

ESCROW DEPOSIT AGREEMENT

THIS ESCROW DEPOSIT AGREEMENT is entered into as of February 19, 2014, between the North Ogden City, Utah (the “Issuer”), and Wells Fargo Bank, N.A., as Escrow Agent (the “Escrow Agent”).

WITNESSETH:

WHEREAS, the Issuer is a body corporate and political subdivision of the State of Utah; and

WHEREAS, the Escrow Agent is a national banking association organized and existing under the laws of the United States, having its principal corporate trust office in Denver, Colorado; and

WHEREAS, the Issuer has previously issued its Sales Tax Revenue Bonds, Series 2004 (the “Refunded Bonds”); and

WHEREAS, the Issuer desires to advance refund the Refunded Bonds. The Refunded Bonds were originally scheduled to mature on the dates and in the amounts, and bear interest at the rates, as follows:

<u>Maturity Date (Nov. 1)</u>	<u>Maturity Amount</u>	<u>Interest Rate</u>	<u>CUSIP</u>
2014	\$190,000	3.750%	661280 AK 3
2015	200,000	4.000%	661280 AL 1
2016	210,000	4.000%	661280 AM 9
2017	220,000	4.500%	661280 AN 7
2018	230,000	4.500%	661280 AP 2
2019	220,000	4.500%	661280 AQ 0
2020	230,000	5.000%	661280 AR 8
2021	245,000	5.000%	661280 AS 6
2022	260,000	5.000%	661280 AT 4
2023	275,000	4.450%	661280 AU 1
2024	195,000	5.000%	661280 AV 9

WHEREAS, the Issuer has determined to refund the Refunded Bonds by issuing \$2,550,000 aggregate principal amount of its Sales Tax Revenue Refunding Bonds, Series 2014 (the “Series 2014 Bonds”) to be issued pursuant to a resolution adopted by the Issuer on February 11, 2014 (the “Resolution”); and

WHEREAS, the refunding of all the Refunded Bonds will be accomplished by causing to be deposited with the Escrow Agent, from a portion of the net proceeds of the Series 2014 Bonds, moneys sufficient, together with a cash contribution by the Issuer in the amount of \$56,206.25 and together with investment income thereon to pay the

principal and interest requirements on the Refunded Bonds when due at maturity and through prior redemption as provided herein; and

WHEREAS, the Issuer and the Escrow Agent, acting in its capacity as escrow agent, desire to enter into this Escrow Deposit Agreement to provide for the taking of certain actions so as to accomplish the refunding of the Refunded Bonds with the net proceeds of the Series 2014 Bonds;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

Section 1. The Escrow Agent hereby accepts the Escrow Fund (hereinafter described) created hereunder and acknowledges receipt from the Issuer of the sum of \$2,529,962.45 from the net proceeds of the Series 2014 Bonds, plus a cash contribution from the Issuer in the amount of \$56,206.25, for a total receipt from the issuer of the sum of \$2,586,168.70. Of such amounts, \$2,586,168.00 will be used to purchase the United States Treasury Securities – State and Local Government Series (“SLGS”) hereinafter described in Exhibit “A”, with a cash balance of \$0.70. The maturing principal of and interest on the SLGS, will produce amounts sufficient to pay the principal, premium, if any, and interest requirements on Refunded Bonds through November 1, 2014. The SLGS shall be deposited in the Escrow Fund in accordance with the terms of the Resolution. The Issuer acknowledges that to the extent that regulations of the Comptroller of the Currency or other applicable regulatory agency grant the Issuer the right to receive brokerage confirmations of security transactions, the Issuer waives receipt of such confirmations. The Escrow Agent will provide periodic statements which will include detail of all investment transactions made in the Escrow Fund.

Section 2. There is hereby created and established with the Escrow Agent a special and irrevocable escrow fund designated the “North Ogden City, Utah Sales Tax Revenue Refunding Bonds, Series 2014, Escrow Fund” (the “Escrow Fund”) to be held by the Escrow Agent, acting as escrow agent, as a trust fund for the benefit of the holders of the Refunded Bonds. The Escrow Fund shall be held by the Escrow Agent separate and apart from other funds of the Issuer or the Escrow Agent. The Issuer agrees that if the funds deposited into the Escrow Fund pursuant to Section 1 hereof are insufficient to fully retire and complete the refunding of the Refunded Bonds, that any shortfall shall be deposited by the Issuer into the Escrow Fund.

Section 3. All costs and expenses related to the issuance of the Series 2014 Bonds and the refunding of the Refunded Bonds shall be paid from the proceeds of the Series 2014 Bonds as provided in the Resolution.

Section 4. The Escrow Agent, acting in its capacity as escrow agent, agrees that the total principal amount of and interest on the SLGS will be held in trust for the holders of the Refunded Bonds and irrevocably agrees to apply said principal amount and interest, as the same become due, along with the beginning cash balance, if any, to the

payment of the principal, premium, if any, and interest requirements on the Refunded Bonds through their final maturities or prior redemption dates.

Section 5. (a) The Escrow Agent agrees to pay principal of, premium, if any, and interest on the Refunded Bonds as aforesaid notwithstanding any failure by the Issuer to pay when due any further fees or expenses of the Escrow Agent or any Paying Agent or Trustee relating to the Refunded Bonds. It is expressly understood that any such fees or expenses incurred by the Escrow Agent acting as escrow agent will be reimbursed by the Issuer as provided in this Section 5 and in Section 11 hereof.

(b) The Issuer agrees to pay to the Escrow Agent upon the execution and delivery of this Agreement such amounts as maybe necessary to pay the fees and expenses of the Escrow Agent acting as escrow agent.

Section 6. Except as provided in Sections 1 and 7 hereof, the Escrow Agent shall not have power or duty to invest any funds held under this Escrow Deposit Agreement or to sell, transfer or otherwise dispose of or make substitutions of the SLGS.

Section 7. (a) This Escrow Deposit Agreement may be amended or supplemented, the SLGS or any portion thereof or proceeds thereof sold, redeemed, invested or reinvested, or proceeds thereof disbursed, in any manner (any such amendment, supplement or direction to sell, redeem, invest or disburse to be referred to as a "Subsequent Action"), upon submission to the Escrow Agent of each of the following:

(i) A certified copy of the proceedings of the Issuer authorizing the Subsequent Action and a copy of the document effecting the Subsequent Action signed by duly designated officers of the Issuer.

(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 the Subsequent Action will not cause the interest on the Series 2014 Bonds or the Refunded Bonds to become included in gross income for federal income tax purposes under the laws of the United States of America providing for taxation of income nor violate the covenants of the Issuer nor to cause the Series 2014 Bonds or the Refunded Bonds to become "arbitrage bonds" under Section 148 of the Internal Revenue Code of 1986, as amended, and that the Subsequent Action does not materially adversely affect the legal rights of the holders of the Series 2014 Bonds or Refunded Bonds.

(iii) An opinion 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 callable or redeemable at the option of the issuer thereof), available or to be available for payment of the Refunded Bonds will remain sufficient to pay when due all principal of, premium, if any, and interest on the Refunded Bonds after the taking of the Subsequent Action.

(b) Except as provided in Paragraph (a) hereof, all of the rights, powers, duties and obligations of the Escrow Agent hereunder shall be irrevocable and shall not be subject to amendment by the Escrow Agent and shall be binding on any successor to the Escrow Agent during the term of this Escrow Deposit Agreement.

(c) Except as provided in Paragraph (a) hereof, all of the rights, powers, duties and obligations of the Issuer hereunder shall be irrevocable and shall not be subject to amendment by the Issuer and shall be binding on any successor to the officials now comprising the City Council of the Issuer during the term of this Escrow Deposit Agreement.

Section 8. (a) The Refunded Bonds are to be called on September 15, 2014, for redemption on November 1, 2014. The Refunded Bonds will be called for redemption on their respective redemption date at a redemption price of 100% of the principal amount thereof to be redeemed plus accrued interest to the respective date of redemption.

(b) The Issuer hereby irrevocably instructs the Escrow Agent to instruct Wells Fargo Bank, N.A., as Trustee for the Refunded Bonds to mail to the holders of the Refunded Bonds on behalf of the Issuer, a notice of refunding of the Refunded Bonds, in substantially the form attached hereto as Exhibit "B", that provision for the refunding, redemption and retirement of the Refunded Bonds has been made as provided in this Escrow Agreement. The Trustee for the Refunded Bonds shall provide the Escrow Agent with a list of the current holders of the Refunded Bonds at the time of execution and delivery hereof. Such notice shall be mailed by first class mail, postage prepaid as soon as practicable after the execution and delivery hereof.

(c) The Issuer hereby irrevocably directs the Escrow Agent, on behalf of the Issuer, to instruct Wells Fargo Bank, N.A., as Trustee for the Refunded Bonds, 30 to 45 days prior to the redemption dates for the Refunded Bonds, to mail notice of redemption of the Refunded Bonds in substantially the form attached hereto as Exhibit "C" as provided in the Indenture for the Refunded Bonds authorizing the issuance of the Refunded Bonds. The Trustee for the Refunded Bonds shall provide registered bondholders information for said Bonds to the Escrow Agent at least 45 days prior to their respective redemption date. All such notices shall also be sent to EMMA. Moneys on deposit in the Escrow Fund shall be transferred by the Escrow Agent to the Trustee of the Refunded Bonds to effectuate such redemption. Thereafter, all remaining moneys and securities in the Escrow Fund, if any, shall be transferred by the Escrow Agent to the Issuer for deposit into the Series 2014 Bond Fund established under the Resolution.

Section 9. The Escrow Fund created hereby shall be irrevocable and the holders of the Refunded Bonds shall have an express lien on and security interest in all amounts deposited in the Escrow Fund, including all amounts representing principal and all amounts representing interest on the SLGS in the Escrow Fund until used and applied in accordance herewith. The Issuer shall cause financing and continuation statements to be filed with respect to this Escrow Deposit Agreement in such manner and in such places as may be required by law fully to protect the security of the holders of the

Refunded Bonds and the right, title and interest of the Escrow Agent, to all amounts deposited in the Escrow Fund and the principal and interest with respect to the SLGS deposited in the Escrow Fund and shall take or cause to be taken all action necessary to preserve the aforesaid security so long as any of the Refunded Bonds remain unpaid.

Section 10. (a) The Escrow Agent shall be compensated for its reasonable fees, expenses and disbursements, including legal fees, incurred with respect to services rendered hereunder, based upon itemized invoices submitted to the Issuer for payment. This right to receive compensation notwithstanding, the Escrow Agent acknowledges that it has no claim for any such payment under the Resolution, and that it has no lien on the moneys in the Escrow Fund for any such payment.

(b) The Escrow Agent may act in reliance upon any signature believed by it to be genuine, and may assume that any person purporting to give any notice or receipt of advice or make any statements in connection with the provisions hereof has been duly authorized to do so.

(c) The Escrow Agent may act relative hereto in reliance upon advice of nationally recognized bond counsel in reference to any matter connected herewith, and shall not be liable for any mistake of fact or error of judgment, or for any acts or omissions of any kind, unless caused by its willful misconduct or gross negligence.

(d) The Escrow Agent may resign and be discharged of its duties hereunder provided that: (i) it has given thirty (30) days written notice to the Issuer of such resignation; (ii) the Issuer has appointed a successor to the Escrow Agent hereunder; (iii) the Escrow Agent and the Issuer have received an instrument of acceptance executed by the successor to the Escrow Agent hereunder; and (iv) the Escrow Agent has delivered to its successor hereunder all of the escrowed documents, Government Securities, moneys and investments held by the Escrow Agent in the Escrow Fund. Such resignation shall take effect only upon the occurrence of all of the events listed in clauses (i) through (iv) above. Upon receipt by the Issuer of the written notice described in clause (i) above, the Issuer shall use its best efforts to obtain a successor to the Escrow Agent hereunder as soon as possible.

Section 11. This Escrow Deposit Agreement shall terminate when all amounts held hereunder for the payment of the principal of and interest and redemption premium, if any, on all Refunded Bonds has been paid to the Trustee for the Refunded Bonds, provided, that moneys held by the Escrow Agent in the Escrow Fund for the payment and discharge of any of the Refunded Bonds which remain unpaid for four (4) years after the date when all of the Bonds become due and payable, either at their stated maturity dates or by call for earlier redemption, shall at the written request of the Issuer, be repaid by the Escrow Agent to the Issuer as its absolute property and free from the trust created by this Escrow Deposit Agreement. The Escrow Agent shall thereupon be released and discharged with respect thereto and hereto.

Section 12. Except as otherwise provided in Section 7 hereof, this Escrow Deposit Agreement shall not be repealed, revoked, rescinded, altered, amended or supplemented in whole or in part without (i) the written consent of the holders of 100% in principal amount of the unpaid Refunded Bonds at the time such action is made, and (ii) the written consent of the Escrow Agent; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, the holders of the unpaid Refunded Bonds enter into such agreements supplemental to this Escrow Deposit Agreement as shall not adversely affect the rights of such holders hereunder and shall not be inconsistent with the terms and provisions of this Escrow Deposit Agreement, for any one or more of the following purposes:

(a) to cure any ambiguity or formal defect or omission in this Escrow Deposit Agreement; or

(b) to grant to or confer upon the Escrow Agent for the benefit of the holders of the Refunded Bonds any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Escrow Agent.

The Escrow Agent shall be entitled to rely exclusively upon an opinion of nationally recognized bond counsel with respect to compliance with this Section 12, including the extent, if any, to which any change, modification, addition or elimination affects the rights of such holders of the Refunded Bonds or that any instrument executed hereunder complies with the conditions or provisions of this Section 12.

Section 13. All notices required under this Escrow Deposit Agreement shall be sent as follows:

The Issuer: North Ogden City
Attn: Finance Director
505 E. 2600 N
North Ogden, Utah 484414

The Escrow Agent: Wells Fargo Bank, N.A.
MAC C7300-107
1700 Lincoln St., 10th Floor
Denver, Colorado 80203
Attn: Corporate Trust Department

Trustee for Refunded Bonds: Wells Fargo Bank, N.A.
MAC C7300-107
1700 Lincoln St., 10th Floor
Denver, Colorado 80203
Attn: Corporate Trust Department

IN WITNESS WHEREOF, the parties hereto have each caused this Escrow Deposit Agreement to be executed by their duly authorized officers and their corporate seals to be hereunto affixed and attested as of the date first above written.

NORTH OGDEN CITY, UTAH

ATTESTED and COUNTERSIGNED:

S. Annette Spendlove, MMC
City Recorder

By: _____
Brent R. Taylor, Mayor

(S E A L)

WELLS FARGO BANK, N.A., as Escrow Agent

ATTEST:

Authorized Officer

By: _____
Authorized Officer

EXHIBIT "A"

SLGS PURCHASED

(to be provided by Lewis, Young, Robertson & Burningham, Inc.)

EXHIBIT "B"

FORM OF NOTICE OF REFUNDING

**NORTH OGDEN CITY, WEBER COUNTY, UTAH
SALES TAX REVENUE BONDS,
SERIES 2004**

CUSIP NO.* _____

NOTICE IS HEREBY GIVEN that for the payment of the principal of, and interest on such of the bonds of the above-described series maturing on and after _____, 20__ (the "Bonds"), there have been irrevocably deposited in escrow with Wells Fargo Bank, N.A., Denver, Colorado, moneys which, except to the extent maintained in cash, if any, have been invested in certain direct obligations of the United States of America. The projected principal payments to be received from such securities and the projected interest income therefrom and such cash have been calculated to be sufficient to pay the principal and interest requirements on the Bonds when due through and including the prior redemption of the Bonds on November 1, 2014 (the "Redemption Date") the date on which North Ogden City, Utah has elected to redeem the Bonds maturing thereafter at a redemption price of 100% of the principal amount of the Bonds to be redeemed, plus accrued interest thereon to the Redemption Date.

DATED this ___ day of _____, 20__.

WELLS FARGO BANK, N.A.

As Trustee

By: _____

*These CUSIP numbers have been assigned to this issue by an organization not affiliated with the Trustee and are included solely for the convenience of the securityholders. Neither the Issuer nor the Trustee shall be responsible for the selection or use of the CUSIP numbers, nor is any representation made as to the correctness on the Bonds or as indicated in this redemption notice. Reliance may be placed only on the other identification number printed on the Bonds.

EXHIBIT "C"

FORM OF NOTICE OF REDEMPTION

**NORTH OGDEN CITY, WEBER COUNTY, UTAH
SALES TAX REVENUE BONDS
SERIES 2004**

CUSIP NO.* _____

Notice is hereby given that pursuant to a resolution adopted on February 11, 2014 (the "Resolution") by North Ogden City, Utah (the "Issuer"), the Issuer has called and does hereby call for redemption on November 1, 2014 (the "Redemption Date") all of the above described Bonds (the "Bonds"), as mature on and after November 1, 2014, at a redemption price equal to 100% of the principal amount thereof, plus accrued interest on the Bonds so called to the Redemption Date. The redemption price of a Bond shall be paid on or after the date fixed for redemption upon surrender of such Bond as set forth below. Notice is further given that the Bonds shall cease to bear interest from and after the Redemption Date.

Payment of interest on any Bond shall be made to the registered owner of record as of the fifteenth day next preceding the Redemption Date (the "Record Date") and shall be paid by check mailed to such registered owner at such owner's address as it appears in the registration books of the Issuer maintained by Wells Fargo Bank, N.A. (the "Trustee"). The Bonds to be redeemed shall be presented and surrendered to the Trustee by mail or in person, at the following address:

[TRUSTEE ADDRESS]

Wells Fargo Bank, N.A.
MAC C7300-107
1700 Lincoln St., 10th Floor
Denver, Colorado 80203
Attn: Corporate Trust Department

*These CUSIP numbers have been assigned to this issue by an organization not affiliated with the Trustee and are included solely for the convenience of the securityholders. Neither the Issuer nor the Trustee shall be responsible for the selection or use of the CUSIP numbers, nor is any representation made as to the correctness on the Bonds or as indicated in this redemption notice. Reliance may be placed only on the other identification number printed on the Bonds.

Under the Interest and Dividend Tax Compliance Act of 1983, the Trustee may be required to withhold a certain percentage of any gross payments made to certain owners who fail to provide the Trustee with, and certify under penalties of perjury, a correct taxpayer identification number (employer identification number or Social Security number, as appropriate) or an exemption certificate on or before the date the Bonds are presented for payment. Each Bondholder should provide the appropriate certification when presenting Bonds for payment, unless the appropriate certificate has previously been provided.

Given by order of the Issuer this ____ day of _____.

WELLS FARGO BANK, N.A.
as Trustee

By: _____