

**NORTH OGDEN CITY, UTAH
FINAL BOND RESOLUTION
SALES TAX REVENUE REFUNDING BONDS, SERIES 2014**

FEBRUARY 11, 2014

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING \$2,550,000 SALES TAX REVENUE REFUNDING BONDS, SERIES 2014, TO REFINANCE, AT A SAVINGS, THE ISSUER'S OUTSTANDING SALES TAX REVENUE BONDS, SERIES 2004 ORIGINALLY ISSUED TO CONSTRUCT THE AQUATICS CENTER AND RELATED MATTERS

WHEREAS, the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the "Act"), provides that the Issuer may refund bonds that were issued as nonvoted revenue bonds secured by excise taxes, including the Issuer's general local sales and use tax revenues; and

WHEREAS, the City Council (the "City Council") of North Ogden City, Weber County, Utah (the "Issuer") previously issued its Sales Tax Revenue Bonds, Series 2004 issued in the original principal amount of \$4,040,000 (the "Refunded Bonds"), which were issued to construct the Issuer's aquatics center and related improvements (the "Project"); and

WHEREAS, the Issuer desires to retire and refund all of the Refunded Bonds maturing on and after November 1, 2014, and desires to advance refund said Refunded Bonds by issuing its Sales Tax Revenue Refunding Bonds, Series 2014 in the total principal amount of \$2,550,000 (the "Series 2014 Bond or Bonds"); and

WHEREAS, the Issuer desires to pledge its 1% general local sales and use tax revenues received by the Issuer under Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended, as the sole security for the Series 2014 Bonds; and

WHEREAS, based upon the information available to the Issuer, the sales taxes of the Issuer to be pledged will produce sufficient Revenues (as herein defined) to pay the debt service on the Series 2014 Bonds; and

WHEREAS, the Series 2014 Bonds and all bonds issued on a parity therewith, if any, shall not at any one time exceed an amount for which the average annual installments of principal and interest will exceed 80% of the Issuer's Revenues, as defined herein, from the collection or rebate of such Revenues received by the Issuer during its fiscal year immediately preceding the fiscal year in which this Resolution is adopted; and

WHEREAS, Pinnacle Public Finance, Inc. (the “Purchaser”) has offered to purchase at par the Issuer's Series 2014 Bonds in the total principal amount of \$2,550,000, without a Purchaser’s fee, for a net purchase price of \$2,550,000 and bearing interest at the rate of 2.32% per annum on the unpaid principal amount pursuant to a Bond Purchase Agreement; and

WHEREAS, the Issuer desires to accept the offer of the Purchaser and to confirm the sale of the Series 2014 Bonds to the Purchaser pursuant to the terms of the Bond Purchase Agreement:

NOW, THEREFORE, Be It Resolved by the City Council of North Ogden City, Weber County, Utah, as follows:

ARTICLE I

DEFINITIONS

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

“Annual Debt Service” means the annual payment of principal, premium or penalty, if any, and interest to be paid by the Issuer during any Sinking Fund Year on the Series 2014 Bonds and all outstanding bonds or other forms of indebtedness issued on a parity with the Series 2014 Bonds and which are secured by the Revenues.

“Bond Purchase Agreement” means the agreement by and between the Issuer and the Purchaser of the same date herewith pursuant to which the Purchaser agrees to purchase all of the Issuer’s Series 2014 Bonds.

“Bonds” means the Series 2014 Bonds and any additional bonds issued on a parity therewith.

“Bondholder” or “Registered Owner” means the registered holder of any Series 2014 Bond, the issuance of which is authorized herein.

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

“Escrow Agent” means Wells Fargo Bank, N.A. as the escrow agent for the Escrow Agreement.

“Escrow Agreement” means the irrevocable Escrow Deposit Agreement between the Issuer and the Escrow Agent dated as of February 19, 2014, established to hold funds to retire the Refunded Bonds.

“Fully Registered Bond” means any single Fully Registered Bond in the denomination(s) equal to the aggregate principal amount of the applicable Series 2014 Bonds authorized herein.

“Issuer” means North Ogden City, Weber County, Utah, or its successors.

“Paying Agent” means the person or persons authorized by the Issuer to pay the principal of and interest, if any, on the Series 2014 Bonds on behalf of the Issuer. The initial paying agent for the Series 2014 Bonds is the City Recorder of the Issuer.

“Project” means the construction of an aquatics center funded by the Refunding Bonds, including all equipment and necessary appurtenances thereof.

“Purchaser” means Pinnacle Public Finance, Inc., or any successor, or assign thereof.

“Refunded Bonds” means all of the Issuer’s outstanding Sales Tax Revenue Bonds, Series 2004 maturing on and after November 1, 2014, issued in the original principal amount of \$4,040,000.

“Registrar” means the person or persons authorized by the Issuer to maintain the registration books with respect to the Series 2014 Bonds on behalf of the Issuer. The initial Registrar for the Series 2014 Bonds is the City Recorder of the Issuer.

“Revenues” means 100% of the Local Sales and Use Taxes received by the Issuer pursuant to Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended.

“Series 2014 Bond or Bonds” means the Sales Tax Revenue Refunding Bonds, Series 2014 in the total principal amount of \$2,550,000 bearing interest at the rate of 2.32% per annum purchased by the Purchaser for \$2,550,000, without a Purchaser’s fee, for a net purchase price of \$2,550,000.

“Sinking Fund” means the fund established in Section 3.6(a) to set aside a sufficient amount of the Revenues to make principal and interest payments on the Series 2014 Bonds.

“Sinking Fund Year” means the twelve-month period beginning on July 1 of the calendar year and ending on the next succeeding June 30; provided, however, that the first Sinking Fund Year will begin on the delivery date of the Series 2014 Bond and will end on the next succeeding June 30.

“Single Fully Registered Bond” means the fully registered Series 2014 Bonds issued in substantially the form set forth in Exhibit B in the denominations equal to the aggregate principal amount of the Series 2014 Bonds.

ARTICLE II

ISSUANCE OF SERIES 2014 BONDS

Section 2.1. Principal Amount, Designation, and Series. The Series 2014 Bonds are hereby authorized for issuance for the purpose of providing funds (i) to retire and refund the Refunded Bonds, and (ii) to pay costs incurred in connection with the issuance of the Series 2014 Bonds. The Series 2014 Bonds shall be limited to \$2,550,000 in aggregate principal amount, shall be issued (i) if issued as a single Fully Registered Bond, in the form set forth in Exhibit B, shall bear interest at the rate or rates set forth in Section 2.2 and shall be payable as specified herein. The Series 2014 Bonds shall be in the denomination of \$100,000 or any integral multiple of \$1,000 in excess thereof. The Series 2014 Bonds shall be numbered from one (1) consecutively upward in order of delivery by the Registrar. The Series 2014 Bonds shall be designated as, and shall be distinguished from the bonds of all other series by the title, "Sales Tax Revenue Refunding Bonds, Series 2014."

Section 2.2. Date and Maturities. The Series 2014 Bonds shall be dated as of their date of delivery, shall be issued in denominations of \$100,000 or any integral multiple of \$1,000 in excess thereof and shall be paid as provided in this Section 2.2. The Series 2014 Bonds shall be initially issued as one Single Fully Registered Bond.

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, shall be payable upon presentation of the applicable Series 2014 Bond at the offices of the Paying Agent for endorsement or surrender, or of any successor Paying Agent. Payment of interest shall be made to the Registered Owner thereof and shall be paid by check or draft mailed to the Registered Owner thereof at his address as it appears on the registration books of the Issuer maintained by the Registrar or at such other address as is furnished to the Registrar in writing by such Registered Owner. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America.

So long as the Purchaser is the Registered Owner of the Single Fully Registered Bond, payments of principal and of interest, if any, on the Series 2014 Bonds shall be made by wire transfer pursuant to wire instructions provided by the Purchaser as the Registered Owner to the City Recorder. So long as the Purchaser is the Registered Owner of the Single Fully Registered Bond, in lieu of presentation or the surrender of the Single Fully Registered Bond to the Paying Agent for notations by the Paying Agent of such payments, the Purchaser, by its Vice-President or his designee, shall endorse such payments upon the Single Fully Registered Bond.

The Issuer shall make interest payments on May 1 and November 1 of each year from the date of issuance with the first interest payment due on November 1, 2014 and the Issuer shall make the principal payments stated for each year, beginning November 1, 2014, and continuing on each November 1 thereafter until the total principal sum shall be paid in full, as follows:

<u>November 1</u>	<u>Principal Maturing</u>	<u>Interest Rate</u>
2014	\$3,000	2.32%
2015	245,000	2.32
2016	252,000	2.32
2017	259,000	2.32
2018	265,000	2.32
2019	251,000	2.32
2020	256,000	2.32
2021	265,000	2.32
2022	274,000	2.32
2023	283,000	2.32
2024	197,000	2.32

Section 2.3. Optional Redemption and Redemption Prices. The Series 2014 Bonds maturing prior to November 1, 2017, are not subject to redemption. The Series 2014 Bonds maturing on or after November 1, 2017, are subject to redemption at the option of the Issuer on any date on or after November 1, 2017, upon 30 days' prior written notice, in whole but not in part, from such maturities or parts thereof as may be selected by the Issuer, at a redemption price equal to 100% of the principal amount of the Series 2014 Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

Section 2.4. Notice of Redemption for Bonds.

(a) In the event any of the Bonds are to be redeemed, the Registrar shall cause notice to be given as provided in this Section 2.4. Notice of such redemption shall be mailed by first class mail, postage prepaid, to all Registered Owners of Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar at least thirty (30) days but not more than ninety (90) days prior to the date fixed for redemption. Such notice shall state the following information:

(i) the complete official name of the Bonds, including series, to be redeemed, the identification numbers of the Bonds being redeemed;

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

(iii) reserved;

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

(v) the redemption price;

(vi) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption; and

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

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

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

Notice of redemption shall be given, not more than ninety (90) days nor less than thirty (30) days prior to the redemption date, to Registered Owners of the Bonds, or portions thereof, to be redeemed. A second notice of redemption shall be given, not later than ninety (90) days subsequent to the redemption date, to Registered Owners of Bonds redeemed but who failed to deliver Series 2014 Bonds for redemption prior to the 60th day following such redemption date. Any notice mailed shall be conclusively presumed to have been duly given, whether or not the Registered Owner of such Series 2014 Bonds receives the notice. Receipt of such notice, shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such Registered Owners shall not affect the validity of the proceedings for the redemption of the Series 2014 Bonds.

Section 2.5. Execution and Delivery of the Series 2014 Bonds. The Mayor is hereby authorized to execute by manual or facsimile signature the Series 2014 Bonds and the City Recorder to countersign by manual or facsimile signature the Series 2014 Bonds and to have imprinted, engraved, lithographed, stamped or otherwise placed on the Series 2014 Bonds the official seal of the Issuer. The City Recorder is hereby authorized to deliver to the Purchaser the Series 2014 Bonds upon payment to the Issuer of the proceeds of the Series 2014 Bonds in the amount of \$2,550,000.

Section 2.6. Delinquent Payment. Payments of principal and interest on the Series 2014 Bonds which are delinquent from the due date thereof shall draw interest at the rate or rates of four percent (4.00%) per annum on said Bonds from said due date until paid in full. Provided, however, that interest on delinquent payments shall accrue at the rate of 4.50% per annum in the event that the taxable rate is in effect pursuant to Section 5.5 of this Resolution.

Section 2.7. Exchange of Single Fully Registered Bond. As long as the Purchaser is the sole Registered Owner of the Series 2014 Bonds, the Series 2014 Bonds shall be issued only as the Single Fully Registered Bond in the form prescribed in Exhibit B. It is recognized that the Purchaser may sell or otherwise transfer the Series 2014 Bonds. In the event the Purchaser determines to sell or otherwise transfer all or a portion of the Series 2014 Bonds, the Single Fully Registered Bond may be exchanged at the office of the Paying Agent for a like aggregate principal amount of Serial Bonds in accordance with the provisions of this Section 2.7 and Section 3.1 hereof. Serial Bonds may thereafter be exchanged from time to time for other Serial Bonds in accordance with Section 3.1 hereof. Any Series 2014 Bond, or any portion thereof, which is sold or otherwise transferred or liquidated by the Purchaser shall be in the form of a Serial Bond, and shall be executed pursuant to authorization contained in Section 2.5 hereof. Each principal payment on the Single Fully Registered Bond not previously paid or canceled shall be represented by an equivalent principal amount of Serial Bonds, in authorized denominations, and of like maturity. The Issuer and its officers shall execute and deliver such documents and perform such acts as may reasonably be required by the Issuer to accomplish the exchange of the Single Fully Registered Bond for Serial Bonds, provided that the Purchaser pay or cause to be paid all costs and other charges incident to such exchange and the Issuer shall have no obligation to pay any such costs or charges.

ARTICLE III

REGISTRATION, PAYMENT, AND FLOW OF FUNDS

Section 3.1. Execution of and Registration of Series 2014 Bonds; Persons Treated as Owners. The Series 2014 Bonds shall be signed by the Issuer and the Issuer shall cause books for the registration and for the transfer of the Series 2014 Bonds to be kept by the City Recorder who is hereby appointed the Registrar of the Issuer with respect to the Series 2014 Bonds. Any Series 2014 Bond may, in accordance with its terms, be transferred only upon the registration books kept by the Registrar, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Series 2014 Bond for cancellation, accompanied by delivery of a written instrument of transfer in a form approved by the Registrar, duly executed. No transfer shall be effective until entered on the registration books kept by the Registrar. Upon surrender for transfer of any Series 2014 Bond duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Registrar and duly executed by, the Registered Owner or his attorney duly authorized in writing, the Issuer shall execute and deliver in the name of the transferee or transferees, a new Bond or Bonds of the same maturity and series for a like aggregate principal amount as the Series 2014 Bond surrendered for transfer. Series 2014 Bonds may be exchanged at the office of the Registrar for a like aggregate principal amount of Series 2014 Bonds of the same series or other authorized denominations and the same maturity. The execution by the Issuer of any Series 2014 Bond of any authorized denomination shall constitute full and due authorization of such denomination, and the Registrar shall thereby be authorized to deliver such Series 2014 Bond. The Registrar shall not be required to transfer or exchange any Bond at any time following the mailing of notice calling such Series 2014 Bond for redemption.

Series 2014 Bonds surrendered for payment, redemption or exchange, shall be promptly canceled and destroyed by the Issuer.

The Issuer, the Registrar and the Paying Agent may treat and consider the person in whose name each Series 2014 Bond is registered on the registration books kept by the Registrar as the holder and absolute owner thereof for the purpose of receiving payment of, or on account of, the principal or redemption price thereof and for all other purposes whatsoever, and neither the Issuer, nor the Registrar nor the Paying Agent shall be affected by any notice to the contrary. Payment of any Series 2014 Bond shall be made only to or upon order of the Registered Owner thereof or his legal representative, but such registration may be changed as hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2014 Bond to the extent of the sum or sums so paid.

The Issuer may require the payment by the Registered Owner requesting exchange or transfer of Series 2014 Bonds of any tax or other governmental charge and any service charge which are required to be paid with respect to such exchange or transfer and such charges shall be paid before such new Series 2014 Bond shall be delivered.

Section 3.2. Application of Proceeds of the Series 2014 Bonds. The Issuer shall deposit the proceeds from the sale of the Series 2014 Bonds in the amount of \$2,550,000, with no deduction for a Purchaser's fee, for a net purchase price of \$2,550,000 as follows:

(i) Simultaneously with the issuance of the Series 2014 Bonds, \$2,529,962.45 of the Series 2014 Bonds shall be delivered by the Purchaser to the Issuer for delivery to the Trustee of the Refunded Bonds to be held in an irrevocable escrow account (a copy of which is attached hereto) together with an amount of \$56,206.25 in cash contribution from the Issuer for a total amount to be delivered to the Trustee of the Refunded Bonds (who is also the Escrow Agent for the escrow account) to be held in an irrevocable escrow account of \$2,586,168.70, and the amount of \$2,586,168.70 shall be used by the Trustee of the Refunded Bonds to defease and redeem the Refunded Bonds. The Issuer agrees that in the event the amounts in the irrevocable escrow account are insufficient to defease and redeem all of the Refunded Bonds on November 1, 2014, that the Issuer will deliver sufficient additional funds to the Trustee of the Refunded Bonds on or before November 1, 2014, to defease and redeem all of the Refunded Bonds.

(ii) The Issuer hereby authorizes and approves the call and redemption of the Refunded Bonds and directs the appropriate officers of the Issuer and the Trustee of the Refunded Bonds to give notice of the redemption of such Refunded Bonds no later than September 15, 2014, which notice of the redemption thereof shall be as required by the proceedings authorizing the issuance of the Refunded Bonds and to do all other acts necessary to accomplish the call and redemption of such Refunded Bonds and to exchange \$2,586,168.70, consisting of the Issuer's cash contribution to the escrow account of \$56,206.25 and proceeds from the Series 2014 Bonds in the amount of 2,529,962.45, for all, but not less than all, of the Refunded Bonds maturing on and after November 1, 2014, and the Issuer further ratifies all actions taken by agents of the Issuer to accomplish the noticing and refunding of the Refunded Bonds.

(iii) The Purchaser shall deliver to the Issuer moneys in the amount of \$2,550,000, with no deduction for a Purchaser's fee, for a net purchase price of \$2,550,000 which shall constitute the purchase price of the Series 2014 Bonds and the Issuer shall deposit \$2,529,962.45 in proceeds from the Series 2014 Bonds, plus the amount of \$56,206.25 in Issuer cash contribution for a total deposit of \$2,586,168.70 in the Escrow Account held by the Escrow Agent, who is Wells Fargo Bank, N.A. under the Escrow Agreement to be dated as of February 19, 2014, between the Issuer and the Escrow Agent, for refunding of the Refunded Bonds, and the Issuer shall retain \$20,037.55 for paying costs of issuance.

Section 3.3. Deposit of Bond Proceeds. All monies deposited in the Escrow Account shall be used solely for the purpose of refunding the Refunded Bonds. Proceeds from the sale of the Series 2014 Bonds on deposit in the Escrow Account, may at the discretion of the Issuer, be invested by the Escrow Agent as provided in the Escrow Agreement. Following the transfer of unexpended funds from the Escrow Account to the Sinking Fund, the Escrow Account will be closed.

Section 3.4. No Debt Service Reserve Fund. There is no debt service reserve fund with respect to the Series 2014 Bonds.

Section 3.5. The Series 2014 Bonds Constitute Special Limited Obligations. Notwithstanding anything in this Bond Resolution elsewhere contained, the principal and interest, if any, on the Series 2014 Bonds shall be payable out of 100% of the Revenues, and in no event shall the Series 2014 Bonds be deemed or construed to be a general indebtedness of the Issuer or payable from any funds of the Issuer other than the Revenues. The Revenues are hereby pledged as security for the Series 2014 Bonds.

The Issuer may, in its sole discretion, but without obligation and subject to the Constitution, laws, and budgetary requirements of the State of Utah, make available properly budgeted and legally available funds to defray any insufficiency of Revenues to pay the Series 2014 Bonds; provided however, the Issuer has not covenanted and cannot covenant to make said funds available and has not pledged any of such funds for such purpose.

Section 3.6. Flow of Funds. From and after the earlier of the delivery date of the Series 2014 Bonds, and until all the Series 2014 Bonds have been fully paid, the Revenues shall be set aside into the North Ogden City Sales Tax Revenue Fund referred to herein as "Revenue Fund", established hereby, to be held by the Depository Bank. The Issuer will thereafter make accounting allocations of the funds deposited in said Revenue Fund for the following purposes and in the following priority:

(a) All amounts in the Revenue Fund shall be allocated to the Sinking Fund as follows:

(i) There shall be allocated the following amounts to a subaccount established on the books of the Issuer known as the "Bond Account" such amounts as will assure, to the extent of the availability of Revenues, the prompt payment of the principal and interest, if any, on the Series 2014 Bonds as shall become due. The amount to be so set aside with respect to the Series 2014 Bonds shall, as nearly as may be practicable, be set aside and allocated to the Bond Account monthly, on or before the tenth day of each month, beginning 2014, and shall equal 1/6 of the interest payment next due on the Series 2014 Bonds, and 1/12 of the principal next due on the Series 2014 Bonds, except that the amount of principal and interest to be set aside with respect to the first payment on the Series 2014 Bonds shall be the fraction, the numerator of which is one

and the denominator of which is the number of months until the first payment; and

(ii) All remaining funds, if any, in the Sinking Fund after all of the payments required to be made into the Bond Account may be used thereafter by the Issuer (a) to prepay or redeem the Series 2014 Bonds in whole but not in part, (b) to be applied to any other lawful purpose as determined by the Issuer.

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

Section 3.7. Investment of Funds. Any funds allocated to the Bond Account, may, at the discretion of the Issuer, be invested in accordance with the State Money Management Act. All income derived from the investment of the funds of the Bond Account shall be maintained in said fund and disbursed along with the other moneys on deposit therein as herein provided.

ARTICLE IV

COVENANTS

Section 4.1. Covenants of Issuer. The Issuer hereby covenants and agrees with each and every holder of the Series 2014 Bonds the following:

(a) The average annual installments of principal and interest on the Series 2014 Bonds and any bonds issued on a parity will not at any one time exceed 80% of the total amount of the Revenues received by the Issuer during the Sinking Fund Year immediately preceding the Sinking Fund Year in which this Bond Resolution is adopted.

(b) While any of the Series 2014 Bonds remain outstanding and unpaid, any resolution or other enactment of the City Council of the Issuer, applying the Revenues for the payment of the Series 2014 Bonds shall be irrevocable until the Series 2014 Bonds have been paid in full, and shall not be subject to amendment or modification in any manner which would impair the rights of the holders of the Series 2014 Bonds or which would in any way jeopardize the timely payment of principal when due.

(c) The Bondholder shall have the right at all reasonable times to inspect all records, accounts and data of the Issuer relating to the Revenues, and upon request, the Issuer will furnish to it's financial statements and other information relating to the Issuer as it may from time to time reasonably require.

(d) So long as any Series 2014 Bonds remain outstanding, proper books of record and account will be kept by the Issuer separate and apart from all other records and accounts, showing complete and correct entries of all transactions relating to the Revenues. Each Bondholder or any duly authorized agent or agents of such holder shall have the right at all reasonable times to inspect all records, accounts and data relating thereto and to inspect the Revenues. Except as otherwise provided herein, the Issuer further agrees that it will within two hundred and ten (210) days following the close of each Sinking Fund Year cause an audit of such books and accounts to be made by an independent firm of certified public accountants, showing the receipts and disbursements related to the Revenues, and that such audit will be available for inspection by each Bondholder upon request; provided, however, during such periods of time as the Purchaser is the Registered Owner of the Series 2014 Bonds, each such audit will be supplied to the Purchaser as soon as completed without prior request therefore.

(e) The Issuer will not sell, lease, mortgage, encumber, or in any manner dispose of the Project or any substantial part thereof, including any and all extensions and additions that may be made thereto, until all Series 2014 Bonds have been paid in full, except that the Issuer may sell any portion of said property which shall have been replaced by other property of at least equal value, or which shall cease to be necessary for the efficient operation of the Project, provided,

however, that in the event of any sale as aforesaid, the proceeds of such sale shall be paid into the Sinking Fund.

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

(g) The Issuer will not reduce the rate of its Local Sales and Use Taxes imposed under Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended, and will not alter, exempt, or impair the transactions, property, or items subject to said sales tax in any manner that would materially reduce the Revenues. The Issuer will manage or have managed the collection and enforcement of said tax in the most efficient and economical manner permissible.

(h) All payments falling due on the Series 2014 Bonds shall be made to the Bondholder thereof at par and all charges made by the Depository Bank for its services shall be paid by the Issuer.

Section 4.2. Tax Covenant. The Issuer further covenants and agrees to and for the benefit of the Bondholders that the Issuer (i) will not take any action that would cause interest on the Series 2014 Bonds to become subject to federal income taxation, (ii) will not omit to take or cause to be taken, in timely manner, any action, which omission would cause the interest on the Series 2014 Bonds to become subject to federal income taxation, and (iii) will, to the extent possible, comply with any other requirements of federal tax law applicable to the Series 2014 Bonds in order to preserve the exemption from federal income taxation of interest on the Series 2014 Bonds. Pursuant to this covenant, the Issuer obligates itself to comply throughout the term of the Series 2014 Bonds with the requirements of Section 148 of the Code and the regulations promulgated thereunder, as the same presently exist, or may from time to time hereafter be amended, supplemented or revised. The Issuer further represents and covenants that no bonds or other evidences of indebtedness of the Issuer secured in the same manner as the Series 2014 Bonds have been or will be issued, sold or delivered within a period beginning 15 days prior to the date of the Series 2014 Bonds and ending 15 days following the delivery of the Series 2014 Bonds.

Section 4.3. Designation of Issue for Tax Purposes. For purposes of and in accordance with Section 265 of the Code, the Issuer hereby designates the Series 2014 Bonds as an issue qualifying for the exception for certain qualified tax-exempt obligations to the rule denying banks and other financial institutions 100% of the deduction for interest expenses which is allocable to tax-exempt interest. The Refunded Bonds were so designated. The Issuer reasonably anticipates that the total amount of tax-exempt obligations (other than obligations described in Section 265(b)(3)(C)(ii) of the Code), which will be issued by the Issuer and by any aggregated issuer during the current

calendar year will not exceed \$10,000,000. For purposes of this Section 4.3, “aggregated issuer” means any entity which (i) issues obligations on behalf of the Issuer, (ii) derives its issuing authority from the Issuer, or (iii) is subject to direct or indirect control by the Issuer within the meaning of Treasury Regulation Section 1.150-1(e). The Issuer hereby represents that (a) it has not created and does not intend to create and does not expect to benefit from any entity formed or availed of to avoid the purposes of Section 265(b)(3)(C) or (D) of the Code and (b) the total amount of obligations so designated by the Issuer and aggregated issuers for the current calendar year does not exceed \$10,000,000.

(a) General Private Person Use Limitation. As long as any of the Series 2014 Bonds are outstanding, the Issuer reasonably expects that either:

(b) More than 10% of the net sale proceeds will not be used for any Private Person Use (the test described in this paragraph (a) is referred to as the “Private Business Use Test”); or

(c) More than 10% of the principal or interest payments on the Series 2014 Bonds will not be (under the terms of this Bond Resolution or any underlying arrangement) directly or indirectly: (i) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (ii) derived from payments (whether or not made pursuant to this Bond Resolution) in respect of property, or borrowed money, used or to be used for any Private Person Use (the test described in this paragraph (b) is referred to as the “Private Security or Payment Test”).

(d) “Private Person Use” means the use of property in a trade or business by a private person if such use is other than as a member of the general public. Private Person Use includes ownership of the property by the private person as well as other arrangements that transfer to the private person the actual or beneficial use of the property (such as a lease, management contract, service or incentive payment contract, output contract or other special arrangement) in such a manner as to set the private person apart from the general public.

(e) For purposes of this section, the term “Private Person” means any person or entity other than a state or local governmental unit. The term “Private Person” includes the federal government and an organization described in Section 501(c)(3) of the Code.

(f) No Pooled Financing or Hedge Bonds. The Series 2014 Bonds are not pooled financing bonds or hedge bonds as defined in Section 149 of the Code

Section 4.4. Expectations.

(a) Anti-Abuse Rules. The Series 2014 Bonds are not and will not be part of a transaction or series of transactions that attempts to circumvent the

provisions of Section 148 of the Code and the regulations promulgated thereunder (A) enabling the Issuer to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, and (B) increasing the burden on the market for tax-exempt obligations.

(b) Non-Arbitrage Bond. To the best of our knowledge, information and belief, the above expectations are accurate and reasonable. On the basis of the foregoing, it is not expected that the proceeds of the Series 2014 Bonds will be used in a manner that would cause the Series 2014 Bonds to be “arbitrage bonds” under Section 148 of the Code and the regulations promulgated thereunder or otherwise violate applicable provisions of the Code, and to the best of our knowledge and belief, there are no other acts, estimates or circumstances that would materially change the foregoing conclusion.

Section 4.5. Arbitrage. The Issuer hereby certifies and agrees to abide by the arbitrage provisions found in Sections 103 and 141-150 of the IRS Code.

Section 4.6. Additional Indebtedness. No additional indebtedness, bonds or notes of the Issuer payable on a priority superior to the Series 2014 Bonds out of the Revenues shall be created or incurred by the Issuer without the prior written consent of all holders of the Series 2014 Bonds. Furthermore, the Series 2014 Bonds shall not be entitled to any priority one over the other in application of the Revenues, regardless of the time or times of their issuance, it being the intention of the Issuer that there shall be no priority among the Series 2014 Bonds authorized to be issued pursuant to this Bond Resolution regardless of the fact that they may be actually issued and delivered at different times. It is expressly agreed and covenanted that the Issuer will not hereafter issue any bonds or obligations payable from the Revenues, or which constitutes a lien on such Revenues until all Series 2014 Bonds have been paid in full unless such additional bonds are issued in such manner that they are in all respects subordinate to the Series 2014 Bonds.

The provisions of the foregoing paragraph are subject to the following exception:

Additional bonds may be issued on a parity with the Series 2014 Bonds herein authorized if all of the following conditions are met at the time of the issuance of such additional bonds (herein referred to as “Parity Bonds”):

(i) The Revenues in the Sinking Fund Year preceding the year in which the Parity Bonds are to be issued were no less than 125% of the average Annual Debt Service on all of the Series 2014 Bonds and Parity Bonds then outstanding and the Parity Bonds so proposed to be issued.

(ii) All payments required by this Bond Resolution to be made into the Sinking Fund must have been made in full.

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

ARTICLE V

MISCELLANEOUS

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

The Bondholder may appoint a trustee bank to act as a receiver of the Revenues for purposes of applying said Revenues toward the Revenue allocations required in Section 3.6 herein and in general, protecting and enforcing each Bondholder's rights thereto, in which case, all administrative costs of the trustee bank in performing said function shall be paid by the Issuer.

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

Section 5.2. Amendments to Bond Resolution. Provisions of this Bond Resolution shall constitute a contract between the Issuer and the Bondholder; and after the issuance of the Series 2014 Bonds, no change, variation or alteration of any kind in the provisions of this Bond Resolution shall be made in any manner until such time as all of the Series 2014 Bonds have been paid in full except as hereinafter provided.

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

Whenever the Issuer shall propose to amend or modify this Bond Resolution under the provisions of this section, it shall cause notice of the proposed amendment to be sent to all Bondholders of all Series 2014 Bonds then outstanding. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy of the proposed amendatory resolution is on file in the office of the City Recorder for public inspection. Should a Bondholder consent to the proposed amendment to this Bond Resolution, it shall submit to the Issuer a written instrument which shall refer to the proposed amendatory resolution described in said notice and shall specifically consent to and approve the adoption thereof. Upon receipt of Bondholder consents representing at least 75% of the principal of Series 2014 Bonds outstanding, the City Council of the Issuer may adopt said amendatory resolution, and it shall become effective, provided, however, that nothing in this Section 5.2 shall permit or be construed as permitting (a) an

extension of the stated maturity or reduction in the principal amount of, or reduction in the rate of or extension of the time of paying of interest on delinquent payments, without the consent of the Bondholder of such Series 2014 Bonds, or (b) a reduction in the amount or extension of the time of any payment required by any Fund or account established hereunder without the consent of the Bondholders of all the Series 2014 Bonds which would be affected by the action to be taken, or (c) a reduction in the aforesaid aggregate principal amount of Series 2014 Bonds, the Bondholders of which are required to consent to any such waiver or a mandatory resolution, or (d) affect the rights of the Bondholders of less than all Series 2014 Bonds then outstanding, without the consent of the Bondholders of all the Series 2014 Bonds at the time outstanding which would be affected by the action to be taken.

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

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

Section 5.3. Maintenance of Proceedings. A certified copy of this Bond Resolution and every amendatory or supplemental ordinance or resolution shall be kept on file in the office of the City Recorder where it shall be made available for inspection by any Bondholder or his agent. Upon payment of the reasonable cost of preparing the same, a certified copy of this Bond Resolution, any amendatory or supplemental ordinance or resolution will be furnished to any Bondholder. The Bondholders may, by suit, action, mandamus, injunction or other proceedings, either at law or in equity, enforce or compel performance of all duties and obligations required by this Bond Resolution to be done or performed by the Issuer. Nothing contained herein, however, shall be construed as imposing on the Issuer any duty or obligation to levy any ad valorem property tax either to pay the principal of or interest, if any, on the Series 2014 Bonds authorized herein or to meet any obligation contained herein concerning the Series 2014 Bonds.

Section 5.4. Defeasance of Series 2014 Bonds. If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made to the Registered Owner of the Series 2014 Bonds for the payments due or to become due thereon at the times and in the manner stipulated therein, then the first lien pledge of the Revenues under this Bond Resolution and any and all estate, right, title and interest in and to any of the funds and accounts created hereunder (except moneys or securities held

by a Depository Bank for the payment of the Series 2014 Bonds) shall be cancelled and discharged.

Any Series 2014 Bond shall be deemed to be paid within the meaning of this section when payment of the Series 2014 Bonds (whether such due date be by reason of maturity or upon prepayment or redemption as provided herein) shall have been made in accordance with the terms thereof. At such time as the Series 2014 Bonds shall be deemed to be paid hereunder, they shall no longer be secured by or entitled to the benefits hereof (except with respect to the moneys and securities held by a Depository Bank for the payment of the Series 2014 Bonds).

Section 5.5. If a Bondholder either (1) receives notice in any form from the Internal Revenue Service, or (ii) reasonably determines, based on an opinion of independent tax counsel selected by such Bondholder and approved by the Issuer, which approval shall not be unreasonably withheld, that the Bondholder may not exclude the interest payments on the Series 2014 Bonds from federal gross income because the Issuer breached a covenant in this Bond Resolution, then the Issuer shall pay to such Bondholder, within 30 days after the Bondholder notifies the Issuer of such determination, the amount which, with respect to the interest payments on the Series 2014 Bonds previously paid and taking into account all penalties, fines, interest and additions to tax (including all federal, state, and local taxes imposed on the interest payments on the Series 2014 Bonds due and through the date of such event) that are imposed on the Series 2014 Bonds as a result of the loss of exclusion, will restore the Bondholder the same after-tax yield on the transaction evidenced by the Series 2014 Bonds (assuming tax at highest marginal corporate tax rate) that it would have realized had the exclusion not been lost. Additionally, the Issuer agrees that upon occurrence of such event, interest on the Series 2014 Bonds shall thereafter accrue at the taxable rate of 3.57% per annum

Section 5.6. Sale of Series 2014 Bonds Approved. The sale of the Series 2014 Bonds to the Purchaser pursuant to the terms of the Bond Purchase Agreement for \$2,550,000, with no Purchaser's fee, for a net purchase price of \$2,550,000, is hereby ratified, confirmed and approved. The Mayor is authorized to execute the Bond Purchase Agreement approved hereby and the City Recorder to attest to the same and to apply the City seal.

Section 5.7. Bondholders not Responsible. The Bondholders shall not be responsible for any liabilities incurred by the Issuer in the acquisition or construction of the Project.

Section 5.8. Additional Certificates, Documents, and Other Papers. The appropriate officials of the Issuer, and each of them, are hereby authorized and directed to execute and deliver for and on behalf of the Issuer any or all additional certificates, documents, and other papers and to perform all other acts they may deem necessary or appropriate in order to implement and carry out the matters authorized in this Bond Resolution and the documents authorized and approved herein.

Section 5.9. Severability. If any section, paragraph, clause or provision of this Bond Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Bond Resolution. It is hereby declared by the governing body of the Issuer that it is the intention of the Issuer by the adoption of this Bond Resolution to comply in all respects with the provisions of the Act.

Section 5.10. Record of Proceedings. The Recorder of the Issuer is hereby authorized and directed to complete and execute the Record of Proceedings attached hereto to officially record the proceedings at which this Bond Resolution was considered for adoption.

Section 5.11. Statutory Authority for the Series 2014 Bonds. The Series 2014 Bonds are issued under the authority of the Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, and each Series 2014 Bond certificate shall so recite. By the adoption of this Bond Resolution, it is the intention of the Issuer to comply in all respects with the applicable provisions of the Act and the Series 2014 Bonds issued hereby shall be incontestable for any reason whatsoever after their delivery for value

Section 5.12. Covenant of State of Utah. In accordance with Section 11-14-307, Utah Code Annotated 1953, as amended, applicable to the Refunded Bonds and the Series 2014 Bonds, the State of Utah has pledged and agreed with the Registered Owners of the Series 2014 Bonds that it will not alter, impair or limit the Revenues in a manner that reduces the amounts to be rebated to the Issuer which are devoted or pledged herein until the Series 2014 Bonds, together with applicable interest, if any, 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 2014 Bonds.

Section 5.13. Resolutions in Conflict. All resolutions or parts thereof in conflict with the provisions of this Bond Resolution are, to the extent of such conflict, hereby repealed.

Brent R. Taylor, Mayor

ATTEST:

S. Annette Spendlove, MMC
City Recorder

(S E A L)

EXHIBIT A

RECORD OF PROCEEDINGS

The City Council (the “Council”) of North Ogden City, Weber County, Utah (the “Issuer”), met in public session at the regular meeting place of the Council in North Ogden, Utah, on February 11, 2014, at the hour of 6:30 p.m., or as soon thereafter as feasible, with the following Councilmembers of the Council being present:

Present:

Brent Taylor	Mayor
Kent Bailey	Councilmember
Justin Fawson	Councilmember
Cheryl Stoker	Councilmember
Lynn Satterthwaite	Councilmember
James Urry	Councilmember

Also Present:

Ronald F. Chandler	City Manager
Annette Spendlove	City Recorder/HR Director

Absent:

After the meeting had been duly called to order and after other matters not pertinent to this resolution had been discussed, the City Recorder presented to the Council a Certificate of Compliance with Open Meeting Law with respect to this February 11, 2014 meeting, a copy of which is attached hereto.

The following resolution was then introduced in writing, was fully discussed, and pursuant to motion duly made by Councilmember _____ and seconded by Councilmember _____, adopted by the following vote:

YEA:

NAY:

The resolution was then signed by the Mayor in open meeting and recorded by the City Recorder in the official records of North Ogden City, Weber County, Utah.

Other business not pertinent to the foregoing ordinance appears in the minutes of the Meeting. Upon the conclusion of all the business on the agenda and upon motion duly made and seconded, the Meeting was adjourned.

CERTIFICATE OF CITY RECORDER

I, Annette Spendlove, the undersigned and duly qualified and acting City Recorder of the Issuer do hereby certify:

The attached Resolution is a true, accurate and complete copy thereof adopted by the City Council of the Issuer at a lawful public meeting duly held and conducted by the City Council in North Ogden, Utah, on February 11, 2014, commencing at the hour of 6:30 p.m., or as soon thereafter as feasible (the "Meeting"), as recorded in the regular official book of the proceedings of the Issuer kept in my office. The Meeting was called and noticed as required by law as is evidenced by the following Certificate of Compliance with Open Meeting Law. The persons present and the result of the vote taken at the Meeting are all as shown above. Attached hereto is an affidavit of publication of the foregoing ordinances or a summary thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Issuer, this February 11, 2014.

S. Annette Spendlove, MMC
City Recorder

(S E A L)

CERTIFICATE OF COMPLIANCE WITH OPEN MEETING LAW

I, Annette Spendlove, the undersigned City Recorder of the Issuer do hereby certify, according to the records of the Issuer in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-202, Utah Code Annotated 1953, as amended, I gave not less than twenty-four (24) hours public notice of the agenda, date, time, and place of the February 11, 2014, public meeting held by the Issuer as follows:

(a) By causing a notice, in the form attached hereto (the “Meeting Notice”), to be posted at the Issuer’s principal offices at least twenty-four (24) hours prior to the convening of the meeting, the Meeting Notice having continuously remained so posted and available for public inspection until the completion of the meeting; and

(b) By causing a copy of the Meeting Notice to be delivered to a newspaper of general circulation in the Issuer at least twenty-four (24) hours prior to the convening of the meeting.

(c) By causing a copy of the Meeting Notice to be posted on the Utah Public Notice Website at least twenty four (24) hours prior to the meeting.

In addition, the Notice of 2014 Annual Meeting Schedule for the Issuer was given specifying the date, time and place of the regular meetings of the City Council of the Issuer to be held during the year by causing notice to be (1) posted on January 15, 2014, at the principal office of the Issuer and by causing a copy of said Notice to be (2) provided to at least one newspaper of general circulation within the Issuer on January 25, 2014, and by causing a copy of said Notice to be (3) posted on the Utah Public Notice Website on January 31, 2014.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature this February 11, 2014.

S. Annette Spendlove, MMC
City Recorder

(S E A L)

(Attach Meeting Notice, including proof of posting thereof on the Utah Public Notice Website)

(Attach Annual Meeting Schedule, including proof of posting on Utah Public Notice Website)

EXHIBIT B

FORM OF SINGLE FULLY REGISTERED BOND

**UNITED STATES OF AMERICA
STATE OF UTAH
COUNTY OF WEBER
NORTH OGDEN CITY
SALES TAX REVENUE REFUNDING BOND
SERIES 2014
\$2,550,000**

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

North Ogden City, Weber County, Utah (the "Issuer"), a political subdivision and body politic of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to Pinnacle Public Finance, Inc. (the "Purchaser") or registered assigns last noted in the Registration Certificate attached to the end of this Bond (the "Registered Owner"), the principal amount of \$2,550,000, together with interest accruing on the unpaid principal balance from the date of this Bond at the rate of two and thirty-two hundredths percent (2.32%) per annum (calculated on the basis of a year of 360 days consisting of twelve 30-day months), with interest payable semi-annually on May 1 and November 1 of each year beginning November 1, 2014, and principal shall be payable in registered installments on November 1 of each of the years as set forth in the following Repayment Schedule:

<u>November 1</u>	<u>Principal Maturing</u>	<u>Interest Rate</u>
2014	\$3,000	2.32%
2015	245,000	2.32
2016	252,000	2.32
2017	259,000	2.32
2018	265,000	2.32
2019	251,000	2.32
2020	256,000	2.32
2021	265,000	2.32
2022	274,000	2.32
2023	283,000	2.32
2024	197,000	2.32

Except as provided in the next succeeding paragraph, principal payments, whether at maturity or by redemption, and interest, if any, shall be payable upon surrender of this Bond at the offices of the Paying Agent, or of any successor Paying Agent.

As long as the Purchaser is the registered holder of this Bond, installment payments shall be made by wire transfer pursuant to wire instructions provided by the Purchaser to the Registrar.

If any installment payment of Bond principal or interest is not paid when due and payable, the Issuer shall pay interest on the delinquent installment at the rate of four percent (4.00%) per annum from said due date until paid, provided, however, that interest on delinquent payments shall accrue at the rate of 4.5% per annum in the event that the taxable rate is in effect pursuant to Section 5.5 of the Bond Resolution. All payments shall be made in any coin or currency which on the date of payment is legal tender for the payment of debts due the United States of America. All payments shall be applied first to interest, if any, and then to principal.

This Bond is payable solely from a special fund designated “North Ogden City, Utah Sales Tax Revenue Bond Sinking Fund”, into which fund, to the extent necessary to assure prompt payment of this Bond, shall be pledged 100% of the Revenues (as defined in the Bond Resolution herein described), all as more fully described and provided in the Bond Resolution adopted by the governing body of the Issuer on February 11, 2014 (the “Bond Resolution”).

This Bond is issued pursuant to (i) a Parameters Resolution adopted by the governing body of the Issuer on January 14, 2014, and the Bond Resolution, and (ii) the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended, for the purpose of retiring all of the Issuer’s outstanding Sales Tax Revenue Bonds, Series 2004 maturing on and after November 1, 2014, and for paying costs of issuance. This Bond is a special limited obligation of the Issuer payable solely from the Revenues (as defined in the Bond Resolution) and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Revenues. As provided in the Bond Resolution, bonds, notes and other obligations 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 Bond Resolution, and the aggregate principal amount of such bonds, notes and other obligations which may be issued is not limited. This Bond and all other bonds, notes and other obligations issued and to be issued under the Bond Resolution on a parity with this Bond 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 Bond Resolution.

The Bonds maturing prior to November 1, 2017, are not subject to redemption. The Bonds maturing on or after November 1, 2017, are subject to redemption at the

option of the Issuer on any date on or after November 1, 2017, upon 30 days' prior written notice, in whole but not in part, 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.

Notice of redemption shall be mailed by the Issuer, postage prepaid, not less than thirty (30) days prior to the date fixed for prepayment, to the registered owner of this Bond addressed to such owner at its address appearing on the registration books maintained by the Issuer.

Subject to the provisions of the Bond Resolution, the Bonds are issuable in fully registered form, without coupons, in denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of \$100,000 and any integral multiple of \$1,000 in excess thereof.

The Issuer covenants and agrees that any resolution, ordinance or other enactment of the governing body of the Issuer applying the Revenues for the payment of the Bonds shall be irrevocable until the Bonds have been paid in full, and shall not be subject to amendment in any manner which would impair the rights of the holders of such Bonds or which would in any way jeopardize the timely payment of principal when due.

IN ACCORDANCE WITH SECTION 11-14-307, UTAH CODE ANNOTATED 1953, AS AMENDED, THE STATE OF UTAH HEREBY PLEDGES AND AGREES WITH THE HOLDERS OF THE BONDS THAT IT WILL NOT ALTER, IMPAIR OR LIMIT THE REVENUES (AS DEFINED IN THE BOND RESOLUTION) IN A MANNER THAT REDUCES THE AMOUNTS TO BE REBATED TO THE ISSUER WHICH ARE DEVOTED OR PLEDGED AS AUTHORIZED IN SECTION 11-14-307, UTAH CODE ANNOTATED 1953, AS AMENDED, UNTIL THE BONDS, TOGETHER WITH APPLICABLE INTEREST, IF ANY, THEREON, 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 PROTECTION OF THE HOLDERS OF THE BONDS.

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

This Bond shall be registered in the name of the initial purchaser and any subsequent purchasers in an appropriate book in the office of the City Recorder of the Issuer, who shall be the Registrar. This Bond is transferable only by notation upon said book by the registered owner hereof in person or by his attorney duly authorized in

writing, by the surrender of this Bond, together with a written instrument of transfer satisfactory to the Issuer, duly executed by the registered owner or his attorney duly authorized in writing; thereupon, this Bond shall be delivered to and registered in the name of the transferee.

It is hereby declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in regular and due time, form and manner as required by law, that the amount of this Bond does not exceed any limitation prescribed by the Constitution or statutes of the State of Utah, that the Revenues (as defined in the Bond Resolution) have been pledged and that an amount therefrom will be set aside into a special fund by the Issuer sufficient for the prompt payment of this Bond and all bonds issued on a parity with this Bond, if any, and that said Revenues are not pledged, hypothecated or anticipated in any way other than by the issue of this Bond and all bonds issued on a parity with this Bond, if any.

IN TESTIMONY WHEREOF, the Issuer has caused this Bond to be signed (by manual or facsimile signature) by its Mayor and countersigned (by manual or facsimile signature) by its City Recorder under the seal of said Issuer this _____, 2014.

Brent R. Taylor, Mayor

Countersigned:

S. Annette Spendlove, MMC
City Recorder

(S E A L)

REGISTRATION CERTIFICATE

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

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

EXHIBIT "C-1"

(FORM OF SERIAL BOND)

**UNITED STATES OF AMERICA
STATE OF UTAH
COUNTY OF WEBER
NORTH OGDEN CITY
SALE TAX REVENUE REFUNDING BONDS
SERIES 2014**

INTEREST RATE	MATURITY DATE	ISSUE DATE
2.32%	November 1, 20__	_____, 201__

Registered Owner: _____

Principal Amount: _____ Dollars

North Ogden City, Weber County, Utah (the "Issuer"), a political subdivision and body politic of the State of Utah, acknowledges itself indebted and for value received hereby promises to pay, but solely in the manner and from the revenues and sources hereinafter provided, to the Registered Owner identified above, or registered assigns, on the Maturity Date specified above, upon presentation and surrender thereof, the Principal Amount identified above. Interest at the Interest Rate specified above on the Principal Amount hereof (calculated on the basis of a year of 360 days consisting of twelve 30-day months) shall be payable by check or draft mailed by the City Recorder of the Issuer (the "Paying Agent") to the Registered Owner hereof beginning November 1, 20__ and on each November 1 thereafter until this Bond is paid in full. Principal and redemption price of this Bond shall be payable upon presentation of this Bond to the Paying Agent, or its successor as such paying agent, for payment at maturity.

If this Bond is not paid when due and payable, the Issuer shall pay interest on the unpaid amount at the rate of four percent (4.00%) per annum from the due date thereof until paid in full, provided, however, that interest on delinquent payments shall accrue at the rate of 4.5% per annum in the event that the taxable rate is in effect pursuant to Section 5.5 of the Bond Resolution.

This Bond is one of an authorized issue of bonds of like date, term and effect except as to maturity, in the aggregate principal amount of _____ Dollars (\$_____), issued in exchange for the conversion of the Issuer's Sales Tax Revenue Refunding Bond, Series 2014 dated _____, 2014, in the total principal sum of \$2,550,000, authorized by a Parameters

Resolution and Bond Resolution of the Issuer duly adopted on January 14, 2014, and February 11, 2014, respectively (collectively, the “Bond Resolution”). This Bond and the issue of Bonds of which it is a part is issued pursuant to (i) the Bond Resolution and (ii) the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated, 1953, as amended, for the purpose of refinancing the Issuer’s Sales Tax Revenue Bonds, Series 2004 maturing on and after November 1, 2014 and of paying costs of issuance. This Bond is a special limited obligation of the Issuer payable solely from the Revenues (as defined in the Bond Resolution) and does not constitute an indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. In no event shall this Bond be deemed or construed to be a general obligation indebtedness of the Issuer or payable from any funds of the Issuer other than the Revenues (as defined in the Bond Resolution).

As provided in the Bond Resolution, bonds, notes and other obligations 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 Bond Resolution, and the aggregate principal amount of such bonds, notes and other obligations which may be issued is not limited. This Bond and all other bonds, notes and other obligations issued and to be issued under the Bond Resolution on a parity with this Bond 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 Bond Resolution.

The Bonds maturing prior to November 1, 2017, are not subject to redemption. The Bonds maturing on or after November 1, 2017, are subject to redemption at the option of the Issuer in whole, but not in part, on any date on or after November 1, 2017, upon not less than thirty (30) days’ nor more than forty-five (45) days’ prior notice, at a redemption price equal to 100% of the principal amount of each Bond to be redeemed. Notice of redemption shall be mailed by the Issuer, postage prepaid, to the registered owners of said Bonds addressed to such owners at their address appearing on the registration books maintained by the Issuer.

Subject to the provisions of the Bond Resolution, the Bonds (as defined in the Bond Resolution) are issuable in fully registered form, without coupons, in denomination equal to the principal amount of the bonds or, upon exchange, in the denomination of \$100,000 or any integral multiple of \$1,000 in excess thereof.

The Issuer covenants and agrees that any resolution, ordinance or other enactment of the governing body of the Issuer applying the Revenues for the payment of the Bonds shall be irrevocable until the Bonds have been paid in full, and shall not be subject to amendment in any manner which would impair the rights of the holders of such Bonds or which would in any way jeopardize the timely payment of principal when due.

IN ACCORDANCE WITH SECTION 11-14-307, UTAH CODE ANNOTATED 1953, AS AMENDED, THE STATE OF UTAH HEREBY PLEDGES AND AGREES WITH THE HOLDERS OF THE BONDS THAT IT WILL NOT ALTER, IMPAIR OR LIMIT THE REVENUES (AS DEFINED IN THE BOND RESOLUTION) IN A

MANNER THAT REDUCES THE AMOUNTS TO BE REBATED TO THE ISSUER WHICH ARE DEVOTED OR PLEDGED AS AUTHORIZED IN SECTION 11-14-307, UTAH CODE ANNOTATED 1953, AS AMENDED, UNTIL THE BONDS, TOGETHER WITH APPLICABLE INTEREST, IF ANY, THEREON, 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 PROTECTION OF THE HOLDERS OF THE BONDS.

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

This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the office of the City Recorder (the "Registrar") in North Ogden, Utah, but only in the manner, subject to the limitations and upon payment of the charges provided in the Bond Resolution and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

It is hereby certified, recited and declared that all conditions, acts and things essential to the validity of this Bond and the issue of which it forms a part do exist, have happened and have been done, and that every requirement of law affecting the issue hereof has been duly complied with; that this Bond and the issue of which it forms a part does not exceed any limitation prescribed by the Constitution and laws of the State of Utah; that one hundred percent (100%) of the Revenues (as defined in the Bond Resolution) have been pledged and will be set aside into said special fund by the Issuer to be used for the payment of this Bond and the issue of which it forms a part and all bonds issued on a parity with this Bond, if any, and that said Revenues are not pledged, hypothecated or anticipated in any way other than by the issue of Bonds of which this Bond is one and all bonds issued on a parity with this Bond, if any.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed (by manual or facsimile signature) by its Mayor and countersigned (by manual or facsimile signature) by its City Recorder with the seal of said Issuer affixed, all as of the ____ day of _____, 201__.

Brent R. Taylor, Mayor

COUNTERSIGNED:

S. Annette Spendlove, MMC
City Recorder

(S E A L)

ASSIGNMENT

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

_____ (Tax Identification or Social Security No. _____) the within Bond and all rights thereunder and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

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

Signature Guaranteed:

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