of approximately 3,041 employees. The City participates in three cost-sharing multiple-employer public employee retirement systems and one multiple employer agent system which are defined benefit retirement plans covering public employees of the State and employees of participating local governmental entities (the “*Systems*”). The Systems are administered under the direction of the Utah State Retirement Board whose members are appointed by the Governor of Utah. See “APPENDIX A – SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013 – Notes to Financial Statements – Note 6 – Long-Term Obligations,” “– Note 12 – Pension Plans” and “– Note 14 – Deferred Compensation Plans.”

Beginning July 1, 2014, the City will be required to record a liability and expense equal to its proportionate share of the collective net pension liability and expense of the Systems due to the implementation of GASB 68. The City cannot determine at this time what the amount of such liability and expense will be.

Other Postemployment Benefits. The Governmental Accounting Standards Board issued Statement 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, and Statement 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which became effective for the City for its fiscal year ending June 30, 2008. The City contracted with an actuarial firm to provide the City with its estimated postemployment benefits liability. Such actuarial firm determined that the City’s accrued actuarial liability for its postemployment benefits was \$112,909,000 at July 1, 2012. The other postemployment benefit (“*OPEB*”) cost and annual required contribution for the year ended June 30, 2013 were \$11,305,000 and \$11,430,000, respectively. The City currently funds its OPEB costs on a pay-as-you-go basis and during the fiscal year ended June 30, 2013 contributed \$2,397,000. During this same period, net OPEB obligations increased from \$30,917,000 to \$39,824,000. For additional information regarding the City’s postemployment benefits see “APPENDIX A – SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013 – Note 13 – Other Postemployment Benefits.”

DEBT STRUCTURE

For purposes of the information set forth under this section under the heading entitled “Outstanding Debt Issues” the Series 2014A Bonds are considered issued and outstanding.

OUTSTANDING DEBT ISSUES (EXPECTED AS OF CLOSING DATE OF SERIES 2014A BONDS) ⁽¹⁾

	AMOUNT OF <u>ORIGINAL ISSUE</u>	FINAL <u>MATURITY DATE</u>	PRINCIPAL <u>OUTSTANDING</u>
General Obligation Bonds:			
Series 1999 (Library Bonds)	\$ 81,000,000	6/15/2019	\$ 150,000
Series 2002 Building and Refunding (Refund portion of Series 1999)	48,855,000	6/15/2017	16,390,000
Series 2009A (Open Space)	800,000	12/15/2018	455,000
Series 2009B (The Leonardo)	10,200,000	6/15/2029	8,255,000
Series 2010A (Public Safety Facilities) ⁽²⁾	25,000,000	6/15/2030	21,285,000
Series 2010B (Public Safety Facilities)	100,000,000	6/15/2031	84,355,000
Series 2011 (Open Space)	1,580,000	6/15/2021	1,120,000
Series 2012A (Refunded a portion of Series 2002)	10,635,000	6/15/2019	10,635,000
Series 2013 (Refunded a portion of Series 2004A)	6,395,000	6/15/2024	6,395,000
Series 2013B (Taxable Sports Complex)	15,300,000	6/15/2028	14,423,000
Series 2013C (Open Space)	3,020,000	6/15/2023	<u>2,723,000</u>
Total			\$166,186,000
Water and Sewer Revenue Bonds:			
Series 2005 Improvement and Refunding Bonds	11,075,000	2/1/2017	\$ 3,710,000
Series 2008 Improvement and Refunding Bonds	14,800,000	2/1/2024	10,135,000
Series 2009 (Taxable)	6,300,000	2/1/2031	5,355,000
Series 2010 Revenue Bonds	12,000,000	2/1/2031	10,190,000
Series 2011 Revenue Bonds	8,000,000	2/1/2027	6,605,000
Series 2012 Improvement and Refunding Bonds	28,565,000	2/1/2027	<u>24,110,000</u>
Total			\$60,105,000
Special Improvement District and Assessment Area Bonds:			
Series 2006 106024	472,000	2/1/2016	\$ 111,000
Series 2006 102004	294,000	6/1/2016	70,000
Series 2007 106018	376,000	6/1/2017	130,000
Series 2007 102109 & 102129	129,000	6/1/2017	45,000
Series 2009B 103006	1,263,000	9/1/2019	816,000
Series 2009C 102145 & 102146	396,000	9/1/2019	<u>231,000</u>
Total			\$1,403,000
Sales and Excise Tax Revenue Bonds:			
Series 2004 Refunding (Adjustable Rate)	\$17,300,000	6/1/2015	\$ 1,280,000
Series 2005A Refunding	47,355,000	10/1/2020	31,875,000
Series 2007A	8,590,000	10/1/2026	5,870,000
Series 2009A	36,240,000	10/1/2028	30,035,000
Series 2012A	15,855,000	10/1/2032	14,775,000
Series 2013A (Federally Taxable)	51,270,000	4/1/2038	51,270,000
Series 2013B	7,315,000	10/1/2033	7,315,000
Series 2014A (Federally Taxable) ⁽³⁾	<u> </u>	<u> </u>	<u> </u>
Total			\$[142,420,000]
Tax and Revenue Anticipation Notes:			
Series 2014*	\$20,000,000	6/30/2015	\$20,000,000
Local Building Authority Lease Revenue Bonds ⁽⁴⁾ :			
Series 2013A	\$7,180,000	10/15/2034	\$ 7,180,000
Series 2014A	7,095,000	4/15/2035	<u>7,095,000</u>
Total			\$14,275,000

* Preliminary.

(1) The Redevelopment Agency of Salt Lake City, a separate entity, has issued bonds, but such bonds are not obligations of the City and are therefore not included in this table. See “APPENDIX A—SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013—Notes to the Financial Statements—Note 6—Long-Term Obligations.”

(2) The Series 2010A Bonds maturing 2011 through 2016 are tax-exempt and the Series 2010A Bonds maturing 2017 through 2030 are federally taxable—direct pay—Build America Bonds.

(3) For the purposes of this Official Statement, the Series 2014A Bonds are considered issued and outstanding.

(4) The Local Building Authority of Salt Lake City is a separate entity. Lease Revenue Bonds are not obligations of the City, but are paid from annually appropriated rental payments made by the City.

FUTURE DEBT PLANS

The City continually evaluates its capital funding requirements. Although not definite, the City anticipates that it will issue approximately \$_____ of Bonds in the fiscal year ending June 30, 2015.

The City plans to launch a terminal redevelopment program at the Salt Lake City International Airport. The \$1.8 billion project will be phased in over 8-10 years and will create a single terminal, concourses, parking and support facilities. The program is expected to address seismic risk, provide right-sized facilities, solve operation issues, improve customer service, and will accommodate growth while maintaining the Airport's competitive cost. It is currently anticipated that the Airport project will be financed by _____.

FINANCIAL INFORMATION REGARDING THE CITY

FIVE YEAR FINANCIAL SUMMARY

The summaries contained herein were extracted from the City's financial statements for the fiscal years ended June 30, 2009 through June 30, 2013. The summaries are unaudited. See also "APPENDIX A – SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2013."

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SALT LAKE CITY CORPORATION, UTAH
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE — GENERAL FUND
(FISCAL YEARS ENDED JUNE 30)
Unaudited

Revenues And Expenditures	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Revenues:					
General property tax	\$ 67,309,705	\$ 62,347,247	\$ 62,240,024	\$ 67,575,196	\$ 66,237,313
Sales, use and excise taxes	53,775,978	49,635,583	46,418,446	44,089,318	47,303,903
Franchise taxes	27,843,740	28,232,971	26,549,178	26,321,802	26,318,421
Licenses	11,846,336	9,755,248	8,240,903	8,076,923	7,861,188
Permits	8,187,911	8,863,736	7,205,559	6,708,832	9,826,201
Fines and forfeitures	5,097,550	5,840,640	6,006,047	6,700,748	6,541,816
Interest	415,827	433,122	883,293	1,189,706	2,309,596
Intergovernmental	5,032,566	5,039,294	5,310,838	4,761,320	4,761,925
Interfund service charges	9,834,116	9,830,406	9,212,199	9,333,427	9,509,226
Parking meter collections	3,003,184	1,791,922	1,557,878	2,027,206	1,646,261
Parking tickets	3,041,874	3,374,058	2,764,396	3,808,670	3,969,193
Charges for services	4,195,655	4,558,938	3,944,391	3,926,353	4,294,227
Contributions	23,679	10,650	19,010	16,342	19,750
Miscellaneous	<u>3,526,351</u>	<u>2,708,746</u>	<u>2,468,362</u>	<u>855,045</u>	<u>593,688</u>
Total Revenues	<u>203,134,472</u>	<u>192,422,561</u>	<u>182,820,524</u>	<u>185,390,888</u>	<u>191,192,708</u>
Expenditures:					
City Council	2,224,525	2,178,462	1,941,221	1,740,270	1,777,148
Mayor	2,473,056	2,452,208	2,176,527	1,770,292	1,910,635
City Attorney	5,422,770	5,212,761	4,912,008	4,237,824	4,662,167
Finance	5,603,552	4,702,460	4,143,529	-	-
Administrative Services	-	-	-	11,307,473	11,819,338
Fire	34,184,764	35,529,048	33,184,291	31,507,737	33,033,125
Combined Emergency Services	5,121,394				
Police	54,719,921	56,894,419	54,842,430	53,305,931	54,178,976
Community & Econ Dev.	16,823,833	17,029,116	15,773,014	12,787,152	14,012,246
Justice Court	3,928,490	4,226,916	4,149,402	-	-
Human Resources	1,882,475	1,760,846	1,567,069	-	-
Public Services	33,287,092	33,515,617	30,452,729	33,265,127	36,899,117
Nondepartmental	<u>21,359,218</u>	<u>15,898,701</u>	<u>15,321,626</u>	<u>15,044,806</u>	<u>16,479,624</u>
Total Expenditures	<u>187,031,090</u>	<u>179,400,554</u>	<u>168,463,846</u>	<u>164,966,612</u>	<u>174,772,376</u>
Revenues Over Expenditures	<u>16,103,382</u>	<u>13,022,007</u>	<u>14,356,678</u>	<u>20,424,276</u>	<u>16,420,332</u>
Other Financing Sources (Uses):					
Proceeds from sale of property	542,981	488,761	440,447	524,810	465,433
Transfers in	4,156,639	3,518,849	4,313,497	10,208,409	6,138,963
Transfers out	(18,813,137)	(18,362,584)	(18,939,614)	(29,123,275)	(26,903,129)
Total Other Financing Sources (Uses)	<u>(14,113,517)</u>	<u>(14,354,974)</u>	<u>(14,185,670)</u>	<u>(18,390,056)</u>	<u>(20,298,733)</u>
Net Change in Fund Balances	1,989,865	(1,332,967)	171,008	2,034,220	(3,878,401)
Fund Balance Prior Year (July 1)	<u>25,131,008</u>	<u>26,463,975</u>	<u>26,292,967</u>	<u>24,258,747</u>	<u>28,137,148</u>
Fund Balance Year End (June 30)	<u>\$27,120,873</u>	<u>\$25,131,008</u>	<u>\$26,463,975</u>	<u>\$26,292,967</u>	<u>\$24,258,747</u>

(Source: The City's Comprehensive Annual Financial Report for the indicated years. This summary has not been audited.)

SALT LAKE CITY CORPORATION, UTAH
BALANCE SHEET — GOVERNMENTAL FUNDS — GENERAL FUND
(FISCAL YEARS ENDED JUNE 30)
Unaudited

ASSETS AND OTHER DEBITS	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Assets:					
Cash and cash equivalents	\$ 26,293,281	\$ 21,931,749	\$ 23,394,832	\$ 23,967,967	\$ 23,135,486
Receivables:					
Property, franchise and excise taxes	85,748,520	80,220,923	76,027,526	77,169,851	81,747,405
Loans, prepaids and other receivables	2,890,736	2,742,556	2,450,609	-	-
Due from other governments	5,000	-	-	-	-
Other, principally accrued interest	412,370	277,259	343,948	1,749,000	469,434
Restricted Assets:					
Cash and cash equivalents	<u>-</u>	<u>113,801</u>	<u>142,501</u>	<u>198,589</u>	<u>281,325</u>
Total Assets and Other Debits	<u>\$115,349,907</u>	<u>\$105,286,288</u>	<u>\$102,359,416</u>	<u>\$103,085,407</u>	<u>\$105,633,650</u>
LIABILITIES AND FUND BALANCE					
Liabilities:					
Accounts payable	\$ 3,029,608	\$ 2,609,281	\$ 2,865,911	\$ 2,683,627	\$ 2,433,248
Accrued liabilities	13,428,351	12,119,520	10,497,536	10,445,611	10,358,992
Current deposits and advance rentals	1,441,539	1,076,864	873,199	521,559	1,120,473
Delayed Revenue Recognition	<u>70,329,536</u>	<u>64,349,615</u>	<u>61,658,795</u>	<u>63,141,643</u>	<u>67,462,190</u>
Total liabilities	<u>88,229,034</u>	<u>80,155,280</u>	<u>75,895,441</u>	<u>76,792,440</u>	<u>81,374,903</u>
Fund Balances:					
Reserved for encumbrances	-	-	-	2,972,401	1,931,020
Nonspendable	2,582,478	3,079,857	6,708,923	-	-
Restricted	-	113,801	-	-	-
Committed	-	2,142,919	-	-	-
Assigned	2,369,642	-	-	198,589	281,325
Unassigned	<u>22,168,753</u>	<u>19,794,431</u>	<u>19,755,052</u>	<u>23,121,977</u>	<u>22,046,402</u>
Total fund balances	<u>27,120,873</u>	<u>25,131,008</u>	<u>26,463,975</u>	<u>26,292,967</u>	<u>24,258,747</u>
Total Liabilities and Fund Balances	<u>\$115,349,907</u>	<u>\$105,286,288</u>	<u>\$102,359,416</u>	<u>\$103,085,407</u>	<u>\$105,633,650</u>

(Source: The City's Comprehensive Annual Financial Report for the indicated years. The summary above has not been audited.)

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 audited June 30, 2013 fiscal year period:

General property taxes – Approximately 33% of general fund revenues are from general property taxes.

Sales, use and excise taxes – Approximately 26% of general fund revenues are from sales, use and excise taxes.

Franchise taxes – Approximately 14% of general fund revenues are from franchise taxes.

Licenses and Permits – Approximately 10% of general fund revenues are from licenses and permits.

Interfund service charges – Approximately 5% of general fund revenues are from interfund service charges.

Fines and forfeitures – Approximately 3% of general fund revenues are from fines and forfeitures.

Intergovernmental – Approximately 2% of general fund revenues are from other governmental entities.

Charges for Services – Approximately 2% of general fund revenues are from charges for services.

Miscellaneous – Approximately 2% of general fund revenues are from miscellaneous revenues.

Parking tickets – Approximately 1% of general fund revenues are from parking tickets.

Parking meter – Approximately 1% of general fund revenues are from parking meters.

Contributions – Less than 1% of general fund revenues are from contributions.

Interest – Less than 1% of general fund revenues are from interest income.

ASSESSED TAXABLE AND ESTIMATED FAIR MARKET VALUE OF TAXABLE PROPERTY
(YEARS ENDED JUNE 30, 2008 THROUGH 2013)⁽¹⁾

	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Assessed Taxable value ⁽²⁾	\$18,231,072	\$18,297,072	\$18,130,323	\$18,644,494	\$21,012,904
Estimated fair market value	24,078,371	24,242,692	24,028,008	24,802,633	27,818,825
Ratio of assessed taxable value to estimated fair market value	75.7%	68.1%	75.7%	73.9%	75.4%

(1) Dollar amounts are in thousands.

(2) Note: All taxable property is assessed and taxed on the basis of its fair market value. State law requires that the fair market value of property that is assessed by county assessors using a comparable sales or a cost appraisal method exclude expenses related to property sales transactions. For tax purposes, the fair market value of primary residential property is reduced by 45% under current law.

(Source: The City's Comprehensive Annual Financial Report, Statistical Section, Year Ended June 30, 2013.)

PRINCIPAL PROPERTY TAXPAYERS (as of December 31, 2013)
 [To be updated if possible. Table is 2012 information.]

TAXPAYER	TYPE OF BUSINESS	2012 TAXABLE VALUE(1)	% OF THE CITY'S 2012 TAXABLE VALUE(2)
LDS Church (Property Reserve, City Creek Reserve)	Real Estate Holding	\$ 669,672,144	3.67%
Pacificorp	Electric Utility	388,873,207	2.13
Delta Airlines	Air Transportation	166,964,580	0.92
Qwest Corporation	Communications	162,638,196	0.89
Sky West Airlines	Air Transportation	138,508,482	0.76
Inland Western Salt Lake	Retail	122,129,500	0.67
Tesoro Refining	Oil Company	118,777,247	0.65
Wasatch Plaza Holdings, LLC	Real Estate Holding	115,547,000	0.63
Questar Gas	Natural Gas Utility	102,514,688	0.56
Natomas Meadows LLC	Real Estate	<u>87,124,200</u>	<u>0.48</u>
	TOTAL:	<u>\$2,072,749,244</u>	<u>11.36%*</u>

* Total may not add due to rounding.

(1) Taxable Value used in this table excludes all tax equivalent property associated with motor vehicles, watercraft, recreational vehicles, and all other tangible personal property required to be registered with the State. See "FINANCIAL INFORMATION REGARDING SALT LAKE CITY, UTAH — Taxable and Fair Market Value of Property."

(2) Based on 2012 total taxable value of \$18,231,072,284

(Source: The City.)

TAX MATTERS

FEDERAL INCOME TAXATION

Interest on the Series 2014A Bonds is includible in gross income for federal income purposes. Ownership of the Bonds may result in other federal income tax consequences to certain taxpayers. Bondholders should consult their tax advisors with respect to the inclusion of interest on the Series 2014A Bonds in gross income for federal income tax purposes and any collateral tax consequences.

UTAH INCOME TAXATION

In the opinion of Bond Counsel, under the existing laws of the State of Utah, as presently enacted and construed, interest on the Series 2014A Bonds is exempt from taxes imposed by the Utah Individual Income Tax Act. Bond Counsel expresses no opinion with respect to any other taxes imposed by the State or any political subdivision thereof. Ownership of the Series 2014A Bonds may result in other state and local tax consequences to certain taxpayers. Bond Counsel expresses no opinion regarding any such collateral consequences arising with respect to the Series 2014A Bonds. Prospective purchasers of the Series 2014A Bonds should consult their tax advisors regarding the applicability of any such state and local taxes.

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.

CONTINUING DISCLOSURE AGREEMENT

The City will enter into a Continuing Disclosure Agreement (the “*Agreement*”), in substantially the form attached hereto as APPENDIX F, for the benefit of the beneficial owners of the Series 2014A Bonds to send certain information annually and to provide notice of certain events to the Municipal Securities Rulemaking Board pursuant to the requirements of Section (b)(5) of Rule 15c2-12 (the “*Rule*”) adopted by the Securities and Exchange Commission (the “*Commission*”) under the Securities Exchange Act of 1934.

A failure by the City to comply with the Agreement will not constitute a default under the Indenture and beneficial owners of the Series 2014A Bonds are limited to the remedies described in the Agreement. A failure by the City to comply with the Agreement 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 2014A Bonds in the secondary market. Consequently, such a failure may adversely affect the transferability and liquidity of the Series 2014A Bonds and their market price. See “FORM OF CONTINUING DISCLOSURE AGREEMENT” attached hereto as APPENDIX F for the information to be provided, the events which will be noticed on an occurrence basis and the other terms of the Agreement, including termination, amendment and remedies.

The City has entered into a number of continuing disclosure undertakings with respect to the bonds it has issued and has contracted with a number of dissemination agents to file annual information and notices of certain events on behalf of the City. The City recently determined that although the City provided its annual financial information and audited financial statements to the applicable dissemination agent in the required time frame, the dissemination agent for certain of its bonds filed such information on a date that was later than required by the applicable continuing disclosure undertakings, but in no case later than 30 days beyond the required filing deadline.

The City also determined that (i) historical revenue data relating to the Bonds for fiscal year 2008 does not appear to be on file with the then applicable Nationally Recognized Municipal Securities Information Repositories (“*NRMSIRs*”) and (ii) fiscal year 2009 audited financial statements and operating data for fiscal year 2008 for the City’s 2003 special assessment bonds do not appear to be on file with the then applicable NRMSIRs. In each instance the required information was provided to the applicable dissemination agent in a timely manner, but was not subsequently posted by the dissemination agent. While such information was included as historical information in later disclosure filings, the City has taken steps to have these reports filed on EMMA so that its historical record is complete.

The City will continue its practice of providing required information to its dissemination agents in sufficient time to allow the dissemination agents to file as required under the applicable

continuing disclosure undertaking and dissemination agency agreement and has contacted each of its dissemination agents regarding the requirement for timely filing. Except as described above, the City is in material compliance with each continuing disclosure undertaking entered into pursuant to the Rule.

UNDERWRITING

KeyBanc Capital Markets Inc., as underwriter (the “*Underwriter*”), has agreed, subject to certain conditions, to purchase all of the Series 2014A Bonds from the City at an aggregate price of \$_____ (being an amount equal to the par amount of the Series 2014A Bonds, [plus a net reoffering premium of \$_____,] less an Underwriter’s discount of \$_____) and to make a public offering of the Series 2014A Bonds.

Although the Underwriter expects to maintain a secondary market in the Series 2014A Bonds after the initial offering, no guarantee can be given as to the existence of such a secondary market or its maintenance by the Underwriter or others.

[Insert Underwriter specific language, if any.]

RATINGS

As of the date of this Official Statement Standard and Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, and Moody’s Investors Service, Inc., have rated the Series 2014A Bonds “____” and “____,” respectively.

Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agency providing such rating if, in the judgment of the rating agency, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2014A Bonds.

ESCROW VERIFICATION

_____, _____, Certified Public Accountants, will verify the accuracy of the mathematical computations concerning the adequacy of the maturing principal amounts of and interest earned on the obligations of the United States of America, together with other escrowed moneys, to pay when due pursuant to prior redemption the Principal and Redemption Price of, and interest on, the Refunded Bonds. Such verification shall be based in part upon information supplied by the Underwriter.

FINANCIAL ADVISOR

The City has entered into an agreement with Lewis Young Robertson & Burningham, Inc. (the "*Financial Advisor*"), whereunder the Financial Advisor provides financial recommendations and guidance to the City with respect to preparation for sale of the Bonds, timing of the sale, tax-exempt bond market conditions, costs of issuance and other factors related to the sale of the Series 2014A Bonds. The Financial Advisor has participated in the preparation of and provided information for certain portions of the Official Statement, but has not audited, authenticated or otherwise verified the information set forth in the Official Statement, or any other related information available to the City, with respect to accuracy and completeness of disclosure of such information, and the Financial Advisor makes no guaranty, warranty or other representation respecting accuracy and completeness of the Official Statement or any other matter related to the Official Statement.

LEGAL MATTERS

LITIGATION

The City Attorney reports the following matters involving potential financial liability of the City:

Lawsuits are periodically filed against the City and/or its employees, involving tort and civil rights matters. The City has a statutory obligation to defend and indemnify its officers and employees in relation to lawsuits arising from acts or failures to act of the officers or employees while in the scope and course of employment.

The City maintains a governmental immunity fund for claims against the City. In the event the fund is not sufficient to pay any outstanding judgment or judgments, the City has the ability under State law to levy a limited ad valorem tax to pay such judgments. This tax levy is separate and apart from the other taxing powers of the City.

The City also has contract claims, condemnation proceedings and environmental matters, none of which is expected to materially adversely affect the City's financial condition.

A non-litigation certificate or opinion executed by the City Attorney, dated the date of closing, will be provided stating, among other things, that to the best of her knowledge, after due inquiry, no litigation, with merit, in the State or federal court has been served on the City or is, to the best of her knowledge, threatened, challenging the creation, organization or existence of the City, or the titles of its officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the Series 2014A Bonds, or for the purpose of restraining or enjoining the levy and collection of taxes or assessment by the City, or directly or indirectly contesting or affecting the proceedings or the authority by which the Series 2014A Bonds are issued, the legality of the purpose for which the Series 2014A Bonds are issued, or the validity of the Series 2014A Bonds, or the issuance thereof.

APPROVAL OF LEGAL PROCEEDINGS

The authorization and issuance of the Series 2014A Bonds are subject to the approval of Chapman and Cutler LLP, Bond Counsel to the City. Certain legal matters will be passed upon for the City by the City Attorney and by Chapman and Cutler LLP, as the City's Disclosure Counsel. The approving opinion of Bond Counsel will be delivered with the Series 2014A Bonds in substantially the form set forth in APPENDIX D of this Official Statement and will be made available upon request from the contact persons as indicated under "INTRODUCTION—Contact Persons."

INDEPENDENT AUDITORS

The basic financial statements of Salt Lake City Corporation as of and for the year ended June 30, 2013, included in APPENDIX A to this Official Statement, have been audited by Eide Bailly LLP, independent auditors, as stated in their report (which report includes an explanatory paragraph referring to the restatement of beginning net assets to correct the deferral of property tax revenue and the recognition of revenue for impact fees, fines, and operating grants) appearing in APPENDIX A herein.

Copies of the City's comprehensive annual financial report may be obtained upon request from the City Treasurer's office, 451 South State Street, Room 228, Salt Lake City, Utah 84111.

MISCELLANEOUS

ADDITIONAL INFORMATION

All quotations from and summaries and explanations of the Utah 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.

Any statement in this Official Statement involving matters of opinion, whether or not expressly so stated, is intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the Underwriter and the purchasers or owners of any of the Series 2014A Bonds.

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 and its distribution and use has been duly authorized by the City.

SALT LAKE CITY, UTAH

By: _____
Mayor

APPENDIX A

**SALT LAKE CITY CORPORATION FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2013**

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APPENDIX B

MASTER TRUST INDENTURE

The format of the General Indenture (i.e., font size, paragraph spacing, etc.) has been changed to allow for the presentation of this Official Statement to be as compact as possible.

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APPENDIX C
DEMOGRAPHIC AND ECONOMIC INFORMATION
REGARDING THE CITY AND SALT LAKE COUNTY

[TO BE UPDATED.]

THE CITY

POPULATION

<u>YEAR</u>	<u>THE CITY</u>	<u>% INCREASE FROM PRIOR PERIOD</u>	<u>SALT LAKE COUNTY</u>	<u>% INCREASE FROM PRIOR PERIOD</u>	<u>THE STATE</u>	<u>% INCREASE FROM PRIOR PERIOD</u>
2012 Estimate	189,314	0.69%	1,063,842	1.54%	2,855,287	1.45%
2011 Estimate	188,010	0.84	1,047,746	1.73	2,814,347	1.83
2010 Census	186,440	2.58	1,029,655	14.61	2,763,885	23.77
2000 Census	181,743	13.63	898,387	23.75	2,233,169	29.62
1990 Census	159,936	(1.90)	725,956	17.27	1,722,850	17.92
1980 Census	163,034	(7.31)	619,066	34.99	1,461,037	37.93
1970 Census	175,885	(7.16)	458,607	19.73	1,059,273	18.94

(Source: U.S. Census Bureau.)

PROPERTY VALUE OF PRE-AUTHORIZED CONSTRUCTION IN THE CITY

<u>Year</u>	<u>NEW</u>		<u>ADDITIONS, ALTERATIONS AND REPAIRS</u>		<u>TOTAL CONSTRUCTION</u>	
	<u>Number Dwelling Units</u>	<u>Residential Value (\$000)</u>	<u>Non- residential Value (\$000)</u>	<u>Residential Value (\$000)</u>	<u>Non- residential Value (\$000)</u>	<u>% Change from Prior Period</u>
2012	183	\$55,447.00	\$207,937.40	\$15,396.30	\$92,662.50	\$371,443.20 (13.8)%
2011	347	33,510.60	203,468.20	16,840.70	176,942.50	430,762.00 50.6
2010	111	14,730.90	104,795.60	29,036.90	137,507.90	286,071.30 (22.4)
2009	338	132,880.60	91,434.90	48,393.80	95,826.60	368,535.90 (36.5)
2008	508	156,110.90	289,111.10	29,438.60	105,808.00	580,468.60 13.0

(Source: Bureau of Economic and Business Research, University of Utah.)

BUSINESS AND INDUSTRY

TAXABLE SALES AND LOCAL OPTION SALES TAX ALLOCATION — THE CITY

<u>YEAR ENDED JUNE 30</u>	<u>GROSS TAXABLE SALES</u>	<u>% CHANGE OVER PRIOR YEAR</u>	<u>NET LOCAL SALES TAX ALLOCATIONS</u>	<u>% CHANGE OVER PRIOR YEAR</u>
2012	\$6,107,403,182	7.20%	\$44,660,082	8.60%
2011	5,697,004,471	13.00	41,122,239	4.97
2010	5,041,613,325	(4.38)	39,175,947	(9.11)
2009	5,272,280,483	(4.51)	43,103,218	(7.11)
2008	5,521,248,261	—	46,400,880	—

(Source: Utah State Tax Commission.)

THE COUNTY

The following demographic information is provided solely as background information regarding Salt Lake County (the “County”), the county in which the City is located. The County is the economic and population center of the State. Based on 2010 Census data, the County has approximately 37% of the total population of the State.

SALES AND BUILDING IN SALT LAKE COUNTY

<u>SALES AND BUILDING</u>	<u>2012^(p)</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Gross Taxable Sales (\$000s)	\$21,695.0	\$19,810.8	\$18,798.7	\$18,284.2	\$20,477.9
Permit Authorized Construction (\$000)	\$1,581,414.9	\$1,560,324.4	\$1,042,645.9	\$1,545,119.4	\$1,656,131.1
New Dwelling Units	2,927	2,403	2,193	4,586	3,555
New Residential Value (\$000)	\$632,806.0	\$478,242.2	\$396,367.2	\$649,516.7	\$588,477.5

(p) Preliminary

(Source: Utah Department of Workforce Services and University of Utah Bureau of Economic and Business Research Construction Information Database.)

INCOME AND WAGES IN SALT LAKE COUNTY

<u>INCOME AND WAGES</u>	<u>2012^(p)</u>	<u>2011^(p)</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total Personal Income (\$Millions)	n/a	\$40,995.4	\$38,785.6	\$37,497.0	\$39,667.1
Per Capita Income	n/a	39,081	37,538	36,878	39,685
Median Household Income Estimates	n/a	59,168 ⁽¹⁾	56,664	56,954	59,168
Average Monthly Nonfarm Wage	\$3,826	3,703	3,623	3,551	3,470

(p) Preliminary

(1) Median household income 2007-2011, as reported by the U.S. Census Bureau.

(Source: Utah Department of Workforce Services.)

RATE OF UNEMPLOYMENT — ANNUAL AVERAGE

<u>YEAR</u>	<u>SALT LAKE COUNTY</u>	<u>THE STATE</u>	<u>UNITED STATES</u>
2012	5.5%	5.7%	8.1%
2011	6.5	6.7	8.9
2010	7.8	8.0	9.6
2009	7.4	7.6	9.3
2008	3.3	3.5	5.8

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

LABOR MARKET DATA OF SALT LAKE COUNTY

	<u>2012</u> ^(p)	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Labor Force	551,994	546,055	555,070	560,427	561,383
Employed	521,772	510,310	511,799	519,188	542,813
Unemployed	30,222	35,745	43,272	41,239	18,570
Rate	5.5%	6.5%	7.8%	7.4%	3.3%
Nonfarm Jobs	603,913	583,195	571,215	573,449	602,927
% Change Prior Year	3.55%	2.1%	-1.7%	-4.9%	0.3%
Mining	3,652	3,221	2,628	2,527	2,908
Construction	30,535	29,510	29,743	31,300	38,514
Manufacturing	52,503	51,177	50,233	50,360	55,323
Trade/Transportation/Utilities	123,979	118,401	116,462	118,097	125,980
Information	17,468	16,250	16,291	16,545	17,214
Financial Activities	46,724	46,141	45,303	47,501	49,436
Professional/Business Services	100,315	95,528	91,270	89,632	96,990
Education/Health/Social Services	68,028	66,443	65,241	63,454	61,098
Leisure/Hospitality	49,442	47,335	46,607	46,847	48,521
Other Services	18,554	17,890	17,766	18,050	18,884
Government	92,821	91,327	89,623	89,136	88,059
Total Establishments	36,826	35,890	35,363	36,493	37,717
Total Wages (\$Billions)	27,727.6	25,917.2	24,478.7	24,435.4	25,103.9

(p) Preliminary.

(Source: Utah Department of Workforce Services.)

SEVERAL OF THE LARGEST EMPLOYERS IN SALT LAKE COUNTY

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

FIRM NAME	INDUSTRY	APPROXIMATE NUMBER OF EMPLOYEES
Intermountain Health Care, Inc.	Health Care	15,000-19,999
University of Utah	Higher Education	15,000-19,999
State of Utah	State Government	10,000-14,999
Granite School District	Public Education	7,000-9,999
Jordan School District	Public Education	5,000-6,999
Salt Lake County	Local Government	5,000-6,999
University of Utah Hospital	Health Care	5,000-6,999
US Government (excludes Post Office and VA Hospital)	Federal Government	5,000-6,999
Wal-Mart	Warehouse Clubs & Supercenters	4,000-4,999
The Canyons School District	Public Education	4,000-4,999
L3 Communications	Communications Equipment Mfg.	3,000-3,999
Salt Lake City School District	Public Education	3,000-3,999
Delta Air Lines, Inc.	Air Transportation	3,000-3,999
Salt Lake City	Local Government	3,000-3,999
Zions Bank	Banking	3,000-3,999
Smith's Marketplace	Grocery Stores	3,000-3,999

FIRM NAME	INDUSTRY	APPROXIMATE NUMBER OF EMPLOYEES
U.S. Postal Service	Federal Government	2,000-2,999
Salt Lake Community College	Higher Education	2,000-2,999
Discover	Consumer Lending	2,000-2,999
ARUP Laboratories	Medical Laboratory	2,000-2,999
Wells Fargo Bank	Banking	2,000-2,999
Kennecott Utah Copper	Metal Manufacturing/Mining	2,000-2,999
United Parcel Service	Courier & Express Delivery Service	2,000-2,999
Skywest Airlines	Air Transportation	2,000-2,999
VA Medical Center	Health Care/Federal Government	2,000-2,999
JetBlue	Air Transportation	2,000-2,999
Convergys	Telephone Call Center	1,000-1,999
Utah Transit Authority	Public Urban Transit	1,000-1,999
ACS Business Process Solutions	Data Processing Services	1,000-1,999
Central Refrigerated Service	Trucking	1,000-1,999
eBay Inc.	Online Auctions Retail	1,000-1,999
Teleperformance	Telephone Call Center	1,000-1,999
St. Marks Hospital	Health Care	1,000-1,999
Fidelity Brokerage Services	Financial Services	1,000-1,999
CR England	Trucking	1,000-1,999
Verizon Wireless	Telecommunications	1,000-1,999
Merit Medical Systems	Surgical & Medical Instrument Mfg.	1,000-1,999
Grand America Hotel	Accommodations	1,000-1,999
SOS Staffing Services	Temporary Help Services	1,000-1,999
QWEST	Telecommunications	1,000-1,999
The Home Depot	Home Center	1,000-1,999
Goldman Sachs	Financial Services	1,000-1,999
Costco	Warehouse Clubs & Supercenters	1,000-1,999
Overstock.com	Electronic Shipping	1,000-1,999
Sizzler	Full-Service Restaurant	1,000-1,999
Snowbird	Ski Resort and Accommodations	1,000-1,999
Jordan Valley/Pioneer Valley Hospitals	Health Care	1,000-1,999
Comcast	Cable Broadcasting	1,000-1,999
PacifiCorp	Electric Utility	1,000-1,999
Target	Retail	1,000-1,999
The Sun Products Corporation	Soap and Detergent Manufacturing	1,000-1,999

(Source: Utah Department of Workforce Services. As of August 2013.)

APPENDIX D

PROPOSED FORM OF OPINION OF BOND COUNSEL

[TO BE PROVIDED.]

APPENDIX E

PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM

The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Series 2014A Bonds. The Series 2014A 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 Series 2014A Bond certificate will be issued for each maturity of the Series 2014A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world’s largest depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“*Direct Participants*”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“*Indirect Participants*”). DTC has a Standard & Poor’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 the Series 2014A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2014A Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2014A 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 2014A 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 the Series 2014A Bonds, except in the event that use of the book-entry system for the Series 2014A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2014A 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 the Series 2014A 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 2014A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2014A 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 the Series 2014A Bonds may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Series 2014A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2014A Bond documents. For example, Beneficial Owners of the Series 2014A Bonds may wish to ascertain that the nominee holding the Series 2014A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Series 2014A Bond Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2014A 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 the Series 2014A Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an omnibus proxy to the City as soon as possible after the record date. The omnibus proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2014A Bonds are credited on the record date (identified in a listing attached to the omnibus proxy).

As long as the book-entry system is in effect, redemption proceeds, distributions, and dividend payments on the Series 2014A 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 detailed information from the City or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of

redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2014A Bonds at any time by giving reasonable notice to the City or the Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2014A Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2014A Bond certificates will be printed and delivered to DTC.

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

APPENDIX F

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT
FOR THE PURPOSE OF PROVIDING
CONTINUING DISCLOSURE INFORMATION
UNDER SECTION (b)(5) OF RULE 15c2-12

DATED: July 17, 2014

This Continuing Disclosure Agreement (the “*Agreement*”) is executed and delivered by Salt Lake City, Utah (the “*City*”), in connection with the issuance of \$_____ Federally Taxable Sales and Excise Tax Revenue Refunding Bonds, Series 2014A (the “*Series 2014A Bonds*”). The Series 2014A Bonds are being issued pursuant to (i) the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended; (ii) a resolution adopted by the City Council of the City on June 10, 2014, which provides for the issuance and sale of the Series 2014A Bonds; and (iii) a Master Trust Indenture, dated as of September 1, 2004, as heretofore amended and supplemented, between the City and Zions First National Bank, as trustee (the “*Trustee*”), and as further amended and supplemented by an Ninth Supplemental Trust Indenture, dated as of July 1, 2014, between the City and the Trustee (collectively, the “*Indenture*”).

In consideration of the issuance of the Series 2014A Bonds by the City and the purchase of such Series 2014A Bonds by the beneficial owners thereof, the City covenants and agrees as follows:

1. PURPOSE OF THIS AGREEMENT. This Agreement is executed and delivered by the City as of the date set forth below, for the benefit of the beneficial owners of the Series 2014A Bonds and in order to assist the Participating Underwriters in complying with the requirements of the Rule (defined below). The City represents that it will be the only obligated person with respect to the Series 2014A Bonds at the time the Series 2014A Bonds are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Series 2014A Bonds.

2. DEFINITIONS. The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

“*Annual Financial Information*” means the financial information and operating data described in *Exhibit I*.

“*Annual Financial Information Disclosure*” means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

“*Audited Financial Statements*” means the audited financial statements of the City prepared pursuant to the standards and as described in *Exhibit I*.

“*Commission*” means the Securities and Exchange Commission.

“*Dissemination Agent*” means any agent designated as such in writing by the City and which has filed with the City a written acceptance of such designation, and such agent’s successors and assigns.

“*EMMA*” means the MSRB through its Electronic Municipal Market Access system for municipal securities disclosure or through any other electronic format or system prescribed by the MSRB for purposes of the Rule.

“Exchange Act” means the Securities Exchange Act of 1934, as amended.

“*MSRB*” means the Municipal Securities Rulemaking Board.

“*Participating Underwriter*” means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Series 2014A Bonds.

“Reportable Event” means the occurrence of any of the Events with respect to the Series 2014A Bonds set forth in *Exhibit II*.

“*Reportable Events Disclosure*” means dissemination of a notice of a Reportable Event as set forth in Section 5.

“Rule” means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

“*State*” means the State of Utah.

“Undertaking” means the obligations of the City pursuant to Sections 4 and 5.

3. CUSIP NUMBER/FINAL OFFICIAL STATEMENT. The CUSIP Numbers of the Series 2014A Bonds maturing in each of the following years are as follows:

YEAR OF MATURITY (OCTOBER 1)	CUSIP NUMBER	YEAR OF MATURITY (OCTOBER 1)	CUSIP NUMBER
---------------------------------	-----------------	---------------------------------	-----------------

The Final Official Statement relating to the Series 2014A Bonds is dated _____, 2014 (the “*Final Official Statement*”).

4. **ANNUAL FINANCIAL INFORMATION DISCLOSURE.** Subject to Section 8 of this Agreement, the City hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I*) to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information and by such time so that such entities receive the information by the dates specified. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the City will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment or waiver is made to this Agreement, the Annual Financial Information for the year in which such amendment or waiver is made (or in any notice or supplement provided to EMMA) shall contain a narrative description of the reasons for such amendment or waiver and its impact on the type of information being provided.

5. **REPORTABLE EVENTS DISCLOSURE.** Subject to Section 8 of this Agreement, the City hereby covenants that it will disseminate in a timely manner (not in excess of ten business days after the occurrence of the Reportable Event) Reportable Events Disclosure to EMMA in such manner and format and accompanied by identifying information as is prescribed by the MSRB or the Commission at the time of delivery of such information. MSRB Rule G-32 requires all EMMA filings to be in word-searchable PDF format. This requirement extends to all documents to be filed with EMMA, including financial statements and other externally prepared reports. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Series 2014A Bonds or defeasance of any Series 2014A Bonds need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Indenture.

6. **CONSEQUENCES OF FAILURE OF THE CITY TO PROVIDE INFORMATION.** The City shall give notice in a timely manner to EMMA of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the City to comply with any provision of this Agreement, the beneficial owner of any Series 2014A Bond may seek mandamus or specific performance by court order, to cause the City to comply with its obligations under this Agreement. The beneficial owners of 25% or more in principal amount of the Series 2014A Bonds outstanding may challenge the adequacy of the information provided under this Agreement and seek specific performance by court order to cause the City to provide the information as required by this Agreement. A default under this Agreement shall not be deemed a default under the Indenture,

and the sole remedy under this Agreement in the event of any failure of the City to comply with this Agreement shall be an action to compel performance.

7. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Agreement, the City by resolution or ordinance authorizing such amendment or waiver, may amend this Agreement, and any provision of this Agreement may be waived, if:

(a) (i) the amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, including without limitation, pursuant to a “no-action” letter issued by the Commission, a change in law, or a change in the identity, nature, or status of the City, or type of business conducted; or

(ii) this Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(b) the amendment or waiver does not materially impair the interests of the beneficial owners of the Series 2014A Bonds, as determined by parties unaffiliated with the City (such as Bond Counsel).

In the event that the Commission or the MSRB or other regulatory authority shall approve or require Annual Financial Information Disclosure or Reportable Events Disclosure to be made to a central post office, governmental agency or similar entity other than EMMA or in lieu of EMMA, the City shall, if required, make such dissemination to such central post office, governmental agency or similar entity without the necessity of amending this Agreement.

8. TERMINATION OF UNDERTAKING. The Undertaking of the City shall be terminated hereunder if the City shall no longer have any legal liability for any obligation on or relating to repayment of the Series 2014A Bonds under the Indenture. The City shall give notice in a timely manner if this Section is applicable.

9. 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 Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

10. ADDITIONAL INFORMATION. Nothing in this Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Reportable Event, in addition to that which is required by this Agreement. If the City chooses to include any information from any document or notice of occurrence of a Reportable Event in addition to that which is specifically required by this Agreement, the City shall have no obligation under this Agreement to update such information or include it in any future disclosure or notice of occurrence of a Reportable Event.

11. BENEFICIARIES. This Agreement has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Agreement shall inure solely to the benefit of the City, the Dissemination Agent, if any, and the beneficial owners of the Series 2014A Bonds, and shall create no rights in any other person or entity.

12. RECORDKEEPING. The City shall maintain records of all Annual Financial Information Disclosure and Reportable Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

13. ASSIGNMENT. The City shall not transfer its obligations under the Indenture unless the transferee agrees to assume all obligations of the City under this Agreement or to execute an Undertaking under the Rule.

(Signature page follows.)

15. GOVERNING LAW. This Agreement shall be governed by the laws of the State of Utah.

SALT LAKE CITY, UTAH

By _____
Mayor

Address: 451 South State Street
Salt Lake City, Utah 84111

ATTEST AND COUNTERSIGN:

City Recorder

[SEAL]

APPROVED AS TO FORM:

By _____
Senior City Attorney

EXHIBIT I

ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS

“Annual Financial Information” means financial information and operating data of the type contained in the Official Statement under the following captions: “SECURITY FOR THE SERIES 2014A BONDS—Pledged Excise Taxes,” “SECURITY FOR THE SERIES 2014A BONDS—Historical Pledged Sales and Use Taxes,” “DEBT STRUCTURE” and “FINANCIAL INFORMATION REGARDING THE CITY,” exclusive of Audited Financial Statements.

All or a portion of the Annual Financial Information may be provided from the City’s Comprehensive Annual Financial Report or the Audited Financial Statements.

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to EMMA or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available on EMMA; the Final Official Statement need not be available from the Commission. The City shall clearly identify each such item of information included by reference.

Annual Financial Information exclusive of Audited Financial Statements will be provided to EMMA, within 185 days after the last day of the City’s fiscal year, beginning with the fiscal year ending June 30, 2014. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included.

Audited Financial Statements will be prepared pursuant to generally accepted accounting principles applicable to governmental units in general and Utah cities in particular. Audited Financial Statements will be provided to EMMA within 30 days after availability to City.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, the City will disseminate a notice of such change as required by Section 4.

EXHIBIT II

EVENTS WITH RESPECT TO THE SERIES 2014A BONDS FOR WHICH MATERIAL EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Non-payment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. 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 security, or other material events affecting the tax status of the security
7. Modifications to the rights of security holders, if material
8. Bond calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the City*
13. The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, 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
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material

* This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

SALT LAKE CITY, UTAH

\$_____
FEDERALLY TAXABLE SALES AND EXCISE TAX
REVENUE REFUNDING BONDS
SERIES 2014A

PURCHASE CONTRACT

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SALT LAKE CITY, UTAH

\$36,240,000

**FEDERALLY TAXABLE SALES AND EXCISE TAX
REVENUE REFUNDING BONDS
SERIES 2014A**

PURCHASE CONTRACT

_____, 2014

Salt Lake City, Utah
City and County Building
451 South State Street
Salt Lake City, Utah 84111

The undersigned, KeyBanc Capital Markets Inc. (the “*Underwriter*”), and not as agent or fiduciary for you, hereby offers to enter into the following agreement with Salt Lake City, Utah (the “*City*”) which, upon the City’s acceptance of this offer, will be binding upon the City and upon the Underwriter. This offer is made subject to the City’s acceptance by execution of this Purchase Contract on or before 11:59 p.m., Mountain Standard Time, on _____, 2014.

Section 1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the City, and the City hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of the \$_____ aggregate principal amount of Federally Taxable Sales and Excise Tax Revenue Refunding Bonds, Series 2014A (the “*Bonds*”). The Bonds shall be dated as of the date of delivery thereof, and shall have the principal maturities, and bear interest at the rates per annum and be payable on the dates as shown in *Exhibit A* hereto. The aggregate purchase price for the Bonds shall be \$_____ (representing the principal amount of the Bonds plus net original issue premium of \$_____, less an Underwriter’s discount of \$_____ (_____%)). The payment for and delivery of the Bonds, together with the related actions contemplated by this Purchase Contract is referred to herein as the “*Closing*.”

Section 2. The Bonds and Related Documents. (a) The Bonds shall be as described in and shall be issued and secured under the Master Trust Indenture, dated as of September 1, 2004, as heretofore amended and supplemented (the “*Master Indenture*”), between the City and Zions First National Bank, as trustee (the “*Trustee*”), and as further amended and supplemented by the Ninth Supplemental Trust Indenture, dated as of July 1, 2014 (the “*Ninth Supplemental Indenture*”), between the City and the Trustee. The Master Indenture and the Ninth Supplemental Indenture are hereinafter collectively referred to as the “*Indenture*.” The Bonds shall be issued pursuant to the authority contained in the Utah Refunding Bond Act, Chapter 27 of Title 11, Utah Code Annotated 1953 (the “*Act*”) and the provisions of a resolution adopted by

the City Council of the City (the “*City Council*”) on June 10, 2014 (the “*Bond Resolution*”). The Bonds shall be payable at the principal corporate trust office of the Trustee and shall be subject to redemption as provided in the Indenture. Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Indenture.

(b) The Bonds are being issued to refinance [all] [or a portion] of the City’s Sales Tax Revenue Refunding Bonds, Series 2005A (the “*Refunded Bonds*”). As provided in the Indenture, proceeds of the Bonds will also be used to pay costs of issuance of the Bonds.

Section 3. The Official Statement. The City has heretofore prepared and delivered to the Underwriter its Preliminary Official Statement, dated _____, 2014 (which Preliminary Official Statement, together with the cover page, summary statement and all exhibits, appendices, diagrams, reports and statements included therein or attached thereto, is herein called the “*Preliminary Official Statement*”), which the City has “deemed final” as of its date for purposes of paragraph (b)(1) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (“*Rule 15c2-12*”). Promptly following the execution of this Purchase Contract, the City shall deliver to the Underwriter two copies of the Official Statement of the City relating to the Bonds executed on behalf of the City by its Mayor (the “*Mayor*”), such Official Statement to be in substantially the form as the Preliminary Official Statement, with only such changes as shall be necessary to reflect the terms of the Bonds or as shall otherwise be approved by the Underwriter. Such final Official Statement together with the cover page, summary statement and all exhibits, appendices, diagrams, reports and statements included therein or attached thereto, as amended to conform to the terms of this Purchase Contract, is herein called the “*Official Statement*.”

Section 4. Offering. It shall be a condition to the City’s obligations to sell and to deliver the Bonds to the Underwriter and to the Underwriter’s obligation to purchase, to accept delivery of and to pay for the Bonds that the entire \$_____ principal amount of the Bonds authorized by the Bond Resolution and the Indenture shall be issued, sold and delivered by the City and purchased, accepted and paid for by the Underwriter at the Closing. The Underwriter agrees to make a bona fide public offering of all of the Bonds, at not in excess of the initial public offering prices or less than the yields set forth on the cover page of the Official Statement, plus interest accrued on the Bonds, if any, from the date of the Bonds. The Underwriter may offer and sell the Bonds to certain dealers (including dealers depositing Bonds into investment trusts) and others at prices lower than the public offering price or prices set forth on the cover page of the Official Statement. The Underwriter also reserves the right (a) to over-allot or effect transactions which stabilize or maintain the market prices of the Bonds at levels above those which might otherwise prevail in the open market and (b) to discontinue such stabilizing, if commenced, at any time without prior notice.

Section 5. Delivery and Use of Documents. Promptly following the execution of this Purchase Contract, the City will deliver or cause to be delivered to the Underwriter: (a) a copy of the Bond Resolution, certified by the City Recorder of the City (the “*City Recorder*”) to have been duly adopted and to be in full force and effect; and (b) two copies of the Official Statement approved by the City Council and executed by the Mayor. The City hereby authorizes the use by the Underwriter of the Bond Resolution, the Indenture and the Official Statement and the

information therein contained in connection with the public offering and sale of the Bonds. The City hereby ratifies and consents to the distribution by the Underwriter prior to the date hereof of the Preliminary Official Statement. The City agrees to provide to the Underwriter within seven business days of the date hereof sufficient copies of the Official Statement to enable the Underwriter to comply with the requirements of paragraph (b)(4) of Rule 15c2-12 and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 6. Representations, Warranties and Agreements. The City hereby represents and warrants to and agrees with the Underwriter as follows:

(a) The City is duly organized and existing under the Constitution and laws of the State of Utah (the “*State*”). The City is authorized by the provisions of the Act, among other things, (i) to issue revenue bonds, such as the Bonds for the purpose of refunding the Refunded Bonds, and (ii) to secure the Bonds in the manner contemplated by the Indenture.

(b) The City has the full legal right, power and authority (i) to adopt the Bond Resolution, (ii) to enter into and deliver this Purchase Contract, the Indenture, that certain Continuing Disclosure Undertaking relating to the Bonds (the “*Undertaking*”) and that certain Escrow Agreement, dated July 1, 2014 (the “*Escrow Agreement*”), between the City and Zions First National Bank, as escrow agent, (iii) to issue, sell and deliver the Bonds to the Underwriter as provided herein, (iv) to refund the Refunded Bonds, (v) to pledge the Revenues to the payment of the Bonds and (vi) to carry out and consummate all other transactions contemplated by each of the aforesaid documents, and the City has complied with all provisions of applicable law, including the Act, in all matters relating to such transactions.

(c) The City has duly authorized and approved (i) the execution and delivery of the Indenture, this Purchase Contract, the Undertaking and the Escrow Agreement, (ii) the distribution and use of the Preliminary Official Statement and execution, delivery and distribution of the Official Statement and (iii) the taking of any and all such action as may be required on the part of the City to carry out, give effect to and consummate the transactions contemplated by such instruments. All consents or approvals necessary to be obtained by the City in connection with the foregoing have been received, and the consents or approvals so received are still in force and effect.

(d) The Bond Resolution has been duly adopted by the City, is in full force and effect, constitutes the legal, valid and binding act of the City and has not been amended, supplemented or modified except as may be described in the Official Statement; this Purchase Contract, the Indenture, the Undertaking and the Escrow Agreement, when executed and delivered, will constitute legal, valid and binding obligations of the City; and the Bond Resolution, this Purchase Contract, the Indenture, the Undertaking and the Escrow Agreement are enforceable against the City in accordance with each of their respective terms, except as enforceability thereof may be subject to applicable bankruptcy, insolvency, moratorium and similar laws affecting creditors’ rights generally and to general principals of equity.

(e) Based on the advice of counsel, the Bonds, when issued, authenticated and delivered in accordance with the Bond Resolution and the Indenture and sold to the Underwriter at the Closing as provided herein, will be legally and validly issued and outstanding obligations of the City, entitled to the benefits of the Indenture and enforceable in accordance with their terms, except as enforceability may be subject to applicable bankruptcy, insolvency, moratorium and similar laws affecting creditors' rights generally and to general principles of equity, and upon such issuance, authentication and delivery the Indenture will provide, for the benefit of the owners from time to time of the Bonds, a legally valid and binding pledge of and lien on the Revenues, and the funds and accounts pledged under the Indenture, subject only to the provisions of the Indenture permitting the application thereof on the terms and conditions set forth in the Indenture, on a parity with all other bonds issued and outstanding under the Indenture.

(f) As of the date of this Purchase Contract, the City has not issued or sold any bonds, notes or other obligations for borrowed money with a lien on the Net Revenues prior to or on a parity with the lien thereon created for the benefit of the Bonds other than its (i) Adjustable Rate Sales Tax Revenue Refunding Bonds, Series 2004, currently outstanding in the aggregate principal amount of \$1,280,000, (ii) Sales Tax Revenue Refunding Bonds, Series 2005A, currently outstanding in the aggregate principal amount of \$31,875,000, (iii) Sales Tax Revenue Bonds, Series 2007A, currently outstanding in the aggregate principal amount of \$5,870,000, (iv) Sales Tax Revenue Bonds, Series 2009A, currently outstanding in the aggregate principal amount of \$30,035,000, (v) Sales and Excise Tax Revenue Bonds, Series 2012A, currently outstanding in the aggregate principal amount of \$14,775,000, (vi) Federally Taxable Sales and Excise Tax Revenue Bonds, Series 2013A, currently outstanding in the aggregate principal amount of \$51,270,000, and (vii) Sales and Excise Tax Revenue Bonds, Series 2013B, currently outstanding in the aggregate principal amount of \$7,315,000.

(g) The City has duly approved and authorized the distribution and use of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement. The Official Statement will be a final official statement, as such term is defined in the Rule 15c2-12, as of its date.

(h) The information relating to the City contained in the Preliminary Official statement was, and in the Official Statement is, true and correct in all material respects, and the Preliminary Official Statement did not and the Official Statement does not contain any untrue or misleading statement of a material fact relating to the City or omit to state any material fact relating to the City necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(i) The City will not take any action from the date hereof through the Closing which would cause the information in the Official Statement to be materially untrue or materially incorrect in any material respect.

(j) If between the date of this Purchase Contract and 25 days following the “end of the underwriting period” (as defined in paragraph (e)(2) of Rule 15c2-12) 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 necessary to make the statements therein, in the light of the circumstance 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 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 so 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 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 Bonds.

(k) The City will enter into the Undertaking to provide ongoing disclosure about the City for the benefit of the Bondholders on or before the Closing as required by Section (b)(5)(i) of Rule 15c2-12, which Undertaking shall be in the form and substance substantially as set forth in APPENDIX F attached to the Official Statement, with such changes as may be agreed to in writing by the Underwriter.

(l) To the extent that it relates to and would have a materially adverse effect on the financial condition of the City, the validity and enforceability of the Indenture or the Bond Resolution or the authorization, execution, delivery or performance by the City of its obligations pursuant to the Bonds, the Bond Resolution, the Indenture, the Undertaking, this Purchase Contract, the Escrow Agreement and the other documents entered into by the City in connection with issuance of the Bonds, the City is not in material breach of or material default under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or to which the City or any of its property or assets is otherwise subject, and no event has occurred and is continuing that with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument; and the execution and delivery of the Bonds, this Purchase Contract, the Indenture, the Undertaking and the Escrow Agreement and the adoption of the Bond Resolution, and compliance with the provisions on the City’s part contained therein and consummation by the City of the transactions contemplated thereby and by the Official Statement, including, without limitation, the refunding of the Refunded Bonds as described in the Official Statement, will not conflict with any constitutional provision, law, administrative rule or regulation, or constitute a material breach of or material default under any judgment, decree, order, indenture, bond, note, resolution, agreement, commitment or other instrument to which the City is a party or to which the City (or any of its officers in their respective capacities as such) or any of its property or assets is

otherwise subject, or any license or permit to which the City is a party, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the property or assets of the City or under the terms of any such law, regulation or instrument, except as provided by the Bonds and the Indenture.

(m) Except as described in the Official Statement, as of the date hereof, no litigation with merit in State or federal court has been served on the City or is, to the best knowledge of the City, threatened against the City affecting the corporate existence of the City or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the collection of the Revenues of the City, or the pledge of and lien on the Revenues, funds and accounts pursuant to the Indenture, or questioning, contesting or affecting as to the City the validity or enforceability of the Act, the Bonds, the Bond Resolution, the Indenture, the Undertaking, this Purchase Contract or the Escrow Agreement, or questioning or contesting the tax-exempt status of interest on the Bonds, or questioning or contesting the completeness or accuracy of the Official Statement or any supplement or amendment thereto, or contesting the powers of the City to carry out the transactions contemplated thereby, or any authority for the issuance of the Bonds, the adoption of the Bond Resolution, the refunding of the Refunded Bonds or the execution and delivery by the City of this Purchase Contract, the Undertaking, the Indenture or the Escrow Agreement, nor, to the best knowledge of the City, is there any basis for any action, suit, proceeding, inquiry or investigation, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Indenture or the Bond Resolution or the authorization, execution, delivery or performance by the City of the Bonds, the Bond Resolution, the Indenture, the Undertaking, this Purchase Contract or the Escrow Agreement.

(n) The audited financial statements of the City for the fiscal year ended June 30, 2013, included in the Preliminary Official Statement and the Official Statement, present fairly the financial position of the City as of the date indicated and such financial statements have been prepared in conformity with generally accepted accounting principles consistently applied in all material respects to the period involved, except as otherwise stated in the notes thereto. Other than as disclosed in the Preliminary Official Statement and in the Official Statement, there has been no material change in the general affairs, management, properties or financial position of the City since the date of such financial statements as set forth in the Preliminary Official Statement or the Official Statement.

(o) Any certificate signed by any official of the City and delivered to the Underwriter shall be deemed a representation and warranty by the City to the Underwriter as to the truth of the statements therein contained.

(p) The City will not knowingly take or omit to take any action, which action or omission will in any way cause the proceeds from the sale of the Bonds to be applied in a manner other than as provided in the Bond Resolution and the Indenture.

(q) The City has, in connection with previous issues of securities, undertaken, in a written agreement or contract for the benefit of holders of such securities, to provide ongoing disclosure as described in Section (b)(5)(i) of Rule 15c2-12, and, except as is specifically disclosed in the Official Statement, the City has complied in all material respects with each such undertaking.

Section 7. Closing. At 9:00 A.M., Mountain Daylight Time, on July 17, 2014, or on such other date and time as may be mutually agreed upon by the City and the Underwriter, the City will deliver the Bonds to the Underwriter in definitive form, duly executed and authenticated, together with the other documents hereinafter mentioned and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof in federal funds. Delivery of and payment for the Bonds as aforesaid shall be made at the offices of Chapman and Cutler LLP ("*Bond Counsel*") in Salt Lake City, Utah, or such other place as shall have been mutually agreed upon by the City and the Underwriter. The Bonds shall be issued in book entry-only form and shall be prepared and delivered as fully registered bonds in such authorized denominations and registered in the name of the Cede & Co., as nominee of The Depository Trust Company.

Section 8. Closing Conditions. The Underwriter have entered into this Purchase Contract in reliance upon the representations and warranties of the City contained herein, and in reliance upon the representations and warranties to be contained in the documents and instruments to be delivered prior to and at the Closing and upon the performance by the City of its obligations hereunder, as of the date hereof and as of the date of the Closing. Accordingly, the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the City of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) The representations and warranties of the City contained herein or required to be delivered hereunder shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing.

(b) At the time of the Closing, the Official Statement shall not have been supplemented or amended, except in any such case as otherwise provided in this Purchase Contract or as may have otherwise been agreed to in writing by the Underwriter.

(c) At the time of the Closing, all official action of the City and of the other parties thereto relating to this Purchase Contract, the Bonds, the Bond Resolution, the Indenture, the Undertaking and the Escrow Agreement shall have been taken and the same shall be in full force and effect in accordance with their respective terms and shall not have been waived, amended, modified or supplemented in any material respect after the date hereof except as may have been agreed to in writing by the Underwriter.

(d) At or prior to the Closing, the Underwriter shall have received copies of each of the following documents:

(i) the Official Statement and each supplement or amendment, if any, thereto, executed on behalf of the City by the Mayor;

(ii) the Bond Resolution, certified by the City Recorder under her seal as having been duly adopted by the City and as being in effect, with only such supplements or amendments as may have been agreed to by the Underwriter;

(iii) originally-executed counterparts or a certified copy of the Indenture, duly executed by the City and the Trustee;

(iv) an opinion, dated the date of the Closing, of Bond Counsel, in substantially the form included in the Official Statement as APPENDIX D;

(v) an opinion and a negative assurance letter of Chapman and Cutler LLP, disclosure counsel to the City, each dated the date of the Closing and addressed to the Underwriter, in substantially the forms attached hereto as *Exhibit B* and *Exhibit C* respectively;

(vi) an opinion of counsel for the City, dated the date of Closing, in form and substance satisfactory to the Underwriter;

(vii) a certificate, in form and substance satisfactory to the Underwriter, of the City or any duly authorized officer or official of the City satisfactory to the Underwriter, dated as of the Closing, to the effect that: (A) each of the City's representations, warranties and covenants contained herein are true and correct as of the Closing; (B) the City has authorized, by all action necessary under the Act and the laws and Constitution of the State, the adoption of the Bond Resolution and the execution, delivery and due performance of the Bonds, this Purchase Contract, the Indenture, the Undertaking and the Escrow Agreement; (C) no litigation with merit in State or federal court has been served on the City to the knowledge of the officer or official of the City signing the certificate after due investigation and inquiry, is threatened, to restrain or enjoin the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Bond Resolution, the Bonds, the Indenture, the Undertaking, this Purchase Contract or the Escrow Agreement; and (D) the Bonds, the Indenture, the Undertaking, this Purchase Contract and the Escrow Agreement, as executed by the City, are in the form or in substantially the form approved for such execution by appropriate proceedings of the City;

(viii) a transcript of all proceedings relating to the authorization and issuance of the Bonds, certified by the City Recorder;

(ix) evidence satisfactory to the Underwriter that the Bonds shall have received an uninsured rating from Moody's Investors Service, Inc. ("*Moody's*") and Standard and Poor's Ratings Services, McGraw-Hill Financial ("*S&P*"), of "____" and "____," respectively;

(x) Specimen Bond;

(xi) a letter from Eide Bailly LLP, in which consent is given to the use of its reports on the audited financial statements of the City in the Preliminary Official Statement and the Official Statement and to the references made to the firm in the Preliminary Official Statement and the Official Statement;

(xii) an executed counterpart of the Escrow Agreement;

(xiii) an executed counterpart of the Undertaking of the City;

(xiv) a certificate of the Trustee, executed by an authorized officer thereof, as to such matters as Bond Counsel may request, in form and substance satisfactory to Bond Counsel; and

(xv) such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the City on or prior to the date of the Closing of all the agreements then to be performed and conditions then to be satisfied by it.

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.

If the City shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Contract, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate as provided in Section 9 hereof and neither the Underwriter nor the City shall be under further obligation hereunder, except that the respective obligations of the City and the Underwriter set forth in Section 10 hereof shall continue in full force and effect.

Section 9. Termination. The Underwriter shall have the right to terminate the Underwriter's obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds by notifying the City of its election to do so if, after the execution hereof and prior to the Closing: (a) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency; (b) there shall have occurred the declaration of a general banking moratorium by any authority of the United States or the State of New York or the State; (c) there shall be in force a general suspension of trading on the New York Stock Exchange as a result of an event affecting the national economy; or (d) any rating of the Bonds shall have been downgraded or withdrawn, and such action, in the opinion of the Underwriter, will materially adversely affect the market price of the Bonds.

Section 10. Expenses. (a) The Underwriter shall be under no obligation to pay, and the City shall pay, or cause to be paid, any expenses incident to the performance of the City's obligations hereunder including, but not limited to: (i) the cost of preparation of the Bond Resolution and the Indenture; (ii) the cost of preparation and printing of the Official Statement and any supplements and amendments thereto; (iii) the cost of preparation and printing of the Bonds, including any fees and expenses of The Depository Trust Company in connection with the issuance of the Bonds in book-entry form; (iv) the fees and disbursements of Bond Counsel; (v) the fees and disbursements of the Trustee; (vi) the fees and disbursements of Lewis Young Robertson & Burningham, Inc., as financial advisor; (vii) the fees and disbursements of any other engineers, accountants, and any other experts, consultants or advisers retained by the City; and (viii) the fees for ratings on the Bonds.

(b) The City shall be under no obligation to pay and the Underwriter shall pay: (i) all advertising expenses and Blue Sky filing fees, if any, in connection with the public offering of the Bonds; (ii) all travel and out-of-pocket expenses incurred by them in connection with their purchase and acceptance of the Bonds; and (iii) all other expenses incurred by them in connection with the public offering of the Bonds.

Section 11. Notices. 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 Salt Lake City Corporation, Treasurer's Office, P.O. Box 145462, Salt Lake City, Utah 84114-5462, and 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 KeyBanc Markets Inc., 227 West Monroe Street, 17th Floor, Chicago, Illinois 60606.

Section 12. Parties in Interest. This Purchase Contract is made solely for the benefit of the City and the Underwriter and no other person shall acquire or have any right hereunder or by virtue hereof. All of the City's representations, warranties and agreements contained in this Purchase Contract shall remain operative and in full force and effect, regardless of (a) any investigations made by or on behalf of the Underwriter, (b) delivery of and payment for the Bonds pursuant to this Purchase Contract, or (c) any termination of this Purchase Contract.

[*Section 13. MSRB Rule G-17 Acknowledgements.* The City acknowledges and agrees that (a) the purchase and sale of the Bonds pursuant to this Purchase Contract is an arm's-length commercial transaction between the City and the Underwriter, (b) 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 are not acting as the agent, advisor or fiduciary of the City, (c) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of 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 City on other matters) and the Underwriter has no obligation to the City with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Contract, (d) the Underwriter is not acting as municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended), (e) the City consulted its own legal, financial and other advisors to the extent deemed appropriate in connection with the offering of the Bonds, and (f)

the City received from the Underwriter its letter dated April 30, 2014, addressed to the City concerning the Underwriter's disclosure obligations relating to the Bonds under MSRB Rule G-17 and the City, on _____, 2014, acknowledged receipt of such letter.]

Section 14. Effectiveness. This Purchase Contract shall become effective upon the execution of the acceptance hereof by the Mayor and shall be valid and enforceable at the time of such acceptance.

Section 15. Headings. The headings of the sections of this Purchase Contract are inserted for convenience only and shall not be deemed to be a part hereof.

Section 16. Counterparts. This Purchase Contract may be signed in various counterparts which shall together constitute one and the same instrument.

Section 17. Governing Law. This Purchase Contract shall be governed by and construed in accordance with the laws of the State.

Section 18. REPRESENTATION REGARDING ETHICAL STANDARDS FOR CITY OFFICERS AND EMPLOYEES AND FORMER CITY OFFICERS AND EMPLOYEES. The Underwriter represents that it has not: (1) provided an illegal gift or payoff to a City officer or employee or former City officer or employee, or his or her relative or business entity; (2) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, or brokerage or contingent fee, other than bona fide employees or bona fide commercial selling agencies for the purpose of securing business; (3) knowingly breached any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code; or (4) knowingly influenced, and hereby promises that it will not knowingly influence, a City officer or employee or former City officer or employee to breach any of the ethical standards set forth in the City's conflict of interest ordinance, Chapter 2.44, Salt Lake City Code.

(Signature page follows.)

Very truly yours,

KEYBANC CAPITAL MARKETS INC.

By _____
Its _____

ACCEPTED:

This ____ day of _____, 2014

SALT LAKE CITY, UTAH

By _____
Mayor

ATTESTED AND COUNTERSIGNED::

By _____
City Recorder

APPROVED AS TO FORM:

By _____
Senior City Attorney

[SEAL]

EXHIBIT A

MATURITIES AND INTEREST RATES OF THE SERIES 2014A BONDS

<u>DUE</u> <u>OCTOBER 1</u>	<u>AMOUNT</u> <u>MATURING</u>	<u>INTEREST</u> <u>RATE</u>	<u>DUE</u> <u>OCTOBER 1</u>	<u>AMOUNT</u> <u>MATURING</u>	<u>INTEREST</u> <u>RATE</u>
	\$	%		\$	%

Interest Payment Dates April 1 and October 1 of each year, commencing _____ 1, 20__.

EXHIBIT B

OPINION OF CHAPMAN AND CUTLER LLP, AS DISCLOSURE COUNSEL

[To be provided.]

EXHIBIT C

**NEGATIVE ASSURANCES LETTER OF
CHAPMAN AND CUTLER LLP, AS DISCLOSURE COUNSEL**

[To be provided.]

ESCROW AGREEMENT

Between

SALT LAKE CITY, UTAH

AND

ZIONS FIRST NATIONAL BANK, as Escrow Agent

\$ _____

**SALT LAKE CITY, UTAH
FEDERALLY TAXABLE SALES AND
EXCISE TAX REVENUE REFUNDING BONDS
SERIES 2014A**

providing for the refunding of [a portion of] the City's

**Sales Tax Revenue Refunding Bonds
Series 2005A**

DATED AS OF JULY 1, 2014

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ESCROW AGREEMENT

THIS ESCROW AGREEMENT, dated as of July 1, 2014, by and between SALT LAKE CITY, UTAH, a body corporate and a political subdivision of the State of Utah, organized and existing under the laws of the State of Utah (the “*City*”), and ZIONS FIRST NATIONAL BANK, a national banking association duly organized and existing under the laws of the United States of America (the “*Escrow Agent*”), for and in consideration of the mutual covenants herein contained and in consideration of Five Dollars (\$5.00) duly paid by the City to the Escrow Agent, the receipt whereof is hereby acknowledged,

WITNESSETH:

ARTICLE I

DEFINITIONS

The following words and terms used in this Escrow Agreement shall have the following meanings unless the context or use clearly indicates another or different meaning:

“*Act*” means, collectively, the Utah Refunding Bond Act, Chapter 27 of Title 11 of the Utah Code, the Registered Public Obligations Act, Chapter 7 of Title 15 of the Utah Code, and other applicable provisions of law.

“*Agreement*” means this Escrow Agreement between the City and the Escrow Agent.

“*Bond Resolution*” means that certain resolution adopted by the City Council on June 10, 2014, authorizing (a) the issuance of the Bonds for the purpose of, among other things, refunding the Refunded Bonds and (b) this Agreement.

“*Bonds*” means the \$_____ Federally Taxable Sales and Excise Tax Revenue Refunding Bonds, Series 2014A, authorized to be issued by the Bond Resolution.

“*City*” means Salt Lake City, Utah.

“*City Council*” means the City Council of the City.

“*City Recorder*” means the City Recorder of the City, or in the case of the absence or disability of the City Recorder, any Deputy City Recorder.

“*City Treasurer*” means the City Treasurer of the City or, in the case of the absence or disability of the City Treasurer, the Debt Manager of the City.

“*Code*” means the Internal Revenue Code of 1986, as amended.

“*Escrow Account*” means the irrevocable trust account established under this Agreement by the deposit of the Escrow Investments.

“*Escrow Agent*” means Zions First National Bank, in its capacity as Escrow Agent hereunder or its successor.

“*Escrow Investments*” means the Escrow SLGS.

“*Escrow SLGS*” means the U.S. Treasury Certificates of Indebtedness and Notes of the State and Local Government Series, purchased with a portion of the proceeds of the Bonds and deposited hereunder, as more particularly described in *Exhibit A* attached hereto.

“*Government Securities*” means direct obligations of the United States of America, or other securities the principal of and interest on which are unconditionally guaranteed by the United States of America.

“*Indenture*” means that certain Master Trust Indenture, dated as of September 1, 2004, as heretofore amended and supplemented, including by that certain Second Supplemental Trust Indenture, dated as of June 1, 2005, relating to the 2005A Refunded Bonds, and as further amended and supplemented by that certain Ninth Supplemental Trust Indenture, dated as of July 1, 2014, relating to the Bonds, each between the City and Zions First National Bank, as trustee.

“*Mayor*” means the Mayor of the City, or in the event of his or her absence or disability, the Deputy Mayor or other person duly authorized to perform the duties of the Mayor.

“*Refunded Bonds*” means that portion of the City’s currently outstanding Sales Tax Revenue Refunding Bonds, Series 2005A, in the aggregate principal amount of \$_____ and maturing on October 1 of each of the years, in the principal amounts and bearing interest at the rates per annum, as follows:

SCHEDULED MATURITY (OCTOBER 1)	PRINCIPAL AMOUNT	INTEREST RATE
	\$	%

TOTAL	\$_____	

“*Report*” means the opinion and report of _____, Certified Public Accountants, delivered simultaneously herewith.

ARTICLE II

RECITALS

Section 2.01. This Agreement is entered into pursuant to authority contained in the Act, the Bond Resolution and the Indenture, and is executed by the Mayor, the City Treasurer and the City Recorder pursuant to authority contained in the Bond Resolution. This Agreement is irrevocable and is not subject to amendment except as otherwise expressly provided in Article VII hereof.

Section 2.02. The City Council adopted the Bond Resolution authorizing the issuance of the Bonds for the purpose, among other things, of refunding the Refunded Bonds. A certified copy of the Bond Resolution has been heretofore delivered to the Escrow Agent by the City. The Bonds have been sold, and it is contemplated that they will be delivered to the purchasers thereof on or about July 17, 2014. The Bond Resolution and the Indenture provide that a portion of the proceeds from the sale of the Bonds shall, simultaneously with the delivery of the Bonds, be deposited with the Escrow Agent in trust in accordance with the provisions of this Agreement.

Section 2.03. The Refunded Bonds are payable at the principal corporate trust office of the paying agent for the Refunded Bonds.

Section 2.04. The Refunded Bonds were issued pursuant to the Indenture. The Refunded Bonds are outstanding in the aggregate principal amount, bear interest and mature as set forth in the definition of such term. The Refunded Bonds are subject to redemption on any date on or after October 1, 2015, at a redemption price equal to 100% (expressed as a percentage of the principal amount of the Refunded Bonds so called for redemption) plus accrued interest thereon to the redemption date. The Refunded Bonds will be called for redemption on October 1, 2015, pursuant to the Bond Resolution and the Indenture.

ARTICLE III

CREATION OF ESCROW

Section 3.01. The City by the Bond Resolution and the Indenture has authorized the issuance and delivery of the Bonds, \$_____ of the proceeds of which are to be used[, together with \$_____ of legally available funds of the City,] to refund the Refunded Bonds by the deposit with the Escrow Agent of moneys that are sufficient to provide a beginning deposit on demand and to purchase the Escrow Investments on behalf of the City. As provided in the Report, such beginning deposit and the Escrow Investments will provide all moneys necessary to pay the principal or redemption price of and interest on the Refunded Bonds when due pursuant to regularly scheduled interest payments and calls for redemption.

Section 3.02. The City will deposit \$_____ from the proceeds of sale of the Bonds, [together with \$_____ of legally available funds of the City,] \$_____ of which shall be used for the purchase of the Escrow Investments and \$_____ of which shall be used for the funding of the beginning cash deposit on demand with the Escrow Agent. The beginning deposit and the Escrow Investments are to be held in the Escrow Account for the City for the benefit of the owners and holders of the Refunded Bonds to pay the principal and redemption price of and interest on the Refunded Bonds as the same fall due on each interest payment date, at maturity or on the redemption date, as set forth in the cash flow schedules to the Report, and the same are hereby irrevocably pledged to the payment of the principal or redemption price of and interest on the Refunded Bonds in accordance herewith.

ARTICLE IV

COVENANTS OF ESCROW AGENT

Section 4.01. The Escrow Agent covenants and agrees with the City as follows:

(1) The Escrow Agent will hold the Escrow Investments and all interest income or profit derived therefrom and all uninvested deposits in an irrevocable segregated and separate trust fund account solely and exclusively for the purposes for which escrowed.

(2) The Escrow Agent at the written direction of the City Treasurer shall invest any uninvested cash in the Escrow Account in Government Securities to mature when needed as set forth in the cash flow schedules to the Report; *provided, however*, that Government Securities shall be purchased only if there is an established market for such securities and the market price is paid therefor. In the event moneys cannot be invested as described in the preceding sentence due to the denomination, price or availability of such investments, such amounts shall be held uninvested, but only to the minimum extent necessary. The Escrow Agent shall hold balances not so invested in the Escrow Account on demand and in trust for the purposes hereof and such demand deposits shall be secured as required by OCC regulations.

(3) The Escrow Agent will take no action in the investment or securing of the proceeds of the Escrow Investments that would cause the Refunded Bonds to be classified as “arbitrage bonds” under Section 148 of the Code and all lawful regulations promulgated thereunder; *provided*, it shall be under no duty to affirmatively inquire whether the Escrow Investments as deposited are properly invested under said Section; and, *provided further*, it may rely on all specific directions in this Agreement in the investment or reinvestment of balances held hereunder.

(4) The Escrow Agent will promptly collect all principal, interest or profit from the Escrow Investments and promptly apply the same as necessary to the payment of the redemption price of and interest on the Refunded Bonds as the same become due on each interest payment date, maturity date and redemption date, and as will meet the requirements for the retirement of the Refunded Bonds as set forth in the Cash Flow

Schedules to the Report, and such payments shall fully release and discharge the Escrow Agent from any further duty or obligation thereto under this Agreement.

(5) The Escrow Agent will remit to the paying agent for the Refunded Bonds, in good funds on or before each interest payment date or redemption date of the Refunded Bonds, moneys sufficient to pay such interest and redemption price as will meet the requirements for the retirement of the Refunded Bonds and such remittances shall fully release and discharge the Escrow Agent from any further duty or obligation thereto under this Agreement.

(6) No fees of the Escrow Agent, any paying agent on the Refunded Bonds or the paying agent on the Bonds, or any other charges, may be paid from the money or Escrow Investments in the Escrow Account prior to retirement of the Refunded Bonds, and the City agrees that it will pay all such fees as such payments become due. Neither the Escrow Agent, any paying agent on the Refunded Bonds nor the paying agent on the Bonds will have any lien on or with respect to the money or Escrow Investments in the Escrow Account.

(7) The Escrow Agent has all the powers and duties herein set forth with no liability in connection with any act or omission to act hereunder, except for its own negligence or willful breach of trust, and shall be under no obligation to institute any suit, action or other proceeding under this Agreement or to enter any appearance in any suit, action or proceeding in which it may be defendant or to take any steps in the enforcement of its, or any, rights and powers hereunder, nor shall be deemed to have failed to take any such action, unless and until it shall have been indemnified by the City to the Escrow Agent's satisfaction against any and all costs and expenses, outlays, counsel fees and other disbursements, including its own reasonable fees, and if any judgment, decree or recovery be obtained by the Escrow Agent, payment of all sums due it, as aforesaid, shall be a first charge against the amount of any such judgment, decree or recovery.

(8) The Escrow Agent will submit to the City Treasurer a statement within ten (10) days after June 30 of each year, commencing June 30, 2015, itemizing all moneys received by it and all payments made by it under the provisions of this Agreement during the preceding 12-month period (or shorter period from the date of execution hereof to June 30, 2015), and also listing the Escrow Investments on deposit therewith on the date of said report, including all moneys held by it received as interest on or profit from the collection of the Escrow Investments.

(9) If at any time it shall appear to the Escrow Agent that the available proceeds of the Escrow Investments and deposits on demand in the Escrow Account will not be sufficient to make any payment due to the owners or holders of any of the Refunded Bonds, the Escrow Agent shall, to the extent possible, notify the City Treasurer and the City not less than five (5) days prior to the date such payment is due to the owners or holders of any of the Refunded Bonds and the City agrees that it will from any funds legally available for such purpose make up the anticipated deficit so that no default in the making of any such payment will occur.

ARTICLE V

COVENANTS OF CITY

Section 5.01. The City covenants and agrees with the Escrow Agent as follows:

(a) The Escrow Agent shall have no responsibility or liability whatsoever for (i) any of the recitals of the City herein, (ii) the performance of or compliance with any covenant, condition, term or provision of the Bond Resolution and (iii) any undertaking or statement of the City hereunder or under the Bond Resolution and the Indenture.

(b) Except as herein otherwise expressly provided, all payments to be made by, and all acts and things required to be done by, the Escrow Agent under the terms and provisions of this Agreement, shall be made and done by the Escrow Agent without any further direction or authority of the City.

ARTICLE VI

NOTICE OF REDEMPTION

Section 6.01. The Escrow Agent, as agent for the City and as trustee for the Refunded Bonds, shall cause notice of the call for redemption of the Refunded Bonds to be given by first class mail, postage prepaid, not less than 30 nor more than 60 days prior to the redemption date, to the registered owner, as of the record date, of each Refunded Bond which is subject to redemption, at the address of such registered owner as it appears in the registration books of the City kept by the trustee, or at such other address as is furnished to the trustee in writing by such registered owner on or prior to the record date. Such notice of redemption shall specify the date for the redemption of the Refunded Bonds, which shall be October 1, 2015. The Escrow Agent acknowledges receipt of a copy of the form of such notice of redemption. Such notice shall be in substantially the form set forth in *Schedule 1* attached hereto.

Section 6.02. The Escrow Agent shall further give such notice of redemption at least two (2) business days in advance of the mailed notice to the holders described in Section 6.01 above as required under DTC's then-current operating procedures and as required by Section 207 of the Second Supplemental Trust Indenture, relating to the Refunded Bonds, to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Refunded Bonds.

Section 6.03. The City acknowledges that pursuant to the Continuing Disclosure Undertaking, dated June 21, 2005 (the "*Original Undertaking*"), it is required to provide a notice of defeasance. The City hereby authorizes and directs the Escrow Agent, and the Escrow Agent agrees, to give such notice in substantially the form attached hereto as *Schedule 2*.

ARTICLE VII

AMENDMENTS, REINVESTMENT OF FUNDS, IRREVOCABILITY OF AGREEMENT

Section 7.01. This Agreement may be amended or supplemented for any one or more of the following purposes: (a) to make provision for the curing of any ambiguity, or of curing or correcting any defective provision contained in this Agreement, or of severing any provision of this Agreement that has been determined to be illegal by a court of competent jurisdiction, and (b) to add to the covenants and agreements of the City or the Escrow Agent contained in this Agreement, other covenants and agreements thereafter to be observed by the City or the Escrow Agent or to make any other provision for the purpose of protecting the rights of the owners and holders of the Refunded Bonds or the Bonds (any such amendment or supplement to be referred to as a “*Subsequent Action*”), upon submission to the Escrow Agent of each of the following:

(i) Certified copy of proceedings of the City Council authorizing the Subsequent Action and a copy of the document effecting the Subsequent Action signed by duly designated officers of the City.

(ii) An opinion of nationally recognized bond counsel or tax counsel nationally recognized as having an expertise in the area of tax-exempt municipal bonds to the effect that (A) the Subsequent Action will not (I) cause interest on the Refunded Bonds to become includible in the gross income of the owners or holders thereof for federal income tax purposes, or (II) violate the covenants of the City not to cause the Refunded Bonds to become “arbitrage bonds” under Section 148 of the Code, and (B) the Subsequent Action is a permitted Subsequent Action under the terms of Section 7.01 or 7.02 hereof and does not adversely affect the legal rights of the owners or holders of the Bonds or the Refunded Bonds.¹

(iii) An opinion of a firm of nationally recognized independent certified public accountants to the effect that the amounts (which will consist of cash or deposits on demand held in trust or receipts from direct full faith and credit obligations of the United States of America, not subject to call and redemption prior to maturity, all of which shall be held hereunder) available or to be available for payment of the Refunded Bonds will remain sufficient to pay when due the redemption price of and interest on the Refunded Bonds after the taking of the Subsequent Action; *provided, however*, that in no event shall such direct full faith and credit obligations of the United States of America so on deposit include money market funds consisting of investments in such obligations.

Section 7.02. Except as provided in Section 7.01 hereof, all of the rights, powers, duties and obligations of the Escrow Agent hereunder shall be irrevocable and shall not be subject to

¹ *Provided, however*, that such opinion shall be in such form and may contain such disclosures and disclaimers as requested by the City, in its discretion, to the end that the opinion will or will not constitute a State or Local Bond Opinion, a Covered Opinion, or a Limited Scope Opinion, and will specify a confidence level of at least more likely than not as directed by the City (as such capitalized terms are defined in U.S. Treasury Circular 230).

amendment by the Escrow Agent and shall be binding on any successor to the Escrow Agent during the term of this Agreement.

Section 7.03. Except as provided in Section 7.01 hereof, all of the rights, powers, duties and obligations of the City hereunder shall be irrevocable and shall not be subject to amendment by the City and shall be binding on any successor to the officials now comprising the City Council or the officials of the City during the term of this Agreement.

ARTICLE VIII

NOTICES TO THE CITY, THE CITY TREASURER AND THE ESCROW AGENT

Section 8.01. All notices and communications to the City shall be addressed in writing to: Salt Lake City, Attention: City Recorder, 451 South State Street, Salt Lake City, Utah 84111, or such other address as may be directed by the City from time to time by written instruction.

Section 8.02. All notices and communications to the City Treasurer shall be addressed in writing to: City Treasurer, Salt Lake City, 451 South State Street, Room 228, Salt Lake City, Utah 84111, or such other address as may be directed by the City Treasurer from time to time by written instruction.

Section 8.03. All notices and communications to the Escrow Agent shall be addressed in writing to: Zions First National Bank, One South Temple, Twelfth Floor, Salt Lake City, Utah, 84133, Attention: Corporate Trust Department, or such other address as may be directed by the Escrow Agent from time to time by written instruction.

ARTICLE IX

TERMINATION OF AGREEMENT

Section 9.01. Upon final disbursement of funds sufficient to pay the redemption price of and interest on the Refunded Bonds as hereinabove provided for, the Escrow Agent will transfer, with due notice thereof mailed to the City Treasurer and the City, any balance remaining in the Escrow Account to the trustee for the Bonds for deposit into the Principal and Interest Fund established under the Indenture and used to pay interest on the Bonds. Thereupon, this Agreement shall terminate.

ARTICLE X

COUNTERPARTS

Section 10.01. This Agreement may be executed in counterparts, each of which shall constitute an original.

IN WITNESS WHEREOF, the City has caused this Agreement to be signed in its official name by its Mayor and City Treasurer and attested and countersigned by the City Recorder and its official seal to be hereunto affixed, and Zions First National Bank has caused this Agreement to be signed in its corporate name by one of its Vice Presidents, all as of the day and year first above written.

SALT LAKE CITY, UTAH

By _____
Mayor

By _____
City Treasurer

[SEAL]

ATTEST AND COUNTERSIGN:

By _____
City Recorder

APPROVED AS TO FORM:

By _____
Senior City Attorney

ZIONS FIRST NATIONAL BANK,
as Escrow Agent

By _____
Vice President

EXHIBIT A

ESCROW SLGS

See attached.

SCHEDULE 1

[FORM OF NOTICE OF REDEMPTION]

NOTICE OF REDEMPTION

**SALT LAKE CITY, UTAH
SALES TAX REVENUE REFUNDING BONDS
SERIES 2005A**

NOTICE IS HEREBY GIVEN that Salt Lake City, Utah (the “*Issuer*”), has called and does hereby call for redemption, on October 1, 2015 (the “*Date Fixed for Redemption*”), \$_____ Sales Tax Revenue Refunding Bonds, Series 2005A, dated June 21, 2005 (the “*Bonds*”), of the Issuer, identified under the caption “PRINCIPAL AMOUNT REFUNDED” below and maturing on October 1 of each of the years, in the principal amount, bearing interest at the rate per annum and with the CUSIP number, all as follows:

SCHEDULED MATURITY (OCTOBER 1)	PRINCIPAL AMOUNT REFUNDED	INTEREST RATE	CUSIP NUMBER*
	\$	%	

at Zions First National Bank, in Salt Lake City, Utah (the “*Trustee*” or “*Paying Agent*”), at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus accrued interest thereon to the Date Fixed for Redemption.

The redemption price of each Bond hereby called for redemption shall be paid on and after the Date Fixed for Redemption upon surrender of such Bond at either of the following addresses:

By Hand:

By Mail:

Interest due on the Date Fixed for Redemption on each Bond so called for redemption shall be paid by check or draft of the Trustee for the Bonds mailed to the registered owner of the Bond at the address appearing on the bond register of the City maintained by the Trustee on the Record Date.

* No representation is made as to the correctness of the CUSIP Number either as printed on the Bonds or as contained in this Notice of Redemption.

NOTICE IS FURTHER GIVEN that funds necessary to pay the redemption price for each such Bond will be available at the place of payment on the Date Fixed for Redemption and interest on each such Bond shall cease to accrue from and after such Date Fixed for Redemption and on the Date Fixed for Redemption there will become due and payable on each of said Bonds the principal thereof and interest accrued thereon to the Date Fixed for Redemption.

Under the provisions of the Internal Revenue Code of 1986, as amended, paying agents making payments of principal on municipal securities may be obligated to withhold a _____% tax from remittances to individuals who have failed to furnish the Paying Agent with a valid Taxpayer Identification Number. Holders of the above-described Bonds who wish to avoid the imposition of this tax should submit certified Taxpayer Identification Numbers when presenting their Bonds for collection.

GIVEN BY ORDER of Salt Lake City, Utah, this _____ day of _____,
_____.

ZIONS FIRST NATIONAL BANK,
as Escrow Agent

By _____
Its _____

SCHEDULE 2

[FORM OF NOTICE OF REFUNDING AND DEFEASANCE]

NOTICE OF REFUNDING AND DEFEASANCE
OF
SALT LAKE CITY, UTAH

SALES TAX REVENUE REFUNDING BONDS
SERIES 2005A

MATURITY DATE (OCTOBER 1)	PRINCIPAL AMOUNT	INTEREST RATE	CUSIP NUMBER
	\$	%	

NOTICE IS HEREBY GIVEN that for the payment of the interest on and principal of the bonds described above (the “*Bonds*”), there have been deposited in escrow with Zions First National Bank, Salt Lake City, Utah (the “*Escrow Agent*”), moneys which have been invested in direct obligations of the United States of America, or other securities the principal of and interest on which are unconditionally guaranteed by the United States of America or held in cash. The projected principal payments to be received from such securities and the projected interest income therefrom have been calculated to be sufficient, with such cash, to pay the principal and interest requirements on such Bonds when due through and including the redemption prior to maturity of the Bonds on October 1, 2015.

DATED this ____ day of _____, 2014.

ZIONS FIRST NATIONAL BANK,
as Escrow Agent