NEW ISSUE **Rating: S&P "A" (Stable Outlook)**
Book-Entry Only **See "BOND RATING" herein**

In the opinion of Gilmore & Bell, P.C., Bond Counsel to UIA, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2022 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Series 2022 Bonds is exempt from State of Utah individual income taxes. See "TAX MATTERS" in this Official Statement.

UTAH INFRASTRUCTURE AGENCY
$6,675,000 TELECOMMUNICATIONS, FRANCHISE AND SALES TAX REVENUE BONDS (SANTA CLARA PROJECT), SERIES 2022

Dated: Date of Initial Delivery **Due: October 15, as shown on the inside cover**

The Series 2022 Bonds are issuable as fully registered bonds and when initially issued will be registered in the name of Cede & Co., as nominee of DTC, which will act as securities depository for the Series 2022 Bonds. Purchases of Series 2022 Bonds will be made in book-entry form only, through brokers and dealers who are, or who act through, DTC participants. Individual purchases of Series 2022 Bonds will be made in the principal amount of $5,000 and integral multiples thereof. Owners of the Series 2022 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2022 Bonds. Interest on the Series 2022 Bonds is payable on April 15 and October 15 of each year, commencing October 15, 2022, all as more fully described herein. Payment of the principal and interest with respect to the Series 2022 Bonds will be made directly to DTC or its nominee. Disbursement of such payments to DTC participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of DTC participants. See "THE SERIES 2022 BONDS–Book-Entry-Only System" herein.

MATURITY SCHEDULE
(See inside front cover page)

The Series 2022 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein. See "THE SERIES 2022 BONDS–Redemption Provisions" herein.

Proceeds from the sale of the Series 2022 Bonds will be used to provide funds to (i) finance the acquisition, construction, and installation of advanced communications lines and related improvements and facilities as part of a fiber optic, open-access, advanced communications network located in Santa Clara City, Utah (the "City"); (ii) fund capitalized interest with respect to the Series 2022 Bonds; and (iii) pay the costs of issuance of the Series 2022 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS." The principal of, premium, if any, and interest on the Series 2022 Bonds are payable from and secured by amounts payable pursuant to the service contract between UIA and the City, which amounts are ultimately secured from certain franchise and sales tax revenues of the City. See "SECURITY FOR THE SERIES 2022 BONDS" and "SANTA CLARA CITY, UTAH."

The Series 2022 Bonds are special limited obligations of UIA payable from Revenues derived from certain amounts payable under the Service Contract and certain other funds pledged under the Indenture. The primary and expected source of payment under the Service Contract is the Service Revenues. Amounts payable under the Service Contract are ultimately secured by the Allocated Tax Revenues. The Series 2022 Bonds are not a general obligation of UIA, the City, any Member of UIA, the State of Utah or any agency, instrumentality or political subdivision thereof. Neither the faith and credit nor the ad valorem taxing power of the City, any Member of UIA, the State of Utah or any agency, instrumentality or political subdivision thereof is assigned or pledged for payment of the Series 2022 Bonds. The Indenture does not pledge any properties of the UIA Network or the City Network. UIA will not mortgage or grant a security interest in the UIA Network or the City Network to secure payment of the Series 2022 Bonds. UIA has no taxing power. See "BONDHOLDERS' RISKS" herein.

This cover page contains certain information for quick reference only. It is not a summary of the transactions described herein. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.

The Series 2022 Bonds are offered when, as, and if issued and received by the Underwriter, subject to the approval of their legality by Gilmore & Bell, P.C., Salt Lake City, Utah, Bond Counsel to UIA. Certain legal matters will be passed upon for UIA by its general counsel, Joshua Chandler. Certain matters relating to disclosure will be passed upon by Gilmore & Bell, P.C., Disclosure Counsel to UIA. Certain legal matters will be passed upon for the City by Snow Jensen & Reece, PC, and for the Underwriter by its counsel, Chapman and Cutler LLP. Lewis Young Robertson & Burningham, Inc., Salt Lake City, Utah, has acted as municipal advisor to UIA in connection with the issuance of the Series 2022 Bonds. It is expected that the Series 2022 Bonds, in book-entry form, will be available for delivery to DTC or its agent on or about April 28, 2022.

This Official Statement is dated April 11, 2022, and the information contained herein speaks only as of that date.

KeyBanc
Capital Markets

UTAH INFRASTRUCTURE AGENCY

$6,675,000
TELECOMMUNICATIONS, FRANCHISE AND SALES TAX REVENUE BONDS
(SANTA CLARA PROJECT) SERIES 2022

MATURITY SCHEDULE

$1,380,000 4.000% Term Bond Maturing on October 15, 2032; Price: 105.316% c; CUSIP** 917471 BC7

$1,010,000 4.000% Term Bond Maturing on October 15, 2037; Price: 101.496% c; CUSIP** 917471 BD5

$4,285,000 4.250% Term Bond Maturing on October 15, 2051; Price: 96.732%; CUSIP** 917471 BE3

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c Priced to optional call on October 15, 2031.

** The above-referenced CUSIP numbers have been assigned by an independent company not affiliated with the parties to this bond transaction and are included solely for the convenience of the holders of the Series 2022 Bonds. None of UIA, the Trustee, nor the Underwriter is responsible for the selection or uses of such CUSIP numbers, and no representation is made as to its correctness on the Series 2022 Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2022 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities.

The information contained in this Official Statement has been furnished by UIA, the City, DTC, and other sources that are believed to be reliable. No dealer, broker, salesperson or any other person has been authorized by UIA, the City, or the Underwriter to give any information or to make any representations other than those contained in this Official Statement in connection with the offering contained herein, and, if given or made, such information or representations must not be relied upon as having been authorized by UIA or the Underwriter.

This Official Statement does not constitute an offer to sell or solicitation of an offer to buy, nor shall there be any sale of the Series 2022 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information and expressions of opinion herein are subject to change without notice, and neither delivery of this Official Statement nor any sale made thereafter shall under any circumstances create any implication that there has been no change in the affairs of UIA or the City or in any other information contained herein, since the date of this Official Statement.

In connection with this offering, the Underwriter may engage in transactions that stabilize, maintain or otherwise affect the market prices of the Series 2022 Bonds. Such transactions, if commenced, may be discontinued at any time.

This Official Statement is not to be construed as a contract with the purchasers of the Series 2022 Bonds. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as representations of facts.

The Underwriter has provided the following sentence for inclusion in this Official Statement:

> The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The Series 2022 Bonds have not been registered under the Securities Act of 1933, as amended, in reliance upon exemptions contained in such act. Any registration or qualification of the Series 2022 Bonds in accordance with applicable provisions of the securities laws of the states in which the Series 2022 Bonds are required to be registered or qualified and the exemption from registration or qualification in other states cannot be regarded as a recommendation thereof.

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

CERTAIN STATEMENTS CONTAINED IN THIS OFFICIAL STATEMENT REFLECT NOT HISTORICAL FACTS BUT FORECASTS AND “FORWARD-LOOKING STATEMENTS.” NO ASSURANCE CAN BE GIVEN THAT THE FUTURE RESULTS DISCUSSED HEREIN WILL BE ACHIEVED, AND ACTUAL RESULTS MAY DIFFER MATERIALLY FROM THE FORECASTS DESCRIBED HEREIN. IN THIS RESPECT, THE WORDS “ESTIMATE,” “PROJECT,” “ANTICIPATE,” “EXPECT,” “INTEND,” “BELIEVE,” AND SIMILAR PROJECTIONS, FORECASTS, ASSUMPTIONS, EXPRESSIONS OF OPINIONS, ESTIMATES AND OTHER FORWARD-LOOKING STATEMENTS ARE EXPRESSLY QUALIFIED IN THEIR ENTIRETY BY THE CAUTIONARY STATEMENTS SET FORTH IN THIS OFFICIAL STATEMENT. READERS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON SUCH FORWARD-LOOKING STATEMENTS, WHICH SPEAK ONLY AS OF THE DATE HEREOF.

UTAH INFRASTRUCTURE AGENCY

5858 South 900 East
Murray, Utah 84121

GOVERNING BOARD

ADMINISTRATIVE STAFF

Roger Timmerman	Chief Executive Officer
Jason Roberts	Secretary/Treasurer

TRUSTEE, BOND REGISTRAR, AND PAYING AGENT

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Chicago, Illinois 60606

UNDERWRITER'S COUNSEL

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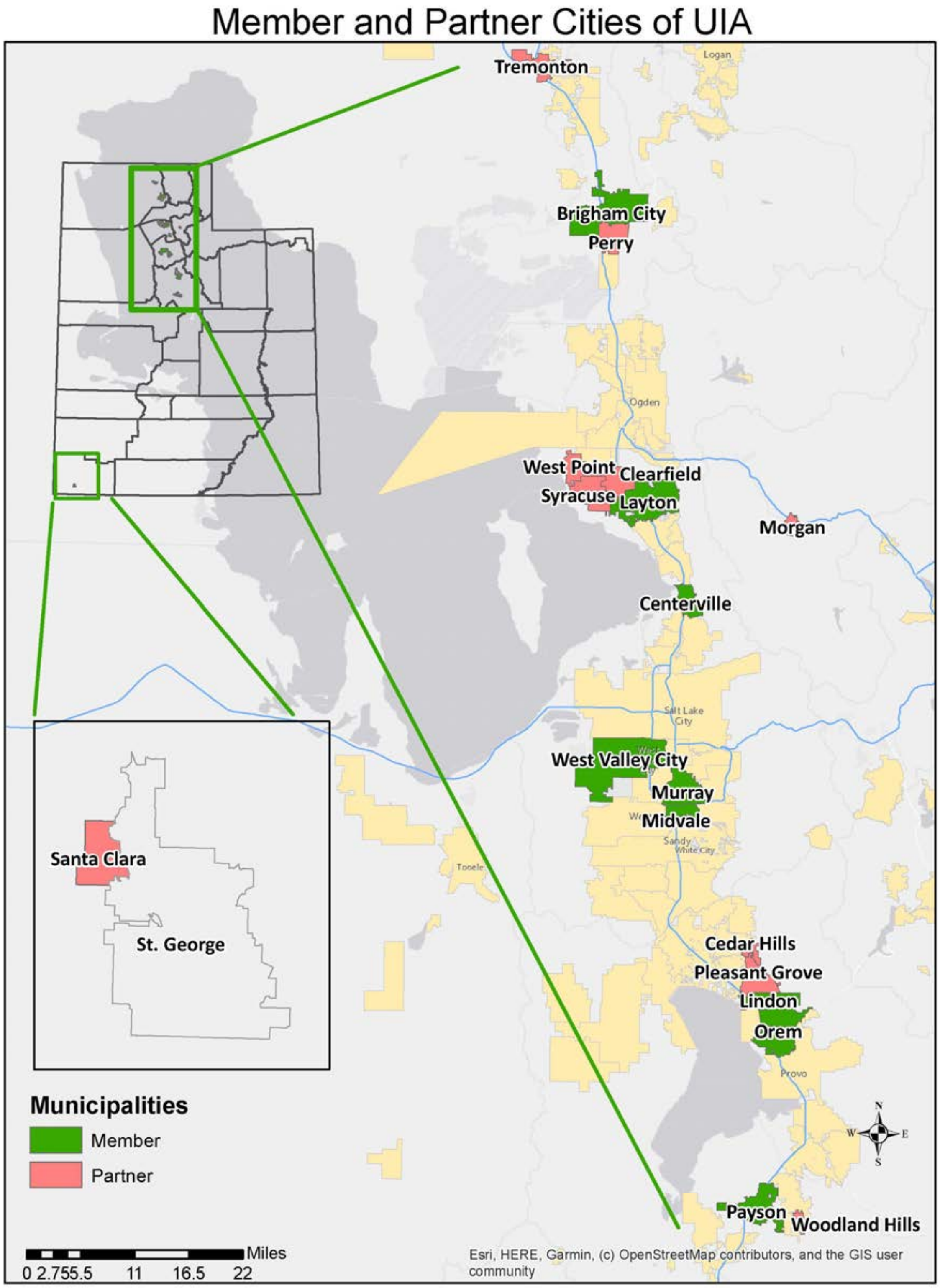
Salt Lake City, Utah 84111



UIA Members, shown for reference only, are in green. Partner cities, shown in red, are cities where UIA has built or is building an extension of the UIA Network pursuant to separate service contracts.

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OFFICIAL STATEMENT

RELATING TO

UTAH INFRASTRUCTURE AGENCY

$6,675,000
TELECOMMUNICATIONS, FRANCHISE AND SALES TAX REVENUE BONDS
(SANTA CLARA PROJECT) SERIES 2022

INTRODUCTION

This Official Statement, including the cover page, introduction and appendices, provides information in connection with the issuance and sale by the Utah Infrastructure Agency ("UIA" or the "Agency") of its $6,675,000 Telecommunications, Franchise and Sales Tax Revenue Bonds (Santa Clara Project), Series 2022 (the "Series 2022 Bonds"). This introduction is only a brief description of: (i) the Series 2022 Bonds; (ii) the security and sources of payment for the Series 2022 Bonds; (iii) certain information regarding UIA and Santa Clara City, Utah (the "City"); (iv) the uses of the proceeds of the Series 2022 Bonds; and (v) the wholesale, fiber optic, advanced communications, open-access network of UIA and the improvements financed thereto within the City with Series 2022 Bond proceeds. The information contained herein is expressly qualified by reference to the entire Official Statement. Investors are urged to make a full review of the entire Official Statement, including the Appendices hereto, which are incorporated herein by reference, as well as of the documents summarized or described herein. Capitalized terms used herein and not otherwise defined are defined in "APPENDIX B—FORM OF THE INDENTURE" and "APPENDIX C—THE SERVICE CONTRACT."

See also the following appendices attached hereto: "APPENDIX A—AUDITED FINANCIAL STATEMENTS OF UTAH INFRASTRUCTURE AGENCY FOR THE FISCAL YEAR ENDED JUNE 30, 2021"; "APPENDIX B—FORM OF THE INDENTURE"; "APPENDIX C—THE SERVICE CONTRACT"; "APPENDIX D—FORM OF OPINION OF BOND COUNSEL"; "APPENDIX E—FORM OF CONTINUING DISCLOSURE UNDERTAKING"; and "APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM."

UIA

UIA is a political subdivision of the State of Utah (the "State"), and was created in 2010 pursuant to the Utah Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended ("Utah Code") (the "Interlocal Cooperation Act"), and the Second Amended and Restated Interlocal Cooperative Agreement of the Utah Infrastructure Agency originally dated as of June 7, 2010, and amended and restated as of November 1, 2010 (the "Interlocal Agreement"), among Brigham City, Centerville City, Layton City, Lindon City, Midvale City, Murray City, City of Orem, Payson City and West Valley City (each a "Member" and collectively, the "Members"). Pursuant to the Interlocal Cooperation Act and the Interlocal Agreement, the Members organized UIA to provide for the acquisition, construction and installation of advanced communication lines together with related improvements and facilities (the "UIA Network") for the purpose of connecting properties within the Members to the UIA Network, all of which will directly or indirectly benefit each of the Members. See "UIA" herein for more detailed information about UIA, including management and financial information.

The UIA Network

The UIA Network is an open-access fiber optic network enabling high speed broadband services, such as voice, video and data access. The physical assets of the UIA Network include fiber optic lines, transmitters, power sources and backups, switches and access portals. The UIA Network operates under an open access model which allows qualified service providers to provide voice, video and data services to customers within the reach of the UIA Network. See "THE UIA NETWORK" herein.

The operations of the UIA Network are dependent on its connection to, and the continued operations of, the fiber optic network (the "UTOPIA Network") of the Utah Telecommunication Open Infrastructure Agency ("UTOPIA"), as the UTOPIA Network provides critical infrastructure necessary for the operations of the UIA Network. The UIA Network is connected to the UTOPIA Network pursuant to an Indefeasible Right of Use Agreement, dated May 1, 2011, as amended and supplemented (the "IRU Agreement"), which grants to the Agency an indefeasible right of use (the "IRU"). The IRU provides the Agency access to certain facilities of and capacity in the UTOPIA Network through at least April 30, 2042. The IRU Agreement will automatically renew in additional five-year increments unless either party terminates. The Agency currently has only two employees, a Chief Executive Officer and a Secretary/Treasurer, both of whom are also UTOPIA employees and have their salaries paid by UTOPIA. The Agency has engaged UTOPIA for the management of various services for certain portions of the UIA Network, including planning and pre-construction management services to build the UIA Network, administration, marketing, operations management and service provider management related to the UIA Network, all pursuant to an Interlocal Cooperative Agreement for Services, dated July 29, 2010, as amended and supplemented from time to time (the "UTOPIA Service Agreement"). The continued operations of the Agency and the UIA Network are heavily reliant on the continued operations of UTOPIA and the UTOPIA Network. See "THE UIA NETWORK" and "BONDHOLDERS' RISKS" herein.

Authority for the Series 2022 Bonds

The Series 2022 Bonds are being issued pursuant to (i) the Interlocal Cooperation Act; (ii) a General Indenture of Trust dated as of April 1, 2022 (the "General Indenture"), between UIA and Zions Bancorporation, National Association, as trustee (the "Trustee"); (iii) a First Supplemental Indenture of Trust dated as of April 1, 2022 (the "First Supplemental Indenture" and together with the General Indenture, the "Indenture"), between UIA and the Trustee; (iv) an authorizing resolution adopted on December 13, 2021 (the "Resolution"), by the Governing Board of UIA (the "Board"); and (v) other applicable provisions of law.

Uses of Proceeds

The proceeds of the Series 2022 Bonds will be used to (i) finance the acquisition, construction, and installation of advanced communications lines and related improvements and facilities as part of a fiber optic, advanced communications, open-access network located within Santa Clara City, Utah (as further described below, the "2022 Project" or the "City Network"), permitting residents of the City to connect to the UIA Network; (ii) provide capitalized interest with respect to the Series 2022 Bonds; and (iii) pay certain costs of issuing the Series 2022 Bonds. See "THE 2022 PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

Security for the Series 2022 Bonds

The principal of, premium, if any and interest on the Series 2022 Bonds will be payable from and secured by the revenues pledged under the Indenture (the "Revenues"), which include certain revenues, fees, income, rents, and receipts received or earned by UIA pursuant to the Fiber Communications Service and Acquisition Contract by and between UIA and the City, dated as of December 13, 2021 (the "Service Contract"), consisting of the hereinafter defined Hook-Up Lease Revenues, City Fees, and a portion of the Non-residential Fees (collectively, the "Service Revenues"), and in the event of a shortfall in Service Revenues, any advance of Allocated Tax Revenues (as hereinafter defined).

Amounts due to UIA from the City under the Service Contract and relating to capital costs are ultimately payable from (i) revenues received by the City from the levy of a municipal energy sales and use tax up to a maximum annual amount of $205,000 (the "Allocated Franchise Tax Revenues") and (ii) revenues received by the City from the levy of a local sales and use tax up to a maximum amount of $203,000 (the "Allocated Sales Tax Revenues" and together with the Allocated Franchise Tax Revenues, the "Allocated Tax Revenues"), for a total maximum, annual pledge of $408,000. The City has pledged to pay the Allocated Tax Revenues in the event and to the extent there is a shortfall in the Service Revenues available to pay debt service on the Series 2022 Bonds. The maximum annual (fiscal year) debt service on the Series 2022 Bonds does not exceed $408,000.

For fiscal year 2021, the City received $444,882 in municipal energy sales and use tax (from which the Allocated Franchise Tax Revenues are derived) and $2,141,771 in sales and use tax revenues (from which the Allocated Sales Tax Revenues are derived), for a combined fiscal year total of $2,586,653.

The City has outstanding $2,232,000 in sales tax revenues bonds (the "City Sales Tax Bonds") which are secured by the Allocated Sales Tax Revenues on a parity with the Series 2022 Bonds. See "SANTA CLARA CITY, UTAH—Allocated Tax Revenues–Outstanding Parity Debt of the City" herein.

Pursuant to the Service Contract, the City has reserved the right to issue additional debt of the City payable from franchise tax or sales tax revenues or otherwise pledge such revenues upon compliance with certain provisions thereof. See "SECURITY FOR THE SERIES 2022 BONDS," "SANTA CLARA CITY, UTAH—Allocated Tax Revenues," and "BONDHOLDERS' RISKS" herein for additional information.

UIA may issue additional Series of Bonds under the Indenture (the "Additional Bonds" and together with the Series 2022 Bonds, the "Bonds") upon the satisfaction of certain conditions set forth in the Indenture. The Additional Bonds will be secured by the Indenture on a parity with the Series 2022 Bonds. The Series 2022 Bonds and the Additional Bonds are sometimes collectively referred to herein as the "Bonds." See "SECURITY FOR THE SERIES 2022 BONDS—Additional Bonds" herein.

The Series 2022 Bonds are special limited obligations of UIA payable from Revenues derived from certain amounts payable under the Service Contract and certain other funds pledged under the Indenture. The primary and expected source of payment under the Service Contract is the Service Revenues. Amounts payable under the Service Contract are ultimately secured by the Allocated Tax Revenues. The Series 2022 Bonds are not a general obligation of UIA, the City, any Member, the State of Utah or any agency, instrumentality or political subdivision thereof. Neither the faith and credit nor the ad valorem taxing power of the City, any Member, the State of Utah or any agency, instrumentality or political subdivision thereof is assigned or pledged for payment of the Series 2022 Bonds. The Indenture does not pledge any properties of the UIA Network or the City Network. UIA will not mortgage or grant a security interest in the UIA Network or the City Network to secure payment of the Series 2022 Bonds. UIA has no taxing power. See "BONDHOLDERS' RISKS" herein.

No Debt Service Reserve for Series 2022 Bonds

UIA will not fund a debt service reserve account in connection with the issuance of the Series 2022 Bonds.

Redemption Provisions

The Series 2022 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity. See "THE SERIES 2022 BONDS–Redemption Provisions" below.

Registration, Denominations, Manner of Payment

The Series 2022 Bonds are issuable only as fully registered bonds without coupons and, when initially issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Series 2022 Bonds. Purchases of Series 2022 Bonds will be made in book-entry form only, in the principal amount of $5,000 and integral multiples thereof, through brokers and dealers who are, or who act through, DTC Participants (as hereinafter defined). Beneficial Owners (as hereinafter defined) of the Series 2022 Bonds will not be entitled to receive physical delivery of bond certificates so long as DTC or a successor securities depository acts as the securities depository with respect to the Series 2022 Bonds.

Principal of, premium, if any, and interest on the Series 2022 Bonds (interest payable April 15 and October 15 of each year, commencing October 15, 2022 (each an "Interest Payment Date")) are payable to the registered owners of the Series 2022 Bonds through Zions Bancorporation, National Association, which, in addition to acting as Trustee, will also act as paying agent and bond registrar with respect to the Series 2022 Bonds (respectively, the "Paying Agent" and the "Registrar"). So long as DTC is the registered owner, it will, in turn, remit such principal, premium, if any, and interest to the DTC Participants, for subsequent disbursements to the Beneficial Owners of the Series 2022 Bonds, as described in "APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM" herein.

Transfer or Exchange

In the event that the Book-Entry Only System is terminated with respect to the Series 2022 Bonds, and in all cases in which the privilege of exchanging or transferring the Series 2022 Bonds is exercised, UIA shall execute, and the Bond Registrar shall authenticate and register and deliver, the Series 2022 Bonds in accordance with the provisions of the Indenture. For every such exchange or transfer of the Series 2022 Bonds, the Bond Registrar may require payment of a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer of the Series 2022 Bonds, but may impose no other charge therefor.

Outstanding UIA Debt

Under a separate indenture and relating to a separate service contract, UIA has previously issued several series of its General Revenue Bonds which are outstanding in the aggregate principal amount of $187,635,000 (collectively, the "UIA General Revenue Bonds"). The UIA General Revenue Bonds were issued to finance and/or re-finance improvements to the UIA Network. The UIA General Revenue Bonds are secured by net revenues which are derived from the UIA Network and payments received under a Communications Service Contract dated as of May 1, 2011 (the "2011 Service Contract"), between UIA and the Members (except for Payson City). See "UIA—Outstanding Obligations of UIA–Telecommunications Revenue Bonds" herein.

UIA has also previously issued several series of bonds to finance projects in various partner cities. Such bonds are payable from and secured, pursuant to separate indentures, by the respective revenues due and payable under separate service contracts with each partnered city. See "UIA—Outstanding Obligations of UIA–Project Specific Revenue Bonds" herein.

Furthermore, UIA plans to issue other bonds in the next several years that are payable from and secured by sources other than the Revenues. Such bonds will either be payable from and secured by general UIA revenues or project specific revenues.

UIA does not currently plan to issue any Additional Bonds under the same Indenture pursuant to which the Series 2022 Bonds are issued. However, UIA may issue such Additional Bonds if circumstances require such issuance and as long as UIA complies with the conditions set forth in the Indenture.

Tax Matters

In the opinion of Gilmore & Bell, P.C., Bond Counsel to UIA, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended, the interest on the Series 2022 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that the interest on the Series 2022 Bonds is exempt from State of Utah individual income taxes. See "TAX MATTERS" in this Official Statement. Bond Counsel expresses no opinion regarding any other tax consequences relating to ownership or disposition of or the accrual or receipt of interest on the Series 2022 Bonds.

Continuing Disclosure

UIA will enter into a Continuing Disclosure Undertaking at the time of the issuance of the Series 2022 Bonds for the benefit of the Owners and the beneficial owners of the Series 2022 Bonds to provide (i) certain annual financial information and operating data to the Municipal Securities Rulemaking Board (the "MSRB") and (ii) notice of certain material events to the MSRB all in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "Rule"). See APPENDIX E attached hereto and incorporated herein by reference for a form of the Continuing Disclosure Undertaking that will be executed and delivered by UIA.

Conditions of Delivery, Anticipated Date, Manner, and Place of Delivery

The Series 2022 Bonds are offered, subject to prior sale, when, as, and if issued and received by KeyBanc Capital Markets Inc., as underwriter (the "Underwriter"), subject to the approval of legality by Gilmore & Bell, P.C., Salt Lake City, Utah, Bond Counsel to UIA, and certain other conditions. Certain legal matters will be passed on for UIA by Joshua Chandler, as general counsel to UIA. Certain matters relating to disclosure will be passed upon by Gilmore & Bell, P.C., Disclosure Counsel to UIA. Certain legal matters will be passed upon for the City by Snow Jensen & Reece, PC. Certain legal matters will be passed upon for the Underwriter by its counsel, Chapman and Cutler LLP. Lewis Young Robertson & Burningham, Inc., Salt Lake City, Utah, has acted as municipal advisor to UIA in connection with the issuance of the Series 2022 Bonds. See "LEGAL MATTERS" below. It is expected that the Series 2022 Bonds in book-entry form will be available for delivery to DTC or its agent on or about April 28, 2022.

Changes to Preliminary Official Statement

In addition to the incorporation of pricing terms, certain changes have been made to the Preliminary Official Statement dated March 17, 2022, to reflect (i) it is expected that the Series 2022 Bonds will be available for delivery to DTC or its agent on April 28, 2022; (ii) the appointment to the Governing Board of a new Director representing Brigham City; and (iii) Jason Roberts has assumed the role of UIA Secretary/Treasurer and UTOPIA Chief Financial Officer.

Basic Documentation

This Official Statement speaks only as of its date, and the information contained herein is subject to change. Brief descriptions of UIA, the City, UTOPIA, the UIA Network, the 2022 Project, the Series 2022 Bonds, the Service Contract, and the Indenture are included in this Official Statement. Such descriptions do not purport to be comprehensive or definitive. All references herein to the Indenture and the Service Contract are qualified in their entirety by reference to such documents, and references herein to the Series 2022 Bonds are qualified in their entirety by reference to the form thereof included in the Indenture and the information with respect thereto included in the aforementioned documents. See "APPENDIX B—FORM OF THE INDENTURE" and "APPENDIX C—THE SERVICE CONTRACT" below.

Bondholders' Risks

The purchase of the Series 2022 Bonds involves a degree of risk. Certain of the risks associated with the purchase and ownership of the Series 2022 Bonds are discussed herein. For a description of certain risks associated with the Series 2022 Bonds, see "BONDHOLDERS' RISKS" below. Potential purchasers of Series 2022 Bonds are encouraged to read the Official Statement in its entirety to gain an appreciation of the risks involved in purchasing the Series 2022 Bonds.

Contact Persons

The chief contact person for UIA concerning the Series 2022 Bonds is:

Jason Roberts, Secretary/Treasurer
Utah Infrastructure Agency
5858 South 900 East
Murray, Utah 84121
Telephone: (801) 613-3859
e-mail: jroberts@utopiafiber.com

Additional requests for information may be directed to UIA's municipal advisor as follows:

Laura D. Lewis, Principal
Lewis Young Robertson & Burningham, Inc.
41 North Rio Grande, Suite 101
Salt Lake City, Utah 84101
Telephone: (801) 596-0700
e-mail: laura@lewisyoung.com

Additional Information

Capitalized terms used herein and not otherwise defined have the meanings given them in the Indenture and the Service Contract. See "APPENDIX B—FORM OF THE INDENTURE–Definitions" and "APPENDIX C—THE SERVICE CONTRACT."

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between UIA and the purchasers or owners of any of the Series 2022 Bonds. The statements of UIA herein are not to be construed as statements by any member of the Board or any officer or employee of UIA or the City.

THE SERIES 2022 BONDS

General

The Series 2022 Bonds are dated their initial date of delivery and shall bear interest from said date. Interest on the Series 2022 Bonds will be payable semiannually on April 15 and October 15 of each year commencing October 15, 2022. Interest on the Series 2022 Bonds will be computed on the basis of a 360-day year consisting of twelve 30-day months. The Series 2022 Bonds will be issued as fully registered bonds, initially in book-entry form, in denominations of $5,000 and integral multiples thereof.

The Series 2022 Bonds shall bear interest at the rates and shall mature in each of the years and principal amounts as set forth on the inside front cover page to this Official Statement.

Principal of and the interest on the Series 2022 Bonds shall be payable in lawful money of the United States of America. Payment of the interest on any Bond shall be made to the person appearing on the Bond registration books of the Registrar as provided in the Indenture as the Registered Owner thereof by check or draft mailed on the Interest Payment Date to the Registered Owner at his address as it appears on such registration books or to owners of $1,000,000 or more in aggregate principal amount of Series 2022 Bonds (or owners of 100% of any Series then Outstanding) by wire transfer to a bank account designated by the Registered Owner in written instructions furnished to the Trustee no later than the Regular Record Date for such payment. The interest on the Series 2022 Bonds so payable, and punctually paid and duly provided for, on any Interest Payment Date will be paid to the person who is the Registered Owner thereof at the close of business on the Regular Record Date for such interest immediately preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner of any Bond on such Regular Record Date, and may be paid to the person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such Registered Owner not less than ten days prior to such Special Record Date. The principal of and premium, if any, on Series 2022 Bonds are payable upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee as Paying Agent. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Series 2022 Bond to the extent of the sum or sums so paid.

Registration, Transfer and Exchange

UIA shall cause books for the registration or transfer of the Bonds to be kept at the principal corporate trust office of the Trustee and appoints the Trustee to act as its registrar and transfer agent to keep such books and to make such registration and transfers. Upon surrender for transfer of any Bond at the principal corporate trust office of the Trustee, UIA shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees, a new Bond or Bonds of authorized denomination for the aggregate principal amount which the Registered Owner is entitled to receive. Bonds of authorized denominations may be exchanged for Bonds of other authorized denominations of the same maturity, series, and interest rate upon request of the Owner thereof.

All Bonds presented for transfer, exchange, or payment shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature reasonably satisfactory to the Trustee, duly executed by the Registered Owner or by his duly authorized attorney.

New Bonds delivered upon any transfer or exchange shall be valid obligations of UIA, evidencing the same debt as the Bonds surrendered, shall be secured by and entitled to all of the security and benefits of the Indenture to the same extent as the Bonds surrendered. No service charge shall be made for any exchange, transfer, or registration of Bonds, but UIA may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto. UIA and the Trustee shall not be required to transfer or exchange any Bond (a) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date, (b) during the period from and including the day fifteen days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto, (c) during the period from and including the day fifteen days prior to the mailing of notice calling any Bonds for redemption, to and including the date of such mailing, or (d) at any time following the mailing of notice calling such Bond for redemption.

Redemption

Optional Redemption. The Series 2022 Bonds maturing on or after October 15, 2032 are subject to redemption prior to maturity at the option of UIA in whole or in part on any date on or after October 15, 2031, in such order of maturity as may be designated by UIA, at the redemption price of 100% the principal amount of the Series 2022 Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

Mandatory Sinking Fund Redemption. The Series 2022 Bonds maturing on October 15, 2032, are subject to mandatory sinking fund redemption, by lot in such manner as the Trustee may determine, at a price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date, on the dates and in the principal amounts as follows:

Mandatory Sinking Fund Redemption Date (October 15)	Principal Amount
2024	$130,000
2025	135,000
2026	140,000
2027	145,000
2028	155,000
2029	160,000
2030	165,000
2031	170,000
2032*	180,000

* Final Maturity

The Series 2022 Bonds maturing on October 15, 2037, are subject to mandatory sinking fund redemption, by lot in such manner as the Trustee may determine, at a price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date, on the dates and in the principal amounts as follows:

Mandatory Sinking Fund Redemption Date (October 15)	Principal Amount
2033	$185,000
2034	195,000
2035	200,000
2036	210,000
2037*	220,000

* Final Maturity

The Series 2022 Bonds maturing on October 15, 2051, are subject to mandatory sinking fund redemption, by lot in such manner as the Trustee may determine, at a price equal to one hundred percent (100%) of the principal amount thereof plus accrued interest to the redemption date, on the dates and in the principal amounts as follows:

Mandatory Sinking Fund Redemption Date (October 15)	Principal Amount
2038	$230,000
2039	240,000
2040	250,000
2041	260,000
2042	270,000
2043	285,000
2044	295,000
2045	310,000
2046	320,000
2047	335,000
2048	350,000
2049	365,000
2050	380,000
2051*	395,000

* Final Maturity

If fewer than all of the Series 2022 Bonds maturing on October 15, 2032, 2037, or 2051, respectively, are redeemed in a manner other than pursuant to a mandatory sinking fund redemption, the principal amount so redeemed shall be credited at one hundred percent (100%) of the principal amount thereof by the Trustee against the obligation of UIA on future mandatory sinking fund redemption dates for the Series 2022 Bonds maturing on October 15, 2032, 2037, or 2051, respectively, in such order as shall be directed by UIA.

Selection of Series 2022 Bonds for Redemption

If less than all of the Series 2022 Bonds of any maturity are to be so redeemed, the particular Series 2022 Bonds or portion of Series 2022 Bonds of such maturity to be redeemed shall be selected by the Trustee by lot, in such manner as the Trustee in its discretion may deem fair and appropriate.

Notice of Redemption; Effect of Redemption

Notice of Redemption. In the event any of the Bonds are to be redeemed, the Registrar shall cause notice to be given as required by the Indenture. Notice of such redemption (i) shall be filed with the Paying Agent designated for the Bonds being redeemed; and (ii) shall be mailed by first class mail, postage prepaid, to all Registered Owners of Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar at least thirty days but not more than sixty days prior to the date fixed for redemption. Such notice shall include, among other information specified by the Indenture, the following: (i) the complete official name of the Bonds; (ii) in the case of partial redemption of any Bonds, the respective principal amounts thereof to be redeemed; (iii) the date of mailing of redemption notices and the redemption date; and (iv) the redemption price.

In addition to the foregoing, further notice of any redemption of Bonds under the Indenture shall be given by the Trustee, simultaneous with the mailed notice to Registered Owners, to the MSRB and all registered securities depositories (as reasonably determined by the Trustee) then in the business of holding substantial amounts of obligations of types comprising the Bonds. Such further notice shall contain the information required for a notice of redemption under the Indenture. Failure to give all or any portion of such further notice shall not in any manner defeat the effectiveness of a call for redemption. Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number, if any, identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

If at the time of mailing of any notice of optional redemption there shall not be on deposit with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that such redemption shall be conditioned upon receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of and interest on such Bonds to be redeemed and that if such moneys shall not have been so received said notice shall be of no force and effect and UIA shall not be required to redeem1such Bonds. In the event that such moneys are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, one time, in the same manner in which the notice of redemption was given, that such moneys were not so received.

Any notice mailed shall be conclusively presumed to have been duly given, whether or not the owner of such Bonds receives the notice. Receipt of such notice shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such Registered Owners shall not affect the validity of the proceedings for the redemption of the Bonds.

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

Partial Redemption. In case any registered Bond shall be redeemed in part only, upon the presentation of such Bond for such partial redemption, UIA shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of UIA, a Bond or Bonds of the same Series, interest rate and maturity, in aggregate principal amount equal to the unredeemed portion of such registered Bond. Unless otherwise provided by Supplemental Indenture, a portion of any Bond of a denomination of more than the minimum denomination of such Series specified in the Indenture or in the related Supplemental indenture to be redeemed will be in the principal amount of such minimum denomination or an integral multiple thereof and in selecting portions of such Bonds for redemption, the Trustee will treat each such Bond as representing that number of Bonds of such minimum denomination which is obtained by dividing the principal amount of such Bonds by such minimum denomination.

Book-Entry Only System

DTC will act as securities depository for the Series 2022 Bonds. The Series 2022 Bonds will be issued as fully registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered bond certificate will be issued for each maturity of the Series 2022 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC. See "APPENDIX F—PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM."

THE 2022 PROJECT

The 2022 Project consists of the acquisition, construction, and installation of advanced communication lines, equipment, and related improvements and facilities as part of a fiber optic, open-access network located within the City. Such undertaking is also referred to herein as the "City Network" or, as defined in the Indenture, the "UIA-Santa Clara Component Network." The 2022 Project includes the construction of "last mile" or access-level fiber in defined footprints, lateral infrastructure to commercially zoned areas, "curb to the premises" construction and connection to the UIA Network and/or UTOPIA Network where available. The 2022 Project will be undertaken throughout the boundaries of the City. UIA has sufficient UIA Network capacity to provide connection services to its Members as well as to the City and other non-Member cities for which UIA Network components may be acquired and constructed by UIA in the future.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources of funds from the proceeds to be received from the sale of the Series 2022 Bonds and the estimated uses of such funds are shown in the following schedule:

Sources:	
Principal Amount	$6,675,00.00
Net Original Issue Discount	(51,563.40)
Total	$6,623,436.60
Uses:	
Deposit to Series 2022 Construction Account	$5,908,124.51
Deposit to Series 2022 Capitalized Interest Account (1)	545,396.49
Costs of Issuance (2)	169,915.60
Total	$6,623,436.60

(1) Interest with respect to the Series 2022 Bonds capitalized through April 15, 2024.

(2) Includes Underwriter's discount, legal, rating agency, municipal advisor, and Trustee fees, and other costs and expenses related to the issuance of the Series 2022 Bonds.

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DEBT SERVICE SCHEDULE FOR THE SERIES 2022 BONDS

Payment Dates	Principal	Interest [1]	Fiscal Year Total
10/15/2022	-	$128,827.74	-
4/15/2023	-	138,856.25	$267,683.99
10/15/2023	-	138,856.25	-
4/15/2024	-	138,856.25	277,712.50
10/15/2024	$130,000.00	138,856.25	-
4/15/2025	-	136,256.25	405,112.50
10/15/2025	135,000.00	136,256.25	-
4/15/2026	-	133,556.25	404,812.50
10/15/2026	140,000.00	133,556.25	-
4/15/2027	-	130,756.25	404,312.50
10/15/2027	145,000.00	130,756.25	-
4/15/2028	-	127,856.25	403,612.50
10/15/2028	155,000.00	127,856.25	-
4/15/2029	-	124,756.25	407,612.50
10/15/2029	160,000.00	124,756.25	-
4/15/2030	-	121,556.25	406,312.50
10/15/2030	165,000.00	121,556.25	-
4/15/2031	-	118,256.25	404,812.50
10/15/2031	170,000.00	118,256.25	-
4/15/2032	-	114,856.25	403,112.50
10/15/2032	180,000.00	114,856.25	-
4/15/2033	-	111,256.25	406,112.50
10/15/2033	185,000.00	111,256.25	-
4/15/2034	-	107,556.25	403,812.50
10/15/2034	195,000.00	107,556.25	-
4/15/2035	-	103,656.25	406,212.50
10/15/2035	200,000.00	103,656.25	-
4/15/2036	-	99,656.25	403,312.50
10/15/2036	210,000.00	99,656.25	-
4/15/2037	-	95,456.25	405,112.50
10/15/2037	220,000.00	95,456.25	-
4/15/2038	-	91,056.25	406,512.50
10/15/2038	230,000.00	91,056.25	-
4/15/2039	-	86,168.75	407,225.00
10/15/2039	240,000.00	86,168.75	-
4/15/2040	-	81,068.75	407,237.50
10/15/2040	250,000.00	81,068.75	-
4/15/2041	-	75,756.25	406,825.00
10/15/2041	260,000.00	75,756.25	-
4/15/2042	-	70,231.25	405,987.50
10/15/2042	270,000.00	70,231.25	-
4/15/2043	-	64,493.75	404,725.00
10/15/2043	285,000.00	64,493.75	-
4/15/2044	-	58,437.50	407,931.25
10/15/2044	295,000.00	58,437.50	-
4/15/2045	-	52,168.75	405,606.25
10/15/2045	310,000.00	52,168.75	-
4/15/2046	-	45,581.25	407,750.00
10/15/2046	320,000.00	45,581.25	-
4/15/2047	-	38,781.25	404,362.50
10/15/2047	335,000.00	38,781.25	-
4/15/2048	-	31,662.50	405,443.75
10/15/2048	350,000.00	31,662.50	-
4/15/2049	-	24,225.00	405,887.50
10/15/2049	365,000.00	24,225.00	-
4/15/2050	-	16,468.75	405,693.75
10/15/2050	380,000.00	16,468.75	-
4/15/2051	-	8,393.75	404,862.50
10/15/2051	395,000.00	8,393.75	403,393.75
Total	$6,675,000.00	$5,224,102.74	$11,899,102.74

[1] Debt service on the Series 2022 Bonds will be paid from capitalized interest through April 15, 2024.

(Source: The Municipal Advisor.)

SECURITY FOR THE SERIES 2022 BONDS

Pledge of the Indenture

The Series 2022 Bonds and any Additional Bonds issued pursuant to the Indenture are special limited obligations of UIA secured equally and ratably by and payable exclusively from (i) the Revenues and (ii) all moneys in funds and accounts held by the Trustee under the Indenture.

"Revenues" means certain revenues, fees, income, rents, and receipts received or earned by UIA pursuant to the Service Contract, consisting of the Hook-up Lease Revenues, City Fees, and a portion of Non-Residential Fees (and in the event of a shortfall in such revenues, any advance of Allocated Tax Revenues (as described herein)), but not including Service Fees (as defined below), together with all interest earned by and profits derived from the sale of investments in the related funds thereof. Revenues do not include gifts or grants received by UIA. See "The Service Contract" below.

The amounts payable under the Service Contract are ultimately payable from and secured by the Allocated Tax Revenues in consideration for access to and use of the UIA Network. See "The Service Contract" and "SANTA CLARA CITY, UTAH," below.

The Series 2022 Bonds are special limited obligations of UIA payable from Revenues derived from certain amounts payable under the Service Contract and certain other funds pledged under the Indenture. The primary and expected source of payment under the Service Contract is Service Revenues attributable to the City Network. Amounts payable under the Service Contract are ultimately secured by the Allocated Tax Revenues. The Series 2022 Bonds are not a general obligation of UIA, the City, any Member, the State of Utah or any agency, instrumentality or political subdivision thereof. Neither the faith and credit nor the ad valorem taxing power of the City, any Member, the State of Utah or any agency, instrumentality or political subdivision thereof is assigned or pledged for payment of the Series 2022 Bonds. The Indenture does not pledge any properties of the UIA Network or the City Network. UIA will not mortgage or grant a security interest in the UIA Network or the City Network to secure payment of the Series 2022 Bonds. UIA has no taxing power. See "BONDHOLDERS' RISKS" herein.

To secure the timely payment of the principal of and interest on the Series 2022 Bonds, UIA has pledged and assigned to the Trustee the Revenues and all moneys in the funds and accounts established by the Indenture. The Indenture establishes a Bond Fund to be held by the Trustee and a Revenue Fund to be held by UIA and certain other funds and accounts.

Flow of Funds

(a) The Indenture provides that all Revenues shall be deposited in the Revenue Fund and accounted for by UIA separate and apart from all other moneys of UIA.

(b) So long as any Bonds are Outstanding, as a first charge and lien on the Revenues, UIA shall, on or before the first Business Day of each month, transfer to the Trustee for deposit into the Bond Fund from the Revenue Fund an amount equal to:

(i) one-sixth of the interest falling due on the Bonds on the next succeeding Interest Payment Date established for the Bonds (provided, however, that so long as there are moneys representing capitalized interest on deposit with the Trustee to pay interest on the Bonds next coming due, UIA need not allocate to the Revenue fund to pay interest on the Bonds); plus

(ii) one-twelfth of the principal and premium, if any, falling due on the next succeeding principal payment date established for the Bonds; plus

(iii) one-twelfth of the Sinking Fund Installments, if any, falling due on the next succeeding Sinking Fund Installment payment date;

the sum of which shall be sufficient, when added to the existing balance in the Bond Fund, to pay the principal of, premium, if any, and interest on the Bonds promptly on each such Interest Payment Date as the same become due and payable. The foregoing provisions may be revised by a Supplemental Indenture for any Series of Bonds having other than semiannual Interest Payment Dates. In the event UIA shall have deposited for any month less than the amounts required pursuant to (i), (ii) or (iii) above, the Trustee shall, within five Business Days of such payment deficiency and unless otherwise cured by UIA during that period, notify the City of the amount of such deficiency, with a copy of such notice to be sent to UIA. Further, such notice to the City shall include a demand for payment from the Allocated Tax Revenues to the amount of such deficiency, all in accordance with the provisions of the Service Contract. Any receipt of Allocated Tax Revenues by the Trustee from the City shall be deposited into the Bond Fund and applied pursuant to (i), (ii) and (iii) above.

(c) As a second charge and lien on the Revenues (on a parity basis), UIA shall make the following transfers to the Trustee on or before the fifteenth day of each month of each year:

(i) To the extent the Debt Service Reserve Requirement, if any, is not funded with a Reserve Instrument or Instruments, (A) to the accounts in the Debt Service Reserve Fund any amounts required by the Indenture and by any Supplemental Indenture to accumulate therein the applicable Debt Service Reserve Requirement with respect to each Series of Bonds at the times and in the amounts provided in the Indenture and in any Supplemental Indenture and (B) if funds shall have been withdrawn from an account in the Debt Service Reserve Fund or any account in the Debt Service Reserve Fund is at any time funded in an amount less than the applicable Debt Service Reserve Requirement, UIA shall deposit Revenues in such account(s) in the Debt Service Reserve Fund sufficient in amount to restore such account(s) within one year with twelve substantially equal payments during such period (unless otherwise provided for by the Supplemental Indenture governing the applicable Debt Service Reserve Requirement); or a ratable portion (based on the amount to be transferred pursuant to subparagraph (ii) below) of remaining Revenues if less than the amount necessary; and

(ii) Equally and ratably to the accounts of the Reserve Instrument Fund with respect to all Reserve Instruments which are in effect and are expected to continue in effect after the end of such month, such amount of the remaining Revenues, or a ratable portion (based on the amount to be transferred pursuant to subparagraph (i) above) of the amount so remaining if less than the amount necessary, that is required to be paid on or before the next such monthly transfer or deposit of Revenues into the Reserve Instrument Fund, to the Reserve Instrument Provider pursuant to any Reserve Instrument Agreement, other than Reserve Instrument Costs, in order to cause the Reserve Instrument Coverage to equal the Reserve Instrument Limit within one year from any draw date under the Reserve Instrument.

(d) As a third charge and lien on the Revenues, UIA shall cause to be paid from the Revenue Fund from time to time as UIA shall determine all Operation and Maintenance Expenses as the same become due and payable, and thereupon such expenses shall be promptly paid.

For purposes of the Indenture, “Operation and Maintenance Expenses” are defined as all expenses reasonably incurred by UIA in connection with the operation and maintenance of the City Network, whether incurred by UIA or paid to any other entity pursuant to contract or otherwise, necessary to keep the City Network in efficient operating condition, including cost of any audits required by the Indenture, payment of promotional and marketing expenses and real estate brokerage fees, payment of premiums for insurance and, generally all expenses, exclusive of depreciation (including depreciation related expenses of any joint venture) which under generally accepted accounting practices are properly allocable to operation and maintenance; however, only such expenses as are reasonably and properly necessary to the efficient operation and maintenance of the City Network shall be included.

(e) As a fourth charge and lien on the Revenues, UIA shall deposit in the Repair and Replacement Fund any amount required by the Indenture to accumulate therein the Repair and Replacement Reserve Requirement. In the event that the amount on deposit in the Repair and Replacement Fund shall ever be less than the Repair and Replacement Reserve Requirement for the Bonds then Outstanding (or, after the issuance of Additional Bonds, the amount required to be on deposit therein), from time to time, UIA shall deposit to the Repair and Replacement Fund from the Revenue Fund all remaining Revenues of the City Network after payments required by paragraphs (b), (c) and (d) above have been made until there is on deposit in the Repair and Replacement Fund an amount equal to the Repair and Replacement Reserve Requirement. Subject to the provisions of paragraph (f) below, this provision is not intended to limit, and does not limit, the right of UIA to deposit additional moneys in the Repair and Replacement Fund from time to time as UIA may determine.

(f) Subject to making the foregoing deposits, UIA may use the balance of the Revenues accounted for in the Revenue Fund for any of the following: (i) redemption of Bonds; (ii) refinancing, refunding, or advance refunding of any Bonds; or (iii) any amounts owing from UIA to the City under the Service Contract; or (iv) for any other lawful purpose.

The Service Contract

General. Under the Service Contract, UIA will provide certain wholesale services (the "Connection Services") to the City whereby residential end users in the City (the "End Users") have access to improvements installed, operated and maintained by UIA within the City or specifically undertaken for the benefit of the City through which they may contract with private providers for cable television and telecommunication services (broadband) provided through the City Network. Such improvements will be used to provide Connection Services to End Users within the City. Connection Services also include the access rights to and capacity in the City Network. The Service Contract was unanimously approved by the City Council of the City.

Under the Service Contract, UIA also agrees to provide for the maintenance and operation of the City Network and will market or cause to be marketed, on behalf of the City, connection and access to the City Network to the residents and businesses of the City. For a more detailed description of the Connection Services, see Exhibit A to the Service Contract attached hereto as "APPENDIX C—THE SERVICE CONTRACT."

Payments of Hook-up Lease Revenues, City Fees, and a portion of Non-Residential Fees (as defined below) received by UIA from the City under the Service Contract constitute the principal source of the Revenues pledged to the payment of the Series 2022 Bonds under the Indenture.

The Service Contract extends at least to such time as the Series 2022 Bonds and any other obligations payable from amounts under the Service Contract shall have been retired in accordance with their terms.

Operation of the Service Contract. In consideration for the services provided by UIA to the City under the Service Contract, the City agrees to pay to UIA an amount equal to the sum of all Capital Costs during each fiscal year or other applicable period (the "UIA Revenue Requirement"). As of the date of issuance of the Series 2022 Bonds, the Capital Costs of UIA relating to the City Network consist solely of debt service on the Series 2022 Bonds.

The Service Contract provides for UIA to (i) on behalf of the City, impose and collect fees and charges (the "Hook-up Lease Revenues") generated pursuant to agreements between the City or UIA and each End User that allow such End User to connect to the City Network (the "Hook-up Leases"), and (ii) apply the Hook-up Lease Revenues toward the payment of the UIA Revenue Requirement. The charges for the Hook-up Leases are charged and payable monthly.

Under the Service Contract, UIA will also apply all City Fees toward the payment of the UIA Revenue Requirement upon receipt of the City Fees. "City Fees" are fees paid by the City to UIA for the provision of Connection Services to City-owned facilities or resources. Service Fees and Non-Residential Fees (defined below) are also charged and payable monthly. The Service Contract provides that 50% of fees that are collected for services provided to non-residential customers by the City Network (the "Non-Residential Fees") are to be allocated toward the payment of the UIA Revenue Requirement. The City Fees, the Hook-up Lease Revenues, and 50% of Non-Residential Fees are referred to collectively herein as the "Service Revenues."

The Service Contract also provides that service fees (fees other than those relating to Hook-up Leases or City Fees) that may be charged by or on behalf of the City to the End Users of the City Network (the "Service Fees") will be remitted to UIA. However, such fees will *not* be applied toward the payment of the UIA Revenue Requirement.

The City's payment obligations under the Service Contract as described herein are irrevocable, absolute and unconditional and shall not be subject to any reduction, whether by defense, recoupment, counterclaim, set-off, termination, or offset or otherwise, and shall not be conditioned upon the construction, performance or non-performance of the City Network or UIA. The remedy for non-performance under the Service Contract is limited to mandamus, specific performance or equitable remedy.

Except as payable from Allocated Tax Revenues as described below, the City's obligation to make monthly payments of the UIA Revenue Requirement under the Service Contract is payable solely from the Service Revenues. Each monthly installment payable by the City to UIA under the Service Contract is due and payable by the City not later than the fifteenth day of the next succeeding month. If the Service Revenues are not paid in full on or before the close of business on the fifteenth day of the month in which such Service Revenues are due, an interest charge will be made at the rate of 10% per annum. If all or a portion of the Service Revenues remain unpaid after the fifteenth day of the month in which the Service Revenues are due, UIA may, upon giving 30 days' advance written notice, discontinue Connection Services and other services under the Service Contract to the City unless, and may refuse to resume such services to the City until, the delinquent installment has been paid.

Upon termination of the Service Contract, all Service Revenues will remain revenues of, and belong to, UIA.

Use of Allocated Tax Revenues. It is intended that the first source for the payment of the UIA Revenue Requirement will be the Service Revenues. As of the issuance of the Series 2022 Bonds, the UIA Revenue Requirement consists solely of the debt service costs of the Series 2022 Bonds. In the event the Revenues other than Allocated Tax Revenues are not sufficient to pay the UIA Revenue Requirement when due, and if UIA fails to cure such Shortfall on behalf of the City, the City has agreed pursuant to the Service Contract to advance to UIA Allocated Tax Revenues sufficient to fund the difference between the UIA Revenue Requirement and the Service Revenues (the "Shortfall").

As used herein, "Allocated Tax Revenues" means (i) the franchise tax revenues received by the City pursuant to (a) Title 10, Chapter 1, Part 3, Utah Code (the "Municipal Energy Sales and Use Tax Act"), in a maximum annual amount of $205,000 and (ii) the sales and use tax revenues receive by the City pursuant to Title 59, Chapter 12, Part 2, Utah Code (the "Local Sales and Use Tax Act"), in a maximum annual amount of $203,000.

The Service Contract provides that on or prior to each January 1 and July 1 commencing January 1, 2022, UIA will determine: (i) the UIA Revenue Requirement due on the next succeeding March 15 or September 15, as applicable, and (ii) the amount of Service Revenues UIA reasonably believes will be available for payment of the UIA Revenue Requirement on said March 15 or September 15. In addition, UIA shall, on or prior to each January 15 or July 15, as applicable, submit a request to the City for Allocated Tax Revenues equal to the Shortfall. The City agrees to pay the Shortfall to UIA no later than the next succeeding March 15 or September 15, as applicable. UIA covenants to take such other action as it lawfully may take to assure that the City remits to UIA from Allocated Tax Revenues any Shortfall pursuant to the Service Contract.

If for any reason UIA or the City fails to comply with its obligations relating to any Shortfall under the Service Contract, the Trustee in accordance with the Service Contract and the Indenture will, at any time during which a Shortfall exists, submit a request to the City to remit to the Trustee Allocated Tax Revenues equal to the Shortfall. The City agrees to pay the Shortfall to the Trustee no later than the next succeeding March 15 or September 15, as applicable.

The City may create or incur additional debt or other obligations secured by a pledge of franchise tax revenues or sales tax revenues on a parity with the pledge created pursuant to the Service Contract so long as the City's franchise tax revenues or sales tax revenues generated during the fiscal year immediately preceding the fiscal year in which the additional parity debt or obligation is to be issued or incurred, as appropriate, are not less than 150% of the maximum annual debt service in any given fiscal year on the sum of (i) the debt service on the additional parity debt or obligation plus (ii) debt service on any debt or other parity obligation previously issued or incurred by or for the benefit of the City and payable from or secured by franchise tax revenues or sales tax revenues, as appropriate, and outstanding, plus (iii) the debt service on any bonds or other parity obligations issued by UIA and payable from amounts paid or received under the Service Contract, tested for the period of such additional debt or other parity obligation.

All Allocated Tax Revenues paid by the City to UIA under the Service Contract will constitute a loan by the City to UIA in the form of a promissory note which shall be paid by UIA on a subordinate basis from future revenues of UIA derived from the City Network. The City is entitled to interest on each loan advance at the per annum rate equal to the rate of return at the Utah Public Treasurer's Investment Fund in effect at the time of execution and delivery of the promissory note, unless by agreement of the City and UIA a lesser interest rate is set forth in the executed promissory note for said loan. The loan obligation incurred by UIA under the Service Contract shall be subordinate and junior to UIA's other payment obligations, including with respect to the Series 2022 Bonds. Payment obligations represented by a promissory note will survive termination of the Service Contract until paid in full or otherwise extinguished.

During the term of the Service Contract, the City covenants that it will not, unless directed to do so by the State of Utah or a court of competent jurisdiction, reduce the rate of the franchise taxes or the sales and use taxes from which it derives Allocated Tax Revenues.

The amount of the Allocated Tax Revenues is expected to be sufficient to satisfy the annual payments of principal of and interest on the Series 2022 Bonds.

Projected Service Revenues

The table below shows for the indicated fiscal years (July 1 through June 30) the projected Service Revenues under the Service Contract. UIA expects to begin providing Connection Services under the Service Contract in August of 2022. As previously discussed, the City has agreed pursuant to the Service Contract to transfer to UIA Allocated Tax Revenues to fund any Shortfall in Service Revenues.

	2022	2023	2024	2025	2026
Balance Forward of Remaining Revenues	–	–	$63,161	$255,762	$153,936
Projected Revenues					
Hook-up Lease Revenues [(1)]	$0	$58,202	179,397	283,032	358,961
City Fees	0	1,000	1,000	1,000	1,000
50% Non-Residential Fees	0	3,959	12,204	19,254	24,419
Total Projected Revenues	$0	$63,161	$255,762	$559,048	$538,316
UIA Revenue Requirement [(2)]					
Series 2022 Bonds Debt Service[(a)]	0	0	0	405,113	404,813
Remaining Revenues	–	$63,161	$255,762	$153,936	$133,503

(1) Assumed residential take rate for 2022 through 2026 is 0%, 11%, 23%, 32%, and 38%, respectively.

(2) Under the Service Contract, the UIA Revenue Requirement includes capital costs of UIA relating to the City Network, which consists of debt service on the Series 2022 Bonds.

(a) Interest on the Series 2022 Bonds will be paid from capitalized interest through and including April 15, 2024.

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Historical Franchise and Sales Tax Revenues of the City

As discussed herein, in the event of a Shortfall in the Service Revenues the City has pledged to lend to UIA its Allocated Tax Revenues which are limited to a maximum annual amount of $205,000 of Allocated Franchise Tax Revenues and $203,000 of Allocated Sales Tax Revenues. The total maximum annual (fiscal year) debt service on the Series 2022 Bonds is $407,931.

The following table shows the City's total municipal energy sales and use taxes (of which the Allocated Franchise Tax Revenues are a portion) for the last five years and the coverage ratio to the Allocated Franchise Tax Revenues. The table also shows the total sales tax revenues (of which the Allocated Sales Tax Revenues are a portion) for the last five years, the Allocated Sales Tax Revenues, the maximum annual debt service on the City Sales Tax Bonds, and the coverage ratio of the City's sales tax revenues. See "SANTA CLARA CITY, UTAH—Allocated Tax Revenues" herein for a general discussion relating to such revenues.

Fiscal Year Ending June 30	2021	2020	2019	2018	2017
Municipal Energy Tax Revenues	$444,882	$377,696	$364,104	$348,285	$319,556
Allocated Franchise Tax Revenues	205,000	205,000	205,000	205,000	205,000
Ratio of total franchise tax revenues to Allocated Franchise Tax Revenues	*2.2x*	*1.8x*	*1.8x*	*1.7x*	*1.6x*
Total Sales and Use Tax Revenues	$2,141,771	$1,600,920	$1,339,231	$1,202,044	$1,043,079
Allocated Sales Tax Revenues	$203,000	$203,000	$203,000	$203,000	$203,000
Maximum Annual debt service on City Sales Tax Bonds (1)	170,067	170,067	170,067	170,067	170,067
Total	$373,067	$373,067	$373,067	$373,067	$373,067
Ratio of total sales and use tax revenues to Allocated Sales Tax Revenues and maximum annual debt service on City Sales Tax Bonds	*5.7x*	*4.3x*	*3.6x*	*3.2x*	*2.8x*

(1) The City Sales Tax Bonds have annual debt service ranging from $169,059 to $170,067, with a scheduled maturity on March 1, 2036. See "SANTA CLARA CITY, UTAH—Allocated Tax Revenues – Outstanding Parity Debt of the City" herein.

No Debt Service Reserve for the Series 2022 Bonds

UIA will not fund a debt service reserve account in connection with the issuance of the Series 2022 Bonds.

Outstanding UIA Bonds

Under a separate indenture and relating to a separate service contract, UIA has previously issued several series of its General Revenue Bonds which are outstanding in the aggregate principal amount of $187,635,000 (collectively, the "UIA General Revenue Bonds"). The UIA General Revenue Bonds were issued to finance and/or re-finance improvements to the UIA Network. The UIA General Revenue Bonds are secured by net revenues which are derived from the UIA Network and payments received under the 2011 Service Contract. See "UIA—Outstanding Obligations of UIA–Telecommunications Revenue Bonds" herein.

UIA has also previously issued several series of bonds to finance projects in various partner cities. Such bonds are payable from and secured, pursuant to separate indentures, by the respective revenues due and payable under separate service contracts with each partnered city. See "UIA—Outstanding Obligations of UIA–Project Specific Revenue Bonds" herein.

Additional Bonds

No other indebtedness, bonds or notes of UIA which are secured by a pledge of the Revenues senior to the pledge of the Revenues for the payment of the Series 2022 Bonds may be issued or incurred by UIA without the prior written consent of 100% of all Registered Owners of the Outstanding Bonds.

No Additional Bonds or other indebtedness, bonds or notes of UIA payable out of the Revenues on a parity with the Series 2022 Bonds will be issued unless the Allocated Tax Revenues received by the City during the fiscal year immediately preceding the fiscal year in which the Additional Bonds, indebtedness, bonds or notes of UIA are to be issued are not less than 100% of the maximum aggregate annual debt service on (i) the proposed Additional Bonds and (ii) the Series 2022 Bonds and any other Additional Bonds or parity indebtedness, bonds or notes of UIA or the City previously issued and outstanding and secured by a pledge of the Allocated Tax Revenues, tested for the period of the proposed Additional Bonds, parity debt or obligations, bonds or notes of UIA.

SANTA CLARA CITY, UTAH

General

The City was incorporated in 1915, covers an area of approximately six square miles, and is located in Washington County in southern Utah. According to the 2020 U.S. Census, the City has an estimated population of 7,553. The City is approximately 51% built-out and anticipates reaching full build-out by 2041.

The tables below summarize additional demographic data about the City and the State.

Specified Owner-Occupied Units

	Santa Clara City		The State	
Value	*Number*	*Percent*	*Number*	*Percent*
Under $50,000	42	2.3%	22,648	3.2%
$50,000 to $99,999	–	–	14,196	2.0
$100,000 to $149,999	15	0.8	38,570	5.5
$150,000 to $199,999	43	2.4	71,792	10.1
$200,000 to $299,999	576	31.7	198,104	28.0
$300,000 to $499,999	906	49.9	253,233	35.8
$500,000 to $999,999	198	10.9	94,313	13.3
$1,000,000 or more	36	2.0	14,987	2.1
Total	1,816		707,663	–

(Source: U.S. Census Bureau, 2016-2020 American Community Survey 5-Year Estimates.)

Median Household Income

	Santa Clara City	The State
	Percent of Households	*Percent of Households*
Under $10,000	1.6%	3.6%
$10,000 to $14,999	1.3	2.7
$15,000 to $24,999	2.6	6.1
$25,000 to $34,999	3.8	7.2
$35,000 to $49,999	14.2	11.8
$50,000 to $74,999	27.8	19.1
$75,000 to $99,999	15.4	15.4
$100,000 to $149,999	20.3	19.2
$150,000 to $199,999	6.2	7.8
$200,000 or more	6.9	7.0
Median Household Income	$74,531	$74,197

(Source: U.S. Census Bureau, 2016-2020 American Community Survey 5-Year Estimates.)

Allocated Tax Revenues

General. The Allocated Tax Revenues pledged in the Service Contract are those revenues received from the levy of (i) the Municipal Energy Sales and Use Tax (as defined below) up to a maximum annual amount of $205,000 and (ii) the Sales and Use Tax Act (as defined below) up to a maximum annual amount of $203,000, for a total, maximum annual amount of $408,000.

Municipal Energy Sales and Use Tax. The Municipal Energy Sales and Use Tax Act provides that a municipality may levy a municipal energy sales and use tax (the "Municipal Energy Sales and Use Tax") on the sale or use of gas and electricity within the municipality, including sales by the municipality, for the purpose of raising revenue and to create a more competitive environment for the energy industry in accordance with the limitations and provisions set forth in the Municipal Energy Sales and Use Tax Act. The Municipal Energy Sales and Use Tax Act provides that each municipality in the State may levy a Municipal Energy Sales and Use Tax on the sale or use of taxable energy within the municipality at a rate not exceeding 6% of the delivered value of the taxable energy. The City levies the Municipal Energy Sales and Use Tax at the maximum rate of 6%.

The Municipal Energy Sales and Use Tax is imposed on the "delivered value" of taxable energy provided within the City. "Delivered value" refers to the fair market value of the taxable energy and includes the value of the energy itself and any transportation, freight, customer demand charges, service charges or other costs typically incurred in providing taxable energy in usable form to customers within the City.

Sales Tax. The Local Sales and Use Tax Act currently provides that each county, city and town in the State may levy a sales and use tax of up to 1% on the purchase price of taxable goods and services. Although local governments may elect to levy sales and use taxes at rates less than 1%, various provisions of the Local Sales and Use Tax Act encourage them to levy these taxes at the rate of 1%. The legislative intent of the Local Sales and Use Tax Act is to provide the counties, cities and towns of the State with an added source of revenue to assist them in meeting their financial needs and servicing their bonded indebtedness. The City levies sales and use taxes at the maximum legal rate of 1%.

Under State law, sales taxes are imposed on the amount paid or charged for sales of tangible personal property in the State and for services rendered in the State for the repair, renovation or installation of tangible personal property. A use tax is imposed on the amount paid or charged for the use, storage or other consumption of tangible personal property in the State, including services for the repair, renovation or installation of such tangible personal property. Sales and use taxes also apply to leases and rentals of tangible personal property if the tangible personal property is in the State, the lessee takes possession in the State, or the tangible personal property is stored, used or otherwise consumed in the State. A sales and use tax due and unpaid constitutes a debt due from the vendor and may be collected, together with interest, penalty, and costs, by appropriate judicial proceeding within three years after the vendor is delinquent. Furthermore, if a sales and use tax is not paid when due and if the vendor has not followed the procedures to object to a notice of deficiency, the Utah State Tax Commission may issue a warrant directed to the sheriff of any county commanding the sheriff to levy upon and sell the real and personal property of a delinquent taxpayer found within such county for the payment of the tax due. The amount of the warrant shall have the force and effect of an execution against all personal property of the delinquent taxpayer and shall become a lien upon the real property of the delinquent taxpayer in the same manner as a judgment duly rendered by any district court.

Sales and use taxes are collected by the Utah State Tax Commission and distributed monthly to each county, city and town. The distributions are based on a formula, which provides that (i) 50% of sales and use tax collections will be distributed based on the percentage of the population of the local government to the total population of all similar local governments in the State and (ii) 50% of sales and use tax collections will be distributed based on the point of sale (the "50/50 Distribution"). The 50/50 Distribution formula and other provisions of the Local Sales and Use Tax Act are subject to legislative changes.

Historical Franchise and Sales Tax Revenues of the City. For a five-year history of the City's total franchise and sales tax revenues, see "SECURITY FOR THE SERIES 2022 BONDS–Historical Franchise and Sales Tax Revenues of the City" herein.

Outstanding Parity Debt of the City. The City has issued Sales Tax Revenue Refunding Bonds, Series 2021 (the "City Sales Tax Bonds"), which are outstanding in aggregate principal amount of $2,232,000 and have a final, scheduled maturity on March 1, 2036. The City Sales Tax Bonds have annual debt service ranging from $169,059 to $170,067. The City Sales Tax Bonds have a parity lien on the City's sales tax revenues which also secure, in part, the UIA Revenue Requirement under the Service Contract.

As of the date of this Official Statement, the City has no outstanding obligations secured by franchise tax revenues.

UIA

General

Creation and purpose. UIA is a separate legal entity, body politic and corporate, and a political subdivision of the State regularly created, established, organized and existing under and by virtue of the provisions of the Interlocal Agreement, the Interlocal Cooperation Act and the State constitution. The Members include the following Utah municipalities: Brigham City, Centerville City, Layton City, Lindon City, Midvale City, Murray City, City of Orem, Payson City and West Valley City. A map showing the location of the Members is provided on page ii of this Official Statement.

Pursuant to the provisions of the Interlocal Cooperation Act, cities may exercise and enjoy jointly with other cities any power, privileges or authority exercised or capable of being exercised by a city. State law permits municipalities to purchase, lease, construct or equip communications facilities that are designed to provide services within the municipality, and that the municipality uses for internal municipal government purposes, or by written contract, leases, or sells capacity in or grants other similar rights to a private provider to use the facilities in connection with a private provider offering cable television services or public telecommunications services. The Interlocal Cooperation Act permits cities to make the most efficient use of their power by enabling them to cooperate with other cities on the basis of mutual advantage and thereby to provide services and facilities in a manner and under forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs of development of local communities and will provide the benefit of economy of scale, economic development and utilization of natural resources for the overall promotion of the general welfare of the State.

Corporate and Statutory Powers. Pursuant to the Interlocal Cooperation Act and the Interlocal Agreement, UIA has the power to: (i) issue bonds, and construct, lease, operate (or cause the same to occur) and own the UIA Network; (ii) enter into contracts with suppliers, contractors, providers and others to facilitate the accomplishment of the purposes listed in (i); (iii) undertake such actions as are necessary or advisable to effectuate its general purpose; (iv) enter into contracts, bond, construct and undertake actions to effectuate such purposes, which may be done in series or phases, as determined by the Board; (v) upgrade and expand the UIA Network as new development occurs within the boundaries of the Member cities and as other municipalities join UIA; and (vi) engage in such other lawful activity in which an interlocal cooperative may become involved and conduct any and all transactions and activities related thereto.

Organization. UIA is governed by a nine-member governing board (the "Board"), consisting of representatives appointed from each of the Members. The present Board members are as follows:

Name	City	Board Role
Alex Jensen	Layton City	Chair
Brant Hansen	Centerville City	Second Vice Chair
Jamie Davidson	Orem City	Third Vice Chair
Brett Christensen	Payson City	Director
Nicole Cottle	West Valley City	Director
Carolyn Lundbergh	Lindon City	Director
Kyle Maurer	Midvale City	Director
Brenda Moore	Murray City	Director
Derek Oyler	Brigham City	Director

Note: The positions of First and Fourth Vice Chair are currently vacant.

The Board is required to hold at least one regular meeting annually, but it may call other meetings as necessary. Each Member is entitled to one vote for each one thousand (1,000) residents, rounded to the nearest one thousand, as determined by the most recent official census or census estimate of the United States Census Bureau or the Utah Population Estimates Committee. There must be a quorum present at each meeting in order to take any action. A quorum consists of the presence of the Board members entitled to cast a majority of the votes, which is not a simple majority of Board members since votes are weighted based on population.

Member	2020 Population	Approximate Current Voting %
West Valley City	140,230	29%
City of Orem	98,129	21
Layton City	81,773	17
Murray City	50,637	11
Midvale City	36,028	8
Payson City	21,101	4
Brigham City	19,650	4
Centerville City	16,884	4
Lindon City	11,397	2

(Source (as to population): U.S. Census Bureau, 2020 Census.)

The Board also elects from among its members a Chair, a First Vice Chair, a Second Vice Chair (currently vacant), a Third Vice Chair and a Fourth Vice Chair (currently vacant). The aforementioned officials serve as the Executive Committee of the Board. The Executive Committee has oversight of the operations of UIA as delegated by the Board.

The Board appoints a Chief Executive Officer, who, subject to oversight by the Board, has general supervision, management, administration, direction, and control of the business and officers of UIA and has such other related duties as may be prescribed by the Board. The Chief Executive Officer is authorized to perform any function required of UIA by the Interlocal Agreement. The day-to-day operations are handled by the Chief Executive Officer. Set forth below are brief biographies of certain key administrative personnel.

Roger Timmerman, Chief Executive Officer. Mr. Timmerman has served as Chief Executive Officer of UIA since 2016. He also serves as Executive Director of UTOPIA, a position he has also held since 2016. Prior to joining UIA and UTOPIA, Mr. Timmerman was Vice President of Engineering for Vivint Wireless, one of the country's largest wireless internet service providers, and helped launch wireless ISP in Utah and Texas. Mr. Timmerman also previously served as the Chief Technology Officer for UTOPIA for five years. He also worked as a Network Engineer for the City of Provo for its iProvo fiber-to-the-home project. After graduation, he worked for the BYU Office of Information Technology as a Network Product Manager and oversaw the deployment of various network products. He graduated from Brigham Young University with a B.S. in Information Technology in 2004 and received a Master of Science degree in Information Technology from Brigham Young University in 2009.

Jason Roberts, Incoming Secretary/Treasurer. Mr. Roberts was appointed as Secretary/Treasurer of UIA in April of 2022. He also serves as the Chief Financial Officer of UTOPIA. Prior to joining UIA, Mr. Roberts was the City Manager for Brigham City, one of UIA's member cities. He was employed by Brigham City for 13 years, starting out as Finance Director in 2009 and advancing to City Administrator in 2016. He has served on the boards of both UIA and UTOPIA and on UIA's Finance Committee. Prior to working for Brigham City, Mr. Roberts worked for Transportation Alliance Bank as the Controller and Ernst & Young, LLP in Salt Lake City as an auditor. He is a Certified Public Accountant. He holds bachelor's and master's degrees in accounting from the Utah State University.

Laurie Harvey, Retiring Secretary/Treasurer. Ms. Harvey was appointed Secretary/Treasurer of UIA in January 2019. She also serves as the Chief Financial Officer of UTOPIA. Prior to joining UIA, Ms. Harvey was an Assistant City Manager for Midvale City, one of UIA's member cities. She was employed by Midvale City for 20 years, starting out as Finance Director in 1998, advancing to Director of Administrative Services in 2008, and taking on additional duties as Assistant City Manager in 2013. She has served on the boards of both UIA and UTOPIA and on UIA's Finance Committee. She is a Certified Public Accountant and a Certified Public Finance Officer. She holds a B.S. in Accounting from the University of Utah. Ms. Harvey plans to retire from her positions with UIA and UTOPIA in May 2022.

Josh Chandler, General Counsel. Mr. Chandler serves as General Counsel for UIA and UTOPIA and advises on a broad range of legal matters. Before joining UTOPIA in 2018, Mr. Chandler worked as a Senior Civil Attorney for Sandy City, Utah, where he advised several departments within the city. Mr. Chandler also worked as a civil litigator with one of the largest law firms in Utah where he successfully represented a wide variety of clients in litigation before trial and appellate courts in Utah and Texas. Mr. Chandler graduated cum laude from Brigham Young University with degrees in political science and Russian before graduating cum laude from the J. Reuben Clark Law School.

Addition/Withdrawal/Dissolution

Any municipality that wishes to become a member of UIA may do so upon approval of the governing body of the governmental entity and UIA's Board. Entities that become members of UIA subsequent to the original execution of the Interlocal Agreement have the same rights, power and authority as the original Members. To date, no additional members have been added since the inception of UIA.

UIA may be dissolved by a two-thirds vote of the Members, so long as it has no outstanding bonds (including the Series 2022 Bonds). Upon dissolution and after payment in full of all outstanding bonds and other obligations, the Board will equitably disburse the assets of UIA to the then current Members. To the extent possible, each Member will receive ownership of that portion of the UIA Network within its boundaries, at no additional cost to each then current Member.

Outstanding Obligations of UIA

TELECOMMUNICATIONS REVENUE BONDS

Series	Purpose	Amount	Maturity Date	Principal Amount Outstanding[1]
2017A[2]	Improvements & Refunding	$73,905,000	October 15, 2040	$66,770,000
2017B[2]	Refunding	3,500,000	October 15, 2023	1,280,000
2018A[2]	Improvements	21,810,000	October 15, 2040	20,070,000
2019[2]	Improvements	48,365,000	October 15, 2042	47,020,000
2021[2]	Improvements	52,495,000	October 15, 2045	52,495,000
			Total	$187,635,000

(1) As of March 1, 2022. UIA also anticipates the issuance of an additional series of its telecommunications revenue bonds in the amount of approximately $30,000,000 on or about May 19, 2022.

(2) Issued under UIA's general revenue bond indenture and secured by UIA operating revenues and a pledge of franchise taxes under the Service Contract between UIA and its Members (except for Payson City).

PROJECT SPECIFIC REVENUE BONDS

Series	Purpose	Amount	Maturity Date	Principal Amount Outstanding [1]
2018[2]	Layton Improvements	$22,285,000	October 15, 2044	$22,135,000
2019[3]	Morgan Improvements	2,550,000	October 1, 2044	2,550,000
2019[4]	Payson Improvements	3,520,000	October 1, 2044	3,520,000
2019[5]	West Point Improvements	7,220,000	October 15, 2046	7,220,000
2020[6]	Clearfield Improvements	12,645,000	October 15, 2047	12,645,000
2021[7]	Pleasant Grove Improvements	16,915,000	October 15, 2048	16,915,000
2021[8]	Syracuse Improvements	19,220,000	October 15, 2048	19,220,000
2022[9]	Santa Clara Improvements	6,675,000	October 15, 2051	6,675,000
2022[10]	Cedar Hills Improvements	5,965,000	October 15, 2051	5,965,000
			Total[10]	$96,845,000

(1) As of March 1, 2022.

(2) Issued August 15, 2018 under a separate indenture with respect to these bonds and secured by revenues received by UIA with respect to certain telecommunications facilities constructed by UIA to provide fiber communications service in Layton City, Utah and certain franchise tax revenues of Layton City.

(3) Issued April 16, 2019, under a separate indenture and secured by revenues received by UIA with respect to certain telecommunications facilities constructed by UIA to provide fiber communications service in Morgan City, Utah and certain sales tax revenues and electric fee revenues of Morgan City.

(4) Issued June 18, 2019, under a separate indenture and secured by revenues received by UIA with respect to certain telecommunications facilities constructed by UIA to provide fiber communications service in Payson City, Utah and certain franchise tax revenues of Payson City.

(5) Issued September 5, 2019, under a separate indenture and secured by revenues received by UIA with respect to certain telecommunications facilities constructed by UIA to provide fiber communications service in West Point City, Utah and certain sales and franchise tax revenues of West Point City.

(6) Issued August 6, 2020, under a separate indenture and secured by revenues received by UIA with respect to certain telecommunications facilities constructed by UIA to provide fiber communications service in Clearfield City, Utah and certain franchise tax revenues of Clearfield City.

(7) Issued June 16, 2021, under a separate indenture and secured by revenues received by UIA with respect to certain telecommunications facilities constructed by UIA to provide fiber communications service in Pleasant Grove City, Utah and certain franchise tax revenues of Pleasant Grove City.

(8) Issued September 8, 2021, under a separate indenture and secured by revenues received by UIA with respect to certain telecommunications facilities constructed by UIA to provide fiber communications service in Syracuse City, Utah and certain franchise tax and sales and use tax revenues of Syracuse City.

(9) For purposes of this Official Statement, the Series 2022 Bonds are considered issued and outstanding.

(10) At or about the same time as the Series 2022 Bonds, UIA plans to issue its Telecommunications, Franchise and Sales Tax Revenues Bonds (Cedar Hills Project), Series 2022. These bonds will be issued under a separate indenture and secured by revenues received by UIA with respect to certain telecommunications facilities constructed by UIA to provide fiber communications service in the City of Cedar Hills, Utah and certain franchise tax and sales and use tax revenues of the City of Cedar Hills.

In addition, UIA has outstanding its notes (the "Member Notes") in the aggregate amount of approximately $1,500,000 payable to certain of the Members. The Member Notes evidence working capital assessments made by UIA to such Members for fiscal years 2013-2015 pursuant to the Interlocal Agreement in order to help UIA meet ongoing operational expense obligations, including payments to UTOPIA for operational expenses of the UTOPIA Network. The Member Notes are payable from certain UIA net revenues (subordinate to its bonds). Assessments are subject to the budgetary processes and approvals of the Members. Although most of the Members agreed to pay at least some portion of the assessments in the past, no assurance can be given that the Members will agree to do so in the future in the event that any additional assessments are necessary. UIA has not assessed the Members (and no new notes were issued) since fiscal year 2015, and UIA does not expect to issue any additional notes in the future. UIA began repayment of these notes in fiscal year 2018 ($219,129 in FY 2018, $505,619 in FY 2019, $833,803 in FY 2020, and $1,443,040 in FY 2021) and intends to pay the Member Notes in full no later than June 30, 2022.

As noted above, UIA plans to issue approximately $30,000,000 in additional telecommunication revenue bonds on or about May 19, 2022.

UIA also plans to issue project-specific bonds in the next several years that are payable from and secured by sources other than the Net Revenues. Such bonds will be payable from and secured by project specific revenues.

No Defaulted Bonds

UIA has never been in default on any material contractual or financial obligation, including the punctual payment of principal or interest on any of its indebtedness.

Management Discussion

UIA believes that there is strong consumer demand nationwide for faster and higher capacity fiber optic infrastructure. UIA is well positioned to meet the emerging needs of the industry within its service area.

The UIA Network is a fiber optic, open-access network providing high-speed broadband voice, video, and data access. The UIA Network is connected to the UTOPIA Network pursuant to the IRU Agreement. The UTOPIA and UIA Network is an open-access system where UTOPIA and UIA design, build and operate a fiber infrastructure that multiple competing service providers utilize to provide internet service to end-customers. The synergy provided by UIA's partnership with UTOPIA allows both organizations to provide citizens a state-of-the-art broadband network. UIA's projects are facilitating economic development throughout UIA's (and UTOPIA's) member cities and partner cities.

UIA, working in conjunction with the UTOPIA Network, has established a track record of successfully building out fiber infrastructure that brings fast and reliable internet service to customers within and outside of the boundaries of the Members. Competition among service providers within the UIA Network has helped ensure competitively priced internet services and excellent customer support. If a specific service provider fails to provide reliable and affordable service, the open-access system allows a customer to switch to a new service provider while utilizing the same UTOPIA fiber connection.

As of December 31, 2021, 25 residential and business internet service providers were actively providing services utilizing the combined UTOPIA/UIA Network and just over 44,200 homes and businesses had subscribed for services. This is an increase of 23% since December 31, 2020 and 66% since December 31, 2019. By June 2022 UIA will complete its original mission: to build a fiber optic network to service all of the businesses and residents in UTOPIA's eleven member cities. As of December 31, 2021, more than 4,700 miles of fiber cable have been placed to serve member and partner cities. Within footprints serviced by approximately 180 hut sites, UTOPIA/UIA has installed fiber to the curb past 135,000 addresses. As UTOPIA/UIA member and partner cities continue to develop, UIA will install fiber to the curb in new developments.

Future growth of the UIA Network will be largely demand-based, bringing the network to those areas that will bring the best return on investment and/or to cities willing to pledge existing revenues (sales and franchise tax revenues) to guarantee debt service on bonds issued for construction. The combined UTOPIA/UIA Network has grown to become the largest open-access system in North America. In early 2019, UIA completed the expansion of its network to Woodland Hills, Utah, its first city outside the boundaries of UTOPIA's eleven member cities. The Woodland Hills network is available to approximately 500 addresses, and as of December 31, 2021, approximately 85% of occupied homes have signed up for services. Building on the success of that project, UIA has since executed contracts with five additional cities to build a city network. Two of those projects were completed by December 2020 and enjoy take rates (percentage of subscribers/available addresses) of 58% and 38%. Construction of the network in the third city was completed in June 2021 and already has a 13% take rate. The remaining two cities will be completed in the fall of 2022. UIA has recently entered into contracts with two additional cities (Santa Clara and Cedar Hills) and is in the process of issuing bonds. UIA is in various stages of discussion with many additional Utah municipalities regarding expansion of the network, and expects to execute service contracts within the next year.

Financial results for UIA for the fiscal year ended June 30, 2021, were very positive. Operating revenues increased from $17,183,183 in FY 2020 to $22,447,670, a 30.6% increase. Operating Expenses excluding depreciation) were up only 23.7% from $5,487,119 to $6,785,820. Operating Income (excluding depreciation) was $15,661,850, an increase of 34% from fiscal year 2020. Customers of the UIA network alone increased by 35% in fiscal year 2021, 49% in fiscal year 2020, and 51% in fiscal year 2019. The UIA customer count increased from 20,700 as of June 30, 2020 to 28,000 as of June 30, 2021. Average monthly recurring revenue for UIA alone was $1,864,100, an increase of $413,770 (28.5%) over fiscal year 2020.

For fiscal year 2022, UIA budgeted for a conservative 18.7% increase in monthly recurring revenue. The budget shows a 26% increase in operating expenditures. A significant portion of the increase in operating expenditures is to properly recognize services provided by UTOPIA to UIA. UTOPIA has recently increased its field service workforce and added additional engineering personnel to keep pace with demand. Budgeted net operating revenue for FY 2022 is $17.6 million, an increase of $2.4 million from FY 2021.

UIA actively works toward reducing operating expenditures through technology. In 2020 UIA purchased a warehouse/office building to store inventory and house field service technicians and utility locators. This will eventually eliminate materials handling charges paid to the general contractor for inventory storage. Utility locating services were brought in-house in January 2020. The net savings from these changes are expected to be approximately $100,000 per year.

Certain recent trends in the industry should benefit both the near-term success and long-term viability of UTOPIA/UIA. Consumer demand in the service area continues to outpace available incumbent provider options, which has led to significant customer growth for UTOPIA/UIA. UTOPIA and UIA have been adding customers at the fastest pace in their history, averaging 626 net new customers per month over the past 24 months, with growth coming from all areas where their service is available. Subscriber disconnections (known as "churn") for UTOPIA have averaged 4% annually over the past six years. This is well below industry averages, and the low churn rate has helped to contribute to net growth of customers over time. Additionally, based on an independent third-party survey conducted in June 2020 and contracted for by UTOPIA, UTOPIA's Net Promoter Score, an industry metric for measuring customer satisfaction, was 64, significantly higher than any other known Net Promoter Score for broadband options in Utah. UTOPIA also has a Google satisfaction rating of 4.5, which is higher than Comcast or Google Fiber.

UTOPIA has also partnered with fiber networks outside of Utah. In 2019, UTOPIA entered into an operational partnership with Idaho Falls Fiber in Idaho where UTOPIA provided consulting, network design and is an Idaho Falls technology provider for the open access system software. The Idaho Falls network has passed 3,000 homes, and 2,409 have signed up for service. In 2021, UTOPIA entered into an agreement with Yellowstone Fiber in Montana to provide design, construction and operation of the expansion of its fiber network. The buildout of the Yellowstone Fiber network is expected to reach 31,300 addresses by December 31, 2024.

Further, the industry trend of "cord-cutting," a practice where customers cancel traditional cable-related services in favor of internet only delivered services, should greatly benefit UTOPIA/UIA. Much of the cable and telecom industries are threatened by new internet-delivered services for phone (such as Ooma and Vonage) or video streaming (such as Netflix, Hulu, SlingTV and YouTube TV) because the cable and telecom providers often depend on bundled revenues for profitability. The trend of increased cord-cutting is driving consumers to cancel cable TV and phone services in favor of faster internet connections and internet delivered services. Because UIA's revenue model is generally based on connection revenues and higher speed internet access at competitive rates and is not reliant on providing bundled services, UIA believes it is well positioned to benefit from the cord-cutting trend.

On November 15, 2021, President Biden signed into law the $1.2 trillion Infrastructure Investment and Jobs Act (the "IIJ Act") which allocates $65 billion to broadband development, with $42 billion earmarked for a last mile broadband program administered by the National Telecommunications and Information Administration (NTIA). The Broadband Equity, Access and Deployment (BEAD) Program will offer competitive grants of at least $100 million to each state for broadband deployment in unserved and underserved areas. UIA intends to closely monitor the deployment of federal funds in Utah pursuant to the BEAD Program and pursue grant opportunities as they become available.

The result of these industry trends, many of which should provide increased demand for broadband services of the type provided by UTOPIA and UIA, together with improving economies of scale for UTOPIA and UIA related to continued growth, should collectively better ensure the long-term viability of UTOPIA and UIA as they finish the buildout of member cities and expand into new cities.

Financial Summaries and Budget

The following tables summarize UIA's recent financial history as well as its budget for fiscal year ending June 30, 2022 and actuals as of December 31,2021. UIA prepared the historical tables based on information set forth in its audited financial statements for the fiscal years, 2017 through 2021.

Utah Infrastructure Agency
Statement of Revenues, Expenses, and Changes in Fund Net Position
(This summary has not been audited.)

	Fiscal Year Ended June 30,				
	2021	2020	2019	2018	2017
Operating Revenues					
Access fees	$14,931,211	$11,665,097	$9,762,852	$8,111,854	$7,078,457
Installations	123,668	104,592	29,624	14,699	123,933
Lease Revenues /Connection Fees	7,240,251	5,088,104	3,582,149	2,373,662	1,813,818
Misc. operating revenue	152,540	159,990	140,851	141,600	39,352
Construction contract revenue	–	165,400	1,851,696	–	–
Total Operating Revenues	$22,447,670	$17,183,183	$15,367,172	$10,641,815	$9,055,560
Operating Expenses					
Marketing	876,739	769,906	634,749	509,695	323,884
Professional services	240,797	178,222	172,597	716,775	138,352
Network	5,668,284	4,445,694	3,209,354	1,404,954	704,047
Construction contract costs	–	93,297	2,191,574	–	–
Depreciation	6,757,075	8,990,683	6,301,884	4,469,316	3,549,885
Total Operating Expenses	$13,542,895	$14,477,802	$12,510,158	$7,100,740	$4,716,168
Operating Income (Loss)	$8,904,775	$2,705,381	$2,857,014	$3,541,075	$4,339,392
Non-Operating Revenues (Expenses)					
Interest income	457,006	1,418,679	1,420,334	528,398	491,518
Installation related capital contributions	1,122,680	152,848	300,494	452,541	376,682
Donated services from UTOPIA	–	–	–	546,883	–
Bond interest and fees	(9,938,605)	(8,039,778)	(6,577,988)	(4,506,128)	(2,774,126)
Loss on disposal of assets	–	–	–	(390,173)	–
Total Non-Operating Revenues (Expenses)	$(8,358,919)	$(6,468,251)	$(4,857,160)	$(3,368,479)	$(1,905,926)
Change in Net Position	$545,856	$(3,762,870)	$(2,000,146)	$172,596	$2,433,466
Total Net Position, July 1	$(989,912)	$2,772,958	$4,773,105	$4,600,509	$2,167,043
Total Net Position, June 30	$(444,056)	$(989,912)	$2,772,959	$4,773,105	$4,600,509

(Source: UIA has provided this unaudited summary based on its audited financial statements for the fiscal years ended June 30, 2017 –2021.)

Utah Infrastructure Agency
Statement of Net Position
(This summary has not been audited.)

	Fiscal Year Ended June 30,				
	2021	2020	2019	2018	2017
Assets					
Current Assets					
Cash	$21,283,322	$13,916,081	$8,777,628	$5,447,838	$6,185,494
Restricted cash equivalents	50,997,670	26,525,999	24,798,724	4,504,137	8,970,265
Trade receivables, net	1,713,531	2,255,120	1,567,017	1,100,484	1,011,553
Investments	3,090,240	3,066,532	–	–	–
Inventory	5,610,052	3,485,054	2,802,295	2,579,451	1,240,161
Notes receivable	222,598	243,644	248,023	236,173	218,007
Prepaid expenses	–	10,226	7,390	5,553	17,210
Costs of uncompleted contracts in excess of recent billings	–	–	341,396	–	–
Total Current Assets	$82,917,413	$49,502,656	$38,542,473	$13,873,636	$17,642,689
Noncurrent Assets					
Restricted cash equivalents	$17,469,813	$11,307,505	$8,252,539	$6,004,053	–
Trade receivables, net	–	197,014	–	–	–
Notes receivable	1,898,972	2,360,592	2,848,652	3,091,433	3,208,739
Capital Assets:					
Construction in progress	19,662,901	11,765,028	5,339,558	3,246,486	749,640
Land	959,272	959,272	555,872	500,000	500,000
Property and equipment, net fiber optic network	166,268,199	123,413,188	87,847,211	65,400,272	51,856,193
Total Noncurrent Assets	$206,259,157	$150,002,599	$104,843,832	$78,242,244	$56,314,572
Total Assets	$289,176,570	$199,505,255	$143,386,305	$92,115,880	$73,957,261
Deferred Outflows of Resources					
Deferred issuance costs on bonds	4,463,297	4,694,157	4,925,018	5,155,878	–
Total Deferred Outflows of Resources	4,463,297	4,694,157	4,925,018	5,155,878	–
Total Assets & Deferred Outflows	$293,639,867	$204,199,412	$148,311,323	$97,271,758	$73,957,261
Liabilities					
Current Liabilities					
Accounts payable	$7,928,834	$7,722,781	$4,236,467	$1,931,760	$957,025
Accrued liabilities	–	16,800	111,018	140,074	68,819
Unearned/Deferred revenue	160,363	125,926	44,006	25,075	9,675
Interest payable from restricted assets	2,530,686	1,720,374	1,220,273	762,473	596,607
Capital leases payable	–	–	–	647,187	640,171
Notes payable	1,388,270	1,452,500	830,000	–	–
Revenue bonds payable	4,420,000	2,830,000	2,745,000	2,595,000	1,690,000
Total Current Liabilities	$16,428,153	$13,868,381	$9,186,764	$6,101,569	$3,962,297
Noncurrent Liabilities					
Capital Leases Payable	–	–	–	$365,216	$1,012,403
Notes Payable	–	1,308,454	2,677,673	3,718,636	3,835,636
Revenue Bonds Payable	277,655,770	190,012,489	133,673,927	82,313,232	60,546,416
Total Noncurrent Liabilities	$277,655,770	$191,320,943	$136,351,600	$86,397,084	$65,394,455
Total Liabilities	$294,083,923	$205,189,324	$145,538,364	$92,498,653	$69,356,752
Net Position					
Net investment in capital assets	$(24,374,358)	($19,109,531)	($8,049,857)	($5,540,482)	$2,076,379
Restricted for:					
Debt service	8,262,082	4,620,189	10,828,506	9,672,253	2,559,705
Future development	–	–	18,257,484	–	–
Unspent bond proceeds	–	–	–	73,464	5,813,952
Unrestricted	15,668,220	13,499,431	(18,263,174)	567,870	(5,849,527)
Total Net Position	$(444,056)	$(989,912)	$2,772,959	$4,773,105	$4,600,509
Total Liabilities and Net Position	$293,639,867	$204,199,412	$148,311,323	$97,271,758	$73,957,261

(Source: UIA has provided this unaudited summary based on its audited financial statements for the fiscal years ended June 30, 2017 through June 30, 2021.) Note: FY 2020 is the first year UIA showed a deficit net position. This is largely due to depreciation of rapidly growing property, plant and equipment. UIA historically depreciates conduit and fiber over 25 years, which is considerably less than its expected service life. Beginning July 1, 2020, the expected service life of conduit and fiber was adjusted to 40 years.

Utah Infrastructure Agency
FY 2022 Budget

	Budget FY 2022	YTD Actual December 31,2021
Operations		
Revenues		
Residential transport:	$7,575,600	$3,946,400
Commercial transport	9,120,500	5,046,500
Fiber Lease	8,874,600	4,199,800
Contribution from Capitalized Interest Reserves	3,068,600	1,793,900
Miscellaneous	159,600	97,200
Total Operating Revenues	$28,798,900	$15,083,800
Expenses		
Marketing and Administrative	$1,265,200	$477,400
Management fees to UTOPIA	2,700,000	1,350,000
Network operating costs to UTOPIA	4,180,600	2,159,300
Debt service	17,033,100	8,622,700
Total Operating Expenses	25,178,900	12,609,400
Net Gain/(Loss) from Operations	$3,620,000	$2,474,400
Network expansion (Capital)		
Interest revenue	380,000	89,800
Contribution from restricted bond funds	32,318,800	26,016,000
Total Nonoperating Revenues	$32,698,800	$26,105,800
Expenses		
Network expansion	32,698,800	24,031,400
Bond issuance costs	–	309,600
Total Nonoperating Expenses	32,698,800	24,341,000
Net Gain/(Loss) from Network expansion/capital	-	1,764,800
Total Revenues over/(under) Expenses	$3,620,000	$4,239,200

THE UIA NETWORK

General

The UIA Network is an advanced communications, open-access network built with fiber optic technology, providing transmission of voice, data and video at speeds that are significantly faster than those available through certain competing technologies. Fiber optic technology supports the long-term projected growth in bandwidth and capacity required for increasing usage demand and requirements. The use of fiber optic technology to support homes and businesses has become more accepted as the telecommunications industry continues to implement new infrastructure and technology to meet increasing demand and economic needs. UIA provides the fiber optic cable, laid both underground and above ground, necessary to connect cities and the homes and businesses within those cities. Other elements of the UIA Network include conduits, fiber strands, splices, switches, transmitters, terminals, internal power sources and all other items necessary to operate the UIA Network.

The UIA Network is based on providing transport services at layer 2 of the open systems interconnect (OSI) model. The core backbone is built around internet provider multi-protocol label switching (IP-MPLS). This structure gives the UIA Network a powerful, highly redundant core that remains transparent to customer traffic. The UIA Network employs an Active Ethernet architecture, meaning that customers are connected to community cabinets with active electronics. This architecture permits UIA to scale economically and service business and residential customers over the same carrier grade network. It also allows the UIA Network to operate as an Open Access network with multiple internet service providers (ISPs) delivering customized services and products to customers. The UIA Network extends into the customer site with Customer Premise Equipment (CPE). The CPE device allows the conversion of optical signals to electrical signals that are separated by the ports on the CPE device. This device allows the UIA Network to deliver ISP services consisting of data, video and VoIP services with minimum equipment investment on behalf of the ISP or the customer. This design makes it possible to support flexible customer service without requiring a service visit each time the customer makes a change in services.

The UIA Network deploys a fiber-to-the-premises (FTTP) network with a minimum capacity of 250 Mbps (megabits per second) in both directions, upload and download. The UIA Network is 10 Gigabit capable for residents and currently supports speeds of up to 100 Gigabit for commercial customers. UIA believes that this bandwidth makes it possible for service providers using the UIA Network to deliver higher quality services and launch innovative new services that existing networks cannot currently support. Also, since the carrying capacity of fiber plant can be significantly increased by changing the electronics in the UIA Network, UIA believes the UIA Network has a long useful life and is able to support innovations created by evolving technologies.

The UIA Network operates as a network under an open access model which is available to all qualified service providers. UIA provides carrier class transport services to the Members and provides physical connections and transport services on behalf of the Members to end-users. Service providers contract with UIA directly, or with UTOPIA, as UIA's operator, for access to the UIA Network and then market and provide internet, video, telephone and other services to their customers. Such services will utilize the transport services provided by UIA. UIA, the Members and UTOPIA may also independently market and promote the benefits and uses of connecting to the UIA Network.

The following table shows the five largest service providers on the UIA/UTOPIA Network for the past five fiscal years, as measured by comparing the percentage of Revenues generated from such service provider against Revenues generated from all Service Provider Agreements:

Service Provider	Fiscal Year 2021	Fiscal Year 2020	Fiscal Year 2019	Fiscal Year 2018	Fiscal Year 2017
Xmission	30.0	31.3%	30.6%	30.2%	27.6%
Veracity	17.2	19.3	21.6	21.5	22.2
Sumo	11.4	8.5	7.6	6.9	7.1
Beehive	5.0	4.9	–	–	–
Centracomm	3.4	–	–	–	–
First Digital	–	3.2	3.6	4.0	5.1
Windstream	–	–	3.7	5.2	7.3
Total	67.0%	67.2%	67.0%	67.8%	69.3%

(Source: UIA.)

The UTOPIA Network

UTOPIA is a separate legal entity and political subdivision of the State which was created under the Interlocal Cooperation Act by 15 Utah municipalities. UTOPIA is governed by the First Amended and Restated Interlocal Cooperative Agreement of the Utah Telecommunication Open Infrastructure Agency, dated as of June 1, 2004.

UTOPIA has the following member cities: Brigham City, Cedar City, Cedar Hills City, Centerville City, Layton City, Lindon City, Midvale City, Murray City, City of Orem, Payson City, Perry City, Riverton City, Tremonton City, Town of Vineyard and West Valley City. Cedar City, Cedar Hills City, Riverton City and the Town of Vineyard did not pledge revenues towards UTOPIA debt.

UIA connects the UIA Network to the UTOPIA Network pursuant to the IRU Agreement and other agreements. See "Intersection of UIA Network and Utopia Network" herein for a further discussion of the IRU Agreement. As of December 31, 2021, the UTOPIA/UIA Network consisted of approximately 4,000 miles of underground fiber and 700 miles of aerial fiber (and associated conduit) within and outside of the boundaries of eleven of UTOPIA's member cities.

Of the eleven pledging Member cities, eight are substantially built-out. Upon completion of construction projects currently underway, the remaining three pledging Member cities will be built out and essentially all addresses within the Members will be passed by the UTOPIA/UIA Network by June 2022.

Intersection of UIA Network and UTOPIA Network

The physical location of the UTOPIA Network is critical to UIA's success because UIA does not have the backbone telecommunications infrastructure in place nor the financing available to provide for such a large construction endeavor. Technically, the UIA Network could connect to many other networks other than the UTOPIA Network; however, no other fiber optic networks have the physical connections to the homes that UIA intends to connect to the UIA Network, and the costs of connecting to different networks would be prohibitive. The IRU Agreement provides long-term rights to UIA to connect the UIA Network to the UTOPIA Network. The initial term of the IRU Agreement runs until April 30, 2042, and the IRU Agreement will automatically renew in additional five-year increments, unless either party gives the other party at least 365 days written notice of such party's intent to terminate at the expiration of the then current term. A party under the IRU Agreement may deliver to the other party a written notice of default for (i) failing to make any payment of any amounts owed under the IRU Agreement, when no bona fide dispute exists, (ii) the breaching by either party or its agents, assigns or affiliates of any material provision (as defined in the IRU Agreement), or (iii) the filing or initiating of bankruptcy or insolvency proceedings or certain similar actions. If UIA receives a notice of default related to the occurrence of an event described in (i) above, UIA will have 30 days to cure. If UIA fails to cure such event within the cure period, UTOPIA will have the right to either (a) suspend its performance obligations under the IRU Agreement, (b) seek an award for the past due balance, including interest and reasonable attorneys' fees, and/or (c) require UIA to post a reasonable deposit or other adequate assurance of payment as a condition of continuing performance by UTOPIA. Notwithstanding the foregoing, UTOPIA may not disconnect service or revoke the indefeasible right of use of UIA with respect to any additional capacity except for non-payment of any additional indefeasible right of use fee with respect to that additional capacity. A party that has received a notice of default related to the occurrence of an event described in (ii) above will have 30 days to cure the alleged breach. If the defaulting party has commenced actions in good faith to cure such defaults which are not susceptible of being cured during such 30-day period, such period will be extended (but not in excess of 90 additional days) while such party continues such actions to cure. If such party fails to cure the breach within the applicable cure period, the IRU Agreement will not be terminated, but as long as such default shall be continuing, the non-defaulting party shall have the right to either (a) suspend its performance or payment obligations under the IRU Agreement, (b) seek an order of specific performance, and/or (c) seek the award of compensatory damages. Upon the expiration of the term of the IRU Agreement, or as a result of a material breach of a component set forth in the IRU Agreement which has gone uncured as set forth in the IRU Agreement, the IRU Agreement will terminate and UIA shall owe UTOPIA no additional compensation.

UIA does not have a payroll, and both employees of UIA are also employees of UTOPIA and are paid by UTOPIA. Pursuant to the UTOPIA Service Agreement, UIA has contracted for UTOPIA to provide for the management of various services for certain portions of the UIA Network, including planning and pre-construction management services to build the UIA Network and administration and operations management of the UIA Network, including service provider management. The initial term of the UTOPIA Service Agreement was for five years (beginning June 29, 2010), and UIA has continued rights to renew such Agreement, unless UTOPIA later objects in writing within 30 days, for successive one-year periods, on the same terms and conditions existing on the date of such renewal by delivering written notice to UTOPIA at least 30 days prior to the end of the then existing term. The UTOPIA Service Agreement may be terminated as follows: (a) as required by law, (b) 30 days after a non-breaching party has delivered written notice of a material breach of the UTOPIA Service Agreement to the breaching party and such breach remains uncured, (c) by written mutual agreement of the parties, or (d) immediately, without delivery of notice, upon the insolvency or bankruptcy of a party, or upon the occurrence of certain similar events set forth in the UTOPIA Service Agreement. A party is required under the UTOPIA Service Agreement to immediately notify the other party in writing upon the occurrence of any of the events listed in (d). Failure to do so constitutes a material breach of the UTOPIA Service Agreement and will result in automatic termination of the UTOPIA Service Agreement. The UTOPIA Service Agreement is also subject to termination by UIA for business convenience, for any or no reason, and without penalty, liability or obligation of any kind (except for payment for conforming services already received) by delivering at least 90 days' written notice to UTOPIA.

Upon completion, the combined UTOPIA/UIA Networks will pass about 180,000 serviceable addresses within the boundaries of its 11 pledging member cities. Approximately 135,000 are currently able to receive services at the decision of the household or business (marketable). UIA intends to complete all remaining network construction within the 11 member cities by June of 2022.

The following chart shows the total number of business and residential customers, the "take rate" and the "churn rate" of the combined UTOPIA/UIA Networks for the past five fiscal years. "Take rate" means the percentage of potential business and residential customers in that city that have signed up for either the UIA Network or the UTOPIA Network. Upon complete build-out of the combined UTOPIA/UIA Networks, including the five partner cities, the total projected potential customers for the combined UTOPIA/UIA Networks is approximately 180,000. "Churn rate" means the percentage of customers of the combined UTOPIA/UIA Networks that have terminated services in such fiscal year.

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Combined UTOPIA/UIA Networks – Customers, Take-Rate and Churn Rate

City	*Fiscal Year 2021*			*Fiscal Year 2020*			*Fiscal Year 2019*			*Fiscal Year 2018*			*Fiscal Year 2017*		
	(1) Customers	(1) Addresses	Take Rate	(1) Customers	(1) Addresses	Take Rate	(1) Customers	(1) Addresses	Take Rate	(1) Customers	(1) Addresses	Take Rate	(1) Customers	(1) Addresses	Take Rate
Brigham City	2,759	6,561	42%	2,423	6,244	39%	2,197	5,962	37%	1,960	5,782	34%	1,723	5,509	31%
Centerville	2,245	4,992	45	2,053	4,908	42	1,883	4,888	39	1,723	4,847	36	1,587	4,824	33
Clearfield	127	2,096	6	–	–	–	–	–	–	–	–	–	–	–	–
Idaho Falls	1,690	1,800	94	–	–	–	–	–	–	–	–	–	–	–	–
Layton	8,081	25,303	32	6,557	24,691 [3]	27	4,306	21,140	20	2,609	11,584	23	1,727	9,305	19
Lindon	1,903	3,602	53	1,773	3,498	51	1,630	3,391	48	1,503	3,237	46	1,421	3,173	45
Midvale (2)	1,230	8,016	15	1,001	7,828	13	913	6,219	15	790	5,526	14	728	5,372	14
Morgan	840	1,521	55	597	1,473	41	–	–	–	–	–	–	–	–	–
Murray (2)	3,724	13,583	27	3,320	11,489	29	3,010	11,287	27	2,786	10,992	25	2,564	10,812	24
Orem (2)	7,139	22,727	31	5,646	20,710	27	4,371	15,360	28	3,828	14,178	27	3,413	12,870	27
Payson (2)	1,889	6,096	31	1,391	5,794	24	1,113	3,196	35	950	3,123	30	745	3,050	24
Perry	807	1,818	44	703	1,803	39	584	1,775	33	471	1,740	27	328	1,704	19
Tremonton	1,226	3,176	39	1,064	3,005	35	904	2,864	32	754	2,753	27	597	2,713	22
WestPoint (2)	1,156	3,360	34	322	1,914	17	–	–	–	–	–	–	–	–	–
West Valley City (2)	4,136	27,987	15	3,243	20,706	16	2,524	17,018	15	1,673	15,191	11	1,062	11,021	10
Other	1,077	1,328	81	900	1,171	77	782	1,114	70	473	473	100	400	400	100
Total	40,029	133,966	30%	30,993	115,234	27%	24,217	94,214	26%	19,520	79,426	25%	16,295	70,753	23%
Cancellations	732			873			867			632			584		
Churn rate	2.36%			3.6%			4.3%			3.7%			3.8%		

Notes:
(1) "Customers" shows the amount of UTOPIA/UIA customers in each area; "Addresses" shows the total amount of available commercial and residential addresses in the city. "Take Rate" represents the percentage of available commercial and residential addresses in each city or area that have subscribed. Take Rate percentages will not total 100%.
(2) UIA notes that these cities are currently being built out or are not "mature" from a marketing perspective (that is, they have not yet had two years of sales and marketing since completion of buildout).
(Source: UIA.)

Certain potential customers are candidates for services by both UIA and UTOPIA. In such situations, UIA and UTOPIA have a practice of allocating such potential customers to UIA if any of UIA's funds are expended when providing connection services to such customers.

BONDHOLDERS' RISKS

The purchase of the Series 2022 Bonds involves certain investment risks that are discussed throughout this Official Statement. No prospective purchaser of the Series 2022 Bonds should make a decision to purchase any of the Series 2022 Bonds without first reading and considering the entire Official Statement, including all Appendices, and making an independent evaluation of all such information. Certain of those investment risks are described below. The list of risks described below is not intended to be definitive or exhaustive and the order in which the following factors are presented is not intended to reflect the relative importance of any such risks.

Revenue Limitations

General. The Series 2022 Bonds are payable solely from and secured by a pledge and assignment of Revenues and moneys on deposit in the funds and accounts held by the Trustee under the Indenture. As previously discussed, Revenues are derived from the Service Revenues and further secured by the pledge of the Allocated Tax Revenues. A variety of factors could impact the amount of those sources of Revenues. Among other things, economic conditions, the demand for energy, the demand for communication services within the boundaries of the City, demographic changes, changes in governmental regulations and policies and other factors may adversely affect the financial condition of UIA or the City, and, consequently, the availability of Revenues. **No assurance can be made that Revenues will be realized by UIA in amounts that together with the other funds held under the Indenture, will be sufficient to pay debt service on the Series 2022 Bonds when due.**

Revenues from Fees. Certain Revenues are generated from fees that the City, service providers or UIA charges to customers within the boundaries of the City. Unlike other municipal enterprises, such as water and sewer systems or electric systems, residents within the City are not required to participate in the UIA Network. Subscription to the UIA Network by end users is voluntary and may be canceled upon request. Therefore, price is more elastic than fees for other municipal enterprise systems and cannot be set at levels that would discourage participation by existing and potential customers. Additionally, although the City and UIA have the ability to establish such fees without obtaining approval of any regulatory or other governmental agency, under State law, such fees must be deemed reasonable for the service provided. The ultimate determination of reasonableness lies with the Utah courts in the event any such fees are challenged.

Tax Revenues. The Allocated Tax Revenues are generated from receipts of Municipal Energy Sales and Use Tax and the Local Sales and Use Tax. The national and state economy, weather conditions and many other factors can affect the level of receipts of such Allocated Tax Revenues. Additionally, UIA and the City cannot predict whether the State Legislature will modify franchise or sales tax rates or distributions or take other actions that affect the ability of the City to generate Allocated Tax Revenues. No assurance can be given that the Allocated Tax Revenues will remain sufficient to meet the City's obligation under the Service Contract.

Limitations on Increasing Rates for Franchise and Sales Taxes

The rates at which the Municipal Energy Sales and Use Tax and the Local Sales and Use Tax are levied is established by State law. The City has the ability to establish and modify the rates of such taxes up to the maximum rates permitted under law. The City currently levies the maximum rates allowed under State law for these taxes. No assurance can be given that such tax rates will remain sufficient for the payment of the UIA Revenue Requirement pursuant to the Service Contract or, if not, that the City will be able to increase the rate of such taxes. Furthermore, the State Legislature may make changes to the rate or the manner of collection or distribution of the Municipal Energy Sales and Use Tax and the Local Sales and Use Tax. The State Legislature has from time to time made changes to the laws relating to franchise and sales taxes. UIA cannot predict whether or not the State Legislature will again adjust or change franchise or sales tax rates, distributions, or other adjustments that could affect the Municipal Energy Sales and Use Tax and/or the Local Sales and Use Tax at some point in the future.

Construction, Expansion and Operation of the UIA Network

Construction of the UIA Network commenced in June 2011, and as of January 31, 2022, the UIA Network served 31,605 active connections. As of that same date, the UTOPIA network served 13,300 active connections and combined, the UTOPIA/UIA network served 44,905 active customers. Timely construction of the UIA Network is critical to gaining users and generating Revenues. Construction of the UIA Network involves many risks common to construction projects such as shortages or delays in the availability of materials and qualified labor, work stoppages, contractual disputes with contractors or suppliers or others, weather interferences, construction accidents, delays in obtaining legal approvals, unforeseen engineering, archeological or environmental problems and unanticipated cost increases, any of which could give rise to significant delays or cost overruns. No assurance can be given that the construction of the UIA Network will be completed in a timely manner or that the cost will not exceed available funds of UIA. Further, future bond issues of UIA to finance capital expansion of the UIA Network (unless secured by individual Member or other city pledges) are dependent upon sufficient net revenues to support the payment of debt service on such bonds and other factors and may not be a viable option for UIA.

UIA and UTOPIA, as UIA's contracted operator, are tasked with managing, operating and maintaining the UIA Network in an efficient and economical manner consistent with prudent telecommunications utility practice. As the UIA Network expands, its operation and maintenance expenses may increase, and no assurance can be given that such expenses will not exceed available funds of UIA. UIA is exempt from regulation by the Utah Public Service Commission ("PSC"), but the operation of the UIA Network is subject to various other governmental rules and regulations. If the UIA Network is not operating or operable as required by State law, UIA may be subject to certain penalties or other remedies. In addition, service providers who utilize the UIA Network may be subject to regulation by the PSC, and any noncompliance by such service providers could negatively affect the operation of the UIA Network.

Competition

There is significant competition in the Utah telecommunications market. While UIA believes that the UIA Network currently offers competitive pricing and certain distinct technological advantages, such as bidirectional speed offerings, competing telecommunications providers utilize greater name recognition, financial resources and marketing services to compete for users. Additionally, certain competitors offer some services at lower prices than service providers utilizing the UIA Network. There can be no assurance that UIA or its service providers will have the financial resources or management expertise to continue to compete effectively for customers in the future.

Advances in internet, data, television, telephone and related technology may occur at a very rapid pace. There can be no assurance that future advances in technology implemented by existing competitors or others will not render the services provided by the service providers of the combined UTOPIA/UIA Networks noncompetitive.

Destruction of the Network

The Indenture requires that UIA, in its operation of the UIA Network, maintain insurance in such amounts and to such extent as is normally carried by other operating public utilities of the same size and type. In the event of any loss or damage, the Indenture requires that the proceeds of any such insurance be used first to restore or replace the property lost or damaged. There can be no assurance that the proceeds of any such insurance will be sufficient to restore or replace the lost or damaged property of UIA.

Pursuant to the issuance of the UTOPIA Bonds (hereinafter defined), UTOPIA is required to maintain similar insurance, and in the event of any loss or damage, such insurance proceeds would be used first to restore or replace the property lost or damaged. There can be no assurance that the proceeds of any such insurance will be sufficient to restore or replace the lost or damaged property of UTOPIA.

The infrastructure of the UIA Network and the UTOPIA Network is regionally diverse and widely distributed. However, any damage to or destruction of any portions of the UIA Network or the UTOPIA Network may prevent UIA from providing telecommunications services to some or all of its service providers. In such event, the revenues of UIA may decrease.

Reliance on UTOPIA

UIA entered into the UTOPIA Service Agreement and the IRU Agreement to advance UIA's objective of providing high speed telecommunications facilities to its Members and to capitalize on the economies of scale that can be achieved by connecting the UIA Network to the UTOPIA Network. Although the UIA Network could connect to many other networks other than the UTOPIA Network, no other fiber optic networks have the physical proximity to the homes that UIA intends to connect to the UIA Network, and the costs of connecting to different networks would be prohibitive.

UTOPIA undertook the acquisition and construction of the UTOPIA Network in 2004 and financed and refinanced such acquisition and construction with the issuance of bonds that are secured both by revenues of the UTOPIA Network and by a sales tax pledge of certain of UTOPIA's members. Although the UTOPIA Network is operational and generating revenues, the revenues have previously been insufficient to pay operational expenses and meet debt service requirements of the UTOPIA Bonds. However, there has been no payment default of debt service on the UTOPIA Bonds.

As of June 30, 2021, UTOPIA had outstanding revenue bonds in the aggregate amount of $177,711,171, comprised of $105,911,847 Tax-Exempt Adjustable Rate Telecommunications and Sales Tax Revenue Refunding Bonds, Series 2011A (the "UTOPIA Series 2011A Bonds"), and $71,799,324 Taxable Adjustable Rate Telecommunications and Sales Tax Revenue Refunding Bonds, Series 2011B (the "UTOPIA Series 2011B Bonds, and together with the UTOPIA Series 2011A Bonds, the "UTOPIA Bonds"). The original principal amount of the UTOPIA Series 2011A Bonds was $110,000,000, and the original principal amount of the UTOPIA Series 2011B Bonds was $75,000,000. The final maturity date of the UTOPIA Bonds is June 1, 2040. KeyBank National Association is the owner of the UTOPIA Series 2011A Bonds, and Bank of America National Association is the owner of the UTOPIA Series 2011B Bonds. UTOPIA has two derivative contracts that hedge against variable interest rate volatility by matching the required pledged revenues of its member cities to the cash flow required for the debt service on the UTOPIA Bonds and the associated derivative contracts. The derivative contracts effectively fix the interest rate for the UTOPIA Series 2011A Bonds at 4.984% and for the UTOPIA Series 2011B Bonds at 5.665%. KeyBank National Association is the counterparty on the derivative contract related to the UTOPIA Series 2011A Bonds; Bank of America National Association is the counterparty on the derivative contract related to the UTOPIA Series 2011B Bonds. UTOPIA also has notes payable to its members cities in the outstanding amount of $165,823,059, reflecting member city contributions to pay the UTOPIA Bonds. The notes are payable on a subordinate basis to the UTOPIA Bonds.

UIA is not responsible for paying debt service on the UTOPIA Bonds or its other outstanding obligations. If UTOPIA is unable to meet its financial obligations as they become due, its continued ability to operate the UTOPIA Network could be impacted. Any disruption or inability of UTOPIA to operate the UTOPIA Network would likely have a material adverse impact on the ability of UIA to meet its customer and financial obligations.

Without sufficient moneys to operate, the UTOPIA Network could terminate, which would likely cause a shut-down of the UIA Network. In the event of a shut-down of the UIA Network following the termination of the UTOPIA Network or otherwise, amounts payable by the City under the Service Contract are required to continue to be paid; however, there can be no assurance that such amounts will be sufficient to pay debt service on the Series 2022 Bonds after other required expenses have been paid.

Cybersecurity

The risk of cyberattacks against commercial enterprises, including those operated for a governmental purpose, has become more prevalent in recent years. At least one of the rating agencies factors the risk of such an attack into its ratings analysis, recognizing that a cyberattack could affect liquidity, public policy and constituent confidence, and ultimately credit quality. A cyberattack could cause the UIA Network or the UTOPIA Network to cease or limit operational capacity, for short or extended lengths of time. Additionally, other potential negative consequences include data loss or compromise, diversion of resources to prevent future incidences and reputational damage resulting in loss of future revenues. UIA employs a cybersecurity program that consists of policies, procedures, and technical controls to protect its network. To date, UIA has not experienced a successful cyberattack. UIA believes it has made all reasonable efforts to ensure that any such attack is not successful and that the UIA

Network and the UTOPIA Network will not see any loss of service to customers or other consequences. However, there can be no assurance that a cyberattack will not occur in a manner resulting in damage to the UIA Network or the UTOPIA Network or other challenges. UIA has insurance coverage for cyber liability up to $1 million.

Future Changes in Laws

Various state and federal laws, regulations and constitutional provisions apply to UIA, UTOPIA, each respective network, the Members and the Series 2022 Bonds. Future actions of State or federal legislatures may affect the overall financial conditions of UIA or its ability to continue to collect revenues for its ongoing operations. UIA can give no assurance that there will not be a change in, interpretation of or addition to such applicable laws, provisions and regulations that would have a material effect on the finances of UIA, its corporate existence or its ability to offer advanced telecommunications services, collect revenues or attract service providers and customers.

Limited Remedies

The remedies of the Series 2022 Bondholders upon an Event of Default under the Indenture are limited. See "APPENDIX B—FORM OF THE INDENTURE—Remedies." Under the Indenture, there is no contractual remedy of acceleration. Further, the legal right and ability of a Series 2022 Bondholder to enforce its rights and remedies under the Indenture may be limited by laws relating to bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting creditors' rights. In addition, a Series 2022 Bondholder's ability to enforce such rights and remedies may require judicial actions that are often subject to discretion and delay or that otherwise may not be readily available or may be limited.

Withdrawal or Change of Bond Rating

The Series 2022 Bonds have received a rating from S&P. Such rating can be changed or withdrawn at any time for reasons both under and outside UIA's control. Any change or withdrawal of any rating on the Series 2022 Bonds could adversely affect the ability of investors to sell the Series 2022 Bonds or may affect the price at which they can be sold.

Secondary Market for the Bonds

No assurance can be given that a secondary market will develop for the purchase and sale of the Series 2022 Bonds or, if a secondary market exists, that such Series 2022 Bonds can be sold for any particular price. The Underwriter is not obligated to engage in secondary market trading or to repurchase any of the Series 2022 Bonds at the request of the owners thereof.

Prices of the Series 2022 Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other circumstances. No guarantee exists as to the future market value of the Series 2022 Bonds. Such market value could be substantially different from the original purchase price.

Continuing Disclosure

A failure by UIA to comply with its Continuing Disclosure Undertaking with respect to the Series 2022 Bonds (see "CONTINUING DISCLOSURE" herein) will not constitute an event of default on the Series 2022 Bonds. Any failure of UIA's obligations under the Undertaking must be reported in accordance with Rule 15c2-12 (the "Rule") adopted by the Securities and Exchange Commission (the "Commission") under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and may adversely affect the transferability and liquidity of the Series 2022 Bonds and their market price.

Suitability of Investment

The interest rate borne by the Series 2022 Bonds is intended to compensate the investor for assuming the risk of investing in the Series 2022 Bonds. Furthermore, the tax-exempt feature of the Series 2022 Bonds is currently more valuable to high tax bracket investors than to investors that are in low tax brackets. As such, the value of the interest compensation to any particular investor will vary with individual tax rates and circumstances. Each prospective investor should carefully examine this Official Statement and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment and whether or not the Series 2022 Bonds are an appropriate investment for such investor.

Factors Relating to Tax Exemption

As discussed under "TAX MATTERS" herein, interest on the Series 2022 Bonds could become includible in gross income for purposes of federal income taxation, retroactive to the date the Series 2022 Bonds were issued, as a result of future acts or omissions of UIA in violation of its covenants in the Indenture. Should such an event of taxability occur, the Series 2022 Bonds are not subject to any special redemption.

There are or may be pending in the Congress of the United States legislative proposals relating to the federal tax treatment of interest on the Series 2022 Bonds, including some that carry retroactive effective dates, that, if enacted, could affect the market value of the Series 2022 Bonds. Finally, reduction or elimination of the tax-exempt status of obligations such as the Series 2022 Bonds could have an adverse effect on UIA's ability to access the capital markets to finance future capital or operational needs by reducing market demand for such obligations or materially increasing borrowing costs of UIA.

The tax-exempt bond office of the Internal Revenue Service (the "Service") is conducting audits of tax-exempt bonds, both compliance checks and full audits, with increasing frequency to determine whether, in the view of the Service, interest on such tax-exempt obligations is includible in the gross income of the owners thereof for federal income tax purposes. It cannot be predicted whether the Service will commence any such audit. If an audit is commenced, under current procedures the Service may treat UIA as a taxpayer and the Series 2022 Bondholders may have no right to participate in such proceeding. The commencement of an audit with respect to any tax-exempt obligations of UIA could adversely affect the market value and liquidity of the Series 2022 Bonds, regardless of the ultimate outcome.

Impact of the Coronavirus

Since its emergence in December 2019, a strain of coronavirus commonly known as COVID-19 has altered the behavior of businesses and people in a manner that has caused volatility and uncertainty in global, state and local economies. COVID-19 has spread throughout the world, including the United States and the State, and has been characterized by the World Health Organization as a pandemic. State and local governments, including the State, announced orders, recommendations and other measures intended to limit the size of public gatherings and regulate public spaces including bars, restaurants, health clubs and movie theaters, and instituted travel restrictions, all intended to minimize interpersonal contact and slow the spread of COVID-19. These orders and attendant business closures have resulted in a significant increase in unemployment in the State and across the United States. The State provides information relating to COVID-19 and related developments in the State on its website, coronavirus.utah.gov.

The financial and operating data contained herein speaks only as of the dates indicated and may be for periods prior to the economic impact of COVID-19 and the measures instituted in response. Accordingly, such data may not be indicative of the current financial condition or future prospects of UIA or the City.

All statewide COVID-19 restrictions and mask mandates have expired, although local authorities may impose more stringent directives and orders to address the unique situations in different areas of the State. While COVID-19 vaccines are currently being administered in the State, it is unclear how long widespread vaccination will take and to what degree and in what timeframe the achievement of widespread vaccination may mitigate the economic impacts of the COVID-19 pandemic.

A significant increase in the proliferation of COVID-19 could cause a significant economic downturn across the State and the United States, which could result in a loss of customers from the UIA Network or fewer customers signing up to the Network. UIA cannot predict, among other things, (i) the duration or extent of the COVID-19 pandemic; (ii) the potential for a re-instatement of related business closings, public health orders, regulations, or legislation; (iii) what effect the COVID-19 pandemic will continue to have on global, national, and local economies, including the telecommunications industry; (v) the impact the pandemic will have on the UIA Network and the collection of Service Revenues; or (vi) the impact any downturn in the economy will have on the City and its ability to collect the Allocated Tax Revenues. The occurrence of any one or more of the foregoing events could have a materially adverse impact on the ability of UIA to timely pay debt service on the Series 2022 Bonds.

The immediate impact of public reaction to the pandemic resulted in a dramatic increase in subscribers. Businesses sent their workers home, creating a significant increase in teleworking. Schools in northern Utah closed, requiring students to continue their studies online. The average number of new monthly subscribers increased from 400 per month in calendar year 2019 to 700 per month in calendar year 2020. The average number of new monthly subscribers for calendar year 2021 is 600. UTOPIA's employees and subcontractors have thus far been able to keep up with new installations in a timely fashion. With the exception of field employees, nearly all UTOPIA employees telecommuted between February 2020 and the fall of 2021. Some departments, such as Customer Service and the Network Operating Center, have returned to the office. Most other non-field employees are hybrid, dividing their time between telecommunicating and coming into the office. Employee production remains high and day-to-day operations are largely unchanged.

UTOPIA/UIA has not offered free or reduced rates to subscribers due to the effects of COVID-19. UIA is aware that collections may slow and that businesses may close and terminate service. It became necessary to make payment arrangements with certain residential fiber lease customers and certain service providers during the first year of the pandemic. In some situations, services to residential fiber lease customers have been discontinued due to nonpayment. As of February 1, 2022, all service providers are current or less than 60 days past due. None have been disconnected from the UIA Network. As of June 30, 2021, only 5% of residential customers were over 90 days past due. UIA is watching collections closely and taking action as soon as possible; however, UIA recognizes the need to keep the public connected to the internet during this critical time. Internet connection is considered "critical infrastructure" by the Governor of the State.

Continuing Inflation

The State, like the rest of the nation, has recently experienced significant increases in costs of food and energy, in addition to associated wage and salary pressures. Although some of these costs might dissipate as the public health crisis subsides, many of these increases costs do not appear to be COVID-19-related. Rather, UIA anticipates that inflation, particularly in wages, food, and energy prices, will continue for the foreseeable future. Due to practical considerations, UIA and the City may be limited in their ability to increase the rates and charges from which Service Revenues are derived. Additionally, neither UIA nor the City has the ability to increase the rates of the taxes from which Allocated Tax Revenues are derived. That power resides with the State Legislature. The inability of UIA and the City to increase the rates and charges from which Service Revenues are derived and to increase rates of the taxes from which Allocated Tax Revenues are derived in order to keep pace with inflation could adversely affect the amount of Revenues which could impact the ability of UIA to pay debt service on the Series 2022 Bonds. Neither UIA nor the City can predict the extent of inflationary pressures on the Revenues.

CONTINUING DISCLOSURE

UIA will enter into a Continuing Disclosure Undertaking (the "Undertaking") for the benefit of the beneficial owners of the Series 2022 Bonds to send certain information annually and to provide notice of certain events to the MSRB pursuant to the requirements of the Rule. No person, other than UIA, has undertaken, or is otherwise expected, to provide continuing disclosure with respect to the Series 2022 Bonds. At present, such dissemination is made through the MSRB's Electronic Municipal Market Access system, referred to as EMMA ("EMMA"). UIA is required to deliver such information within 210 days after the last day of UIA's fiscal year (currently June 30), beginning with the fiscal year ending June 30, 2021. The information to be provided on an annual basis, the events which will be noticed on an occurrence basis and a statement of other terms of the Undertaking, including termination, amendment and remedies, are set forth in "APPENDIX E—FORM OF CONTINUING DISCLOSURE UNDERTAKING."

During the past five years, although UIA timely filed its audited financial statements and certain operating information in connection with previously executed undertakings, it failed in certain years to timely file certain annual financial and operating information, including by failing to file certain financial and operating information with respect to the fiscal year ended June 30, 2018, as required by prior undertakings relating to its Telecommunications Revenue and Refunding Bonds, Series 2017A and 2017B, Tax-Exempt Telecommunications Revenue Bonds, Series 2018A, and Layton City Telecommunications and Franchise Tax Revenue Bonds, Series 2018. UIA has since filed the missing information on EMMA, together with a notice of failure to file. Due to staffing shortages, UIA failed to timely file its audited financial statements and certain annual financial and operating information with respect to the fiscal year ended June 30, 2021, as required by all prior UIA undertakings. UIA timely filed a notice of failure to file on EMMA and has since filed the required information. UIA contracts with a third-party disclosure agent to assist UIA in ensuring compliance with its continuing disclosure undertakings.

LEGAL MATTERS

Absence of Litigation

Joshua Chandler, general counsel to UIA, will issue an opinion dated the date of closing, that will state, among other things, that there is no action, suit, proceeding, inquiry, or any other litigation or investigation at law or in equity, before or by any court, public board or body, which is pending or threatened, (a) challenging the creation, organization, or existence of UIA; (b) challenging the titles of its directors or officers to their respective offices; (c) seeking to restrain or enjoin the issuance, sale, or delivery of the Series 2022 Bonds; (d) directly or indirectly contesting or affecting the proceedings or the authority by which the Series 2022 Bonds are issued; (e) contesting the validity of the Series 2022 Bonds or the issuance thereof, or (f) which if determined adversely to UIA would have a materially adverse effect on the financial condition of UIA or its ability to meet the debt service requirements on the Series 2022 Bonds.

Snow, Jensen, Reece, PC, legal counsel to the City, will issue an opinion dated the date of closing, that will state, among other things, that there is no action, suit, proceeding, inquiry, or any other litigation or investigation at law or in equity, before or by any court, public board or body, which is pending or threatened, (a) challenging the creation, organization, or existence of the City; (b) challenging the titles of its officers to their respective offices; (c) seeking to restrain or enjoin the execution or delivery of the Service Contract; (d) directly or indirectly contesting or affecting the proceedings or the authority by which the Service Contract was executed and delivered; (e) contesting the validity of the Service Contract or the execution and delivery thereof, or (f) which if determined adversely to the City would have a materially adverse effect on the financial condition of the City or its ability to meet the UIA Revenue Requirement.

General

All legal matters incident to the authorization and issuance of the Series 2022 Bonds are subject to the approval of Gilmore & Bell, P.C., Salt Lake City, Utah, Bond Counsel to UIA. Certain legal matters will be passed upon for UIA by its general counsel, Joshua Chandler. Certain matters relating to disclosure will be passed upon by Gilmore & Bell, P.C., Disclosure Counsel to UIA. Certain legal matters will be passed upon for the City by Snow, Jensen, Reece, PC, and for the Underwriter by its counsel, Chapman and Cutler LLP. Lewis Young Robertson & Burningham, Inc., Salt Lake City, Utah, has acted as municipal advisor to UIA in connection with the issuance of the Series 2022 Bonds. The approving opinion of Bond Counsel will be delivered with the Series 2022 Bonds. A form of the opinion of Bond Counsel is set forth in APPENDIX D of this Official Statement.

TAX MATTERS

The following is a summary of the material federal and State of Utah income tax consequences of holding and disposing of the Series 2022 Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2022 Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Utah, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2022

Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2022 Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel to UIA, under the law currently existing as of the issue date of the Series 2022 Bonds:

Federal Tax Exemption. The interest on the Series 2022 Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes.

Alternative Minimum Tax. The interest on the Series 2022 Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bond Counsel's opinions are provided as of the date of the original issue of the Series 2022 Bonds, subject to the condition that UIA comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") that must be satisfied subsequent to the issuance of the Series 2022 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. UIA has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2022 Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2022 Bonds.

State of Utah Tax Exemption. The interest on the Series 2022 Bonds is exempt from State of Utah individual income taxes.

Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2022 Bonds but has reviewed the discussion under the heading "TAX MATTERS."

Other Tax Consequences

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Series 2022 Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Series 2022 Bond is the sum of all payments on the Series 2022 Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2022 Bond is generally the first price at which a substantial amount of the Series 2022 Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt Series 2022 Bonds amortizes over the term of the Series 2022 Bond using constant yield principles, based on the purchaser's yield to maturity. As premium is amortized, the owner's basis in the Series 2022 Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Series 2022 Bond prior to its maturity. Even though the owner's basis is reduced, no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of Series 2022 Bond premium.

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Series 2022 Bond over its issue price. The stated redemption price at maturity of a Series 2022 Bond is the sum of all payments on the Series 2022 Bond other than "qualified stated interest" (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Series 2022 Bond is generally the first price at which a substantial amount of the Series 2022 Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Series 2022 Bond during any accrual period generally equals (1) the issue price of that Series 2022 Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Series 2022 Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Series 2022 Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner's tax basis in that Series 2022 Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Sale, Exchange or Retirement of Series 2022 Bonds. Upon the sale, exchange, or retirement (including redemption) of a Series 2022 Bond, an owner of the Series 2022 Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange, or retirement of the Series 2022 Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Series 2022 Bond. To the extent a Series 2022 Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Series 2022 Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Series 2022 Bonds, and to the proceeds paid on the sale of the Series 2022 Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2022 Bonds should be aware that ownership of the Series 2022 Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2022 Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2022 Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2022 Bonds, including the possible application of state, local, foreign and other tax laws.

BOND RATING

S&P Global Ratings has assigned a rating of "A" (Stable Outlook) to the Series 2022 Bonds. Such rating reflects only the view of the rating agency providing such rating and any desired explanation of the significance of such rating should be obtained from the rating agency. Generally, a rating agency bases its ratings on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agency, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2022 Bonds. Neither UIA nor the Underwriter have undertaken any responsibility either to bring to the attention of the registered owners or the Beneficial Owners of the Series 2022 Bonds any proposed change in or withdrawal of the rating or to oppose any such change or withdrawal.

FINANCIAL STATEMENTS

A copy of UIA's audited basic financial statements for fiscal year ended June 30, 2021 is appended hereto as "APPENDIX A—AUDITED FINANCIAL STATEMENTS OF UTAH INFRASTRUCTURE AGENCY FOR THE FISCAL YEAR ENDED JUNE 30, 2021." Such financial statements have been audited by Keddington & Christensen, LLC, Salt Lake City, Utah ("Keddington & Christensen"), as stated in its report in "APPENDIX A—AUDITED FINANCIAL STATEMENTS OF UTAH INFRASTRUCTURE AGENCY FOR THE FISCAL YEAR ENDED JUNE 30, 2021" to this Official Statement. Keddington & Christensen has not been asked to consent to the use of its name, audited financial statements and report in this Official Statement.

MUNICIPAL ADVISOR

Lewis Young Robertson & Burningham, Inc. Salt Lake City, Utah (the "Municipal Advisor"), has been employed as an independent municipal advisor to UIA in connection with the issuance of the Series 2022 Bonds. The Municipal Advisor has not independently verified any of the information contained in this Official Statement and makes no representation to the owners or purchasers of the Series 2022 Bonds as to their completeness or accuracy. The Municipal Advisor's fee for services rendered with respect to the Series 2022 Bonds is contingent upon the delivery of such Series 2022 Bonds. Lewis Young Robertson & Burningham, Inc. also serves as municipal advisor to UTOPIA.

UNDERWRITING

The Series 2022 Bonds are being purchased by the Underwriter pursuant to a Bond Purchase Contract between UIA and the Underwriter (the "Purchase Contract"). The Purchase Contract provides that the Underwriter will purchase all of the Series 2022 Bonds, if any are purchased, at a purchase price of $6,580,049.10 (representing the par amount of the Series 2022 Bonds less net original issue discount of $51,563.40 and less Underwriter's discount of $43,387.50).

The Purchase Contract pursuant to which the Series 2022 Bonds are being sold provides that the Underwriter will purchase not less than all of the Series 2022 Bonds. The Underwriter's obligation to make such purchase is subject to certain terms and conditions set forth in the Purchase Contract, the approval of certain legal matters by counsel and certain other conditions.

The Underwriter may offer and sell the Series 2022 Bonds to certain dealers and others at prices lower than the offering prices stated on the inside cover page hereof. The offering price may be changed from time to time by the Underwriter.

MISCELLANEOUS

Related Parties

Certain of the parties involved with the issuance of the Series 2022 Bonds provide services to UTOPIA. Gilmore & Bell, P.C. serves as bond counsel to UTOPIA, and Lewis Young Robertson & Burningham serves as municipal advisor to UTOPIA.

Additional Information

All quotations from and summaries and explanations of the Utah Constitution, statutes, programs, laws of the State of Utah, court decisions, the Indenture, the Service Contract, and the Purchase Contract which are contained herein, do not purport to be complete, and reference is made to said Constitution, statutes, programs, laws, court decisions, the Indenture, the Service Contract, and the Purchase Contract for full and complete statements of their respective provisions.

All forecasts, estimates and other statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not intended to be construed as a contract or agreement between UIA and the purchasers or holders of any of the Series 2022 Bonds. The information contained in this Official Statement is presented for the guidance of prospective purchasers of the Series 2022 Bonds described therein. The information has been compiled from official sources and, while not guaranteed by UIA, is believed to be correct. The information contained in this Official Statement is presented for the guidance of prospective purchasers of the Series 2022 Bonds described therein. The information has been compiled from official sources and, while not guaranteed by UIA, is believed to be correct.

The appendices attached hereto are an integral part of this Official Statement and should be read in conjunction with the foregoing material.

The delivery of the Official Statement has been duly authorized by UIA.

UTAH INFRASTRUCTURE AGENCY

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APPENDIX A
AUDITED FINANCIAL STATEMENTS OF UTAH INFRASTRUCTURE AGENCY
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

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UTAH INFRASTRUCTURE AGENCY

FINANCIAL STATEMENTS

JUNE 30, 2021

UTAH INFRASTRUCTURE AGENCY
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KEDDINGTON & CHRISTENSEN, CPAS
CERTIFIED PUBLIC ACCOUNTANTS
Gary K. Keddington, CPA
Phyl R. Warnock, CPA
Marcus K. Arbuckle, CPA
Steven M. Rowley, CPA

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Utah Infrastructure Agency
Murray, Utah

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities of Utah Infrastructure Agency (UIA) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise UIA's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of UIA as of June 30, 2021, and the respective changes in its financial position and cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Telephone (801) 590-2600
Fax (801) 265-9405
1455 West 2200 South, Suite 201
Salt Lake City, Utah 84119

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 6 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2022 on our consideration of UIA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering UIA's internal control over financial reporting and compliance.

K&C, CPAs

Salt Lake City, Utah
March 11, 2022

Introduction

As management of Utah Infrastructure Agency (UIA), we offer readers of UIA's financial statements this discussion and analysis of the financial activities of UIA for the fiscal year ended June 30, 2021. This narrative focuses on significant financial issues, provides an overview of the Agency's financial activity, highlights significant changes in financial position, and provides insight into future growth and development. We encourage readers to consider the information presented here in conjunction with additional information provided throughout this report.

Description of Business

UIA is a political subdivision of the State of Utah and was created in June 2010. Nine cities created the agency (Brigham City, Centerville City, Layton City, Lindon City, Midvale City, Murray City, Orem City, Payson City and West Valley City). Eight of the member cities (all except Payson City) pledged franchise tax revenues as partial loan guarantees in order to secure financing for the network.

The UIA network is a fiber optic network providing high-speed broadband voice, video, and data access. The network includes fiber optic lines, transmitters, power sources and backups, switches, and access portals. The network operates as a wholesale network under an open-access model and is available to all qualified service providers. The open-access aspect means subscribers—both residents and businesses—have real choice for their broadband needs and can choose the provider and options that work best for them. UIA itself does not provide retail services, it provides the infrastructure necessary for services to be delivered, much like an airport provides infrastructure for private airline carriers to deliver flight services to its customers.

The UIA network is connected to the Utah Telecommunication Open Infrastructure Agency (UTOPIA) fiber optic network pursuant to an Indefeasible Right of Use Agreement (IRU) between UIA and UTOPIA. The IRU grants UIA access to certain facilities of and capacity in the UTOPIA network. UTOPIA was created in 2002 by eleven pledging member cities to provide crucial infrastructure in the form of high-speed broadband access to its member cities. UTOPIA provides use of its fiber optic network and support and management services for UIA. The synergy provided by UIA's partnership with UTOPIA allows both organizations to provide their citizens a state-of-the-art broadband network. The project is facilitating economic development throughout UTOPIA member cities and since 2019, to other partnering municipalities. Residents and businesses located in areas where the network is completed have access to the fastest internet in the country.

Twenty-five service providers were actively providing services and a total of 40,029 homes and businesses were subscribing to services at year end on the combined UTOPIA/UIA network. This represents 30% of addresses passed by the network. UIA will have essentially completed the buildout of the eleven pledging UTOPIA member cities by June 2022. UIA has also completed the buildout of the network in three partner cities. As these cities continue to grow, UIA will extend the network into new developments to provide access to all addresses within each city. Future growth of the network outside of the UTOPIA cities is demand-based, bringing the network to areas that will bring the best return on investment, and/or to cities willing to pledge financial support towards the success of the network. UIA has been successful in accomplishing UTOPIA's original mission: to build and maintain a fiber network to service all of the businesses and residents in UTOPIA's member cities. UIA has broadened its mission to provide the same valuable service to communities outside of the eleven founding UTOPIA cities when requested and supported by those City Councils.

As of the end of June 2021, more than 4,700 miles of fiber cable have been placed within the boundaries of participating cities. Within footprints serviced by just over 180 hut sites, there are approximately 135,000 addresses which could immediately subscribe for services on the UTOPIA/UIA network. Once the network is completely built out within participating cities, approximately 180,000 addresses will be able to subscribe for services.

Highlights

Financial highlights include:

- UIA's average monthly recurring operating revenues (from service provider access fees and end-user connection fees) increased by $414,000, or 28.5% from the prior year.

- The number of subscribers to the combined UTOPIA/UIA network grew from 30,993 to 40,029, a 29% increase.

- As of June 30, 2021, UIA has issued revenue bonds for four non-UIA partner Utah cities willing to pledge franchise and/or sales tax revenues as a payment backstop for the bonds.

    - Morgan City was the first, with bonds issued in April of 2019. Access to the network is available to 1,521 residential and business addresses in Morgan, and as of June 30, 2021, 55% of those addresses were connected to the network and subscribing for services. UIA commonly refers to this as the "take rate."

    - In September of 2019 West Point City became the second partner city. The network was substantially built in West Point by December of 2020 and has a 34% take rate as of June 30, 2021 (1,156 subscribers of 3,360 addresses available).

    - UIA issued bonds for the City of Clearfield project (approximately 6,700 addresses) in August of 2020. Construction was substantially completed subsequent to year end, in the fall of 2021.

    - UIA issued bonds for the City of Pleasant Grove project (approximately 10,000 addresses) in June of 2021. Construction is underway, with an estimated completion date in the fall of 2022.

- UIA added $49.6M of additions and improvements to its active fiberoptic network in fiscal year 2021.

- UIA currently has $19.7M of additions and improvements in progress.

- As of June 30, 2021, Cash reserves are adequate to cover three full years of operating expenses.

Overview of Financial Statements

The financial statements included in this report have been prepared in compliance with generally accepted accounting principles. The balance sheet provides information about the Agency's resources and obligations at year end. The statement of revenues, expenses and changes in net position presents the results of business activities during the course of the year. The statement of cash flows presents changes in cash and cash equivalents, resulting from operational and investing activities. Notes to the financial statements provide required disclosures and other information that are essential to the full understanding of material data provided in the statements. The notes present information about UIA's accounting policies, significant account balances, obligations, commitments, contingencies, and subsequent events.

Current and Other Assets increased by $38.9M. $8.3M of this increase is unrestricted and $30.6M is restricted for construction and debt service. Capital Assets increased by $50.8M. Current and Other Liabilities increased by $2.6M. Long-term Liabilities increased by $86.3M due to the issuance of three bonds; Clearfield, UIA general, and Pleasant Grove. Net Position improved by $.5M.

Operating revenues of $22.4M exceeded budget by $776,570 and increased from FY 2020 by $5.3M or 30.6%. Total revenues increased by $5.3M, or 28.1%. Operating expenditures (expenses excluding interest and depreciation of $6,785,820) were $336,720, or 5% in excess of budget. Net position improved by $545,856.

Depreciation expense was significantly less in FY 2021 due to a change in estimated service life for conduit and fiber. Prior to FY 2021, conduit and fiber was assigned a service life of 25 years. Based on UIA experience and industry standards, estimated service life of these assets was increased to 40 years. Bond interest and fees increased by 23.6%, related to the increase in Long-term liabilities.

Table 1 - Summary of the Agency's Statement of Net Position.

	2021	2020
Current and other assets	$ 102,286,198	$ 63,367,767
Capital assets	186,890,372	136,137,488
Total Assets	289,176,570	199,505,255
Deferred outflows of resources	4,463,297	4,694,157
Total Assets and deferred outlows of resources	293,639,867	204,199,412
Current and other liabilities	16,428,153	13,868,381
Long-term liabilities outstanding	277,655,770	191,320,943
Total Liabilities	294,083,923	205,189,324
Net investment in capital assets	(24,374,358)	(19,109,531)
Restricted	8,262,082	4,620,189
Unrestricted	15,668,220	13,499,431
Total Net Position	$ (444,056)	$ (989,912)

Table 2 - Summary of the Agency's Statement of Revenues, Expenses and Changes in Fund Net Position

	2021	2020
Revenues:		
Operating revenues	$ 22,447,670	$ 17,183,183
Interest income	457,006	1,418,679
Other revenues	1,122,680	152,848
Total Revenues	24,027,356	18,754,710
Expenditures:		
Marketing	876,739	769,906
Professional services	240,797	178,222
Network operations	5,668,284	4,445,694
Construction contract costs	-	93,297
Depreciation	6,757,075	8,990,683
Bond interest and fees	9,938,605	8,039,778
Total Expenditures	23,481,500	22,517,580
Change in net position	545,856	(3,762,870)
Total net position, beginning of year	(989,912)	2,772,958
Total net position, end of year	$ (444,056)	$ (989,912)

Capital Assets and Debt Administration

UIA's capital assets, net of depreciation, totaled $186.9M. Types of assets include outside plant (fiber and conduit), inside plant (electronics), customer premise equipment, construction in progress and a capitalized lease (IRU). $49.6M was added to the active network in FY 2021. Depreciation for FY 2021 was $6.8M. As discussed above, the expected life of conduit and fiber was extended from 25 years to 40 years in FY 2021.

As of June 30, 2021, UIA's outstanding debt amounted to $283.5M. UIA issued revenue bonds totaling $92.9M (including premium) and repaid or amortized $3.7M. Notes payable from direct borrowings decreased by a net $1.4M. The balance of Notes Payable to Pledging Members (included in Notes Payable from direct borrowings) decreased by a net $1.3M. The FY 2022 budget anticipates paying off the remaining balance of $1.3M.

UTAH INFRASTRUCTURE AGENCY
MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

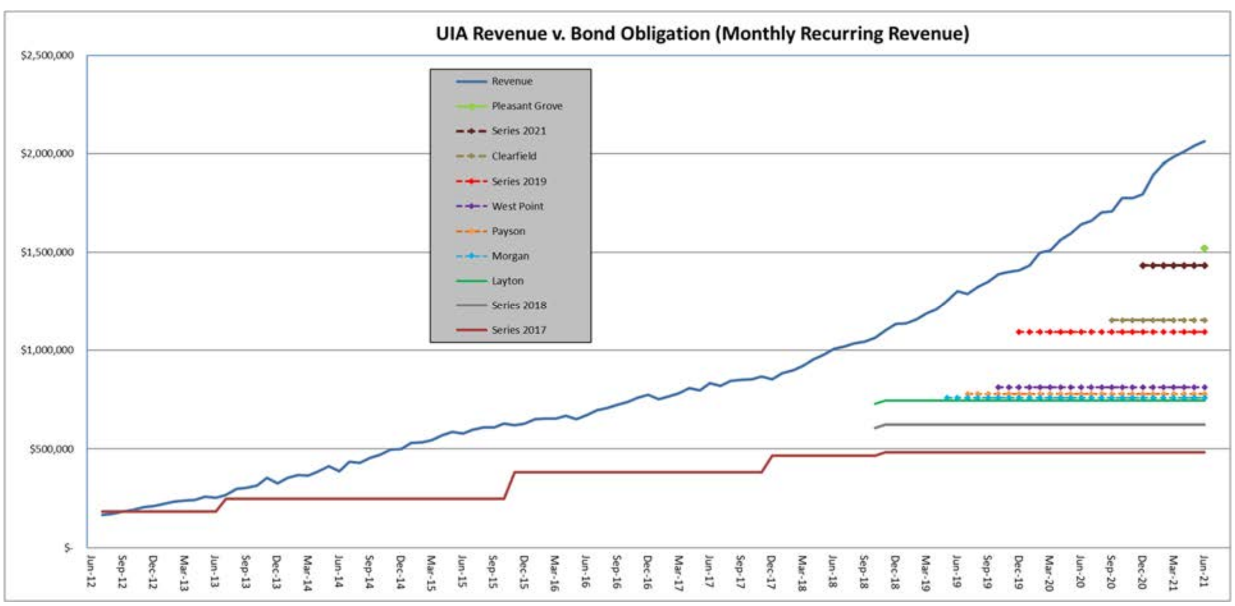
Table 3 - Summary of UIA's Capital Assets at June 30, 2021:

	2021	2020
Construction in progress	$ 19,662,901	$ 11,765,028
Land	959,272	959,272
Building	3,808,048	3,557,763
Furniture and equipment	104,194	181,206
Outside plant	108,299,225	72,989,251
Inside plant	7,547,795	6,534,083
Customer premise equipment	35,210,845	28,398,370
Intangible right	11,298,092	11,752,515
	186,890,372	$ 136,137,488

Table 4 - Summary of UIA's Debt at June 30, 2021:

	2020	2019
Revenue bonds payable	$ 282,075,770	$ 192,842,489
Notes payable from direct borrowings	1,388,270	2,760,954
	$ 283,464,040	$ 195,603,443

UIA's monthly recurring operating revenue exceeded monthly debt service obligations by $1.4M in June 2021. The following illustration shows revenue growth since 2012 in comparison to debt service:



UTAH INFRASTRUCTURE AGENCY
MANAGEMENT DISCUSSION AND ANALYSIS (Continued)

Subsequent events, FY 2022 budget, and future plans

UIA issued bonds for extending its network into Syracuse City, Utah in September of 2021. Proceeds from debt totaled $22.6M. The project is underway, and when completed in late 2022, the UIA network will be available to an additional 11,700 addresses.

UIA plans to issue another series of UIA general revenue bonds of approximately $30M in March 2022. The purpose of the bonds is to expand the UIA network to new developments in participating cities, fund extensions of the network to take advantage of business opportunities and pay for curb to home connections for new subscribers.

UIA also plans to issue bonds for the Utah cities of Cedar Hills (approximately $5.6M) and Santa Clara (approximately $6.3M) in March of 2022. Discussions with other Utah cities are active, and additional partnerships in FY 2022 are expected.

The FY 2022 budget adopted in June of 2021 anticipated operating revenue of $25.7M. This is $3.3M above actual operating revenue for FY 2021, and the Agency is on track to exceed budgeted revenue by at least $1M. Budgeted operating expenditures for FY 2022 total $8.2M. This amount is $1.4M higher than actual operating expenditures for FY 2021. The largest component of operating expenditures is payment to UTOPIA for management services and connections to the UTOPIA network and is directly related to subscriber growth.

Contacting UIA's Financial Management

This financial report is designed to provide interested readers with a general overview of UIA's financial position and to demonstrate accountability. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Utah Infrastructure Agency, 5858 S 900 E Murray, UT 84121.

BASIC FINANCIAL STATEMENTS

UTAH INFRASTRUCTURE AGENCY
STATEMENT OF NET POSITION
June 30, 2021

Assets	
Current Assets:	
Cash	$ 21,283,322
Trade receivables, net	1,713,531
Investments	3,090,240
Inventory	5,610,052
Notes receivable	222,598
Restricted cash equivalents	50,997,670
Total Current Assets	82,917,413
Noncurrent assets:	
Restricted cash equivalents	17,469,813
Notes receivable	1,898,972
Capital Assets:	
Construction in progress	19,662,901
Land	959,272
Assets, net of accumulated depreciation:	
Building	3,808,047
Furniture and equipment	104,194
Fiber optic network	162,355,958
Total Noncurrent Assets	206,259,157
Total Assets	289,176,570
Deferred Outflows of Resources	
Deferred charge on refunding	4,463,297
Total Assets and Deferred Outflows of Resources	$ 293,639,867

The accompanying notes are an integral part of these financial statements.

UTAH INFRASTRUCTURE AGENCY
STATEMENT OF NET POSITION (Continued)
June 30, 2021

Liabilities	
Current Liabilities:	
Accounts payable	$ 7,928,834
Interest payable from restricted assets	2,530,686
Notes payable	1,388,270
Revenue bonds payable	4,420,000
Unearned revenue	160,363
Total Current Liabilities	16,428,153
Noncurrent Liabilities:	
Revenue bonds payable	277,655,770
Total Noncurrent Liabilities	277,655,770
Total Liabilities	294,083,923
Net Position	
Net Investment in capital assets	(24,374,358)
Restricted for:	
Debt service	8,262,082
Unrestricted	15,668,220
Total Net Position	(444,056)
Total Liabilities and Net Position	$ 293,639,867

The accompanying notes are an integral part of these financial statements.

UTAH INFRASTRUCTURE AGENCY
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
For the Year Ended June 30, 2021

Operating Revenues:	
Access fees	$ 14,931,211
Installations	123,668
Connection fees	7,240,251
Miscellaneous operating revenue	152,540
Total Operating Revenues	22,447,670
Operating Expenses:	
Marketing	876,739
Professional services	240,797
Network Operations	5,668,284
Depreciation	6,757,075
Total Operating Expenses	13,542,895
Operating Income	8,904,775
Nonoperating Revenues (Expenses):	
Interest income	457,006
Installation related capital contributions	1,122,680
Bond interest and fees	(9,938,605)
Total Nonoperating Revenues (Expenses)	(8,358,919)
Change In Net Position	545,856
Total Net Position, Beginning of Year	(989,912)
Total Net Position, End of Year	$ (444,056)

The accompanying notes are an integral part of these financial statements.

UTAH INFRASTRUCTURE AGENCY
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2021

Cash Flows From Operating Activities:	
Cash received from customers and users	$ 23,713,388
Payments to suppliers	(20,002,875)
Net cash provided by operating activities	3,710,513
Cash Flows From Capital and Related Financing Activities:	
Purchase of capital assets	(46,521,664)
Proceeds from installations	1,392,201
Bond interest and fees	(9,662,878)
Proceeds from issuance of new bonds	92,911,279
Principal paid on bonds	(2,830,000)
Net cash provided by capital and related financing activities	35,288,938
Cash Flows From Non-Capital Financing Activity:	
Payment of note payable	(1,455,237)
Net cash used by non-capital financing activity	(1,455,237)
Cash Flows From Investing Activities:	
Interest income	457,006
Net cash used by investing activities	457,006
Net Increase in Cash and Cash Equivalents	38,001,220
Cash and Cash Equivalents, Beginning of Year	51,749,585
Cash and Cash Equivalents, End of Year	$ 89,750,805

The accompanying notes are an integral part of these financial statements.

UTAH INFRASTRUCTURE AGENCY
STATEMENT OF CASH FLOWS (Continued)
For the Year Ended June 30, 2021

Reconciliation of operating loss to net cash from operating activities:

Operating income	$ 8,904,775
Adjustments to reconcile operating income to net cash from operating activities:	
Depreciation expense	6,757,075
Bad debt expense	279,533
(Increase) decrease in assets related to operations	
Trade receivables, net	738,603
Prepaid expenses	10,226
Inventory	(12,842,786)
Note receivable related to operating revenues	213,145
Increase (decrease) in liabilities related to operations	
Accounts payable	(367,695)
Accrued liabilities	(16,800)
Unearned Revenue	34,437
Net Cash Provided by Operating Activities	$ 3,710,513

Supplemental Information

Noncash Investing, Capital, and Financing Activities:

Inventory additions to capital assets	$ 10,614,061
Accrued interest addition to notes payable	82,553

The accompanying notes are an integral part of these financial statements.

UTAH INFRASTRUCTURE AGENCY
NOTES TO FINANCIAL STATEMENTS

NOTE 1 SUMMARY OF ACCOUNTING POLICIES

Reporting Entity

Utah Infrastructure Agency (UIA), a separate legal entity and political subdivision of the State of Utah, was formed on July 29, 2010, by an Interlocal Cooperative Agreement pursuant to the provisions of the Utah Interlocal Cooperation Act. UIA's Interlocal Cooperative Agreement has a term of five years, and is renewable every year thereafter. UIA consists of nine member-cities (eight pledging and one non-pledging) at June 30, 2021. UIA's purpose is to design, finance, build, operate, and maintain an open, wholesale, public telecommunication infrastructure that has the capacity to deliver high-speed connections to every home and business in the member communities.

In evaluating how to define UIA for financial reporting purposes, management has considered all potential component units. The decision as to whether or not to include a potential component unit in the reporting entity was made by applying the criteria set forth by the Governmental Accounting Standards Board (GASB). The basic, but not the only, criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability of fiscal matters. The other criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether UIA is able to exercise oversight responsibilities. UIA does not have any component units, nor is it a component unit of any primary government.

The following is a summary of the more significant policies.

Financial Statement Presentation and Basis of Accounting

UIA prepares its financial statements on an enterprise fund basis, using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Enterprise funds are used to account for operations that are financed and operated in a manner similar to private businesses, where the intent is that all costs of providing certain goods and services to the general public be financed or recovered primarily through user charges, or where it has been deemed that periodic determination of net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes. Enterprise funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with UIA's principal ongoing operations. All revenues and expenses not meeting this definition are reported as nonoperating.

Restricted Assets

UIA maintains investments held by financial institutions for safekeeping of funds relating to debt service reserves and to fund capital assets. When both restricted and unrestricted assets are available, it is UIA's policy to use restricted assets first, then unrestricted assets as they are needed.

NOTE 1 SUMMARY OF ACCOUNTING POLICIES (Continued)

Deferred Outflows of Resources
In addition to assets, financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future period(s) and will not be recognized as an outflow of resources (expense) until then. UIA reports a deferred charge on refunding in this category.

Property and Equipment
Property and equipment are stated at cost, which includes capitalization of interest costs incurred during construction prior to July 1, 2019. Normal maintenance and repair expenses that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed asset. The net book value of property sold or otherwise disposed of is removed from the property and accumulated depreciation accounts and the resulting gain or loss is included as nonoperating revenues or expenses. Depreciation of property and equipment was computed using the straight-line method over the following estimated useful lives:

Outside plant and certain customer premise equipment	25-40 years
Buildings	25 years
Office furniture and equipment and vehicles	3-5 years
Intangible rights	30 years

Depreciation of inside plant and certain customer premise equipment was computed using an accelerated method over a six-year life.

Cash and Cash Equivalents
UIA considers all cash and investments with original maturities of three months or less to be cash and cash equivalents. For purposes of the statement of cash flows, cash and cash equivalents are defined as the cash accounts and the restricted cash equivalent accounts.

Investments, in the form of accounts invested with the Utah Public Treasurer's Investment Fund (the State Treasurer's Pool) of UIA are stated at cost, which approximates fair value.

Allowance for Doubtful Accounts
The allowance for doubtful accounts is UIA's best estimate of the amount of probable credit losses in the existing accounts receivable. UIA has reserved $80,000 of accounts receivable.

Inventories
Inventories are stated at cost using the first-in first-out method.

Estimates and Assumptions
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 1 SUMMARY OF ACCOUNTING POLICIES (Continued)

Change in Estimate

Effective July 1, 2020, UIA changed the useful life estimate for outside plant and certain customer premise equipment. The change is being applied on a prospective basis beginning in fiscal year 2021. The effect of this change in the current period is a decrease of $1,009,732 in operating expenses and a corresponding increase in the change in net position.

Revenue Recognition

Revenue is generally recorded when the service has been provided, and profit is recognized at that time. Revenues are reported net of bad debt expense. Total bad debt expense related to revenues of the current period is $146,446.

NOTE 2 CASH AND INVESTMENTS

Deposits

Utah State law requires that UIA's funds be deposited with a "qualified depository" as defined by the Utah Money Management Act. "Qualified depository" includes any depository institution which has been certified by the Utah State Commissioner of Financial Institutions as having met the requirements as defined in Rule 11 of the Utah Money Management Act. Rule 11 establishes the formula for determining the amount of public funds which a qualified depository may hold in order to minimize risk of loss and defines capital requirements which an institution must maintain to be eligible to accept public funds.

Custodial credit risk – deposits. In the case of deposits, this is the risk that in the event of a bank failure, UIA's deposits may not be returned to it. As of June 30, 2021, $17,452,263 of the $17,702,263 balance of deposits was exposed to custodial credit risk because it was uninsured and uncollateralized.

Investments

The Money Management Act defines the types of securities authorized as appropriate investments for the Agency and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities. Statutes authorize the Agency to invest in negotiable or nonnegotiable deposits of qualified depositories and permitted negotiable depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations, one of which must be Moody's Investors Services or Standard & Poor's; bankers' acceptances; obligations of the United States Treasury including bills, notes, and bonds; bonds, notes and other evidence of indebtedness of political subdivision of the State; fixed rate corporate obligations and variable rate securities rated “A” or higher, or the equivalent of “A” or higher, by two nationally recognized statistical rating organizations; shares or certificates in a money market mutual fund as defined in the Act; and the Utah State Public Treasurer's Investment Fund (PTIF).

The PTIF is authorized and regulated by the Money Management Act, Section 51-7, *Utah Code Annotated*, *1953*, as amended. The Act established the Money Management Council which oversees the activities of the State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments. The PTIF is not registered with the SEC as an investment company.

UTAH INFRASTRUCTURE AGENCY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 2 CASH AND INVESTMENTS (Continued)

Components of cash and investments at June 30, 2021, are as follows:

	Fair Value	Carrying Amount	Credit Rating	Weighted Average Maturity
Cash on deposit	$ 17,340,950	$ 17,340,950	N/A	N/A
Investments:				
Utah State Public Treasurer's Investment Fund	$ 72,652,600	$ 72,409,855	unrated	< 3 mos.
Corporate bonds	1,330,561	1,330,561	BBB+ to A+	< 2 years
Certificates of deposit	1,726,800	1,726,800	BBB- to A+	< 3 years
Money Market Fund	32,879	32,879	AAAm	N/A
Total Investments	$ 75,742,840	$ 75,500,095		

Interest rate risk. The risk that changes in the interest rate will have an adverse effect on the fair value of an investment. UIA's written policy for managing interest rate risk is to comply with the Utah Money Management Act which requires that the term to maturity of an investment may not exceed the period of availability of the funds to be invested.

Credit risk. This is the risk that an issuer or other counter party to an investment will not fulfill its obligations. UIA follows the Money Management Act, which only allows for investments of the highest quality, as measured by the bond rating. UIA also invests in the PTIF, which, as of June 30, 2021, was unrated.

Concentration of credit risk. This is the risk of loss attributable to the magnitude of UIA's investment in a single issuer. UIA's policy for reducing the concentration of credit risk is to follow the Utah Money Management Councils Rules, specifically Rule 17, which limits the amount of money that can be invested in a single issuer. UIA's investment in PTIF is not subject to a concentration of credit risk.

Custodial credit risk – investments. This is the risk that, in the event of the failure of the counterparty to a transaction, UIA will not be able to recover the value of its investments that are in the possession of an outside party. UIA's policy for managing custodial credit risk is to follow the Utah Money Management Act's list of certified investment advisors. UIA's investment in PTIF has no custodial credit risk.

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

NOTE 2 CASH AND INVESTMENTS (Continued)

The fair value measurements for investments are as follows at June 30, 2021:

		Fair Value Measurements Using		
	Fair Value	Level 1 Inputs	Level 2 Inputs	Level 3 Inputs
Utah State Public Treasurer's Investment Fund	$ 72,652,600	$ -	$ 72,652,600	$ -
Corporate bonds	1,330,561	-	1,330,561	-
Certificates of deposit	1,726,800	-	1,726,800	-
Money Market Fund	32,879	32,879	-	-
Total	$ 75,742,840	$ 32,879	$ 75,709,961	$ -

NOTE 3 PROPERTY AND EQUIPMENT

The following summarizes UIA's property and equipment as of June 30, 2021:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital assets, not being depreciated:				
Land	$ 959,272	$ -	$ -	$ 959,272
Construction in progress	11,765,028	18,880,918	(10,983,045)	19,662,901
Total capital assets, not being depreciated	12,724,300	18,880,918	(10,983,045)	20,622,173
Capital assets, being depreciated:				
Building	3,880,605	414,126	-	4,294,731
Furniture and equipment	418,475	-	-	418,475
Outside plant	83,588,355	37,885,112	-	121,473,467
Inside plant	17,482,425	2,744,889	-	20,227,314
Customer premise equipment	33,244,293	8,567,959	-	41,812,252
Intangible right	18,176,964	-	-	18,176,964
Total capital assets, being depreciated	$ 156,791,117	$ 49,612,086	$ -	$ 206,403,203
Less accumulated depreciation:				
Building	$ (322,842)	$ (163,841)	$ -	$ (486,683)
Furniture and equipment	(237,269)	(77,012)	-	(314,281)
Outside plant	(10,599,104)	(2,575,138)	-	(13,174,242)
Inside plant	(10,948,342)	(1,731,177)	-	(12,679,519)
Customer premise equipment	(4,845,923)	(1,755,484)	-	(6,601,407)
Intangible right	(6,424,449)	(454,423)	-	(6,878,872)
Total accumulated depreciation	(33,377,929)	(6,757,075)	-	(40,135,004)
Total capital asset, net of accumulated depreciation	123,413,188	42,855,011	-	166,268,199
Property and Equipment, net	$ 136,137,488	$ 61,735,929	$ (10,983,045)	$ 186,890,372

Depreciation expense of $6,757,075 was charged to operating expense for the year ended June 30, 2021.

UTAH INFRASTRUCTURE AGENCY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 4 LONG-TERM DEBT

The following is a summary of the changes in long-term debt obligations for the year ended June 30, 2021.

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue Bonds					
Series 2017A	$ 70,135,000	$ -	$ (1,660,000)	$ 68,475,000	$ 1,705,000
Series 2017B	2,480,000	-	(590,000)	1,890,000	610,000
Series 2018A	21,260,000	-	(580,000)	20,680,000	610,000
Series 2018 - Layton	22,285,000	-	-	22,285,000	150,000
Series 2019 - Morgan	2,550,000	-	-	2,550,000	-
Series 2019 - Payson	3,520,000	-	-	3,520,000	-
Series 2019 - West Point	7,220,000	-	-	7,220,000	-
Series 2019	48,365,000	-	-	48,365,000	1,345,000
Series 2020 - Clearfield	-	12,645,000	-	12,645,000	-
Series 2021	-	52,495,000	-	52,495,000	-
Series 2020 - Pleasant Grove	-	16,915,000	-	16,915,000	-
Plus: Unamortized Premiums	15,027,489	10,856,279	(847,998)	25,035,770	-
Total Revenue Bonds	192,842,489	92,911,279	(3,677,998)	282,075,770	4,420,000
Notes Payable from Direct Borrowings					
Pledging Members	2,642,615	82,080	(1,396,624)	1,328,071	1,328,071
Tremonton Note	118,339	473	(58,613)	60,199	60,199
Total Notes Payable from Direct Borrowings	2,760,954	82,553	(1,455,237)	1,388,270	1,388,270
Total Long-Term Debt	$195,603,443	$ 92,993,832	$ (5,133,235)	$283,464,040	$ 5,808,270

Revenue Bonds

Tax-exempt Telecommunications Revenue and Refunding Bonds, Series 2017A, original issue of $73,905,000 plus a premium of $7,784,509, principal payments due in annual installments beginning October 15, 2018, interest payments due semi-annually at 2.00% to 5.00%, with the final payment due October 15, 2040. The bonds were issued to refund the Series 2011A, 2013, and 2015 Bonds and obtain additional funding for infrastructure. There are no significant events of default or termination events with finance-related consequences and no subjective acceleration clauses.	$ 68,475,000
Taxable Telecommunication Revenue Refunding Bonds, Series 2017B, original issue of $3,500,000, principal payments due in annual installments beginning October 15, 2018, interest payments due semi-annually at 3.50% with the final payment due October 15, 2023. The bonds were issued to refund the Series 2011B Bonds. There are no significant events of default or termination events with finance-related consequences and no subjective acceleration clauses.	1,890,000

NOTE 4 LONG-TERM DEBT (Continued)

Revenue Bonds (Continued)

Tax-exempt Telecommunications Revenue Bonds, Series 2018A, original issue of $21,810,000 plus a premium of $2,323,343, principal payments due in annual installments beginning October 2019, interest payments due semi-annually at 5.000% to 5.375%, with the final payment due October 2040. The bonds were issued to finance the expansion of UIA's infrastructure. There are no significant events of default or termination events with finance-related consequences and no subjective acceleration clauses.	$ 20,680,000
Layton City Telecommunications and Franchise Tax Revenue Bonds, Series 2018, original issue of $22,285,000 plus a premium of $1,863,184, principal payments due in annual installments beginning October 2021, interest payments due semi-annually at 3.00% to 5.00%, with the final payment due October 2044. The bonds were issued to finance the expansion of UIA's infrastructure within Layton City. There are no significant events of default or termination events with finance-related consequences and no subjective acceleration clauses.	22,285,000
Telecommunications, Electric Utility, and Sales Tax Revenue Bonds (Morgan City Project), Series 2019, original issue of $2,550,000 plus a premium of $67,549, principal payments due in annual installments beginning October 2022, interest payments due semi-annually at 3.375% to 5.000%, with the final payment due October 2044. The bonds were issued to finance the construction of UIA's infrastructure within Morgan City. There are no significant events of default or termination events with finance-related consequences and no subjective acceleration clauses.	2,550,000
Telecommunications and Franchise Tax Revenue Bonds (Payson City Project), Series 2019, original issue of $3,520,000 plus a premium of $198,292, principal payments due in annual installments beginning October 2022, interest payments due semi-annually at 3.00% to 5.00%, with the final payment due October 2044. The bonds were issued to finance the expansion of UIA's infrastructure within Payson City. There are no significant events of default or termination events with finance-related consequences and no subjective acceleration clauses.	3,520,000

NOTE 4 LONG-TERM DEBT (Continued)

Revenue Bonds (Continued)

Telecommunications, Franchise, and Sales Tax Revenue Bonds (West Point City Project), Series 2019, original issue of $7,220,000 plus a premium of $595,011, principal payments due in annual installments beginning October 2022, interest payments due semi-annually at 3.00% to 4.00%, with the final payment due October 2046. The bonds were issued to finance the construction of UIA's infrastructure within West Point City. There are no significant events of default or termination events with finance-related consequences and no subjective acceleration clauses.	$ 7,220,000
Telecommunications Revenue Bonds, Series 2019, original issue of $48,365,000 plus a premium of $3,634,287, principal payments due in annual installments beginning October 2021, interest payments due semi-annually at 4.0% to 5.0%, with the final payment due October 2042. The bonds were issued to finance improvements of UIA's infrastructure. There are no significant events of default or termination events with finance-related consequences and no subjective acceleration clauses.	48,365,000
Telecommunications and Franchise Tax Revenue Bonds, Series 2020 (Clearfield City Project), original issue of $12,645,000 plus a premium of $1,348,306, principal payments due in annual installments beginning October 2022, interest payments due semi-annually at 2.75% to 5.00%, with the final payment due October 2047. The bonds were issued to finance the expansion of UIA's infrastructure within Clearfield City. There are no significant events of default or termination events with finance-related consequences and no subjective acceleration clauses.	12,645,000
Telecommunications Revenue Bonds, Series 2021, original issue of $52,495,000 plus a premium of $6,758,016, principal payments due in annual installments beginning October 2023, interest payments due semi-annually at 3.00% to 4.00%, with the final payment due October 2045. The bonds were issued to finance improvements of UIA's infrastructure. There are no significant events of default or termination events with finance-related consequences and no subjective acceleration clauses.	52,495,000

NOTE 4 LONG-TERM DEBT (Continued)

Revenue Bonds (Continued)

Telecommunications and Franchise Tax Revenue Bonds, Series 2021 (Pleasant Grove City Project), original issue of $16,915,000 plus a premium of $2,749,958, principal payments due in annual installments beginning October 2024, interest payments due semi-annually at 2.00% to 4.00%, with the final payment due October 2048. The bonds were issued to finance the expansion of UIA's infrastructure within Pleasant Grove City. There are no significant events of default or termination events with finance-related consequences and no subjective acceleration clauses.	$ 16,915,000
Total Revenue Bonds	257,040,000
Less current portion	(4,420,000)
Noncurrent portion	$ 252,620,000

The following summarizes UIA's revenue bonds debt service requirements as of June 30, 2021:

Year	Principal	Interest	Total
2022	$ 4,420,000	$ 11,212,752	$ 15,632,752
2023	5,535,000	10,788,419	16,323,419
2024	7,350,000	10,517,244	17,867,244
2025	7,890,000	10,203,244	18,093,244
2026	8,225,000	9,860,069	18,085,069
2027-2031	47,195,000	43,190,219	90,385,219
2032-2036	59,120,000	31,157,122	90,277,122
2037-2041	73,790,000	16,300,066	90,090,066
2042-2046	38,655,000	3,716,222	42,371,222
2047-2049	4,860,000	229,569	5,089,569
	$ 257,040,000	$ 147,174,923	$ 404,214,923

NOTE 4 LONG-TERM DEBT (Continued)

Advanced Refunding/Defeasance of Debt

The net proceeds from the Series 2017A and Series 2017B Bonds (collectively, the Series 2017 Bonds) used for the advanced refunding of the Series 2011A, Series 2011B, Series 2013, and Series 2015 Bonds totaled $64,802,106 and together with an equity contribution from UIA in the amount of $1,486,149 were placed in a trust account with Zions Bank, the escrow agent for the defeasance. Accordingly, the trust account assets and the liability for the defeased bonds are not included in UIA's financial statements. At June 30, 2021, $52,930,000 of the bonds remained outstanding and are considered defeased.

The escrow agent is authorized to purchase direct non-callable obligations of, or obligations guaranteed by the full faith and credit of the United States of America (Government Securities) and establish a beginning cash balance for future debt service payments on the refunded bonds. The escrow agent is not authorized to sell, transfer, or otherwise dispose of or make substitutions of the Government Securities without UIA's authorization. No substitutions were requested as of June 30, 2021.

NOTE 5 RELATED PARTY COMMITMENTS AND CONTRACTS

Related Party

Management has determined that UIA and UTOPIA are related parties. During the year UTOPIA charged UIA a management fee of $2,278,800 for administration, accounting/finance, marketing, customer service and outside plant maintenance performed on behalf of UIA. Since UIA's inception in 2011, UIA has paid a total of approximately $7,000,000 to UTOPIA for management services and UTOPIA has donated management services to UIA valued at approximately $4,100,000. UTOPIA did not donate management services to UIA during the year ended June 30, 2021.

UIA also leases a building to UTOPIA under an operating lease agreement entered into on May 1, 2017. The term of the lease is five years with a one-year auto renewal. Payments received from UTOPIA for rent totaled $141,600 for the year ended June 30, 2021.

Interlocal Cooperative Agreement

UIA has entered into an Interlocal Cooperative Agreement with UTOPIA, wherein UIA will pay UTOPIA for network configuration, operation, and maintenance fees. The amount of the fees is determined based on the number of connections, subscribers, and services performed. The agreement is renewed annually. UIA recorded expenditures to UTOPIA of $3,389,484 for the year ended June 30, 2021. Since UIA's inception in 2010, UIA has paid a total of approximately $9,900,000 to UTOPIA for services related to the Interlocal Cooperative Agreement.

NOTE 6 PLEDGING MEMBERS LIABILITY AND COMMITTMENTS

The eight Pledging Members of UIA have pledged energy sales and use tax revenues to ensure that UIA fulfills its revenue requirement from the bond agreements. UIA is required by the Series 2017 A & B bond covenants to have revenue equal to the operations and maintenance expenses and the capital costs in a fiscal year. In the event there is a shortfall, the pledging cities agree to lend its energy sales and use tax revenues in the maximum annual principal allocated to each city as set forth below:

Pledging Member	2021 Share of Total Max. Pledge	2021 Maximum Pledge *
Brigham City	0.62%	$ 31,831
Centerville City	3.63%	186,737
Layton City	18.20%	937,272
Lindon City	3.35%	172,516
Midvale City	6.60%	339,988
Murray City	13.40%	690,241
Orem City	23.76%	1,223,786
West Valley City	30.44%	1,568,781
	100.00%	$ 5,151,152

* These amounts are the estimated maximum annual amount of franchise tax revenue payable by each city.

The Second Amended and Restated Interlocal Cooperative Agreement of UIA provides that the UIA Board of Directors may establish Working Capital Assessments to the Member Cities, the payment of which is subject to the appropriations authority of the governing bodies of the Member Cities. UIA has utilized this mechanism to pay certain operating expenses in order to avoid a shortfall under the Communications Services Contracts between UIA and the Member Cities. Under a shortfall scenario, UIA would be obligated to notify the Member Cities of their respective obligations to utilize Energy Sales and Use Taxes to replenish the shortfall. Provided enough cities pay their Working Capital Assessments, no shortfall exists and therefore, no obligation from Energy Sales and Use Taxes. Paid assessments of $1,328,071 have been recorded as notes payable to the cities. For the year ended June 30, 2021, UIA paid a total of $1,348,840 back to the cities, which included outstanding accrued interest.

Tremonton City (a pledging member of UTOPIA) was not assessed for UIA working capital, but voluntarily paid $167,292 prior to June 30, 2018. UIA has repaid Tremonton City $107,093. The remaining $60, 199 is recorded as a Note Payable to Tremonton City.

UTAH INFRASTRUCTURE AGENCY
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 6 PLEDGING MEMBERS LIABILITY AND COMMITTMENTS (Continued)

The schedule below summarizes the cumulative totals paid by the cities:

City	2021 OpEx Assessments Paid	Cumulative Paid	2021 Payments to Cities	Cumulative Payments	Cumulative Remaining
Brigham City	$ -	$ 34,824	$ -	$ (34,824)	$ -
Centerville City	-	221,373	(97,261)	(97,261)	124,112
Layton City	-	623,750	(190,039)	(437,361)	186,389
Lindon City	-	118,155	(51,826)	(51,826)	66,329
Midvale City	-	307,486	(106,541)	(197,175)	110,311
Murray City	-	141,666	(62,423)	(62,423)	79,243
Orem City	-	1,099,242	(378,745)	(707,090)	392,152
Payson City	-	242,945	(84,097)	(155,759)	87,186
West Valley City	-	1,017,276	(318,241)	(734,927)	282,349
	$ -	$ 3,806,717	$ (1,289,173)	$ (2,478,646)	$ 1,328,071

NOTE 7 SUBSEQUENT EVENTS

On September 8, 2021, UIA issued $19,220,000 of Telecommunications, Franchise, and Sales Tax Revenue Bonds, Series 2021 to fund the acquisition, construction, and installation of a fiber optic network in Syracuse City. Principal payments on the bonds are due in annual installments of $485,000 to $1,190,000 beginning in 2024 through 2048, with interest at 2.00% to 4.00% due semiannually beginning in fiscal year 2022.

APPENDIX B
FORM OF THE INDENTURE

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GENERAL INDENTURE OF TRUST

Dated as of April 1, 2022

by and between

UTAH INFRASTRUCTURE AGENCY,

as Issuer

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,

as Trustee

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THIS GENERAL INDENTURE OF TRUST dated as of April 1, 2022, by and between the UTAH INFRASTRUCTURE AGENCY (the "Issuer"), an interlocal cooperative and separate legal entity, body politic and corporate and a political subdivision of the State of Utah, duly organized and existing under the Constitution and laws of the State of Utah, and ZIONS BANCORPORATION, NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having its principal corporate trust office in Salt Lake City, Utah, as trustee (the "Trustee"),

W I T N E S S E T H:

WHEREAS, the Issuer is a separate legal entity, body politic and corporate and a political subdivision of the State of Utah, regularly created, established, organized and existing under and by virtue of the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the "Interlocal Act"), and of the Constitution of the State of Utah; and

WHEREAS, pursuant to the Interlocal Act, certain municipalities within the State of Utah, organized the Issuer to finance the acquisition, construction, and installation of fiber optic lines, connection lines and related improvements and facilities (the "Network"); and

WHEREAS, the Issuer has determined that there is excess capacity in the Network and desires to provide capacity in the Network to Santa Clara City, Utah (the "City"); and

WHEREAS, the City has determined that there is a need within the City to provide services afforded by the Network (the "Connection Services") to its residents; and

WHEREAS, the Issuer and the City have entered into a Service Contract (as herein defined) to provide Connections Services to the City; and

WHEREAS, pursuant to said Service Contract, the Issuer intends to obtain Revenues (as herein defined) sufficient to pay debt service on the Bonds (as herein defined); and

WHEREAS, the Revenues will not be pledged or hypothecated in any manner or for any purpose at the time of the issuance of the Initial Bonds (as herein defined) and the Issuer desires to pledge said Revenues toward the payment of the principal and interest on said Bonds; and

WHEREAS, pursuant to the Interlocal Act and/or the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (the "Refunding Bond Act," and collectively with the Interlocal Act, the "Act"), the Issuer is authorized to issue bonds of the type described herein and to have said bonds payable from a special fund into which the Revenues of the Issuer may be pledged;

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

For and in consideration of the premises, the mutual covenants of the Issuer and the Trustee, the purchase from time to time of the Bonds by the Registered Owners thereof, the issuance by the Security Instrument Issuers from time to time of Security Instruments and the issuance by Reserve Instrument Providers from time to time of Reserve Instruments, and in order to secure the payment of the principal of and premium, if any, and interest on the Bonds, of all Security Instrument Repayment Obligations according to their tenor and effect and of all Reserve Instrument Repayment Obligations according to their tenor and effect and the performance and observance by the Issuer of all the covenants expressed or implied herein, in the Bonds, in all Security Instrument Agreements and in all Reserve Instrument Agreements, the Issuer does hereby convey, assign and pledge unto the Trustee and unto its successors irrevocably and in trust forever all right, title and interest of the Issuer in and to (a) the Revenues, (b) the right granted under the Service Contract, (c) all moneys in funds and accounts held by the Trustee hereunder (except the Rebate Fund), and (d) all other rights hereinafter granted (collectively, the "Trust Estate"); first, for the further securing of the Bonds and all Security Instrument Repayment Obligations, and second, for the further security of all Reserve Instrument Repayment Obligations, subject only to the provisions of this Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Indenture;

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

IN TRUST NEVERTHELESS, upon the terms and trust set forth in this Indenture, FIRST, for the equal and proportionate benefit, security and protection of all Registered Owners of the Bonds issued pursuant to and secured by this Indenture and all Security Instrument Issuers without privilege, priority or distinction as to the lien or otherwise of any Bond or Security Instrument Issuer over any other by reason of time of issuance, sale, delivery, maturity or expiration thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Indenture; and SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers, without privilege, priority or distinction as to the lien or otherwise of any Reserve Instrument Repayment Obligation over any of the others by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever;

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

Issuer, this Indenture, and the rights hereby granted, shall terminate; otherwise this Indenture shall remain in full force and effect.

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

ARTICLE I
DEFINITIONS

Section 1.1 Definitions. As used in this Indenture, the following terms shall have the following meanings unless the context otherwise clearly indicates:

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

"Act" collectively means, as applicable, the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code.

"Additional Bonds" means all Bonds issued under Section 2.15 of this Indenture, other than the Initial Bonds, which are secured by a pledge of the Revenues on a parity with the pledge of Revenues for the payment of the Bonds and the Security Instrument Repayment Obligations herein authorized.

"Allocated Franchise Tax Revenues" means the Franchise Tax Revenues allocated by the City to pay the City's obligations under the Service Contract in an amount up to $205,000 annually; provided that such annual amounts are subject to increase by amendment to the Service Contract.

"Allocated Sales Tax Revenues" means the Sales Tax Revenues allocated by the City to pay the City's obligations under the Service Contract in an amount up to $203,000 annually; provided that such annual amounts are subject to increase by amendment to the Service Contract.

"Authorized Amount" means, with respect to a Commercial Paper Program, the maximum Principal amount of commercial paper which is then authorized by the Issuer to be outstanding at any one time pursuant to such Commercial Paper Program.

"Authorized Representative" means the Chair, any Vice Chair, or Secretary, Treasurer, Chief Executive Officer, or any other officer of the Issuer so designated in writing by the Issuer to the Trustee.

"Bond Fund" means the UIA-Santa Clara Bond Fund created in Section 3.3 hereof to be held by the Trustee and administered pursuant to Section 5.3 hereof

"Bond Fund Year" means the 12-month period beginning July 1 of each year and ending on the next succeeding June 30, except that the first Bond Fund Year shall begin on the date of delivery of the Initial Bonds and shall end on the next succeeding June 30.

"Bondholder," "Bondowner," "Registered Owner," or "Owner" means the registered owner of any Bonds herein authorized according to the registration books of the Issuer maintained by the Trustee as Registrar.

"Bonds" means bonds, notes, commercial paper or other obligations (other than Repayment Obligations) authorized by and at any time Outstanding pursuant to this Indenture, including the Initial Bonds and any Additional Bonds.

"Business Day" means any day (a) (i) on which banking business is transacted, but not including any day on which banks are authorized to be closed in New York City or in the city in which the Trustee has its Principal Corporate Trust Office or, with respect to a related Series of Bonds, in the city in which any Security Instrument Issuer has its principal office for purposes of such Security Instrument and (ii) on which the New York Stock Exchange is open, or (b) as otherwise provided in a Supplemental Indenture.

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

"Chair" means the Chair of the Issuer or any successor to the duties of such office.

"City" means Santa Clara City, Utah, a political subdivision of the State.

"City Fees" has the meaning given to such term in the Service Contract.

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

"Commercial Paper Program" means commercial paper obligations with maturities of not more than two hundred seventy (270) days from the dates of issuance thereof which are issued and reissued by the Issuer from time to time pursuant to Article II hereof and are outstanding up to an Authorized Amount.

"Connection Services" means the wholesale services provided by the Issuer to the City pursuant to the Service Contract whereby a designated amount of End Users within the City have access to the UIA-Santa Clara Component Network through which they may contract with private providers to receive Cable Television Services and Public Telecommunication Services (as those terms are defined in the Telecommunications Act).

"Construction Fund" means the UIA-Santa Clara Construction Fund created in Section 3.1 hereof to be held by the Trustee and administered pursuant to Section 5.1 hereof.

"Cost" or "Costs" or "Cost of Completion," or any phrase of similar import, in connection with a Project or with the refunding of any Bonds, means all costs and expenses which are properly chargeable thereto under generally accepted accounting principles or which are incidental to the financing, acquisition and construction of a Project, or the refunding of any Bonds, including, without limiting the generality of the foregoing:

(a) amounts payable to contractors and costs incident to the award of contracts;

(b) cost of labor, facilities and services furnished by the Issuer and its employees or others, materials and supplies purchased by the Issuer or others and permits and licenses obtained by the Issuer or others;

(c) engineering, architectural, legal, planning, underwriting, marketing, accounting and other professional and advisory fees;

(d) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;

(e) interest expenses, including interest on the Series of Bonds relating to a Project;

(f) printing, engraving and other expenses of financing, fees of financial rating services and costs of issuing the Series of Bonds;

(g) costs, fees, and expenses in connection with the acquisition of real and personal property or rights therein, including premiums for title insurance;

(h) costs of furniture, fixtures, and equipment purchased by the Issuer and necessary to construct a Project;

(i) amounts required to repay moneys advanced by the City or temporary or bond anticipation loans or notes made to finance the costs of a Project;

(j) cost of site improvements performed by the Issuer in anticipation of a Project;

(k) moneys necessary to fund the funds created under this Indenture;

(l) costs of any Operation and Maintenance Expenses and other working capital appertaining to any facilities to be acquired for a Project and of any interest on a Series of Bonds for any period not exceeding the period estimated by the Issuer to effect the construction of a Project plus one year, as herein provided,

of any discount on bonds or other securities, and of any reserves for the payment of the principal of and interest on a Series of Bonds, of any replacement expenses and of any other cost of issuance of a Series of Bonds or other securities, Security Instrument Costs and Reserve Instrument Costs;

(m) costs of amending this Indenture or other instrument authorizing the issuance of or otherwise appertaining to a Series of Bonds;

(n) all other expenses necessary or desirable and appertaining to a Project as estimated or otherwise ascertained by the Issuer, including costs of contingencies for a Project; and

(o) payment to the Issuer of such amounts, if any, as shall be necessary to reimburse the Issuer in full for advances and payments theretofore made or costs theretofore incurred by the Issuer for any item of Costs.

In the case of refunding or redeeming any bonds or other obligations, "Cost" includes, without limiting the generality of the foregoing, the items listed in (c), (e), (f), (i), (k), (l), (m) and (o) above, advertising and other expenses related to the redemption of such bonds to be redeemed and the redemption price of such bonds (and the accrued interest payable on redemption to the extent not otherwise provided for).

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

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

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

"Current Interest Bonds" means all Bonds other than Capital Appreciation Bonds. Interest on Current Interest Bonds shall be payable periodically on the Interest Payment Dates provided therefor in a Supplemental Indenture.

"Debt Service" means, unless specified otherwise by Supplemental Indenture for a Series of Bonds, for any particular Bond Fund Year and for any Series of Bonds and any Repayment Obligations, an amount equal to the sum of (a) all interest payable during such Bond Fund Year on such Series of Bonds plus (b) the Principal Installments payable during such Bond Fund Year on (i) such Bonds Outstanding, calculated on the assumption that Bonds Outstanding on the day of calculation cease to be Outstanding by reason of, but only by reason of, payment either upon maturity or application of any Sinking Fund Installments required by the Indenture, and (ii) such Repayment Obligations then outstanding; provided, however, for purposes of Section 2.15 hereof:

(1) when calculating interest payable during such Bond Fund Year for any Series of Variable Rate Bonds or Repayment Obligations bearing interest at a variable rate which cannot be ascertained for any particular Bond Fund Year, it shall be assumed that such Series of Variable Rate Bonds or related Repayment Obligations will bear interest at such market rate of interest applicable to such Series of Variable Rate Bonds or related Repayment Obligations as shall be established for this purpose in the opinion of the Issuer's financial advisor, underwriter or similar agent (which market rate of interest may be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise); and

(2) when calculating interest payable during such Bond Fund Year with respect to any Commercial Paper Program, Debt Service shall include an amount equal to the sum of all principal and interest payments that would be payable during such Bond Fund Year assuming that the Authorized Amount of such Commercial Paper Program is amortized on a level debt service basis over a period of 30 years beginning on the date of calculation or, if later, the last day of the period during which obligations can be issued under such Commercial Paper Program, and bearing interest at such market rate of interest applicable to such Commercial Paper Program as shall be established for this purpose in the opinion of the Issuer's financial advisor, underwriter or similar agent (which market rate of interest may be based upon a recognized comparable market index, an average of interest rates for prior years or otherwise).

"Debt Service Reserve Fund" means the UIA-Santa Clara Debt Service Reserve Fund created in Section 3.5 hereof to be held by the Trustee and administered pursuant to Section 5.5 hereof.

"Debt Service Reserve Requirement" means with respect to each Series of Bonds issued pursuant to this Indenture, the definition set forth in the Supplemental Indenture relating to such Series of Bonds.

"Direct Obligations" means noncallable Government Obligations.

"End Users" has the meaning assigned to such term in the Service Contract.

"Event of Default" means any occurrence or event specified in and defined by Section 7.1 hereof.

"Fitch" means Fitch Ratings.

"Franchise Tax Revenues" means all franchise tax revenues received by the City pursuant to Title 10, Chapter 1, Part 3, Utah Code Annotated 1953, as amended.

"Governing Body" means the Board of Directors of the Issuer.

"Government Obligations" means solely one or more of the following:

(a) State and Local Government Series issued by the United States Treasury ("SLGS");

(b) United States Treasury bills, notes and bonds, as traded on the open market;

(c) Zero Coupon United States Treasury Bonds; and

(d) Any other direct obligations of or obligations unconditionally guaranteed by, the United States of America (including, without limitation, obligations commonly referred to as "REFCORP strips").

"Hook-up Lease Revenues" has the meaning given to such term in Article I of the Service Contract.

"Indenture" means this General Indenture of Trust as from time to time amended or supplemented by Supplemental Indentures in accordance with the terms of this Indenture.

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

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

"Issuer" or "UIA" means the Utah Infrastructure Agency and its successors.

''Moody's" means Moody's Investors Service, Inc.

"Non-residential Fees" has the meaning assigned to such term in the Service Contract.

"Operation and Maintenance Expenses" means all expenses reasonably incurred by UIA in connection with the operation and maintenance of the UIA-Santa Clara Component Network, whether incurred by UIA or paid to any other entity pursuant to contract or otherwise, necessary to keep the UIA-Santa Clara Component Network in efficient operating condition, including cost of audits hereinafter required, payment of promotional and marketing expenses and real estate brokerage fees, payment of premiums for insurance and, generally all expenses, exclusive of depreciation (including depreciation related expenses of any joint venture) which under generally accepted accounting practices are properly allocable to operation and maintenance; however, only such expenses as are reasonably and properly necessary to the efficient operation and maintenance of the UIA-Santa Clara Component Network shall be included.

"Outstanding" or "Bonds Outstanding" means at any date all Bonds which have not been canceled which have been or are being authenticated and delivered by the Trustee under this Indenture, except:

(a) Any Bond or portion thereof which at the time has been paid or deemed paid pursuant to Article X of this Indenture; and

(b) Any Bond in lieu of or in substitution for which a new Bond shall have been authenticated and delivered hereunder, unless proof satisfactory to the Trustee is presented that such Bond is held by a bona fide holder in due course.

"Paying Agent" means the Trustee, appointed as the initial paying agent for the Bonds pursuant to Sections 6.6 and 11.5 hereof, and any additional or successor paying agent appointed pursuant hereto.

"Pledged Bonds" means any Bonds that have been (a) pledged or in which any interest has otherwise been granted to a Security Instrument Issuer as collateral security for Security Instrument Repayment Obligations or (b) purchased and held by a Security Instrument Issuer pursuant to a Security Instrument.

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

"Principal Corporate Trust Office" means, with respect to the Trustee, the office of the Trustee at One South Main, 12th floor, Salt Lake City, Utah 84133 or such other or additional offices as may be specified by the Trustee.

"Principal Installment" means, as of any date of calculation, (a) with respect to any Series of Bonds, so long as any Bonds thereof are Outstanding, (i) the Principal amount of Bonds of such Series due on a certain future date for which no Sinking Fund Installments have been established, or (ii) the unsatisfied balance of any Sinking Fund Installment due on a certain future date for Bonds of such Series, plus the amount of the sinking fund redemption premiums, if any, which would be applicable upon redemption of such Bonds on such future date in a Principal amount equal to such unsatisfied balance of such Sinking Fund Installment and (b) with respect to any Repayment Obligations, the principal amount of such Repayment Obligations due on a certain future date.

"Priority Bonds" means all additional indebtedness, bonds or notes of the Issuer issued in accordance with Section 2.14 of this Indenture, which are secured by a pledge of the Revenues senior to the pledge of Revenues for the payment of the bonds and the Security Instrument Repayment Obligation herein authorized.

"Project" means the acquisition, construction, installation, and equipping of communications facilities and improvements within Santa Clara City, Utah, including the acquisition of access rights to and capacity in the UIA Network and the UTOPIA Network,

as such definition is supplemented from time to time by Supplemental Indentures in accordance with this General Indenture.

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

"Qualified Investments" means any of the following securities:

(a) Government Obligations;

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

(c) Money market funds rated "AAAm" or "AAAm-G" or better by S&P and/or the equivalent rating or better of Moody's (if so rated), including money market funds from which the Trustee or its affiliates derive a fee for investment advisory or other services to the fund;

(d) Commercial paper which is rated at the time of purchase in the single highest classification, P-1 by Moody's or A-1+ by S&P, and which matures not more than 270 days after the date of purchase;

(e) Bonds, notes or other evidences of indebtedness rated "AAA" by S&P and "Aaa" by Moody's issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation with remaining maturities not exceeding three years;

(f) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks, including the Trustee and its affiliates, which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by S&P and "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

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

(h) Any other investments or securities permitted for investment of public funds under the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code, including investments contracts permitted by Section 51-7-17(2)(d) thereof.

"Rating Agency" means Fitch, Moody's, or S&P and their successors and assigns, but only to the extent such rating agency is then providing a rating on a Series of Bonds issued hereunder at the request of the Issuer. If any such Rating Agency ceases to act as a securities rating agency, the Issuer may designate any nationally recognized securities rating agency as a replacement.

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

"Rebatable Arbitrage" means with respect to any Series of Bonds where the interest thereon is intended to be excludable from gross income for federal income tax purposes, the amount (determinable as of each Rebate Calculation Date) of rebatable arbitrage payable to the United States at the times and in the amounts specified in Section 148(f)(3) of the Code and Section 1.148-3 of the Regulations.

"Rebate Calculation Date" means, with respect to any Series of Bonds where the interest thereon is intended to be excludable from gross income for federal income tax purposes, the Interest Payment Date next preceding the fifth anniversary of the issue date of such Series of Bonds, each fifth anniversary of the initial Rebate Calculation Date for such Series of Bonds, and the date of retirement of the last Bond for such Series.

"Rebate Fund" means the UIA-Santa Clara Rebate Fund created in Section 3.8 hereof to be held by the Trustee and administered pursuant to Section 5.8 hereof.

"Registrar" means the Trustee (or other party designated as Registrar by Supplemental Indenture), appointed as the registrar for the Bonds pursuant to Sections 2.7, 6.5 and 11.5 hereof, and any additional or successor registrar appointed pursuant hereto.

"Regular Record Date" means, unless otherwise provided by Supplemental Indenture for a Series of Bonds, the fifteenth day immediately preceding each Interest Payment Date.

"Remarketing Agent" means a remarketing agent or commercial paper dealer appointed by the Issuer pursuant to a Supplemental Indenture.

"Repair and Replacement Fund" means the UIA-Santa Clara Repair and Replacement Fund created in Section 3.7 hereof to be held by the Issuer and administered pursuant to Section 5.7 hereof.

"Repair and Replacement Reserve Requirement" means the amount or amounts from time to time required under each Supplemental Indenture to be on deposit in the Repair and Replacement Fund.

"Repayment Obligations" means, collectively, all Outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations.

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

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

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

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

"Reserve Instrument Fund" means the UIA-Santa Clara Reserve Instrument Fund created in Section 3.6 hereof to be held by the Trustee and administered pursuant to Section 5.6 hereof.

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

"Reserve Instrument Provider" means any bank, savings and loan association, savings bank, thrift institution, credit union, insurance company, surety company, or other institution issuing a Reserve Instrument, which at the time of issuance of the Reserve Instrument is rated in one of the four highest Rating Categories by a Rating Agency.

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

"Revenue Fund" means the UIA-Santa Clara Revenue Fund created in Section 3.2 hereof to be held by the Issuer and administered pursuant to Section 5.2 hereof.

"Revenues" means certain revenues, fees, income, rents, and receipts received or earned by the Issuer pursuant to the Service Contract, consisting of the Hook-up Lease Revenues, City Fees and 50% of the Non-residential Fees (and in the event of a shortfall in such revenues, any advance of Allocated Franchise Tax Revenues and Allocated Sales Tax Revenues (as described therein)), but not including Service Fees (as defined in the Service Contract), together with all interest earned by and profits derived from the sale of investments in the related funds thereof. Revenues do not include gifts or grants received by the Issuer.

"Sales Tax Revenues" means all sales tax revenues received by the City pursuant to Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended.

"S&P" means S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC.

"Secretary" means the Secretary of the Issuer or any successor to the duties of such office.

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

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

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

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

"Security Instrument Repayment Obligations" means, as of any date of calculation and with respect to any Security Instrument Agreement, any outstanding amounts payable by the Issuer under the Security Instrument Agreement or the Supplemental Indenture authorizing the use of such Security Instrument to repay the Security Instrument Issuer for payments previously or concurrently made by the Security Instrument Issuer pursuant to a

Security Instrument. There shall not be included in the calculation of the amount of Security Instrument Repayment Obligations any Security Instrument Costs.

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

"Service Contract'' means the Fiber Communications Service and Acquisition Contract, dated as of December 13, 2021, entered into between the Issuer and the City.

"Sinking Fund Account" means the UIA-Santa Clara Sinking Fund Account of the Bond Fund created in Section 3.4 hereof to be held by the Trustee and administered pursuant to Section 5.4 hereof.

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

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

"State" means the State of Utah.

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

"Telecommunications Act" means the Municipal Cable Television and Public Telecommunications Service Act, Title 10, Chapter 18, Utah Code.

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

"Trustee" means Zions Bancorporation, National Association, One South Main, 12th floor, Salt Lake City, Utah 84133 or any successor corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at any time serving as successor trustee hereunder.

"UIA-Santa Clara Component Network" means the fiber optic lines, connection lines and related improvements and facilities acquired and constructed by UIA (including the acquisition by UIA of access right and capacity within the UTOPIA Network and the UIA Network) and which are employed to provide services to the End Users in the City pursuant to and contemplated by the Service Contract.

"UIA Network" means fiber optic lines, connection lines and related improvements and facilities acquired and constructed by UIA, including the acquisition by UIA of access rights and capacity in the UTOPIA Network.

"Utah Code" means Utah Code Annotated 1953, as amended.

"UTOPIA" means the Utah Telecommunication Open Infrastructure Agency, a separate legal entity, body, politic and corporate and a political subdivision of the State of Utah, created pursuant to the Interlocal Act.

"UTOPIA Network" means UTOPIA's wholesale telecommunications network together with any additions, repairs, renewals, replacements, expansions, extensions and improvements to said network.

"Variable Rate Bonds" means, as of any date of calculation, Bonds, the interest on which for any future period of time, is to be calculated at a rate which is not susceptible to a precise determination.

"Year" means any twelve-consecutive month period.

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

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

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

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

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

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

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

ARTICLE II
THE BONDS

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

Section 2.2 Description of Bonds; Payment.

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

(b) Each Series of Bonds issued under the provisions hereof shall be dated, shall bear interest at a rate or rates not exceeding the maximum rate permitted by law on the date of initial issuance of such Series, shall be payable on the days, shall be stated to mature on the days and in the years and shall be subject to redemption prior to their respective maturities, all as set forth in the Supplemental Indenture authorizing such Series of Bonds. Each Series of Bonds shall be designated "[Tax-Exempt/Taxable] Telecommunications, Franchise and Sales Tax Revenue [Refunding] Bonds (Santa Clara Project), Series _____", in each case inserting the year in which the Bonds are issued and, if necessary, an identifying Series letter.

(c) Both the principal of and the interest on the Bonds shall be payable in lawful money of the United States of America. Payment of the interest on any Bond shall be made to the person appearing on the Bond registration books of the Registrar hereinafter provided for as the Registered Owner thereof by check or draft mailed on the Interest Payment Date to the Registered Owner at his address as it appears on such registration books or to owners of $1,000,000 or more in aggregate principal amount of Bonds (or owners of 100% of any Series then Outstanding) by wire transfer to a bank account located in the United States of America designated by the Registered Owner in written instructions furnished to the Trustee no later than the Regular Record Date for such payment. Unless otherwise specified in the related Supplemental Indenture, the interest on Bonds so payable, and punctually paid and duly provided for, on any Interest Payment Date will be paid to the person who is the Registered Owner thereof at the close of business on the Regular Record Date for such interest immediately preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner of any Bond on such Regular Record Date, and may be paid to the person who is the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such Registered Owner not less than ten (10) days prior to such Special Record Date. The principal of and premium, if any, on Bonds are payable upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee as Paying Agent, except as otherwise provided by Supplemental Indenture. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

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

Section 2.3 Execution; Limited Obligation. Unless otherwise specified in the related Supplemental Indenture, the Bonds of any Series shall be executed on behalf of the Issuer with the manual or official facsimile signature of its Chair, countersigned with the manual or official facsimile signature of the Secretary, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the Issuer. In case any officer, the facsimile of whose signature shall appear on the Bonds, shall cease to be such officer before the delivery of such Bonds. such facsimile shall nevertheless be valid and sufficient for all purposes, the same as if he had remained in office until delivery.

The Bonds, together with interest thereon, and all Repayment Obligations shall be limited obligations of the Issuer payable solely from the Revenues (except to the extent paid out of moneys attributable to the Bond proceeds, or moneys received by the Trustee, or other funds created hereunder (except the Rebate Fund), or the income from the temporary investment thereof). The Bonds shall be a valid claim of the respective Registered Owners thereof only against the Revenues, and other moneys in funds and accounts held by the Trustee hereunder (except the Rebate Fund) and the Issuer hereby pledges and assigns the same for the equal and ratable payment of the Bonds and all Repayment Obligations, and the Revenues shall be used for no other purpose than to pay the principal of, premium, if any, and interest on the Bonds and to pay the Repayment Obligations, except as may be otherwise expressly authorized herein or by Supplemental

Indenture. The issuance of the Bonds and delivery of any Security Instrument Agreement or Reserve Instrument Agreement shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment.

The provisions of this Section 2.3 relating to the execution of Bonds may be changed as they apply to the Bonds of any Series by the Supplemental Indenture authorizing such Series of Bonds.

Section 2.4 Perfection of Security Interest.

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

(b) Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-501, Utah Code Annotated 1953, as amended, and is and shall have priority as against all parties having claims of any kind in tort, contract, or otherwise hereafter imposed on the Revenues.

(c) The Issuer and the Trustee covenant and agree to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Trust Estate under applicable law.

Section 2.5 Authentication and Delivery of Bonds.

(a) The Issuer shall deliver executed Bonds of each Series to the Trustee for authentication. Subject to the satisfaction of the conditions for authentication of Bonds set forth herein, the Trustee shall authenticate such Bonds, and deliver them upon the order of the Issuer to the purchasers thereof (or hold them on their behalf) upon the payment by the purchasers to the Trustee for the account of the Issuer of the purchase price therefor. Delivery by the Trustee shall be full acquittal to the purchasers for the purchase price of such Bonds, and such purchasers shall be under no obligation to see to the application thereof. The proceeds of the sale of such Bonds shall, however, be disposed of only as provided herein and in the related Supplemental Indenture.

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

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

(i) A copy, duly certified by the Secretary, of this Indenture (to the extent not theretofore so filed) and the Supplemental Indenture authorizing such Series of Bonds.

(ii) A copy, duly certified by the Secretary, of the proceedings of the Governing Body approving the execution and delivery of the instruments specified in Section 2.5(c)(i) herein and the execution and delivery of such Series of Bonds, together with a certificate, dated as of the date of authentication of such Series of Bonds, of the Secretary that such proceedings are still in force and effect without amendments except as shown in such proceedings.

(iii) A request and authorization to the Trustee of the Issuer to authenticate such Series of Bonds in the aggregate principal amount therein specified and deliver them to purchasers therein identified upon payment to the Trustee, for account of the Issuer, of the sum specified therein.

(iv) A copy, duly certified by the Secretary, of the Service Contract.

(v) An opinion of bond counsel dated the date of authentication of such Series of Bonds to the effect that (a) the Issuer has authorized the execution and delivery of this Indenture and such Series of Bonds and this Indenture has been duly executed and delivered by the Issuer and is a valid and binding and enforceable agreement of the Issuer; (b) this Indenture creates the valid pledge which it purports to create of the Revenues; and (c) the Bonds of such Series are valid and binding obligations of the Issuer, entitled to the benefits and security hereof, provided that such opinion may contain limitations acceptable to the purchaser of such Series of Bonds.

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

(e) Subject to any limitations contained in a Supplemental Indenture, the Issuer may provide a Security Instrument for any Series of Bonds (or may substitute one Security Instrument for another).

(f) The Issuer may provide by Supplemental Indenture for the issuance and delivery to the Trustee of one or more Reserve Instruments and the execution

and delivery of any Reserve Instrument Agreements deemed necessary in connection therewith.

(g) The Issuer may authorize by Supplemental Indenture the issuance of Put Bonds; provided that any obligation of the Issuer to pay the purchase price of any such Put Bonds shall not be secured by a pledge of Revenues on a parity with the pledge contained in Section 6.2 hereof. The Issuer may provide for the appointment of such Remarketing Agents, indexing agents, tender agents or other agents as the Issuer may determine.

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

(i) So long as the Security Instrument is in full force and effect, and payment on the Security Instrument is not in default, (A) the Security Instrument Issuer shall be deemed to be the Owner of the Outstanding Bonds of such Series (1) when the approval, consent or action of the Bondowners for such Series of Bonds is required or may be exercised under the Indenture and (2) following an Event of Default and (B) the Indenture may not be amended in any manner which affects the rights of such Security Instrument Issuer without its prior written consent.

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

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

Section 2.6 Mutilated, Lost, Stolen or Destroyed Bonds. In the event any Bond is mutilated, lost, stolen or destroyed, the Issuer may execute and the Trustee may authenticate a new Bond of like date, Series, maturity and denomination as that mutilated, lost, stolen or destroyed; provided that, in the case of any mutilated Bond, such mutilated Bond shall first be surrendered to the Trustee, and in the case of any lost, stolen or destroyed Bond, there shall be first furnished to the Trustee evidence of such loss, theft or destruction satisfactory to the Trustee, together in all cases with indemnity satisfactory to the Trustee and the Issuer. In the event any such Bond shall have matured, instead of issuing a duplicate Bond, the Trustee may pay the same without surrender thereof upon compliance with the foregoing. The Trustee may charge the Registered Owner of such Bond with its reasonable fees and expenses in connection therewith. Any Bond issued pursuant to this Section 2.6 shall be deemed part of the Series of Bonds in respect of which it was issued and an original additional contractual obligation of the Issuer.

Section 2.7 Registration of Bonds; Persons Treated as Owners. The Issuer shall cause the books for the registration and for the transfer of the Bonds to be kept by the Trustee which is hereby constituted and appointed the Registrar of the Issuer with respect to the Bonds; provided, however, that the Issuer may by Supplemental Indenture select a party other than the Trustee to act as Registrar with respect to the Series of Bonds issued under said Supplemental Indenture. Upon the occurrence of an Event of Default which would require any Security Instrument Issuer to make payment under a Security Instrument Agreement, the Registrar shall make such registration books available to the Security Instrument Issuer. Any 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 or her duly authorized attorney, upon surrender of such 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 Bond at the Principal Corporate Trust Office of the Trustee, duly endorsed by, or accompanied by a written instrument or instruments of transfer in form satisfactory to the Trustee and duly executed by, the Registered Owner or his or her attorney duly authorized in writing, the Issuer shall execute and the Trustee shall authenticate and deliver in the name of the transferee or transferees, a new Bond or Bonds of the same Series and the same maturity for a like aggregate principal amount as the Bond surrendered for transfer. Bonds may be exchanged at the Principal Corporate Trust Office of the Trustee for a like aggregate principal amount of Bonds of the same Series and the same maturity. The execution by the Issuer of any Bond of any authorized denomination shall constitute full and due authorization of such denomination, and the Trustee shall thereby be authorized to authenticate and deliver such Bond. Except as otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, the Issuer and the Trustee shall not be required to transfer or exchange any Bond (a) during the period from and including any Regular Record Date, to and including the next succeeding Interest Payment Date, (b) during the period from and including the day fifteen days prior to any Special Record Date, to and including the date of the proposed payment pertaining thereto, (c) during the period from and including the day fifteen days prior to the mailing of notice calling any Bonds for redemption, to and including the date of such mailing, or (d) at any time following the mailing of notice calling such Bond for redemption.

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

hereinabove provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

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

Section 2.8 Redemption Provisions. The Term Bonds of each Series of Bonds shall be subject, to the extent provided in the Supplemental Indenture authorizing each such Series of Bonds, to redemption prior to maturity by operation of Sinking Fund Installments required to be made to the Sinking Fund Account. The Bonds of each Series shall further be subject to redemption prior to maturity at such times and upon such terms as shall be fixed by such Supplemental Indenture. Except as otherwise provided in a Supplemental Indenture, if fewer than all Bonds of a Series are to be redeemed, the particular maturities of such Bonds to be redeemed and the Principal amounts of such maturities to be redeemed shall be selected by the Issuer. If fewer than all of the Bonds of any one maturity of a Series shall be called for redemption, the particular units of Bonds, as determined in accordance with Section 2.10 hereof, to be redeemed shall be selected by the Trustee by lot in such manner as the Trustee, in its discretion, may deem fair and appropriate.

Section 2.9 Notice of Redemption.

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

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

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

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

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

(v) the redemption price;

(vi) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption and that interest thereon shall cease to accrue from and after said date; and

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

(b) In addition to the foregoing, further notice of any redemption of Bonds hereunder shall be given by the Trustee, simultaneous with the mailed notice to Registered Owners, by registered, certified mail, overnight delivery service, or electronic means to the Municipal Securities Rulemaking Board and all registered securities depositories (as reasonably determined by the Trustee) then in the business of holding substantial amounts of obligations of types comprising the Bonds. Such further notice shall contain the information required in clause (a) above. Failure to give all or any portion of such further notice shall not in any manner defeat the effectiveness of a call for redemption.

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

(d) If at the time of mailing of any notice of optional redemption there shall not be on deposit with the Trustee moneys sufficient to redeem all the Bonds called for redemption, such notice shall state that such redemption shall be conditioned upon receipt by the Trustee on or prior to the date fixed for such redemption of moneys sufficient to pay the principal of and interest on such Bonds to be redeemed and that if such moneys shall not have been so received said notice shall be of no force and effect and the Issuer shall not be required to redeem such Bonds. In the event that such moneys are not so received, the redemption shall not be made and the Trustee shall within a reasonable time thereafter give notice, one time, in the same manner in which the notice of redemption was given, that such moneys were not so received.

(e) A second notice of redemption shall be given, not later than ninety (90) days subsequent to the redemption date, to Registered Owners of Bonds or portions thereof redeemed but who failed to deliver Bonds for redemption prior to the 60th day following such redemption date.

(f) Any notice mailed shall be conclusively presumed to have been duly given, whether or not the owner of such Bonds receives the notice. Receipt of such notice shall not be a condition precedent to such redemption, and failure so to receive any such notice by any of such Registered Owners shall not affect the validity of the proceedings for the redemption of the Bonds.

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

Section 2.10 Partially Redeemed Fully Registered Bonds. Unless otherwise specified in the related Supplemental Indenture, in case any registered Bond shall be redeemed in part only, upon the presentation of such Bond for such partial redemption, the Issuer shall execute and the Trustee shall authenticate and shall deliver or cause to be delivered to or upon the written order of the Registered Owner thereof, at the expense of the Issuer, a Bond or Bonds of the same Series, interest rate and maturity, in aggregate principal amount equal to the unredeemed portion of such registered Bond. Unless otherwise provided by Supplemental Indenture, a portion of any Bond of a denomination of more than the minimum denomination of such Series specified herein or in the related Supplemental Indenture to be redeemed will be in the principal amount of such minimum denomination or an integral multiple thereof and in selecting portions of such Bonds for redemption, the Trustee will treat each such Bond as representing that number of Bonds of such minimum denomination which is obtained by dividing the principal amount of such Bonds by such minimum denomination.

Section 2.11 Cancellation. All Bonds which have been surrendered for payment, redemption or exchange, and Bonds purchased from any moneys held by the Trustee hereunder or surrendered to the Trustee by the Issuer, shall be canceled and cremated or otherwise destroyed by the Trustee and shall not be reissued; provided, however, that one or more new Bonds shall be issued for the unredeemed portion of any Bond without charge to the Registered Owner thereof.

Section 2.12 Nonpresentation of Bonds. Unless otherwise provided by Supplemental Indenture, in the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the Issuer to the Registered Owner thereof for the payment of such Bond shall forthwith cease, terminate and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds, without liability to the Registered Owner of such Bond for interest thereon, for the benefit of the Registered Owner of such Bond who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his part hereunder or on, or with respect to, said Bond. If any Bond shall not be presented for payment within four years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall, to the extent permitted by law. repay to the Issuer the funds theretofore held by it for payment of such Bond. Such Bond shall, subject to the defense of any applicable statute of limitation thereafter, be an unsecured obligation of the Issuer, and the Registered Owner thereof shall be entitled to look only to the Issuer for payment, and then only to the extent of the amount so repaid, and the· Issuer shall not be liable for any interest thereon and shall not be regarded as a trustee of such money. The provisions of this Section 2.12 are subject to the provisions of Title 67, Chapter 4a, Utah Code.

Section 2.13 Initial Bonds. Subject to the provisions hereof, the Initial Bonds may be authenticated and delivered by the Trustee upon satisfaction of the conditions specified in Section 2.5(c) hereof and any additional conditions specified in the Supplemental Indenture authorizing such Series of Bonds.

Section 2.14 Issuance of Priority Bonds. No Priority Bonds may be issued or incurred by the Issuer without the prior written consent of 100% of all Registered Owners of the Outstanding Bonds.

Section 2.15 Issuance of Additional Bonds. No Additional Bonds or other indebtedness, bonds or notes of the Issuer payable out of the Revenues on a parity with the Bonds and the Security Instrument Repayment Obligations herein authorized will be issued unless the Allocated Franchise Tax Revenues and the Allocated Sales Tax Revenues received by the City during the Fiscal Year immediately preceding the Fiscal Year in which the Additional Bonds, indebtedness, bonds or notes of the Issuer are to be issued are not less than 100% of the maximum aggregate annual debt service on (i) the proposed Additional Bonds and (ii) the Initial Bonds and any other Additional Bonds or parity indebtedness, bonds or notes of the Issuer or the City previously issued and outstanding and secured by a pledge of the Franchise Tax Revenues and the Sales Tax Revenues, tested for the period of the proposed Additional Bonds, parity debt or obligations, bonds or notes of the Issuer.

Section 2.16 Form of Bonds. The Bonds of each Series and the Trustee's Authentication Certificate shall be in substantially the forms thereof set forth in the Supplemental Indenture authorizing the issuance of such Bonds, with such omissions, insertions, and variations as may be necessary, desirable, authorized, and permitted hereby.

Section 2.17 Covenant against Creating or Permitting Liens. Except for the pledge of Revenues to secure payment of the Bonds and Repayment Obligations hereunder, the Revenues are and shall be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto; provided, however, that nothing contained herein shall prevent the Issuer or the City from issuing, if and to the extent permitted by law, indebtedness having a lien on Revenues subordinate to that of the Bonds and Repayment Obligations. Nothing herein shall be construed to limit the Issuer or the City from incurring additional obligations which are payable from or secured by a source of revenues that is different from the Revenues pledged herein.

ARTICLE III
CREATION OF FUNDS AND ACCOUNTS

Section 3.1 Creation of Construction Fund. There is hereby created and ordered established in the custody of the Trustee a fund to be known as the "UIA-Santa Clara Construction Fund." There is hereby created and ordered established in the custody of the Trustee a separate account within the Construction Fund for each Project to be designated by the name of the applicable Project or Series of Bonds and, if applicable, a separate account for each Series of Bonds and for all grant moneys or other moneys to be received by the Issuer for deposit in the Construction Fund.

Section 3.2 Creation of Revenue Fund. There is hereby created and ordered established with the Issuer a fund to be known as the "UIA-Santa Clara Revenue Fund." For accounting purposes, the Revenue Fund may be redesignated by different account names by the Issuer from time to time but in no event shall such Revenue Fund be commingled with any other fund or account of the Issuer.

Section 3.3 Creation of Bond Fund. There is hereby created and ordered established in the custody of the Trustee a fund to be known as the "UIA-Santa Clara Bond Fund."

Section 3.4 Creation of Sinking Fund Account. There is hereby created and ordered established in the custody of the Trustee a separate account within the Bond Fund an account to be known as the "UIA-Santa Clara Sinking Fund Account."

Section 3.5 Creation of Debt Service Reserve Fund. There is hereby created and ordered established in the custody of the Trustee a fund to be known as the "UIA-Santa Clara Debt Service Reserve Fund."

Section 3.6 Creation of Reserve Instrument Fund. There is hereby created and ordered established in the custody of the Trustee a fund to be known as the "UIA-Santa Clara Reserve Instrument Fund."

Section 3.7 Creation of Repair and Replacement Fund. There is hereby created and ordered established in the custody of the Issuer a fund to be known as the "UIA-Santa Clara Repair and Replacement Fund."

Section 3.8 Creation of Rebate Fund. There is hereby created and ordered established in the custody of the Trustee a fund to be known as the "UIA-Santa Clara Rebate Fund."

Section 3.9 Creation of Funds and Accounts. Notwithstanding anything contained herein to the contrary, the Trustee need not create any of the funds or accounts referenced in this Article III until such funds or accounts shall be utilized as provided in a Supplemental Indenture. The Issuer may, by Supplemental Indenture, authorize the creation of additional funds and additional accounts within any funds.

ARTICLE IV
APPLICATION OF BOND PROCEEDS

Upon the issuance of each Series of Bonds, the proceeds thereof shall be deposited as provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

ARTICLE V
USE OF FUNDS

Section 5.1 Use of Construction Fund.

(a) So long as an Event of Default shall not have occurred and be continuing and except as otherwise provided by Supplemental Indenture, moneys deposited in the appropriate account in the Construction Fund shall be disbursed by the Trustee to pay the Costs of a Project, in each case within three Business Days (or within such longer period as is reasonably required to liquidate investments in the Construction Fund if required to make such payment) after the receipt by the Trustee of a written requisition approved by an Authorized Representative of the Issuer in substantially the form as Exhibit A attached hereto, stating that the Trustee shall disburse sums in the manner specified by and at the direction of the Issuer to the person or entity designated in such written requisition, and that the amount set forth therein is justly due and owing and constitutes a Cost of a Project based upon audited, itemized claims substantiated in support thereof.

(b) Upon receipt of such requisition, the Trustee shall pay the obligation set forth in such requisition out of moneys in the applicable account in the Construction Fund. In making such payments the Trustee may rely upon the information submitted in such requisition. Such payments shall be presumed to be made properly and the Trustee shall not be required to verify the application of any payments from the Construction Fund or to inquire into the purposes for which disbursements are being made from the Construction Fund.

(c) The Issuer shall deliver to the Trustee, within 90 days after the completion of a Project, a certificate executed by an Authorized Representative of the Issuer stating:

(i) that such Project has been fully completed in accordance with the plans and specifications therefor, as amended from time to time, and stating the date of completion for such Project; and

(ii) that the Project has been fully paid for and no claim or claims exist against the Issuer or against such Project out of which a lien based on furnishing labor or material exists or might ripen; provided, however, there may be excepted from the foregoing certification any claim or claims out of which a lien exists or might ripen in the event the Issuer intends to contest such claim or claims, in which event such claim or claims shall be described to the Trustee.

(d) In the event the certificate filed with the Trustee pursuant to Section 5.1(c) herein shall state that there is a claim or claims in controversy which create or might ripen into a lien, an Authorized Representative of the Issuer shall file a similar certificate with the Trustee when and as such claim or claims shall have been fully paid or otherwise discharged.

(e) The Trustee and the Issuer shall keep and maintain adequate records pertaining to each account within the Construction Fund and all disbursements therefrom.

(f) Unless otherwise specified in a Supplemental Indenture, upon completion of a Project and payment of all costs and expenses incident thereto and the filing with the Trustee of documents required by this Section 5.1, any balance remaining in the applicable account in the Construction Fund relating to such Project shall, as directed by an Authorized Representative of the Issuer, be deposited in the Bond Fund, to be applied, (i) toward the redemption of the Series of Bonds issued to finance such Project or (ii) to pay principal and/or interest next falling due with respect to such Series of Bonds.

(g) The Trustee shall, to the extent there are no other available funds held under the Indenture, use the remaining funds in the Construction Fund to pay principal and interest on the Bonds at any time in the event of a payment default hereunder.

Section 5.2 Application of Revenues.

(a) All Revenues shall be deposited in the Revenue Fund and shall be held and accounted for by the Issuer separate and apart from all other moneys of the Issuer.

(b) So long as any Bonds are Outstanding, as a first charge and lien on the Revenues, the Issuer shall, on or before the first Business Day of each month, transfer to the Trustee for deposit into the Bond Fund from the Revenue Fund an amount equal to:

(i) one sixth (1/6) of the interest falling due on the Bonds on the next succeeding Interest Payment Date established for the Bonds (provided, however, that so long as there are moneys representing capitalized interest on deposit with the Trustee to pay interest on the Bonds next coming due, the Issuer need not allocate to the Revenue Fund to pay interest on the Bonds); plus

(ii) one twelfth (1/12) of the principal and premium, if any, falling due on the next succeeding principal payment date established for the Bonds; plus

(iii) one twelfth (1/12) the Sinking Fund Installments, if any, falling due on the next succeeding Sinking Fund Installment payment date;

the sum of which shall be sufficient, when added to the existing balance in the Bond Fund, to pay the principal of, premium, if any, and interest on the Bonds promptly on each such Interest Payment Date as the same become due and payable. The foregoing provisions may be revised by a Supplemental Indenture for any Series of Bonds having other than semiannual Interest Payment Dates. In the event the Issuer shall have deposited for any month less than the amounts required pursuant to (i), (ii) or (iii) above, the Trustee shall, within five Business Days of such payment deficiency and unless otherwise cured by the Issuer during that period, notify the City of the amount of such deficiency, with a copy of such notice to be sent to the Issuer. Further, such notice to the City shall include a demand for payment from the Allocated Franchise Tax Revenues and the Allocated Sales Tax Revenues to the amount of such deficiency, all in accordance with the provisions of Section 3.5 of the Service Contract. Any receipt of Allocated Franchise Tax Revenues and Allocated Sales Tax Revenues by the Trustee from the City shall be deposited into the Bond Fund and applied pursuant to (i), (ii) and (iii) above.

(c) As a second charge and lien on the Revenues (on a parity basis), the Issuer shall make the following transfers to the Trustee on or before the fifteenth day of each month of each year:

(i) To the extent the Debt Service Reserve Requirement, if any, is not funded with a Reserve Instrument or Instruments, (A) to the accounts in the Debt Service Reserve Fund any amounts required hereby and by any Supplemental Indenture to accumulate therein the applicable Debt Service Reserve Requirement with respect to each Series of Bonds at the times and in the amounts provided herein and in any Supplemental Indenture and (B) if funds shall have been withdrawn from an account in the Debt Service Reserve Fund or any account in the Debt Service Reserve Fund is at any time funded in an amount less than the applicable Debt Service Reserve Requirement, the Issuer shall deposit Revenues in such account(s) in the Debt Service Reserve Fund sufficient in amount to restore such account(s) within one year with twelve (12) substantially equal payments during such period (unless otherwise provided for by the Supplemental Indenture governing the applicable Debt Service Reserve Requirement); or a ratable portion (based on the amount to be transferred pursuant to Section 5.2(c)(ii) hereof) of remaining Revenues if less than the amount necessary; and

(ii) Equally and ratably to the accounts of the Reserve Instrument Fund with respect to all Reserve Instruments which are in effect and are expected to continue in effect after the end of such month, such amount of the remaining Revenues, or a ratable portion (based on the amount to be transferred pursuant to Section 5.2(c)(i) hereof) of the amount so remaining if less than the amount necessary, that is required to be paid, on or before the next such monthly transfer or deposit of Revenues into the Reserve Instrument Fund, to the Reserve Instrument Provider pursuant to any Reserve Instrument Agreement, other than Reserve Instrument Costs, in order to cause the Reserve Instrument Coverage to equal the Reserve Instrument Limit within one year from any draw date under the Reserve Instrument.

(d) As a third charge and lien on the Revenues, the Issuer shall cause to be paid from the Revenue Fund from time to time as the Issuer shall determine, all Operation and Maintenance Expenses of the Issuer as the same become due and payable, and thereupon such expenses shall be promptly paid.

(e) As a fourth charge and lien on the Revenues, the Issuer shall deposit in the Repair and Replacement Fund any amount required hereby and by any Supplemental Indenture to accumulate therein the Repair and Replacement Reserve Requirement. In the event that the amount on deposit in the Repair and Replacement Fund shall ever be less than the Repair and Replacement Reserve Requirement for the Bonds then Outstanding (or, after the issuance of Additional Bonds, the amount required to be on deposit therein), from time to time, the Issuer shall deposit to the Repair and Replacement Fund from the Revenue Fund all remaining Revenues after payments required by Sections 5.2(b), 5.2(c) and 5.2(d) herein have been made until there is on deposit in the Repair and Replacement Fund an amount equal to the Repair and Replacement Reserve Requirement. Subject to the provisions of Section 5.2(f) herein, this provision is not intended to limit, and shall not limit, the right of the Issuer to deposit additional moneys in the Repair and Replacement Fund from time to time as the Issuer may determine.

(f) Subject to making the foregoing deposits, the Issuer may use the balance of the Revenues accounted for in the Revenue Fund for any of the following:

(i) redemption of Bonds;

(ii) refinancing, refunding, or advance refunding of any Bonds;

(iii) any amounts owing from the Issuer to the City under the Service Contract; or

(iv) for any other lawful purpose.

Section 5.3 Use of Bond Fund. The Issuer may direct the Trustee, pursuant to a Supplemental Indenture, to create additional accounts within the Bond Fund for a separate Series of Bonds under the Indenture.

(a) The Trustee shall make deposits to the Bond Fund, as and when received, as follows:

(i) accrued interest received upon the issuance of any Series of Bonds;

(ii) all moneys payable by the Issuer as specified in Section 5.2(b) hereof;

(iii) any amount in the Construction Fund to the extent required by or directed pursuant to Section 5.1(f) hereof upon completion of a Project;

(iv) all moneys transferred from the Debt Service Reserve Fund or from a Reserve Instrument or Instruments then in effect as provided in Section 5.5 hereof; and

(v) all other moneys received by the Trustee hereunder when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Bond Fund.

(b) Except as provided in Section 7.4 hereof and as provided in this Section 5.3 and except as otherwise provided by Supplemental Indenture, moneys in the Bond Fund shall be expended solely for the following purposes and in the following order of priority:

(i) on or before each Interest Payment Date for each Series of Bonds, the amount required to pay the interest due on such date;

(ii) on or before each Principal Installment due date, the amount required to pay the Principal Installment due on such due date; and

(iii) on or before each redemption date for each Series of Bonds, the amount required to pay the redemption price of and accrued interest on such Bonds then to be redeemed.

Such amounts shall be applied by the Paying Agent to pay Principal Installments and redemption price of, and interest on the related Series of Bonds.

The Trustee shall pay out of the Bond Fund to the Security Instrument Issuer, if any, that has issued a Security Instrument with respect to such Series of Bonds an amount equal to any Security Instrument Repayment Obligation then due and payable to such Security Instrument Issuer. Except as otherwise specified in a related Supplemental Indenture all such Security Instrument Repayment Obligations shall be paid on a parity with the payments to be made with respect to principal and interest on the Bonds; provided that amounts paid under a Security Instrument shall be applied only to pay the related Series of Bonds. If payment is so made on Pledged Bonds held for the benefit of the Security Instrument Issuer, a corresponding payment on the Security Instrument Repayment Obligation shall be deemed to have been made (without requiring an additional payment by the Issuer) and the Trustee shall keep its records accordingly.

The Issuer hereby authorizes and directs the Trustee to withdraw sufficient funds from the Bond Fund to pay principal of and interest on the Bonds and on Security Instrument Repayment Obligations as the same become due and payable and to make said funds so withdrawn available to the Trustee and any Paying Agent for the purpose of paying said Principal and interest.

(c) After payment in full of the Principal of and interest on (i) all Bonds issued hereunder (or after provision has been made for the payment thereof as provided herein so that such Bonds are no longer Outstanding); (ii) all agreements relating to all outstanding Security Instrument Repayment Obligations and Reserve Instrument Repayment Obligations in accordance with their respective terms; and (iii) the fees, charges, and expenses of the Trustee, the Paying Agent and any other amounts required to be paid hereunder or under any Supplemental Indenture and under any Security Instrument Agreement and under any Reserve Instrument Agreement; all amounts remaining in the Bond Fund shall be paid to the Issuer.

Section 5.4 Use of Sinking Fund Account.

(a) The Trustee shall apply moneys in the Sinking Fund Account to the retirement of any Term Bonds required to be retired by operation of the Sinking Fund Account under the provisions of and in accordance with the Supplemental Indenture authorizing the issuance of such Term Bonds, either by redemption in accordance with such Supplemental Indenture or, at the direction of the Issuer, purchase of such Term Bonds in the open market prior to the date on which notice of the redemption of such Term Bonds is given pursuant hereto, at a price not to exceed the redemption price of such Term Bonds (plus accrued interest which will be paid from moneys in the Bond Fund other than those in the Sinking Fund Account).

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

Section 5.5 Use of Debt Service Reserve Fund. Except as otherwise provided in this Section 5.5 or by Supplemental Indenture, and subject to the immediately following sentence, moneys in each account in the Debt Service Reserve Fund shall at all times be maintained in an amount not less than the applicable Debt Service Reserve Requirement, if any. In calculating the amount on deposit in each account in the Debt Service Reserve Fund, the amount of any Reserve Instrument Coverage will be treated as an amount on deposit in such account in the Debt Service Reserve Fund. Each Supplemental Indenture authorizing the issuance of a Series of Bonds shall specify the Debt Service Reserve Requirement, if any, applicable to such Series which amount shall, unless otherwise specified by the respective Supplemental Indenture, either be (a) deposited immediately upon the issuance and delivery of such Series from (i) proceeds from the sale thereof or from any other legally available source, or (ii) by a Reserve Instrument or Instruments, or (iii) any combination thereof, (b) deposited from available Revenues over the period of time specified therein, or (c) deposited from any combination of (a) and (b) above; provided however, the foregoing provisions shall be subject to the requirements of any Security Instrument Issuer set forth in the related Supplemental Indenture. If at any time the amount on deposit in any account of the Debt Service Reserve Fund is less than the minimum amount to be maintained therein under this Section 5.5, the Trustee is required on behalf of the Issuer to exercise UIA's remedies under the Service Contract to collect Revenues sufficient to replenish the Debt Service Reserve Fund.

In the event funds on deposit in an account of the Debt Service Reserve Fund are needed to make up any deficiencies in the Bond Fund as aforementioned, and there is insufficient cash available in such account of the Debt Service Reserve Fund to make up such deficiency and Reserve Instruments applicable to such Series are in effect, the Trustee shall immediately make a demand for payment on such Reserve Instruments, to the maximum extent authorized by such Reserve Instruments, in the amount necessary to make up such deficiency, and immediately deposit such payment upon receipt thereof into the Bond Fund. Thereafter, the Issuer shall be obligated to reinstate the Reserve Instrument as provided in Section 5.2(c)(ii) herein.

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

Except as otherwise provided by a Supplemental Indenture, moneys at any time on deposit in the account of the Debt Service Reserve Fund in excess of the amount required to be maintained therein (taking into account the amount of related Reserve Instrument Coverage) shall be transferred by the Trustee to the Bond Fund at least once each year.

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

Whenever the balance in an account of the Debt Service Reserve Fund exceeds the amount required to redeem or pay the related Series of Outstanding Bonds, including interest accrued to the date of payment or redemption and premium, if any, due upon redemption, the Trustee, shall, upon receipt of a written direction of the Issuer, transfer the amount in the related account of the Debt Service Reserve Fund to the Bond Fund to be applied on the next succeeding Interest Payment Date to the payment and redemption of all the related Series of Outstanding Bonds.

Section 5.6 Use of Reserve Instrument Fund. There shall be paid into the Reserve Instrument Fund the amounts required hereby and by a Supplemental Indenture to be so paid. The amounts in the Reserve Instrument Fund shall, from time to time, be applied by the Trustee on behalf of the Issuer to pay the Reserve Instrument Repayment Obligations which are due and payable to any Reserve Instrument Provider under any applicable Reserve Instrument Agreement.

Section 5.7 Use of Repair and Replacement Fund. All moneys in the Repair and Replacement Fund may be drawn on and used by the Issuer for the purpose of (a) paying the cost of unusual or extraordinary maintenance or repairs of the UIA-Santa Clara Component Network; (b) paying the costs of any renewals, renovation, improvements, expansion or replacements to the UIA-Santa Clara Component Network; and (c) paying

the cost of any replacement of buildings, lines, equipment and other related facilities, to the extent the same are not paid as part of the ordinary and normal expense of the operation of the UIA-Santa Clara Component Network.

Funds shall be deposited monthly from available Revenues in such amounts as may be required from time to time by each Supplemental Indenture until the Repair and Replacement Fund has an amount equivalent to the Repair and Replacement Requirement. Any deficiencies below the Repair and Replacement Requirement shall be made up from Revenues of the UIA-Santa Clara Component Network available for such purposes. Funds at any time on deposit in the Repair and Replacement Fund in excess of the amount required to be maintained therein may, at any time, be used by the Issuer for any lawful purpose.

Section 5.8 Use of Rebate Fund.

(a) If it becomes necessary for the Issuer to comply with the rebate requirements of the Code and the Regulations, the Trustee shall establish and thereafter maintain, so long as the Bonds which are subject to said rebate requirements are Outstanding, a Rebate Fund, which shall be held separate and apart from all other funds and accounts established under this Indenture and from all other moneys of the Trustee.

(b) All amounts in the Rebate Fund, including income earned from investment of the fund, shall be held by the Trustee free and clear of the lien of the Indenture. In the event the amount on deposit in the Rebate Fund exceeds the aggregate amount of Rebatable Arbitrage for one or more Series of Bonds, as verified in writing by an independent public accountant or other qualified professional at the time the Rebatable Arbitrage is determined, the excess amount remaining after payment of the Rebatable Arbitrage to the United States shall, upon the Issuer's written request accompanied by the determination report, be paid by the Trustee to the Issuer.

(c) The Issuer shall determine the amount of Rebatable Arbitrage and the corresponding Required Rebate Deposit with respect to each Series of Bonds on each applicable Rebate Calculation Date and take all other actions necessary to comply with the rebate requirements of the Code and the Regulations. The Issuer shall deposit into the Rebate Fund the Required Rebate Deposit, if any, with respect to each Series of Bonds (or instruct the Trustee to transfer to the Rebate Fund moneys representing such Required Rebate Deposit from the Funds and Accounts held under the Indenture other than the Rebate Fund) or shall otherwise make payment of the rebate to be paid to the United States at the times required by the Code and the Regulations. If applicable, the Issuer shall instruct in writing the Trustee to withdraw from the Rebate Fund and pay any rebate over to the United States. The determination of Rebatable Arbitrage made with respect to each such payment date and with respect to any withdrawal and payment to the Issuer from the Rebate Fund pursuant to the Indenture must be verified in writing by an independent public accountant or other qualified professional. The Trustee may rely conclusively upon and shall be fully protected from all liability in relying upon the Issuer's determinations, calculations, and certifications required by this Section 5.8, and the Trustee shall have no responsibility to independently make any calculations or determination or to review the Issuer's determinations, calculations, and certifications required by this Section 5.8.

(d) The Trustee shall, at least sixty (60) days prior to each Rebate Calculation Date, notify the Issuer of the requirements of this Section 5.8. By agreeing to give this notice, the Trustee assumes no responsibility whatsoever for compliance by the Issuer with the requirements of Section 148 of the Code or any successor. The Issuer expressly agrees that (notwithstanding any other provision of the Indenture) any failure of the Trustee to give any such notice, for any reason whatsoever, shall not cause the Trustee to be responsible for any failure of the Issuer to comply with the requirements of said Section 148 or any successor thereof.

(e) The provisions of this Section 5.8 may be amended or deleted without Bondowner consent or notice, upon receipt by the Issuer and the Trustee of an opinion of nationally recognized bond counsel that such amendment or deletion will not adversely affect the excludability from gross income of interest on the Bonds.

Section 5.9 Investment of Funds. Unless provided otherwise by Supplemental Indenture, any moneys in the Bond Fund, the Construction Fund, the Reserve Instrument Fund, the Rebate Fund, the Debt Service Reserve Fund, or the Repair and Replacement Fund shall, at the discretion and authorization of the Issuer, be invested by the Trustee in Qualified Investments; provided, however, that moneys on deposit in the Bond Fund and the Reserve Instrument Fund may only be invested in Qualified Investments having a maturity date of one year or less. If no written authorization is given to the Trustee, moneys shall be held uninvested. Such investments shall be held by the Trustee, and when the Trustee determines it necessary to use the moneys in the Funds for the purposes for which the Funds were created, it shall liquidate at prevailing market prices as much of the investments as may be necessary and apply the proceeds to such purposes. All income derived from the investment of the Construction Fund, the Bond Fund, the Reserve Instrument Fund and the Rebate Fund shall be maintained in said respective Funds and disbursed along with the other moneys on deposit therein as herein provided. All income derived from the investment of the Debt Service Reserve Fund shall be disbursed in accordance with Section 5.5 hereof, except as otherwise provided by Supplemental Indenture. All moneys in the Revenue Fund may, at the discretion of the Issuer, be invested by the Issuer in Qualified Investments.

The Trustee shall have no liability or responsibility for any loss resulting from any investment made in accordance with the provisions of this Section 5.9. The Trustee shall be entitled to assume that any investment, which at the time of purchase is a Qualified Investment, remains a Qualified Investment thereafter, absent receipt of written notice or information to the contrary.

The Trustee may, to the extent permitted by the State Money Management Act of 1974, Title 51, Chapter 7, Utah Code, make any and all investments permitted by the provisions of the Indenture through its own or any of its affiliate's investment departments.

The Issuer acknowledges that to the extent regulations of the comptroller of the currency or any other regulatory entity grant the Issuer the right to receive brokerage confirmations of the security transactions as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Issuer periodic cash transaction statements which include the detail for all investment transactions made by the Trustee hereunder.

The Issuer may invest the amounts on deposit in the Repair and Replacement Fund as permitted by applicable law.

Section 5.10 Trust Funds. All moneys and securities received by the Trustee under the provisions of this Indenture shall be trust funds under the terms hereof and shall not be subject to lien or attachment of any creditor of the State or any political subdivision, body, agency, or instrumentality thereof or of the Issuer and shall not be subject to appropriation by any legislative body or otherwise. Such moneys and securities shall be held in trust and applied in accordance with the provisions hereof. Unless and until disbursed pursuant to the terms hereof, all such moneys and securities (and the income therefrom) shall be held by the Trustee as security for payment of the principal of, premium, if any, and interest on the Bonds and the fees and expenses of the Trustee payable hereunder.

Section 5.11 Method of Valuation and Frequency of Valuation. In computing the amount in any fund or account, Qualified Investments shall be valued at market, exclusive of accrued interest. With respect to all funds and accounts, valuation shall occur annually on June 30, except in the event of a withdrawal from the Debt Service Reserve Fund, whereupon securities shall be valued immediately after such withdrawal.

ARTICLE VI
GENERAL COVENANTS

Section 6.1 General Covenants. The Issuer hereby covenants and agrees with each and every Registered Owner of the Bonds issued hereunder, Security Instrument Issuer, and Reserve Instrument Provider as follows:

(a) While any of the principal of and interest on the Bonds are outstanding and unpaid, or any Repayment Obligations are outstanding, any resolution or other enactment of the Governing Body, applying the Revenues for the payment of the Bonds and the Repayment Obligations shall be irrevocable until the Bonds and/or any Repayment Obligations have been paid in full as to both principal and interest, and is not subject to amendment in any manner which would impair the rights of the holders of those Bonds or the Repayment Obligations or which would in any way jeopardize the timely payment of principal or interest when due. Furthermore, the Revenues under the Service Contract, including the Allocated Franchise Tax Revenues and the Allocated Sales Tax Revenues, shall be sufficient to pay the Operation and Maintenance Expenses of the UIA-Santa Clara Component Network and to provide moneys for each Bond Fund Year sufficient to meet UIA's payment obligations under this Indenture. The Issuer agrees that should its annual financial statement made in accordance with the provisions of Section 6.l(d) hereof disclose that during the period covered by such financial statement the Revenues were not at least equal to the above requirement, the Issuer may modify its rates, fees and charges.

(b) The Issuer will maintain the UIA-Santa Clara Component Network and the UIA Network in good condition and operate the same in an efficient manner.

(c) Each Registered Owner, Security Instrument Issuer and Reserve Instrument Provider shall have a right, in addition to all other rights afforded it by the laws of the State, to apply to and obtain from any court of competent jurisdiction such decree or order as may be necessary to require the Issuer to charge or collect reasonable rates for services supplied by the UIA-Santa Clara Component Network sufficient to meet all requirements hereof and of any applicable Reserve Instrument Agreement.

(d) So long as any principal and interest payments of the Bonds are Outstanding, or any Repayment Obligations are 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 UIA-Santa Clara Component Network. Each Registered Owner, Security Instrument Issuer and Reserve Instrument Provider, or any duly authorized agent or agents thereof shall have the right at all reasonable times to inspect all records, accounts and data relating thereto and to inspect the UIA-Santa Clara Component Network. Except as otherwise provided herein, the Issuer further agrees that it will within two hundred ten (210) days following the close of each Bond 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 for account of the Revenues and the UIA-Santa Clara Component Network and that such audit will be available for inspection by each Registered Owner, Security Instrument Issuer and Reserve Instrument Provider.

All expenses incurred in compiling the information required by this Section 6.1 shall be regarded and paid as an Operation and Maintenance Expense.

Section 6.2 First Lien Bonds; Equality of Liens. The Bonds and any Security Instrument Repayment Obligations constitute an irrevocable lien upon the Revenues, subordinate to any Priority Bonds issued pursuant to Section 2.14 herein. The Issuer covenants that the Bonds and Security Instrument Repayment Obligations hereafter authorized to be issued and from time to time outstanding are equally and ratably secured by a lien on the Revenues and shall not be entitled to any priority one over the other in the

application of the Revenues regardless of the time or times of the issuance of the Bonds or delivery of Security Instruments, it being the intention of the Issuer that there shall be no priority among the Bonds or the Security Instrument Repayment Obligations regardless of the fact that they may be actually issued and/or delivered at different times.

Any assignment or pledge from the Issuer to a Reserve Instrument Provider of (a) proceeds of the issuance and sale of Bonds, (b) Revenues, or (c) Funds established hereby, including investments, if any, thereof, is and shall be subordinate to the assignment and pledge effected hereby to the Registered Owners of the Bonds and to the Security Instrument Issuers.

Section 6.3 Payment of Principal and Interest. The Issuer covenants that it will punctually pay or cause to be paid the Principal of and interest on every Bond issued hereunder, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations, in strict conformity with the terms of the Bonds, this Indenture, any Security Instrument Agreement and any Reserve Instrument Agreement, according to the true intent and meaning hereof and thereof. The Principal of and interest on the Bonds, any Security Instrument Repayment Obligations and any Reserve Instrument Repayment Obligations are payable solely from the Revenues (except to the extent paid out of moneys attributable to Bond proceeds or other funds created hereunder or the income from the temporary investment thereof), which Revenues are hereby specifically pledged and assigned to the payment thereof in the manner and to the extent herein specified, and nothing in the Bonds, this Indenture, any Security Instrument Agreement or any Reserve Instrument Agreement should be considered as pledging any other funds or assets of the Issuer for the payment thereof.

Section 6.4 Performance of Covenants; Issuer. The Issuer covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained herein, and in any and every Bond, Security Instrument Agreement and Reserve Instrument Agreement. The Issuer represents that it is duly authorized under the Constitution of the State and under the Act to issue the Bonds authorized hereby and to execute this Indenture, that all actions on its part for the issuance of the Bonds and the execution and delivery of this Indenture have been duly and effectively taken, and that the Bonds in the hands of the Registered Owners thereof are and will be valid and enforceable obligations of the Issuer according to the import thereof.

Section 6.5 List of Bondholders. The Trustee will keep on file at its Principal Corporate Trust Office a list of the names and addresses of the Registered Owners of all Bonds which are from time to time registered on the registration books in the hands of the Trustee as Registrar for the Bonds. At reasonable times and under reasonable regulations established by the Trustee, said list may be inspected and copied by the Issuer or by the Registered Owners (or a designated representative thereof) of ten percent (10%) or more in Principal amount of Bonds then Outstanding, such ownership and the authority of any such designated representative to be evidenced to the reasonable satisfaction of the Trustee.

Section 6.6 Designation of Additional Paying Agents. The Issuer hereby covenants and agrees to cause the necessary arrangements to be made through the Trustee and to be thereafter continued for the designation of alternate paying agents, if any, and for the making available of funds hereunder, but only to the extent such funds are made available to the Issuer from Bond proceeds or other Funds created hereunder or the income from the temporary investment thereof, for the payment of such of the Bonds as shall be presented when due at the Principal Corporate Trust Office of the Trustee, or its successor in trust hereunder, or at the principal corporate trust office of said alternate Paying Agents.

Section 6.7 Expeditious Construction. The Issuer shall complete the acquisition and construction of each Project with all practical dispatch and will cause all construction to be effected in a sound and economical manner.

Section 6.8 Management of Assets. The Issuer, in order to assure the efficient management and operation of its assets and to assure each Registered Owner, Security Instrument Issuer and Reserve Instrument Provider from time to time that the Issuer's assets will be operated on sound business principles, will employ competent and experienced management for said assets, will use its best efforts to see that said assets are at all times operated and maintained in first-class repair and condition and in such manner that the operating efficiency thereof shall be of the highest character.

Section 6.9 Use of Legally Available Moneys. Notwithstanding any other provisions hereof, nothing herein shall be construed to prevent the Issuer from (a) paying all or any part of the Operation and Maintenance Expenses from any funds available to the Issuer for such purpose, (b) depositing any funds available to the Issuer for such purpose in any account in the Bond Fund for the payment of the interest on, premium, if any, or the principal of any Bonds issued under provisions hereof or for the redemption of any such Bonds, or (c) depositing any funds available to the Issuer for such purpose in the Reserve Instrument Fund for the payment of any amounts payable under any applicable Reserve Instrument Agreement.

Section 6.10 Payment of Taxes and Other Charges. The Issuer covenants that all taxes and assessments or other municipal or governmental charges lawfully levied or assessed upon the UIA-Santa Clara Component Network or upon any part thereof or upon any income therefrom will be paid when the same shall become due, that no lien or charge upon the UIA-Santa Clara Component Network or any part thereof or upon any Revenues thereof, except for the lien and charge thereon created hereunder and securing the Bonds, will be created or permitted to be created ranking equally with or prior to the Bonds (except for a senior lien of any Priority Bonds), and that all lawful claims and demands for labor, materials, supplies or other objects which, if unpaid, might by law become a lien upon the UIA-Santa Clara Component Network or any part thereof or upon the Revenues thereof will be paid or discharged, or adequate provision will be made for the payment or discharge of such claims and demands within 60 days after the same shall accrue; provided, however, that nothing in this Section 6.10 shall require any such lien or charge to be paid or discharged or provision made therefor so long as the validity of such lien or charge shall be contested in good faith and by appropriate legal proceedings.

Section 6.11 Insurance. The Issuer will self-insure or carry insurance, including, but not limited to, workmen's compensation insurance and public liability insurance, in

such amounts and to such extent as is normally carried by others operating public utilities of the same type. The cost of such insurance shall be considered an Operation and Maintenance Expense of the Issuer. In the event of loss or damage, insurance proceeds shall be used first for the purpose of restoring or replacing the property lost or damaged. Any remainder shall be paid into the Bond Fund.

Section 6.12 Instruments of Further Assurance. The Issuer and the Trustee mutually covenant that they will, from time to time, each upon the written request of the other, or upon the request of a Security Instrument Issuer or a Reserve Instrument Provider, execute and deliver such further instruments and take or cause to be taken such further actions as may be reasonable and as may be required by the other to carry out the purposes hereof; provided, however, that no such instruments or action shall involve any personal liability of the Trustee or members of the governing body of the Issuer or any official thereof.

Section 6.13 Covenant Not to Sell. The Issuer will not sell, lease, mortgage, encumber, or in any manner dispose of the UIA-Santa Clara Component Network or the UIA Network or any substantial part thereof, including any and all extensions and additions that may be made thereto, until all principal of and interest on the Bonds, and all Repayment Obligations, have been paid in full, except as follows:

(a) The Issuer may sell any portion of said property (i) which shall have been replaced by other property of at least equal value, (ii) which shall cease to be necessary for the efficient operation of the UIA-Santa Clara Component Network or the UIA Network and the disposition of which will not, as determined by the Governing Body, result in a material reduction in Revenues in any year; or (iii) the value, as determined by the Governing Body, of the property to be sold, leased, abandoned, mortgaged, or otherwise disposed of (together with any other property similarly disposed of within the 12 calendar months preceding the proposed disposition) does not exceed five percent (5%) of the value of the UIA-Santa Clara Component Network assets, as determined by the Governing Body, provided, however, that in the event of any sale as aforesaid, the proceeds of such sale not needed to acquire other UIA-Santa Clara Component Network and UIA Network property shall be paid into the Bond Fund.

(b) The Issuer may lease or make contracts or grant licenses for the operation of, or make arrangements for the use of, or grant easements or other rights with respect to, any part of the UIA-Santa Clara Component Network or the UIA Network, provided that any such lease, contract, license, arrangement, easement or right does not impede the operation of the UIA-Santa Clara Component Network or the UIA Network; and any payment received by the Issuer under or in connection with any such lease, contract, license, arrangement, easement or right in respect of the UIA-Santa Clara Component Network or any part thereof shall constitute Revenues.

Section 6.14 Collection of Delinquent City Fees and Hook Up Lease Revenues. The Issuer covenants that it shall exercise all remedies available to it to collect delinquent

City Fees, Hook Up Lease Revenues, and any other monies owed to the Issuer under the Service Contract.

Section 6.15 Annual Budget. Prior to the beginning of each Fiscal Year the Issuer shall prepare and adopt a budget for the UIA-Santa Clara Component Network for the next ensuing Fiscal Year. At the end of the first six months of each Fiscal Year, the Issuer shall review its budget for such Fiscal Year, and in the event actual Revenues, Operation and Maintenance Expenses or other requirements do not substantially correspond with such budget, the Issuer shall prepare an amended budget for the remainder of such Fiscal Year. The Issuer also may adopt at any time an amended budget for the remainder of the then current Fiscal Year.

ARTICLE VII
EVENTS OF DEFAULT; REMEDIES

Section 7.1 Events of Default. Each of the following events is hereby declared an "Event of Default":

(a) if payment of any installment of interest on any of the Bonds shall not be made by or on behalf of the Issuer when the same shall become due and payable; or

(b) if payment of the Principal Installment or Sinking Fund Installment or the redemption premium, if any, on any of the Bonds shall not be made by or on behalf of the Issuer when the same shall become due and payable, either at maturity or by proceedings for redemption in advance of maturity or through failure to fulfill any payment to any fund hereunder or otherwise; or

(c) if the Issuer shall for any reason be rendered incapable of fulfilling its obligations hereunder; or

(d) if an order or decree shall be entered, with the consent or acquiescence of the Issuer, appointing a receiver or custodian for any of the Revenues, or approving a petition filed against the Issuer seeking reorganization of the Issuer under the federal bankruptcy laws or any other similar law or statute of the United States of America or any state thereof, or if any such order or decree, having been entered without the consent or acquiescence of the Issuer shall not be vacated or discharged or stayed on appeal within 30 days after the entry thereof; or

(e) if any proceeding shall be instituted, with the consent or acquiescence of the Issuer, for the purpose of effecting a composition between the Issuer and its creditors or for the purpose of adjusting the claims of such creditors pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are or may be under any circumstances payable from Revenues; or

(f) if (i) the Issuer is adjudged insolvent by a court of competent jurisdiction, or (ii) an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the Issuer, a receiver, trustee or custodian of the Issuer or of the whole or any part of the Issuer's property and any of the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within 60 days from the date of entry thereof; or

(g) if the Issuer shall file a petition or answer seeking reorganization, relief or any arrangement under the federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof; or

(h) if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the Issuer or of the whole or any substantial part of the property of the Issuer, and such custody or control shall not be terminated within 30 days from the date of assumption of such custody or control; or

(i) if the Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds, or herein or any Supplemental Indenture hereof on the part of the Issuer to be performed, other than as set forth above in this Section 7.1, and such Default shall continue for 30 days after written notice specifying such Event of Default and requiring the same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Registered Owners of not less than twenty-five percent (25%) in aggregate Principal amount of the Bonds then Outstanding hereunder; or

(j) any event specified in a Supplemental Indenture as constituting an Event of Default.

Section 7.2 Remedies; Rights of Registered Owners. Upon the occurrence of an Event of Default, the Trustee, upon being indemnified pursuant to Section 8.1 hereof, may pursue any available remedy by suit at law or in equity to enforce the payment of the principal of premium, if any, and interest on the Bonds then Outstanding or to enforce any obligations of the Issuer hereunder; provided, however, that nothing herein shall be construed to grant the Bondholder, the Trustee, any Security Instrument Issuer, or any Reserve Instrument Issuer, any right of acceleration of the payment of the Principal of, or interest, or premium on the Bonds.

If an Event of Default shall have occurred, and if requested so to do by (a) Registered Owners of not less than twenty-five percent (25%) in aggregate Principal amount of the Bonds then Outstanding, (b) Security Instrument Issuers at that time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure not less than twenty-five percent (25%) in aggregate Principal amount of Bonds at the time Outstanding, or (c) any combination of Registered Owners and Security Instrument Issuers described in (a) and (b) above representing not less than twenty-five percent (25%) in aggregate Principal amount of Bonds at the time

Outstanding, and indemnified as provided in Section 8.1 hereof, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section 7.2 as the Trustee, being advised by counsel, shall deem most expedient in the interest of the Registered Owners and the Security Instrument Issuers.

No remedy by the terms hereof conferred upon or reserved to the Trustee (or to· the Registered Owners or to the Security Instrument Issuers) is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to the Trustee, the Registered Owners or the Security Instrument Issuers or now or hereafter existing at law or in equity or by statute.

No delay or omission to exercise any right or power accruing upon any Event of Default shall impair any such right or power or shall be construed to be a waiver of any Event of Default or acquiescence therein; and every such right and power may be exercised from time to time and as often as may be deemed expedient.

No waiver of any Event of Default hereunder, whether by the Trustee or by the Registered Owners or the Security Instrument Issuers shall extend to or shall affect any subsequent Event of Default or shall impair any rights or remedies consequent thereon.

Section 7.3 Right of Registered Owners to Direct Proceedings. Anything herein to the contrary notwithstanding, unless a Supplemental Indenture provides otherwise, either (a) the Registered Owners of a majority in aggregate Principal amount of the Bonds then Outstanding, (b) the Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and not in default on any payment obligation and which secure greater than fifty percent (50%) in aggregate Principal amount of Bonds at the time Outstanding, or (c) any combination of Registered Owners and Security Instrument Issuers described in (a) and (b) above representing greater than fifty percent (50%) in aggregate Principal amount of Bonds at the time Outstanding, shall have the right, at any time by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions hereof, or for the appointment of a receiver or any other proceedings hereunder; provided, that such direction shall not be otherwise than in accordance with the provisions of law and of this Indenture.

Section 7.4 Application of Moneys. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article VII shall, after payment of Trustee's fees and expenses including the fees and expenses of its counsel for the proceedings resulting in the collection of such moneys and of the expenses and liabilities and advances incurred or made by the Trustee, be deposited in the Bond Fund and all moneys so deposited in the Bond Fund shall be applied in the following order:

(a) To the payment of the principal of, premium, if any, and interest then due and payable on the Bonds and the Security Instrument Repayment Obligations as follows:

(i) Unless the Principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

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

SECOND-To the payment to the persons entitled thereto of the unpaid Principal of and premium, if any, on the Bonds which shall have become due (other than Bonds called for redemption for the payment of which moneys are held pursuant to the provisions hereof), in the order of their due dates, and the Principal component of any Security Instrument Repayment Obligations then due, and, if the amount available shall not be sufficient to pay in full all the Bonds and the Principal component of any Security Instrument Repayment Obligations due on any particular date, then to the payment ratably, according to the amount of Principal due on such date, to the persons entitled thereto without any discrimination or privilege.

(ii) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the Principal and interest then due and unpaid upon the Bonds and Security Instrument Repayment Obligations, without preference or priority of Principal over interest or of interest over Principal, or of any installment of interest over any other installment of interest, or of any Bond or Security Instrument Repayment Obligation over any other Bond or Security Instrument Repayment Obligation, ratably, according to the amounts due respectively for Principal and interest, to the persons entitled thereto without any discrimination or privilege.

(iii) To the payment of all obligations owed to all Reserve Instrument Providers, ratably, according to the amounts due without any discrimination or preference under any applicable agreement related to any Reserve Instrument Agreement.

Whenever moneys are to be applied pursuant to the provisions of this Section 7.4, such moneys shall be applied at such times, and from time to time, as the Trustee shall determine, having due regard to the amounts of such moneys available for such application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such funds, it shall fix the date (which shall be an Interest Payment Date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal paid on such dates shall cease to accrue.

Section 7.5 Remedies Vested in Trustee. All rights of action (including the right to file proof of claims) hereunder or under any of the Bonds may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or other proceedings related thereto and any such suit or proceedings instituted by the Trustee shall be brought in its name as Trustee without the necessity of joining as plaintiffs or defendants any Registered Owners of the Bonds, and any recovery of judgment shall be for the equal benefit of the Registered Owners of the Outstanding Bonds.

Section 7.6 Rights and Remedies of Registered Owners. Except as provided in the last sentence of this Section 7.6, no Registered Owner of any Bond or Security Instrument Issuer shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement hereof or for the execution of any trust thereof or for the appointment of a receiver or any other remedy hereunder, unless an Event of Default has occurred of which the Trustee has been notified as provided in Section 8.1(g) herein, or of which by said Section it is deemed to have notice, nor unless also Registered Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure not less than twenty-five percent (25%) in aggregate principal amount of Bonds at the time Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name, nor unless also they have offered to the Trustee indemnity as provided in Section 8.1 hereof nor unless the Trustee shall thereafter fail or refuse to exercise the powers hereinabove granted, or to institute such action, suit or proceeding in its own name or names. Such notification, request and offer of indemnity are hereby declared in every case at the option of the Trustee to be conditions precedent to the execution of the powers and trust hereof, and to any action or cause of action for the enforcement hereof, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Registered Owner of the Bonds or Security Instrument Issuer shall have any right in any manner whatsoever to affect, disturb or prejudice the lien hereof by its action or to enforce any right hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner herein provided and for the equal benefit of the Registered Owners of all Bonds then Outstanding and all Security Instrument Issuers at the time providing Security Instruments. Nothing herein contained shall, however, affect or impair the right of any Registered Owner or Security Instrument Issuer to enforce the covenants of the Issuer to pay the principal of, premium, if any, and interest on each of the Bonds issued hereunder held by such Registered Owner and Security Instrument Repayment Obligations at the time, place, from the source and in the manner in said Bonds or Security Instrument Repayment Obligations expressed.

Section 7.7 Termination of Proceedings. In case the Trustee, any Registered Owner or any Security Instrument Issuer shall have proceeded to enforce any right hereunder by the appointment of a receiver, or otherwise, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, the Registered Owner, or Security Instrument Issuer, then and in every such case the Issuer and the Trustee shall be restored to their former positions and rights hereunder, and all rights, remedies and powers of the Trustee shall continue as if no such proceedings had been taken.

Section 7.8 Waivers of Events of Default. Subject to Section 8.1(g) hereof, the Trustee may in its discretion, and with the prior written consent of all Security Instrument Issuers at the time providing Security Instruments, waive any Event of Default hereunder and its consequences and shall do so upon the written request of the Registered Owners of (a) a majority in aggregate Principal amount of all the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure greater than fifty percent (50%) in aggregate Principal amount of Bonds at the time Outstanding in respect of which an Event of Default in the payment of principal and interest exist, or (b) a majority in aggregate principal amount of the Bonds then Outstanding or Security Instrument Issuers at the time providing Security Instruments which are in full force and effect and are not in default on any payment obligation and which secure greater than fifty percent (50%) in aggregate Principal amount of Bonds at the time Outstanding in the case of any other Event of Default; provided, however, that there shall not be waived (i) any default in the payment of the principal of any Bonds at the date that a Principal Installment is due, or (ii) any default in the payment when due of the interest on any such Bonds, unless prior to such waiver or rescission, all arrears of interest, with interest (to the extent permitted by law) at the rate borne by the Bonds in respect of which such Event of Default shall have occurred on overdue installments of interest and all arrears of payments of principal and premium, if any, when due and all expenses of the Trustee, in connection with such Event of Default shall have been paid or provided for, and in case of any such waiver or rescission, or in case any proceeding taken by the Trustee on account of any such Event of Default shall have been discontinued or abandoned or determined adversely, then and in every such case the Issuer, the Trustee, the Registered Owners and the Security Instrument Issuers shall be restored to their former positions and rights hereunder, respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, or impair any right consequent thereon.

Section 7.9 Cooperation of Issuer. In the case of any Event of Default hereunder, the Issuer shall cooperate with the Trustee and use its best efforts to protect the Registered Owners, Reserve Instrument Providers, and the Security Instrument Issuers.

ARTICLE VIII
THE TRUSTEE

Section 8.1 Acceptance of the Trusts. The Trustee accepts the trusts imposed upon it hereby, and agrees to perform said trusts as a corporate trustee ordinarily would perform said trusts under a corporate indenture, but no, implied covenants or obligations shall be read into this Indenture against the Trustee.

(a) The Trustee may execute any of the trusts or powers thereof and perform any of its duties by or through attorneys, agents, receivers, or employees and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care and shall be entitled to advice of counsel concerning all matters of trusts hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may act upon the opinion or advice of counsel. The Trustee shall not be responsible for any loss or damage resulting from any action or non-action in good faith in reliance upon such opinion or advice.

(b) The Trustee shall not be responsible for any recital herein, or in the Bonds (except in respect to the certificate of the Trustee endorsed on the Bonds), or collecting any insurance moneys, or for the validity of the execution by the Issuer of this Indenture or of any supplements thereto or instruments of further assurance, or for the sufficiency of the security for the Bonds issued hereunder or intended to be secured hereby; and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions or agreements on the part of the Issuer; but the Trustee may require of the Issuer full information and advice as to the performance of the covenants, conditions and agreements aforesaid and as to the condition of the property herein conveyed. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with the provisions hereof. The Trustee shall have no responsibility with respect to any information, statement, or recital in any offering memorandum or other disclosure material prepared or distributed with respect to the Bonds.

(c) The Trustee shall not be accountable for the use of any Bonds authenticated or delivered hereunder, except as specifically set forth herein. The Trustee may become the owner of Bonds secured hereby with the same rights which it would have if not Trustee.

(d) The Trustee shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant hereto upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Registered Owner of any Bond, shall be

conclusive and binding upon all future Owners of the same Bond and upon Bonds issued in exchange therefor or in place thereof.

(e) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed on behalf of the Issuer by an Authorized Representative as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been notified as provided in Section 8.1(g) herein, or of which by said Paragraph it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of an Authorized Representative of the Issuer under its seal to the effect that a resolution in the form therein set forth has been adopted by the Issuer as conclusive evidence that such resolution has been duly adopted, and is in full force and effect.

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

(g) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default hereunder, except an Event of Default described in Section 7.l(a) or (b), unless the Trustee shall be specifically notified in writing of such Default by the Issuer, a Security Instrument Issuer or by the Registered Owners of at least twenty-five percent (25%) in the aggregate principal amount of any Series of the Bonds then Outstanding and all notices or other instruments required hereby to be delivered to the Trustee must, in order to be effective, be delivered at the Principal Corporate Trust Office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no Event of Default except as aforesaid.

(h) At any and all reasonable times and upon reasonable prior written notice, the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, shall have the right fully to inspect all books, papers and records of the Issuer pertaining to the Bonds, and to take such memoranda from and in regard thereto as may be desired.

(i) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(j) Notwithstanding anything elsewhere herein contained, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview hereof, any showing, certificates, opinions, appraisals, or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action by the Trustee, deemed desirable for the authentication of any Bonds, the withdrawal of any cash, or the taking of any other action by the Trustee.

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

(l) If any Event of Default hereunder shall have occurred and be continuing, the Trustee shall exercise such of the rights and powers vested in it hereby and shall use the same degree of care as a prudent man would exercise or use in the circumstances in the conduct of his own affairs.

(m) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request, order or direction of any of the Registered Owners, Security Instrument Issuers or Reserve Instrument Providers, pursuant to the provisions of this Indenture, unless such Registered Owners, Security Instrument Issuers or Reserve Instrument Providers shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities which may be incurred therein or thereby.

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

Section 8.2 Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and/or reimbursement for reasonable fees for its services rendered as Trustee hereunder and all advances, counsel fees and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. The Trustee shall be entitled to payment and reimbursement for the reasonable fees and charges of the Trustee as Paying Agent and Registrar for the Bonds as hereinabove provided. Upon an Event of Default, but only upon an Event of Default, the Trustee shall have a right of payment prior to payment on account of interest or principal of, or premium, if any, on any Bond for the foregoing advances, fees, costs, and expenses incurred. The Trustee's rights under this Section 8.2 will not terminate upon its resignation or removal or upon payment of the Bonds and discharge of the Indenture.

Section 8.3 Notice to Registered Owners if Event of Default Occurs. If an Event of Default occurs of which the Trustee is by Section 8.1(g) hereof required to take notice or if notice of an Event of Default be given to the Trustee as in said Section provided, then the Trustee shall give written notice thereof by registered or certified mail to all Security

Instrument Issuers or to Registered Owners of all Bonds then Outstanding shown on the registration books of the Bonds kept by the Trustee as Registrar for the Bonds.

Section 8.4 Intervention by Trustee. In any judicial proceeding to which the Issuer is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interest of Registered Owners of the Bonds, the Trustee may intervene on behalf of such Owners and shall do so if requested in writing by the Registered Owners of at least twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding and indemnified as provided herein. The rights and obligations of the Trustee under this Section 8.4 are subject to the approval of a court of competent jurisdiction.

Section 8.5 Successor Trustee. Any corporation or association into which the Trustee may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business and assets as a whole or substantially as a whole, or any corporation or association resulting from any such conversion, sale, merger, consolidation or transfer to which it is a party, ipso facto, shall be and become successor Trustee hereunder and vested with all of the title to the whole property or trust estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any instrument or any further act, deed of conveyance on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 8.6 Resignation by the Trustee. The Trustee and any successor Trustee may at any time resign from the trusts hereby created by giving written notice to the Issuer, served personally or by registered or certified mail, and by registered or certified mail to each Reserve Instrument Issuer, Security Instrument Issuer and Registered Owner of Bonds then Outstanding, and such resignation shall take effect upon the appointment of and acceptance by a successor Trustee appointed in the manner set forth in Section 8.8 hereof; provided, however that if no successor Trustee has been appointed within sixty (60) days of the date of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice, if any, as it deems proper and prescribes, appoint a successor Trustee.

Section 8.7 Removal of the Trustee. The Trustee may be removed at any time, by an instrument or concurrent instruments (a) in writing delivered to the Trustee, and signed by the Issuer, unless there exists any Event of Default, or (b) in writing delivered to the Trustee and the Issuer, and signed by the Registered Owners of a majority in aggregate Principal amount of Bonds then Outstanding if an Event of Default exists; provided that such instrument or instruments concurrently appoint a successor Trustee meeting the qualifications set forth herein. No removal of a Trustee shall become effective hereunder unless and until a successor Trustee has been appointed; provided, however that if no successor Trustee has been appointed within 60 days of the date of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice, if any, as it deems proper and prescribes, appoint a successor Trustee.

Section 8.8 Appointment of Successor Trustee; Temporary Trustee. In case the Trustee hereunder shall resign or be removed, or be dissolved, or shall be in course of dissolution or liquidation, or otherwise become incapable of acting hereunder, or in case it shall be taken under the control of any public officer or officers, or of a receiver appointed by a court, a successor may be appointed by the Issuer (or, if an Event of Default exists, by the Registered Owners of a majority in aggregate principal amount of Bonds then Outstanding, by an instrument or concurrent instruments in writing signed by such Owners, or by their attorneys in fact, duly authorized; provided, nevertheless, that in case of such vacancy the Issuer by an instrument executed by an Authorized Representative under its seal, may appoint a temporary Trustee to fill such vacancy until a successor Trustee shall be appointed by the Registered Owners in the manner above provided; and any such temporary Trustee so appointed by the Issuer shall immediately and without further act be superseded by the Trustee so appointed by such Registered Owners). Every successor Trustee appointed pursuant to the provisions of this Section 8.8 or otherwise shall be a trust company or bank in good standing having a reported capital and surplus of not less than $50,000,000. Each Reserve Instrument Provider and Security Instrument Issuer shall be notified immediately upon the resignation or termination of the Trustee and provided with a list of candidates for the office of successor Trustee.

Section 8.9 Concerning Any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor; but such predecessor shall, nevertheless, on the written request of the Issuer, or of the successor Trustee, execute and deliver an instrument transferring to such successor Trustee all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as Trustee hereunder to its successor. Should any instrument in writing from the Issuer be required by any successor Trustee for more fully and certainly vesting in such successor the estates, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Issuer. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article VIII shall be filed or recorded by the successor Trustee in each recording office, if any, where the Indenture shall have been filed and/or recorded.

Section 8.10 Trustee Protected in Relying Upon Indenture, Etc. The indentures, opinions, certificates and other instruments provided for herein may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein and shall be full warrant, protection, and authority to the Trustee for the release of property and the withdrawal of cash hereunder.

Section 8.11 Successor Trustee as Trustee, Paying Agent and Bond Registrar. In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or been removed shall cease to be Trustee hereunder and Registrar for the Bonds and

Paying Agent for principal of, premium, if any, and interest on the Bonds, and the successor Trustee shall become such Trustee, Registrar and Paying Agent for the Bonds.

Section 8.12 Trust Estate May Be Vested in Separate or Co-Trust. It is the purpose of this Indenture that there shall be no violation of any law of any jurisdiction (including particularly the laws of the State) denying or restricting the right of banking corporations or associations to transact business as Trustee in such jurisdiction. It is recognized that in case of litigation hereunder, and in particular in case of the enforcement of remedies on Event of Default, or in case the Trustee deems that by reason of any present or future law of any jurisdiction it may not exercise any of the powers, rights, or remedies herein granted to the Trustee or hold title to the trust estate, as herein granted, or take any other action which may be desirable or necessary in connection therewith, it may be necessary that the Trustee appoint an additional individual or institution as a separate or co-trustee. The following provisions of this Section 8.12 are adapted to these ends.

In the event that the Trustee appoints an additional individual or institution as a separate or co-trustee, each and every remedy, power, right, claim, demand, cause of action, immunity, estate, title, interest and lien expressed or intended hereby to be exercised by or vested in or conveyed to the Trustee with respect thereto shall be exercisable by and vested in such separate or co-trustee, but only to the extent necessary to enable the separate or co-trustee to exercise such powers, rights and remedies, and every covenant and obligation necessary to the exercise thereof by such separate or co-trustee shall run to and be enforceable by either of them.

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

Section 8.13 Annual Accounting. The Trustee shall prepare an annual accounting for each Bond Fund Year by the end of the month following each such Bond Fund Year showing in reasonable detail all financial transactions relating to the funds and accounts held by the Trustee hereunder during the accounting period and the balance in any funds or accounts created hereby as of the beginning and close of such accounting period, and shall mail the same to the Issuer and to each Reserve Instrument Provider requesting the same. The Trustee shall also make available for inspection by any Registered Owner a copy of said annual accounting (with the names and addresses of Registered Owners receiving payment of debt service on the Bonds deleted therefrom) and shall mail the same if requested in writing to do so by Registered Owners of at least twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding to the designee of said Owners specified in said written request at the address therein designated. On or before the end of the month following each Bond Fund Year, the Trustee shall, upon written request, provide to the Issuer and the Issuer's independent auditor representations as to the accuracy of the facts contained in the financial reports concerning the transactions described herein that were delivered by the Trustee during the Bond Fund Year just ended.

Section 8.14 Indemnification. To the extent permitted by law and subject to the provisions of Section 8.1(a) of this Indenture, the Issuer shall indemnify and save Trustee harmless against any liabilities it may incur in the exercise and performance of its powers and duties hereunder, other than those due to its own negligence or willful misconduct.

Section 8.15 Trustee's Right to Own and Deal in Bonds. The bank or trust company acting as Trustee under this Indenture, and its directors, officers, employees or agents, may in good faith buy, sell, own, hold and deal in any of the Bonds issued hereunder and secured by this Indenture, and may join in any action which any Bondholder may be entitled to take with like effect as if such bank or trust company were not the Trustee under this Indenture.

ARTICLE IX
SUPPLEMENTAL INDENTURES

Section 9.1 Supplemental Indentures Not Requiring Consent of Registered Owners, Reserve Instrument Providers or Security Instrument Issuers. The Issuer and the Trustee may, without the consent of any of the Registered Owners, Reserve Instrument Providers, or Security Instrument Issuers, enter into an indenture or indentures supplemental hereto, as shall not be inconsistent with the terms and provisions hereof, for any one or more of the following purposes:

(a) To provide for the issuance of Additional Bonds in accordance with the provisions of Section 2.15 hereof;

(b) To cure any ambiguity or formal defect or omission herein;

(c) To grant to or confer upon the Trustee for the benefit of the Registered Owners, any Security Instrument Issuers and any Reserve Instrument Providers any additional rights, remedies, powers or authority that may lawfully be granted to or conferred upon the Registered Owners or any of them which shall not adversely affect the interests of any Reserve Instrument Providers or Security Instrument Issuers without its consent;

(d) To subject to this Indenture additional Revenues or other revenues, properties, collateral or security;

(e) To provide for the issuance of the Bonds pursuant to a book-entry system or as uncertificated registered public obligations pursuant to the provisions of the Registered Public Obligations Act, Title 15, Chapter 7 Utah Code, or any successor provisions of law;

(f) To make any change which shall not materially adversely affect the rights or interests of the Owners of any Outstanding Bonds, any Security Instrument Issuers or any Reserve Instrument Provider, any change requested or approved by a Rating Agency in order to obtain or maintain any rating on the Bonds, or any change requested or approved by a Security Instrument Issuer or Reserve Instrument Provider in order to insure or provide other security for any Bonds;

(g) If the Bonds affected by any change are rated by a Rating Agency, to make any change which does not result in a reduction of the rating (without taking into account any rating relating to a Security Instrument Issuer or Reserve Instrument Issuer) applicable to any of the Bonds so affected, provided that if any of the Bonds so affected are secured by a Security Instrument, such change must be approved in writing by the related Security Instrument Issuer;

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

(i) Unless otherwise provided by a Supplemental Indenture authorizing a Series of Bonds, the designation of the facilities to constitute a Project by such Supplemental Indenture may be modified or amended if the Issuer delivers to the Trustee (A) a Supplemental Indenture designating the facilities to comprise the Project, (B) an opinion of bond counsel to the effect that such amendment will not adversely affect the validity of the Bonds and (C) a certificate of the Issuer to the effect that such amendment will not adversely affect the Issuer's ability to comply with the provisions of the Indenture; and

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

Section 9.2 Supplemental Indentures Requiring Consent of Registered Owners, Security Instrument Issuers. and Reserve Instrument Providers; Waivers and Consents by Registered Owners. Exclusive of Supplemental Indentures covered by Section 9.1 hereof and subject to the terms and provisions contained in this Section 9.2, and not otherwise, the Registered Owners of not less than 66-2/3% in aggregate Principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained herein to the contrary notwithstanding, to (a) consent to and approve the execution by the Issuer and the Trustee of such other indenture or indentures supplemental hereto as shall be deemed necessary and desirable by the Issuer for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained herein or in any Supplemental Indenture, or (b) waive or consent to the taking by the Issuer of any action prohibited, or the omission by the Issuer of the taking of any action required, by any of the provisions hereof or of any indenture supplemental hereto; provided, however, that nothing in this Section 9.2 contained shall permit or be construed as permitting (i) an extension of the date that a Principal Installment is due at maturity or mandatory redemption or reduction in the principal amount of, or reduction in the rate of or extension of the time of paying of interest on, or reduction of any premium payable on the redemption of, any Bond, without the consent of the Registered Owner of such Bond, or (ii) a reduction in the amount or extension of the time of any payment required by any Fund established hereunder applicable to any Bonds without the consent of the Registered Owners of all the Bonds which would be affected by the action to be taken, or (iii) a reduction in the aforesaid aggregate principal amount of Bonds, the Registered Owners of which are required to consent to any such waiver or Supplemental Indenture, or (iv) affect the rights of the Registered Owners of less than all Bonds then outstanding, without the consent of the Registered Owners of all the Bonds at the time Outstanding which would be affected by the action to be taken. In addition, no supplement hereto shall modify the rights, duties, or immunities of the Trustee, without the written consent of the Trustee. If a Security Instrument or a Reserve Instrument is in effect with respect to any Series of Bonds Outstanding and if a proposed modification or amendment would affect such Series of Bonds, then, except as provided in Section 9.1 hereof, neither this Indenture nor any Supplemental Indenture with respect to such Series of Bonds shall be modified or amended at any time without the prior written consent of the related Security Instrument Issuer or Reserve Instrument Provider, or both, as applicable.

Section 9.3 Trustee Authorized to Join in Amendments and Supplements; Reliance on Counsel. The Trustee is authorized to join with the Issuer in the execution and delivery of any Supplemental Indenture or amendment permitted by this Article IX and in so doing shall be fully protected by an opinion of counsel that such Supplemental Indenture or amendment is so permitted and has been duly authorized by the Issuer and that all things necessary to make it a valid and binding agreement have been done.

Section 9.4 Opinion of Counsel for Supplemental Indentures. Before the Issuer and the Trustee shall enter into any Supplemental Indenture pursuant to this Article IX, there shall have been delivered to the Trustee an opinion of counsel stating that such Supplemental Indenture is authorized under the Indenture, and that such Supplemental Indenture will, upon the execution and delivery thereof, be valid and binding upon the Issuer in accordance with its terms.

ARTICLE X
DISCHARGE OF INDENTURE

If the Issuer shall pay or cause to be paid, or there shall be otherwise paid or provision for payment made, to or for the Registered Owners of the Bonds, the principal of and interest due or to become due thereon at the times and in the manner stipulated therein, and shall pay or cause to be paid to the Trustee all sums of moneys due or to become due according to the provisions hereof, and to all Security Instrument Issuers and all Reserve Instrument Providers all sums of money due or to become due according to the provisions of any Security Instrument Agreements and Reserve Instrument Agreements, as applicable, then these presents and the estate and rights hereby granted shall cease,

terminate and be void, whereupon the Trustee shall cancel and discharge the lien hereof, and release, assign and deliver unto the Issuer any and all the estate, right, title and interest in and to any and all rights assigned or pledged to the Trustee, held by the Trustee, or otherwise subject to the lien hereof, except moneys or securities held by the Trustee for the payment of the principal of and interest on the Bonds, the payment of amounts pursuant to any Security Instrument Agreements or the payment of amounts pursuant to any Reserve Instrument Agreements.

Any Bond shall be deemed to be paid within the meaning of this Article X when payment of the principal of such Bond, plus interest thereon to the due date thereof (whether such due date be by reason of maturity or upon redemption as provided herein, or otherwise), either (a) shall have been made or caused to have been made in accordance with the terms thereof, or (b) shall have been provided by irrevocably depositing with or for the benefit of the Trustee, in trust and irrevocably setting aside exclusively for such payment, (i) moneys sufficient to make such payment, or (ii) Direct Obligations maturing as to principal and interest in such amount and at such times as will insure the availability of sufficient moneys to make such payment, and all necessary and proper fees, compensation and expenses of the Trustee and any paying agent pertaining to the Bond with respect to which such deposit is made shall have been paid or the payment thereof provided for to the satisfaction of the Trustee. At such times as a Bond shall be deemed to be paid hereunder, as aforesaid, it shall no longer be secured by or entitled to the benefits hereof, except for the purposes of any such payment from such moneys or Direct Obligations.

Notwithstanding the foregoing, in the case of Bonds, which by their terms may be redeemed prior to their stated maturity, no deposit under the immediately preceding Paragraph shall be deemed a payment of such Bonds as aforesaid until the Issuer shall have given the Trustee, in form satisfactory to the Trustee, irrevocable instructions:

(a) stating the date when the principal of each such Bond is to be paid, whether at maturity or on a redemption date (which shall be any redemption date permitted hereby);

(b) directing the Trustee to call for redemption pursuant hereto any Bonds to be redeemed prior to maturity pursuant to the provisions of this Indenture; and

(c) if the Bonds to be redeemed will not be redeemed within 90 days of such deposit, directing the Trustee to mail, as soon as practicable, in the manner prescribed by Article II hereof, a notice to the Registered Owners of such Bonds and to each related Security Instrument Issuer that the deposit required by this Article X has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Article X and stating the maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on said Bonds as specified in Subparagraph (a) above.

Any moneys so deposited with the Trustee as provided in this Article X may at the direction of the Issuer also be invested and reinvested in Direct Obligations, maturing in the amounts and times as hereinbefore set forth, and all income from all Direct Obligations in the hands of the Trustee pursuant to this Article X which is not required for the payment of the Bonds and interest thereon with respect to which such moneys shall have been so deposited, shall be deposited in the Bond Fund as and when realized and collected for use and application as are other moneys deposited in that fund; provided, however, that before any excess moneys shall be deposited in the Bond Fund, the Trustee shall first obtain a written verification from a certified public accountant that the moneys remaining on deposit with the Trustee and invested in Direct Obligations after such transfer to the Bond Fund shall be sufficient in amount to pay principal and interest on the Bonds when due and payable.

If the Bonds to be defeased pursuant to this Article X are Variable Rate Bonds, the Issuer must receive a prior written confirmation from the Rating Agency to the effect that such defeasance will not result in a downgrade or withdrawal of the rating on the Bonds.

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

Anything in Article VIII hereof to the contrary notwithstanding, if moneys or Direct Obligations have been deposited or set aside with the Trustee pursuant to this Article X for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment to the provisions of this Article X shall be made without the consent of the Registered Owner of each Bond affected thereby.

ARTICLE XI
MISCELLANEOUS

Section 11.1 Consents, Etc., of Registered Owners. Any consent, request, direction, approval, objection, or other instrument required hereby to be executed by the Registered Owners, Security Instrument Issuers or Reserve Instrument Providers may be in any number of concurrent writings of similar tenor and may be executed by such Registered Owners, Security Instrument Issuers or Reserve Instrument Providers in person or by agent appointed in writing. Proof of the execution of any such consent, request, direction, approval, objection or other instrument or of the writing appointing any such agent and of the ownership of Bonds, if made in the following manner, shall be sufficient for any of the purposes hereof, and shall be conclusive in favor of the Trustee with regard to any action taken under such request or other instrument, namely, the fact and date of the execution by any person of any such writing may be proved by the certificate of any officer in any jurisdiction who by law has power to take acknowledgments within such jurisdiction

that the person signing such writing acknowledged before him the execution thereof, or by affidavit of any witness to such execution.

Section 11.2 Limitation of Rights. With the exception of rights herein expressly conferred, nothing expressed or mentioned in or to be implied from this Indenture or the Bonds is intended or shall be construed to give to any person other than the parties hereto, the Registered Owners of the Bonds, any Security Instrument Issuer and any Reserve Instrument Provider, any legal or equitable right, remedy or claim under or in respect hereto or any covenants, conditions and provisions herein contained, this Indenture and all of the covenants, conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto, the Registered Owners of the Bonds, any Security Instrument Issuer and the Reserve Instrument Providers as herein provided.

Section 11.3 Severability. If any provision hereof shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid. inoperative, or unenforceable to any extent whatever.

The invalidity of any one or more phrases, sentences, clauses or Sections herein contained, shall not affect the remaining portions hereof, or any part thereof.

Section 11.4 Notices. It shall be sufficient service of any notice, request, complaint, demand or other paper on the Issuer if the same shall be duly mailed by registered or certified mail addressed to it at 5858 South 900 East, Murray, Utah 84121, Attention: Chair, or to such address as the Issuer may from time to time file with the Trustee. It shall be sufficient service of any notice or other paper on the Trustee if the same shall be duly mailed by registered or certified mail addressed to it at One South Main, 12th floor, Salt Lake City, Utah 84133, Attention: Corporate Trust Services, or to such other address as the Trustee may from time to time file with the Issuer.

Section 11.5 Trustee as Paying Agent and Registrar. The Trustee is hereby designated and agrees to act as principal Paying Agent and Bond Registrar for and in respect to the Bonds.

Section 11.6 Counterparts. This Indenture may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.7 Applicable Law. This Indenture shall be governed exclusively by the applicable laws of the State.

Section 11.8 Immunity of Officers and Directors. No recourse shall be had for the payment of the principal of or premium or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement herein contained against any past, present or future officer, or other public official, employee, or agent of the Issuer.

Section 11.9 Payment Date Not a Business Day. If any date for the payment of principal of or interest on the Bonds is not a Business Day, then such payment shall be due on the first Business Day thereafter and no interest shall accrue for the period between such date and such first Business Day thereafter.

Section 11.10 Effective Date. This Indenture shall become effective immediately.

Section 11.11 Compliance with Act. It is hereby declared by the Issuer's Governing Body that it is the intention of the Issuer by the execution of this Indenture to comply in all respects with the provisions of the Act.

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be executed as of the date first written above.

(SEAL)

UTAH INFRASTRUCTURE AGENCY, as Issuer

By:______________________________
Chair

ATTEST:

By: ______________________________
Secretary/Treasurer

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, as Trustee

By: ______________________________
Vice President

EXHIBIT A
FORM OF REQUISITION

Re: Utah Infrastructure Agency Telecommunications, Franchise and Sales Tax Revenue Bonds (Santa Clara Project), Series [_____], in the sum of $ ____________________

Zions Bancorporation, National Association
One South Main Street, 12th Floor
Salt Lake City, Utah 84133

You are hereby authorized to disburse from the Series _____ Account of the UIA-Santa Clara Construction Fund with regard to the above-referenced bond issue the following:

REQUISITION NUMBER: ____________

NAME AND ADDRESS OF PAYEE:

____

____

AMOUNT: $__________

PURPOSE FOR WHICH EXPENSE HAS BEEN INCURRED: ________________

____

____

____

1. The Issuer hereby certifies and represents that: each obligation, item of cost, or expense mentioned herein has been properly incurred, is a proper charge against the Series _____ Construction Account based upon audited, itemized claims substantiated in support thereof (evidence of such support not herein required by the Trustee) and has not been the basis for a previous withdrawal.

2. The amount remaining in the Series _____ Construction Account after such disbursement is made, together with the amount of unencumbered Revenues, if any, which the Issuer reasonably estimates will be deposited in the Series _____ Construction Account during the period of construction of the [____________] Project from the investment of moneys on deposit in the Series _____ Construction Account, will, together with any other moneys lawfully available or expected to be lawfully available for payment of the Cost of the Project and after payment of the amount requested in said requisition, be sufficient to pay the Cost of Completion for the [____________] Project in accordance with the plans

and specifications therefor then in effect; it being understood that no moneys from the Series _____ Construction Account of the Construction Fund may be expended unless, after giving effect thereto, the funds remaining in the Series _____ Construction Account, together with such other funds and income and lawfully available moneys, are sufficient to pay the Cost of Completion for the [_______________] Project.

DATED:_______________________ By:____________________________

Its:_____________________________

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APPENDIX C
THE SERVICE CONTRACT

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FIBER COMMUNICATIONS SERVICE AND ACQUISITION CONTRACT

Dated as of December 13, 2021

between

UTAH INFRASTRUCTURE AGENCY

and

SANTA CLARA CITY, UTAH

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FIBER COMMUNICATIONS SERVICE AND ACQUISITION CONTRACT

This Fiber Communications Service and Acquisition Contract (the "Contract") is entered into as of December 13, 2021 by and between the Utah Infrastructure Agency ("UIA"), an interlocal cooperative and separate legal entity, body politic and corporate and a political subdivision of the State of Utah, organized under the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended, and Santa Clara City, Utah (the "City"), a municipal corporation and a political subdivision of the State of Utah (UIA and the City are sometimes referred to individually as a "Party" and collectively as "Parties" herein).

RECITALS

1. Pursuant to Section 10-8-14, Utah Code Annotated 1953, as amended, cities may construct, maintain, and operate telecommunication lines and cable television lines.

2. Pursuant to the provisions of the Interlocal Cooperation Act, Title 11, Chapter 13, Utah Code Annotated 1953, as amended (the "Interlocal Act"), cities may exercise and enjoy jointly with other cities any power, privileges or authority exercised or capable of exercise by a city.

3. The Interlocal Act permits cities to make the most efficient use of their power by enabling them to cooperate with other cities on the basis of mutual advantage and thereby to provide services and facilities in a manner and under forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs of development of local communities and will provide the benefit of economy of scale, economic development, and utilization of natural resources for the overall promotion of the general welfare of the State of Utah.

4. Pursuant to the Interlocal Act, certain municipalities organized UIA to provide for the acquisition, construction, and installation of facilities, fiber wires and equipment together with related improvements for the purpose of connecting properties within such municipalities and elsewhere to an advanced fiber optic communications network (the "UIA Network").

5. UIA is a separate legal entity, body politic and corporate and a political subdivision of the State of Utah regularly created, established, organized and existing under and by virtue of the provisions of the Interlocal Act and of the Constitution of the State of Utah.

6. The City has determined that there is a need within the City to provide Connection Services (as herein defined) to its residents.

7. UIA has determined that it has excess capacity in the UIA Network to provide the Connection Services and desires to offer such excess capacity to the City.

8. The City now desires to cause to be acquired, installed, constructed and completed an advanced fiber optic communications network to serve residents of the City

through the undertaking of the improvements contemplated hereby (as more fully described herein, the "Improvements") and desires further that UIA shall acquire and install said Improvements and to pledge to UIA and remit to the hereinafter defined Trustee an amount of its Franchise Tax Revenues and Sales Tax Revenues (as hereinafter defined) to accomplish the objectives set forth herein.

9. The Improvements will be owned by UIA (as more particularly described herein, the "UIA-Owned Improvements").

10. It is the intention of the Parties that the Improvements to provide the Connection Services be operated and managed for the mutual benefit of the Parties and that the City will pay or cause to be paid fees to UIA calculated in accordance with Section 3.1 of this Contract. The amounts paid by the City hereunder do not constitute a purchase of any assets or facilities owned by UIA, and are made solely in consideration for the Connections Services provided by UIA to the City.

11. The Connections Services provided under this Contract are not Cable Television Services or Public Telecommunications Services as defined in the Municipal Cable Television or Public Telecommunications Services Act, Title 10, Chapter 18, Utah Code Annotated 1953, as amended (the "Telecommunications Act").

AGREEMENT

In consideration of the acquisition and installation of the Improvements and the Connection Services herein provided, the benefit the City shall receive from such activities and the mutual covenants contained herein, the Parties agree as follows:

ARTICLE I
DEFINITIONS

In addition to the defined terms defined in the recitals and elsewhere in this Contract, the following terms, whether in the singular or in the plural, when used herein and in the exhibits hereto, shall have the meanings set forth below:

"Aggregation Site(s)" means the real property or easement on real property on which the Santa Clara Fiber Hut(s) will be located.

"Agreed Upon End Users" means the number of End Users to be provided services pursuant to this Contract to satisfy the City's obligation to meet the UIA Revenue Requirement, which shall be 1,133 End Users. UIA estimates that the Agreed Upon End Users are expected to produce approximately $408,000.00 of Revenues annually.

"Capital Costs" means (a) the payment of any obligations incurred by UIA to finance or refinance the costs of the Improvements, and (b) amounts required to be deposited from time to time into required reserves established in connection with any financing referenced in (a) above.

"City" means Santa Clara City, Utah.

"City Fees" means fees paid by the City to UIA for the provision of Connection Services to City owned facilities or resources at the Product Catalog wholesale rates of UIA pursuant to Section 3.19 below.

"City Fiber Hut(s)" means the shelter(s), electronics, switches, routers, fiber terminations, conduits, cables, racking, generator, UPS units, cooling systems, and other support systems to support the Mainline System, Interconnect(s), and other future potential interconnects located on the Aggregation Site.

"City Network" means fiber optic lines, connection lines and related improvements acquired and constructed by UIA together with the acquisition by UIA of access rights and capacity in the UIA Network and UTOPIA Network and access rights and capacity in other networks within the City or for the benefit of the City.

"Communications Enterprise" means the enterprise established by the City pursuant to the Uniform Fiscal Procedures Act for Utah Cities, Title 10, Chapter 6, Utah Code Annotated 1953, as amended, to facilitate the providing of high speed communications services through the City Network to new End Users within the City pursuant to this Contract.

"Connection Services" means the wholesale services provided by UIA to the City pursuant to this Contract whereby End Users within the City have access to the Improvements through which they may contract with private providers to receive the Cable Television Services and Public Telecommunication Services (as those terms are defined in the Telecommunications Act) provided through the City Network. The term Connection Services includes Connection Services Capacity and is more particularly described in Exhibit A attached hereto and incorporated herein.

"Connection Services Capacity" means the access rights to and capacity in the City Network.

"Contract" means this Fiber Communications Service and Acquisition Contract dated as of Dec. 13, 2021, as it may be amended from time to time in accordance with Section 5.15 herein.

"End Users" means those residential end users to be provided services pursuant to this Contract.

"Fiscal Year" means a period commencing on July 1 and ending on the next succeeding June 30.

"Franchise Tax Revenues" means all franchise tax revenues received by the City pursuant to Title 10, Chapter 1, Part 3, Utah Code Annotated 1953, as amended, in an amount up to $205,000.00 annually.

"Hook-up Lease Revenues" means the revenues that are generated pursuant to the Hook-up Leases.

"Hook-up Leases" means any and all agreements between the City or UIA and each End User that allows such End User to connect to the City Network.

"Improvements" means those facilities, improvements, and access, lease, use and/or capacity rights acquired, constructed, and/or installed, operated and maintained by UIA within the City or elsewhere in the UIA Network undertaken in whole or in part for the benefit of the City to provide Connection Services to and within the City to the End Users pursuant to this Contract, as more fully described in Exhibit B attached hereto, and incorporated herein.

"Indenture" means that certain General Indenture of Trust dated as of [__________], 2021 between UIA and the Trustee.

"Interconnect" means the fiber route(s) between the UTOPIA Network backbone and the connection point to the Mainline System.

"Mainline System" means all of the newly installed fiber, conduits, handholes restorations and other materials along the roads and within the City limits as depicted in Exhibit C hereto.

"Non-residential Fees" means fees paid to UIA for non-residential services on the City Network. Recipients of Non-residential services will not be required to enter into a Hook-up Lease. Non-residential Fees do not include fees paid to UIA for non-residential services provided within the boundaries of the City via connections to the UIA Network that were constructed prior to the date of full execution of this Contract.

"Operating Contingency" means an unplanned event or circumstance, a series of events or circumstances, or any restriction or condition imposed by any governmental authority which reduces and materially adversely affects access to the Improvements.

"Original Term" has the meaning ascribed to such term in Section 5.16 hereof.

"Revenues" means the Service Fees, City Fees, and the Hook-up Lease Revenues generated from services through the City Network to End Users within the City pursuant to this Contract.

"Sales Tax Revenues" means all sales tax revenues that the City collects under Sections 59-12-Part 2 of the Utah Code Annotated 1953, as amended, in an amount up to $203,000.00 annually.

"Service Fees" means all fees (other than fees relating to the Hook-up Leases) that may be charged by or on behalf of the City to the End Users of the Improvements. The Service Fees of the City shall be payable to UIA in consideration for the Connection Services provided by UIA to the City pursuant to this Contract. The Service Fees shall be calculated and paid pursuant to Article III of this Contract. Service Fees do not include any Hook-up Lease Revenues.

"Trustee" means the entity serving as trustee under the Indenture.

"UIA" means the Utah Infrastructure Agency, a separate legal entity, body, politic and corporate and a political subdivision of the State of Utah, created pursuant to the Interlocal Act.

"UIA Network" means fiber optic lines, connection lines and related improvements and facilities acquired, constructed and owned by UIA, including all access rights and capacity in the UTOPIA Network and access rights and capacity in other networks.

"UIA-Owned Improvements" means the City Fiber Hut(s), Interconnect(s), conduits, fiber cables, enclosures, and electronics constructed within the City under the terms of this Contract.

"UIA Revenue Requirement" means the sum of all Capital Costs of UIA relating to the Improvements during each Fiscal Year or other applicable period. The annual UIA Revenue Requirement is not expected to exceed $408,000.00.

"Uncontrollable Forces" means any cause beyond the control of the Party affected, including, but not limited to, failure of facilities, flood, earthquake, storm, lightning, fire, epidemic, war, riot, civil disturbances, labor disturbance, sabotage, and restraint by court or public authority.

"UTOPIA" means the Utah Telecommunication Open Infrastructure Agency, a separate legal entity, body, politic and corporate and a political subdivision of the State of Utah, created pursuant to the Interlocal Act.

"UTOPIA Network" means UTOPIA's wholesale telecommunications network, together with any additions, repairs, renewals, replacements, expansions, extensions and improvements to said network.

"UTOPIA Product Catalog" means the catalog of products and services maintained by UIA.

ARTICLE II
CONNECTION SERVICES AND ACQUISITION OF IMPROVEMENTS

Section 2.1 Connection Services. UIA shall provide to and within the City and the City shall receive from UIA, Connection Services, including Connection Services Capacity, sufficient to allow not less than the Agreed Upon End Users benefitting from the Improvements within the City to connect to the City Network.

Section 2.2 Availability. UIA shall provide continuous Connection Services barring only emergency or scheduled downtime, curtailments, and Operating Contingencies.

Section 2.3 Acquisition, Date of Commencement and Substantial Completion.

(a) UIA shall undertake and perform all of the work associated with the acquisition, installation, construction and completion of the Improvements. The date of commencement of the work relating to the Improvements shall be the date of full execution and delivery of this Contract or if provision is made for a later date to be fixed in a notice to proceed issued by the City, that fixed date.

(b) The City shall provide a parcel of real property or an easement to a parcel of real property to site each of the required Aggregation Sites, and all required City Fiber Huts, within 30 days from the date of commencement.

(c) The City shall provide UIA the perpetual right to use all telecommunications conduit that is owned by the City. UIA's use of any telecommunications conduit owned by the City shall not unreasonably interfere with the existing use of the telecommunications conduit by the City or any other entity as of the date of full execution and delivery of this Contract. UIA will have the right to re-locate, terminate, enclose, or repair the telecommunications conduit to accommodate the installation and maintenance of the City Network.

(d) UIA shall achieve substantial completion of the Improvements, which will allow at least 90% of the End Users within the area depicted on Exhibit

C to sign up and schedule installation for services under UIA's typical process and timeframes, not later than 24 months from the date of commencement. In the event that UIA is not able to complete construction in any area depicted on Exhibit C as a result of circumstances beyond the control of UIA, including but not limited to delays by third-parties in granting necessary permits, UIA will use its best efforts to complete construction as soon as possible.

(e) UIA agrees to construct extensions of the City Network into areas annexed by the City after the execution of this Contract whenever at least 50% of such extension may be completed through open trench opportunities or conduit placed by a developer. UIA may evaluate and construct extensions of the City Network under other conditions as UIA deems feasible in its sole discretion.

Section 2.4 Price of Improvements. The City and UIA agree that the Guaranteed Maximum Price (the "GMP" or the "Contract Sum") for the Contract will be Six Million Seven Hundred Thousand Dollars ($6,700,000.00). This GMP is based on the acquisition, installation, construction and completion of the Improvements more particularly set forth in Exhibit B hereto.

Section 2.5 Cost Overruns. UIA shall be solely responsible for the acquisition, installation, construction and completion of the Improvements and Connection Services and shall also be responsible for any cost overruns above and beyond the GMP set forth in Section 2.4 hereof.

Section 2.6 Residential Installations. UIA will perform residential installations to subscribed locations within the City Network as part of the Hookup Lease entered into with an End User. Installations include the typical signup process available through UIA's online ordering system, scheduling, materials and labor for the placement of drop conduit, fiber cable, splicing, indoor fiber termination electronics, and a single Cat5e installation to the subscriber's router. Only a standard UIA installation based on a lowest-cost-path is included. Alternative routes, cable fishing, or subscriber preferences that increase the expense of UIA's standard installation may be negotiated with UIA or a UIA approved contractor on a case-by-case basis at the subscriber's expense.

Section 2.7 Non-Residential Installations. Non-residential customers are not End Users, and UIA will perform non-residential (i.e. business) installations at its own expense based on the terms of the then-current UTOPIA Product Catalog.

Section 2.8 Acceptance. UIA will provide as-built drawings, inspection reports, and test documentation of the completed Improvements.

Section 2.9 Repair. UIA will be responsible for repairing or replacing any conduit, fiber, or system electronics that become damaged or defective from normal wear and use of City Network assets. In the event that another party is responsible for the damage, including but not limited to traffic accidents, construction, and relocations, UIA will pursue compensation from the responsible party. In the event that repair/replacement costs are not recoverable from a third party, including but not limited to vandalism, natural disaster, acts of God, or inability to identify responsible party, UIA will be responsible for costs associated with the electronics replacement and other repair costs.

Section 2.10 Electronics Maintenance. UIA is responsible for maintaining the electronics of the City Network, including aggregation switches, subscriber demarcation devices, and transceivers.

UIA is responsible for maintaining the support systems including cabinet, battery backup systems, generator, transfer switches, and air conditioners.

UIA will perform regular maintenance on the electronics and support systems including configuration updates, code updates, firmware updates, cleanings (as necessary), refueling, battery replacement, and other tasks needed to keep the City Network in working condition.

Section 2.11 Electronics Replacement. UIA agrees to keep the electronics components of the City Network current with industry standards and competitive options. UIA commits that all electronics components of the City Network are new or like-new condition and meet current standards at the time of installation. All electronics components of the City Network will support 1 Gbps speeds throughout the City Network. The City Network will also be designed so that 10 Gbps service can be available anywhere within the City Network with only a change of electronic interfaces so that the option to upgrade to 10 Gbps service is available anywhere in the City.

During the term of this Contract, UIA agrees to upgrade or replace at its own expense the electronics components of the City Network as necessary to support the same product availability as is generally available in other UIA member or partner cities.

Section 2.12 Utility Locating. UIA will provide utility locating services directly or via sub-contractor for the City Network through the duration of this Contract.

Section 2.13 Ownership of Improvements. It is agreed and understood that all real and personal property constituting the Improvements shall be owned by UIA.

ARTICLE III

PAYMENT FOR CONNECTION SERVICES; DISTRIBUTION OF REVENUES

Section 3.1 Determination of Payment/Revenue Distribution.

(a) In consideration for all of the services provided by UIA hereunder, the City agrees to pay or have paid an amount to UIA equal to the UIA Revenue Requirement.

(b) In consideration for the providing of Connection Services by UIA, the City shall pay or have paid to UIA or its successor or assigns for each Fiscal Year, if then due and owing, all of the Revenues received for such services during said Fiscal Year, to be paid and remitted to UIA or its successor or assigns on a monthly basis in accordance with Section 3.3. Subject to Section 3.2(b) hereof, such Revenues are anticipated to commence when the City is provided with Connection Services related to the Improvements and when one or more Agreed Upon End Users have been charged for Hookup Leases or Service Fees. The City or UIA on behalf of the City shall charge or caused to be charged to all End Users Hookup Leases and Service Fees and shall remit or UIA on behalf of the City shall collect and remit all Revenues to UIA on a monthly basis and in accordance with Section 5.12 hereof.

(c) Upon receipt of the City Fees, UIA will apply the City Fees toward the payment of the UIA Revenue Requirement.

(d) UIA shall on behalf of the City, impose and collect fees and charges for the Hook-up Leases and will apply such Hook-up Lease Revenues toward the payment of the UIA Revenue Requirement.

(e) Upon receipt of the Non-residential Fees, UIA will apply 50% of the Non-Residential Fees toward the payment of the UIA Revenue Requirement.

(f) Upon termination of this Contract in accordance with Section 5.16 hereof, all Revenues will become revenues of and belong to UIA.

(g) UIA will account for Revenues received during the period of time when capitalized interest is used to pay the UIA Revenue Requirement (the "Preliminary Revenues"). In the event that the Revenues under Section 3.1(c)-(e) are insufficient to meet the UIA Revenue Requirement, UIA will apply the Preliminary Revenues toward the payment of the UIA Revenue Requirement consistent with Section 3.1(c)-(e) in the amount necessary to compensate for any deficiency between the Revenues and the UIA Revenue Requirement. Once the full amount of the Preliminary Revenues have been applied to the UIA Revenue Requirement or the Revenues under Section 3.1(c)-(e) are sufficient to meet the UIA Revenue Requirement, UIA will be under no obligation to account for the Preliminary Revenues or apply the Preliminary Revenues to the UIA Revenue Requirement.

Section 3.2 <u>Obligation is Absolute.</u>

(a) The City hereby pledges the Revenues, the Franchise Tax Revenues, and Sales Tax Revenues and grants a security interest in and a first irrevocable lien on the Revenues, the Franchise Tax Revenues, and Sales Tax Revenues as security for payment of the UIA Revenue Requirement and the City hereby agrees to apply the Revenues, the Franchise Tax Revenues, and Sales Tax Revenues as payment for the UIA Revenue Requirement.

(b) Subject to the provisions of Section 3.3 hereof limiting the sources of payment hereunder, the City's payment obligations hereunder to UIA for Connection Services and other services hereunder and related to the Improvements pursuant to this Article III shall be irrevocable, absolute and unconditional and shall not be subject to any reduction, whether by defense, recoupment, counterclaim, set off, termination, or offset or otherwise, and shall not be conditioned upon the construction, performance or non-performance of the Improvements by UIA, the remedy for non-performance being limited to mandamus, specific performance or equitable remedy. Notwithstanding the foregoing, it is not intended that the City by this Contract assume any obligation or liability as a guarantor, endorser, surety, or otherwise with respect to any obligations incurred by UIA with respect to the Improvements.

Section 3.3 Special Limited Obligation. The City agrees to pay the Revenues due to UIA for Connection Services and other services hereunder related to the Improvements in monthly installments. Subject to Section 3.5 herein, the City's obligations to make monthly payments pursuant to this Section 3.3 shall constitute an obligation payable solely from Revenues. In no event shall the obligations of the City hereunder be construed as a general obligation or indebtedness of the City within the meaning of any constitutional or statutory limitation or provision or payable from ad valorem property taxes of the City. The Parties acknowledge and agree that such payments shall be made out of the enterprise fund established with respect to the City's Communications Enterprise. Each monthly installment shall be due and payable by the City to UIA not later than the fifteenth day of the next succeeding month. A final accounting of all transactions between UIA and the City in each Fiscal Year shall be rendered to the City by UIA on or before the 90th day of the succeeding Fiscal Year. The final accounting shall specify the amount, if any, which the City must pay to UIA to reconcile total monthly payments with actual amounts due UIA with Revenues indicated by an underpayment or overpayment to be made by the City or UIA respectively, which amount shall be payable to UIA no later than 30 days after the receipt of the final accounting.

Section 3.4 Default in Payment. If the Revenues are not paid in full on or before the close of business on the fifteenth day of the month in which said Revenues are due, an interest charge will be made at the rate of ten percent (10%) per annum or the maximum rate of interest legally chargeable, whichever is less. If all or a portion of the Revenues remain unpaid subsequent to the fifteenth day of the month in which the Revenues are due, UIA may, upon giving thirty (30) days' advance written notice calculated from the date of receipt of such notice by the City, discontinue Connection Services and other services hereunder to the City unless, and may refuse to resume said services to said City until, the delinquent installment has been paid. From and after the effective date of such notice, UIA may, in its sole discretion, not provide Connection Services or other services hereunder to the City. Any interruption of service under this Section 3.4 will not limit the obligations of the City under Section 3.5.

Section 3.5 Use of Franchise Tax Revenues and Sales Tax Revenues.

(a) In the event and to the extent there shall be a shortfall in the amounts identified in Section 3.1(c)-(e) (a "Shortfall"), such that UIA shall not have sufficient moneys from the amounts identified in Section 3.1(c)-(e) to pay the UIA

Revenue Requirement when due, and if UIA shall for any reason fail to cure such Shortfall on behalf of the City, the City hereby pledges and agrees to advance to UIA its Franchise Tax Revenues and Sales Tax Revenues by remitting such Franchise Tax Revenues and Sales Tax Revenues to the Trustee to cure such Shortfall.

(b) On or prior to each January 1 and July 1 commencing January 1, 2022, UIA shall determine:

(i) the UIA Revenue Requirement due on the next succeeding March 15 or September 15, as applicable, and

(ii) the amount of Revenues UIA reasonably believes will be available for payment of the UIA Revenue Requirement on said March 15 or September 15. In addition, UIA shall inform the Trustee and the City of any Shortfall and shall, on or prior to each January 15 or July 15 as applicable, submit a request to the City to remit to the Trustee, Franchise Tax Revenues and Sales Tax Revenues equal to the Shortfall described and calculated in accordance with the provision set forth above. The City agrees to pay the Shortfall to the Trustee no later than the next succeeding March 15 or September 15, as applicable. UIA covenants to take such other action as it lawfully may take to assure that the City remits to the Trustee from Franchise Tax Revenues and Sales Tax Revenues any Shortfall pursuant to this Contract.

(c) If for any reason UIA or the City fails to comply with their obligations under Section 3.5(b) of this Contract, the Trustee pursuant to Section 5.2(b) of the Indenture will, at any time during which a Shortfall exists, submit a request to the City to remit the Franchise Tax Revenues and Sales Tax Revenues equal to the Shortfall described and calculated in accordance with the provision set forth above. The City agrees to pay the Shortfall to the Trustee no later than the next succeeding March 15 or September 15, as applicable.

(d) The City may create or incur additional debt or other obligations secured by franchise tax revenues or sales tax revenues on a parity with the pledge created pursuant to this Section 3.5 so long as the franchise tax revenues or sales tax revenues generated during the Fiscal Year immediately preceding the Fiscal Year in which the additional parity debt or obligation is to be issued or incurred, as appropriate, are not less than 150% of the maximum annual debt service in any given Fiscal Year on the sum of (i) the debt service on the additional parity debt or obligation plus (ii) debt service on any debt or other parity obligation previously issued or incurred by or for the benefit of the City and payable from or secured by franchise tax revenues or sales tax revenues, as appropriate, and outstanding plus (iii) the debt service on any bonds or other parity obligations issued by UIA and payable from amounts paid or received under this Contract, tested for the period of such additional debt or other parity obligation.

(e) All Franchise Tax Revenues and Sales Tax Revenues paid by the City to the Trustee or UIA or its designee pursuant to this Section 3.5 shall constitute a loan by the City to UIA which shall be paid by UIA at the time and in the manner as provided in the form of a promissory note attached hereto as Exhibit D from future revenues of UIA. The City shall be entitled to interest on each loan advance from the date said advance is made by the City to the Trustee or UIA or its designee, at the per annum rate equal to the rate of return at the Utah Public Treasurer's Investment Fund in effect at the time of execution and delivery of the promissory note, unless by agreement of the City and UIA a lesser interest rate is set forth in the executed promissory note for said loan. The City acknowledges that the loan obligation incurred by UIA herein shall be repaid only from Revenues generated from the City Network and shall be subordinate and junior to UIA's other payment obligations. Payment obligations represented by a promissory note shall survive termination of this Contract until paid in full or otherwise extinguished.

(f) During the term of this Contract, the City covenants that it will not, unless directed to do so by the State of Utah or a court of competent jurisdiction, reduce the rate of the tax from which it derives Franchise Tax Revenues or Sales Tax Revenues.

Section 3.6 Succession Proceedings. UIA or its designee shall have the right from time to time to begin and maintain successive proceedings against the City for the recovery of all Revenues or Shortfalls required to be made under this Contract by the City and to recover the same upon the liability of the City herein provided. Nothing herein contained shall be deemed to require UIA to defer commencement of any such proceeding until the end of the term of this Contract.

Section 3.7 Remedies. UIA or its designee may take whatever action at law or in equity may appear necessary or desirable to collect the amounts payable by the City hereunder, then due and thereafter to become due, or to enforce performance and observance of any obligation, agreement or covenant of the City under the provisions of this Contract. Such action may include, but is not limited to, suspension or termination of services to the City for City purposes. The City may take whatever action at law or in equity may appear necessary or desirable to enforce performance and observance of any obligation, agreement, or covenant of UIA under the provisions of this Contract.

Section 3.8 No Exclusive Remedy. No right or remedy herein conferred upon or reserved to UIA or its designee or the City is intended to be exclusive of any other right or remedy, and each and every right and remedy shall be cumulative and in addition to any other right or remedy given hereunder, or now or hereafter legally existing. The failure of UIA or its designee or the City to insist at any time upon the strict observance or performance by the other parties to this Contract of any of the provisions of this Contract, or to exercise any right or remedy provided for in this Contract, shall not impair any such right or remedy nor be construed as a waiver or relinquishment thereof for the future. Receipt by the Trustee, UIA or its designee of any payments required to be made under this Contract with knowledge of the breach of any provisions of this Contract, shall not be deemed a waiver of such breach. In addition to all other remedies provided in this Contract, UIA or its designee or the City shall be entitled, to the extent permitted by applicable law, to injunctive relief in case of the violation, or attempted or threatened violation, of any of the provisions of this Contract, or to a decree concerning performance of any of the provisions of this Contract, or to any other remedy legally allowed. If any proceeding shall be brought for the enforcement of any right or remedy provided for in this Contract in which it shall be determined that the City shall have failed and continued to fail to make a payment of Fees due under this Contract at the time of commencement thereof, the City shall pay UIA or its designee all expenses incurred in connection therewith including, without limitation, reasonable attorneys' fees and expenses. In like manner, if it should become necessary for the City to bring legal proceedings against UIA or its designee to enforce any right given it hereunder, the City shall have the right, if it is successful in such proceedings, to the payment by UIA of all expenses incurred in connection therewith including, without limitation, reasonable attorneys' fees, and expenses.

Section 3.9 Right of Designee to Exercise Remedies. At any time UIA or its designee is entitled to enforce any of the rights or remedies provided for in this Contract, the designee may proceed, either in its own name and as trustee of any express trust or otherwise, to protect and enforce its rights and those of UIA under this Contract, whether or not UIA shall have complied with any of the provisions hereof or proceeded to take any action authorized or permitted under applicable law. Such rights and remedies as are given UIA hereunder shall also extend to its designee and the designee shall be entitled to the benefit of all covenants and agreements in this Contract contained.

Section 3.10 City not Obligated for UIA Debt. All obligations of UIA are payable solely by UIA and are not a debt or other obligation of the City; *provided however*, that nothing in this Section 3.10 shall be construed as limiting the City's obligations under Section 3.5 of this Contract.

Section 3.11 Billing and Collection by UIA. For purposes of expediency and efficiency, UIA will provide billing and collection services for Connection Services and Hook-up Leases to the End Users on behalf of the City. Revenues received by UIA from such activities are properly allocable and will be allocated to UIA as provided in this Contract.

Section 3.12 Disposition at Termination. After this Contract has expired in accordance with its terms, unless otherwise agreed to by the Parties, all Revenues shall belong solely to UIA, less payments due to the City under any Promissory Note or other obligation arising out of this Contract.

Section 3.13 Exclusive Use. UIA will have exclusive use of the City Network for purposes of providing services directly or in partnership with service providers approved by UIA to subscribers of the City Network. Third parties may only utilize the system in partnership with UIA.

Section 3.14 System Capacity.

(a) UIA has determined that it has excess capacity in the UIA Network to provide the Connection Services and that it will make such capacity available to the City.

(b) UIA agrees to provide a minimum of 20 Gbps of network capacity to the City Fiber Hut(s) upon acceptance of the completion of the City Fiber Hut(s). UIA agrees to maintain at least 30% headroom of unused capacity to the Aggregation Site and will at its own expense monitor and upgrade the capacity to the Aggregation Site of the City Network if it exceeds 70% utilization based on a 95%/5min interval monthly calculation.

Section 3.15 Service Providers. UIA will make the City Network available to all of its contracted service providers under the same terms and conditions as other cities in Davis County. Such service providers are not obligated to provide services within the City.

Section 3.16 Network Operations Center (NOC) Services. UIA agrees to provide monitoring of the City Network on a 24/7 basis from its NOC. This includes device monitoring, outage notifications, configuration of devices, diagnostics, repair dispatch, and other services as generally provided by the NOC.

Section 3.17 Network Engineering Services. UIA will maintain the configurations, code, and design of the City Network to ensure that it meets the needs of the City Network. Additionally, UIA agrees to provide network design services to the City for the purposes of interconnecting the City.

Section 3.18 Field Technician Services. Field technician services will be provided by UIA during the term of this Contract. Such services include dispatch and resolution services.

Section 3.19 City Connections. The City is entitled to receive services from UIA at the Product Catalog wholesale rates of UIA.

Section 3.20 Customer Service. UIA staffs a customer service call center for sales, information, and other miscellaneous issues. For outages, technical support, and billing issues, subscribers are generally expected to call their contracted service provider. In the event a service provider determines the issue is related to problems with the City Network and not the service provider or in-home equipment, then the service provider may refer the issue to UIA.

Section 3.21 Technical Support. UIA is responsible for providing technical support for the connection up to the demarcation switch in each home or business. Technical support for customer routers, in-home wiring, computers, and in-home Wifi is not service that UIA provides. Such services are generally expected to be handled by the subscriber's contracted service provider based on their terms of service.

Section 3.22 IT Systems. UIA will be responsible for incremental costs for software licensing expenses incurred for managing the City Network including device monitoring, billing software, configuration management, and automated provisioning systems.

Section 3.23 Geographic Information System (GIS). UIA will be responsible for maintaining GIS data for the City Network, including the costs for any software licensing, hardware, and data archival expenses.

ARTICLE IV

APPROVAL AND PUBLICATION REQUIREMENTS

Section 4.1 Submission to Authorized Attorney. This Contract shall constitute an agreement for joint and cooperative action pursuant to the Interlocal Act. In accordance with the requirements of Section 11-13-202.5 of the Interlocal Act, as amended, this Contract shall be submitted for approval to the governing bodies of UIA and the City and to an authorized attorney for UIA and for the City who shall approve this Contract if such attorney determines that it is in proper form and compatible with the laws of the State of Utah.

Section 4.2 Publication. In accordance with the requirements of Section 11-13-219 of the Interlocal Act, as amended, the governing body of UIA shall provide for the publication of the resolution adopted by it pursuant to the requirements of Section 11-13-202 of the Interlocal Act, as amended, in the official newspaper or the newspaper published within its boundaries, or if no newspaper is so published, then in a newspaper having general circulation therein.

ARTICLE V

GENERAL PROVISIONS

Section 5.1 Acquisition and Construction of the Improvements. UIA represents that it will acquire or cause to be acquired all permits, licenses, rights and privileges, structures, equipment, and facilities with respect to the acquisition and construction of the Improvements necessary for the performance by UIA of this Contract. UIA shall maintain and defend such permits, licenses, and rights and privileges and shall not voluntarily permit any change therein that would result in impairment of the performance by UIA of its obligation under this Contract.

Section 5.2 Risk of Loss. Each Party is solely responsible for the risk of loss of, or damage to, equipment of that Party (regardless of where located), unless the loss or damage results from the negligence or fault of the other Party.

Section 5.3 Several Obligations. Except where specifically stated in this Contract to be otherwise, the duties, obligations, and liabilities of the Parties are intended to be several and not joint or collective. Nothing contained in this Contract shall ever be construed to create an association, trust, partnership, or joint venture or impose a trust or partnership duty, obligation, or liability on or with regard to either Party. Each Party shall be individually and severally liable for its own obligations under this Contract and shall not be liable for any obligation of the other.

Section 5.4 Liability Dedication. Nothing in this Contract shall be construed to create any duty to, any standard of care with reference to, or any liability to any person not a party to this Contract.

Section 5.5 Books and Records. UIA agrees that it shall maintain separate bank accounts, books and records relating to the Improvements and that proper and equitable allocations of revenues and expenses will be made with respect to the operations of the Improvements. The City shall receive from UIA a monthly statement on the accounting and disposition of Hook-up Leases and City Fees. Also, UIA shall submit to the City such supporting data with respect to all annual budgets and yearly accounting reconciliations as are reasonably necessary to enable the City to effect proper accounting therefor. All bank records, books of account and accounting records of UIA relating to this Contract shall be available for inspection and utilization by a duly authorized officer or designee of the City at all reasonable times. UIA shall cause such books of account of the Improvements to be audited annually by independent public accountants experienced in utility accounting. A copy of each such annual audit, including any recommendations of the accountants with respect thereto, shall be promptly made available by UIA to the City.

Section 5.6 Relationship to Other Instruments. It is recognized that UIA must comply with all licenses, permits and regulatory approvals necessary for the ownership, acquisition, construction and operation of the Improvements, and it is, therefore, agreed that this Contract is made subject to the terms and provisions of such licenses, permits and regulatory approvals, except that the City shall not be bound by any term or provision of any license, permit, or regulatory approval, which may contradict or vary the terms hereof unless it expressly consents in writing to be so bound. The City agrees that it will not revise or amend its fees charged to End Users under its Communications Enterprise in any manner that would adversely affect the priority of or the security for the payments to be made thereunder to UIA without the mutual consent of the Parties.

Section 5.7 Liabilities. The City, its officers, designees, and employees, or any of them, shall not be liable for any claims, demands, costs, losses, causes of action, damages or liability of whatsoever kind or nature arising out of or resulting from the ownership, acquisition, construction and operation by UIA of the Improvements. UIA, its officers, designees, and employees, or any of them, shall not be liable for any claims, demands, costs, losses, causes of action, damages or liability of whatsoever kind or nature arising out of or resulting from the performance by the City under this Contract.

Section 5.8 Assignment. Except for security purposes in connection with any obligations incurred by UIA, neither this Contract nor any part hereof shall be assigned by any Party without prior written consent of the other.

Section 5.9 Furnishing Service to Others. UIA, by entering into this Contract, does not hold itself out to provide the Improvements or similar service to any other person or entity.

Section 5.10 Uncontrollable Forces. No Party shall be considered to be in default in respect to any obligation hereunder, other than under Article III, if prevented from fulfilling such obligation by reason of an Uncontrollable Force. If a Party is rendered unable to fulfill any obligation by reason of an Uncontrollable Force such Party shall exercise due diligence to remove such inability with all reasonable dispatch and shall keep the other Parties fully informed of changes and conditions as far in advance as possible.

Section 5.11 Communications Enterprise. The City will operate and maintain, or cause to be operated and maintained, its Communications Enterprise in good operating order and will fix, charge, and collect rates, fees, and charges in accordance with Section 5.12 herein.

Section 5.12 Imposition and Collection of Fees. The City has previously established or will establish a Communications Enterprise and hereby represents that it charges or causes to be charged on its behalf all End Users within the City through its Communications Enterprise monthly fees for each connection to the City Network in consideration for the Connection Services and other communications services provided by the City. The City shall establish or cause to be established such enforcement procedures as may be necessary to collect such fees. Said fees, when collected, shall be used by the City to pay its obligations under this Contract.

Section 5.13 Cable Television Services and Public Telecommunications Services. The Parties hereto acknowledge and represent that neither party, by entering into this Contract, shall provide or be required to provide Cable Television Services or Public Telecommunications Services as defined in the Telecommunications Act, nor is either party capable of providing said services. Furthermore, the Parties hereby acknowledge and represent that to the best of their knowledge, the City is paying for the full cost of providing the Connection Services or other services received by it pursuant to this Contract.

Section 5.14 Entire Agreement. This Contract constitutes the entire agreement among the Parties with respect to the subject matter hereof. No change, variation, termination, or attempted waiver of any of the provisions of this Contract shall be binding on the Parties unless executed in writing by the other Party. This Contract shall not be modified, supplemented, or otherwise affected by course of dealing.

Section 5.15 Amendments. This Contract shall not be amended, modified, or otherwise altered in any manner without the consent of the parties hereto, which consent shall not be unreasonably withheld; provided however, that Section 3.5, Section 5.16, Section 5.18, and Section 5.19 hereof shall not be amended until such time that any obligations issued by UIA and payable from amounts paid or received hereunder shall have been retired in accordance with their terms.

Section 5.16 Effective Date and Original Term; Termination. This Contract shall be effective as of the date hereof and shall continue in effect until October 15, 2048 (the "Original Term"), or such later time when any obligations issued by UIA and payable from amounts hereunder shall have been retired in accordance with their terms.

Section 5.17 Notice. Any notice, demand, or request provided for in this Contract shall be in writing and shall be deemed properly served, given, or made if delivered in person or sent by registered or certified mail, postage prepaid, to the persons specified below:

UIA: UTOPIA	2603 Santa Clara DR.
5858 South 900 East	Santa Clara, UT 84765
Murray, UT 84121	Attn: City Recorder
Attn: Chief Executive Officer	

The Parties may, at any time, by notice to the other designate different or additional persons or different addresses for the giving of notice hereunder.

Section 5.18 Third-Party Beneficiaries. The terms and provisions of this Contract shall be binding upon and inure to the benefit of the Parties hereto, and their respective successors and assigns, including the Trustee, and is made for their benefit. Further, the Trustee is an intended third-party beneficiary for purposes of Section 3.5 hereof, including without limitation its rights to Franchise Tax Revenues and Sales Tax Revenues in the event of any Shortfall and to pursue all remedies related thereto. No other person shall have any rights, interest, or claims hereunder or be entitled to any benefits under or on account of this Contract as a third-party beneficiary or otherwise.

Section 5.19 Governing Law. This Contract shall be interpreted, governed by, and construed under the laws of the State of Utah.

Section 5.20 Execution in Counterparts. This Contract may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 5.21 Severability. If any provision of this Contract shall be held or be deemed to be or shall, in fact, be illegal, inoperative, or unenforceable, the same shall not affect any other provision or provisions herein contained or render the same invalid, inoperative, or unenforceable to any extent whatsoever.

[Signature pages follow]

<u>EXHIBIT A</u>

CONNECTION SERVICES

Strategic Partner Management

Recruit and manage strategic partnerships, which will include but not be limited to Business and Residential Service Providers and Services Providers. Attract new technologies to the network to facilitate new service offerings on the network and leverage the City's existing network and its communities.

UIA will negotiate on behalf of the City the contract and contract amendments, enforce contracts with Providers and ensure Service Level Agreements are met according to business and contractual obligations.

Product Management

Recommend, develop wholesale pricing model along with the City and strategic partners. This will include new wholesale pricing for newly developed products brought by UIA and its Strategic Partners.

Present developed model and any changes the City and strategic partners for rollout on the Network. Maintain, modifying and bring to end-of-life wholesale products on the network.

Planning, Design and Implementation

UIA will provide planning, design and implementation of the City's network as requested. A full outside plant design, network design and operational impact review will be provided along with a project implementation plan timeline, along with associated budget for the plan. The plan will include:

- Creation/Import of city records into GIS system
- Estimated cost for the outside plant build requested area
- Estimated cost for the network engineering build
- Project Engineer to interact and answer questions about the proposals and presentations
- Support for submittal of change orders for any changes on the design plan
- Supporting production map(s) and documentation for proposed build areas
- Extract of information in supported format provided by UIA

Marketing/Advocate Awareness Program

UIA will instigate and oversee any marketing and communications efforts that are necessary to the network's success. This could include campaigns within city governments, residential markets, multi-dwelling unit markets, business markets, or with community and national thought leaders, policy makers and other audiences. In particular, UIA will seek opportunities to develop and educate about future quality-of-life, public safety, and economic development opportunities on the network, working to build the network's reputation as necessary public infrastructure.

UIA will recruit and manage personnel and/or contractors to assist in promoting the network and growing the subscriber base. The City may assist with the promotion activities as long as it receives the prior written approval from UIA to do so.

GIS Services

Upon implementation of new network designs UIA will create, manage and maintain a Geo-spatial database to track the build of the City's network. UIA will provide a conversion method to import engineering documentation (CAD Conversion) and modify the geo-spatial database to include AS-Built updates as reported.

Continued support will be offered by taking GPS data collection for key OSP elements, recording that information into the database, providing and tracking fiber assignments made for provisioning services and when requested, provide an extract of the database for the Cities in an available format

Outside Plant Services

During construction UIA will appoint a Project Manager to oversee all approved construction for the specific project. They will manage the RFP process using UIA standard policies to award construction bids and select qualified contractors. They will provide management over employees and contractors during the construction process by assigned construction work packages and ensuring industry best practices and consistent engineering specifications are met.

The Project Manager will ensure:

- Budget tracking and reporting is available for the City
- Obtain necessary field permits and obligations
- Issues are tracked and brought to resolution for the City or its residents
- RMA process is followed
- Inventory is managed and accounted for
- Maintaining necessary levels of inventory to complete work packages
- Ensure construction work through Quality Assurance procedures

Field Services

UIA will provide field crews and/or contractors to be deployed in the field to manage the physical plant which is constructed for the City. UIA will maintain physical huts and cabinets on the network. During the event of an issue the Field Services Group will respond to any actual damage to physical plant and manage and execute the repair needed for restoring the physical plant as deemed necessary by UIA.

Network Engineering Services

UIA will provide network engineers and/or contractors to evaluate, recommend the needed electronics to provide wholesale services on the network. These Network engineers will:

- Test and certify network electronics for deployment
- Create, maintain physical and logical topology of the Network
- Configure and install the necessary devices in the network as needed
- Resolve any issues with these devices and replace parts or device as needed
- RMA through standard processes
- Research and Development of new technologies along with strategic partners
- Capacity planning of the network

Operations Management

UIA will provide management oversight of operational support of the network. This will include:

Integration: Integration of strategic partners onto the network, establishing standard interfaces and operational methods and procedures with these partners. UIA will assist strategic partners in understanding integration points of products and services on the network.

Operational Methods and Procedures: Develop supporting methods and procedures to coordinate delivery of services to customers.

Network Operations Center (NOC): 24x7 NOC to monitor health of devices and services on the network. Respond to Strategic Partner requests, manage to resolution reported issues on the network.

Network Repair and Maintenance: Detect, record (through a UIA a trouble ticketing solution) and respond to network maintenance and issues. Record and dispatch appropriate teams into the field for issue resolution.

Order Management System: Provide systems to allow the ordering and activation of wholesale services on the network, track customer acquisition and produce invoices, as needed, of wholesale services for cities so that they may invoice residents and UIA may invoice Service Providers.

Reporting: Provide reporting of customers on the network.

Invoicing: Provide information to the City to allow the invoicing of applicable wholesale services on the network, if the City handles its own invoicing.

EXHIBIT B

DESCRIPTION OF IMPROVEMENTS

Physical Improvements

Fiber Optic Communication lines will be deployed throughout the City. These lines will be constructed both overhead and underground in each of the city's "rights of way" following all local, state and federal regulations using industry best practices to deploy the most efficient and cost-effective infrastructure.

Elements of the infrastructure include 3 separate categories: Backbone or middle mile construction, access level or last mile construction and drop level construction.

Additional Fiber Optic Communication lines will be deployed in locations outside of the City in order to provide redundancy, increased capacity, and other improvements as may be necessary or advantageous, in whole or in part, for the benefit of the city.

Backbone or Middle Mile Construction

Consists of both overhead and underground paths, communication shelters to house distribution switches, fiber optic patch panels, uninterruptable power supplies (UPS) and generators. The communication shelters will serve as distribution points within the City and will be connected diversely with ring architecture. Other elements include fiber optic cable, conduit, strand, pole mounting hardware, vaults, splice closures and all other items necessary to construct and operate the network. The testing and certification of the improvements will be in accordance with national industry standards and UTOPIA's Engineering Standards document.

Access Level or Last Mile Construction

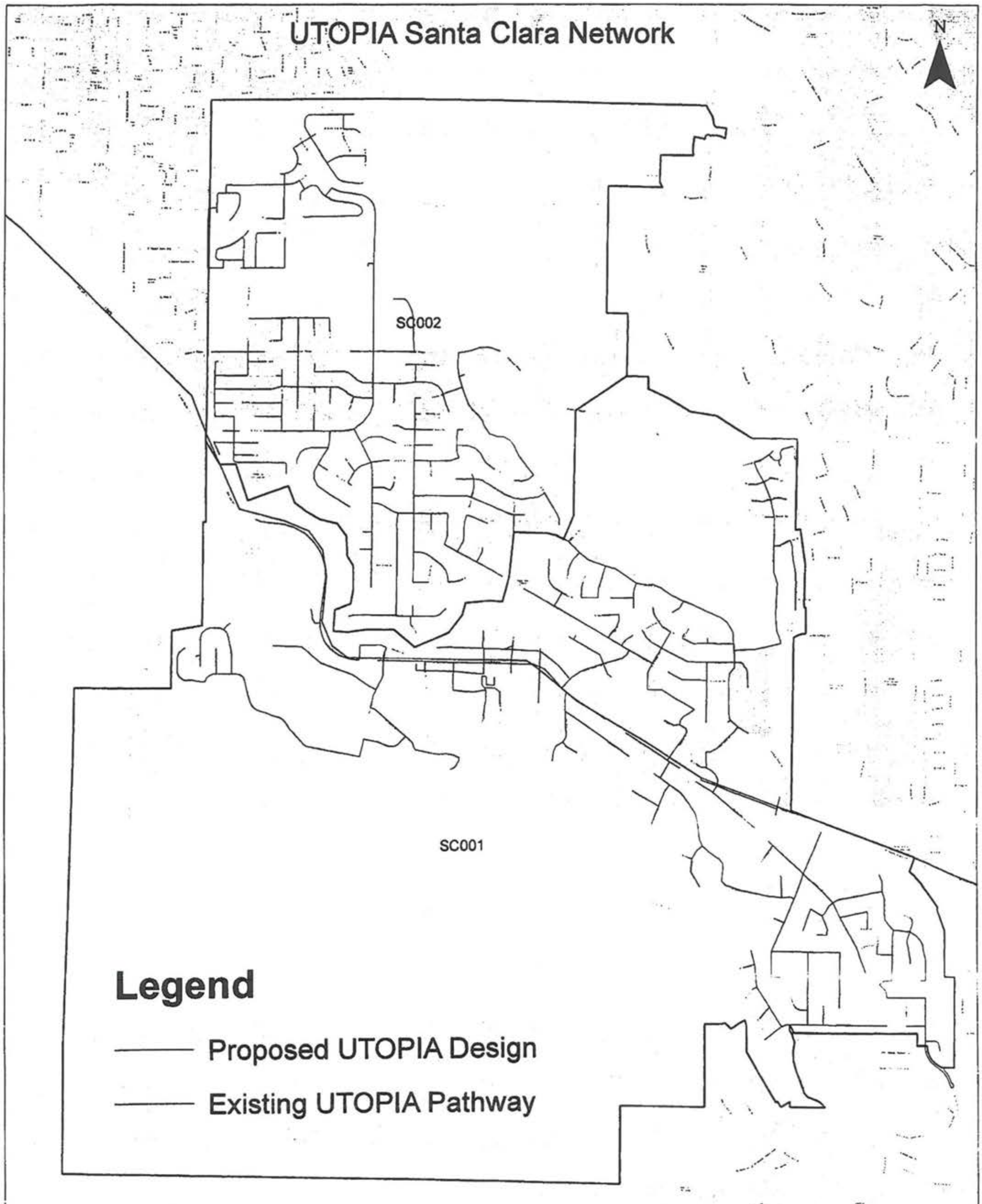
Consists of both overhead and underground paths to every subscribed address within the build area. Elements of this type of build include fiber optic cable, conduit, strand, pole mounting hardware, vaults, splice closures and all other items necessary to construct and operate the network. This infrastructure will facilitate and serve as network access points for subscribers to UIA.

Drop Level Construction

Consist of drop fiber and/or conduit being placed from a network access point to the demarcation point within the subscriber's premise where a network interface device will be placed. Elements of this type of build include three quarter inch drop conduit, drop fiber, aerial attachment hardware, network interface device (NJD), UPS, fiber pigtail, optical transceiver/receiver, power cord and all other items necessary to construct and operate the network. UIA understands that it is the City's preference that underground construction, not aerial attachment, be used whenever possible. In some instances, UIA will also be responsible for installing cat5 cable within the homes to provide a connection for the services ordered.

EXHIBIT C

MAPS OF MAINLINE SYSTEM



UTOPIA Santa Clara Network
N
SC002
SC001
Legend
Proposed UTOPIA Design
Existing UTOPIA Pathway

EXHIBIT D

FORM OF PROMISSORY NOTE

$_________ (date)

FOR VALUE RECEIVED, the undersigned, Utah Infrastructure Agency ("Borrower"), promises to pay to the order of _____________, Utah ("Lender"), the principal sum of _______________ ($__________) together with all subsequent loan advances made, expenditures authorized and additional payments provided for in this Promissory Note and pursuant to the Fiber Communications Service and Acquisition Contract dated as of [__________], 20__, between Borrower and Lender (the "Contract").

1. Definitions. As used in this Note, the following terms shall have the meanings set forth below:

"Effective Date" means the date the terms of this Note, including the accruing rate of interest and the payment obligations described herein, become effective, which date shall be the date the proceeds of the Loan are disbursed to or for the benefit of Borrower.

"Event of Default" means failure by Borrower to pay timely any installment of principal or interest on this Note.

"Loan" means the loan advanced by Lender to Borrower under the terms and upon the conditions contained in the Contract in the principal amount of _______________ ($__________).

"Maturity Date" means ______________.

"Month" means a calendar month.

"Note" means this Promissory Note and any extensions, renewals or modifications thereof.

"Payment Date" means the __________ day of each Month on which Borrower shall pay to Lender accrued interest, or principal and accrued interest, on the outstanding principal of this Note, as required by the terms of this Note.

"Principal Indebtedness" means at any time and from time to time during the term of this Note all advances, disbursements, expenditures, and payments made by Lender after the date of this Note pursuant to the terms of this Note or the Contract.

2. Security. Security for this Note and repayment by Borrower will be limited exclusively to the Revenues, as defined in the Contract, that are generated under the Contract. Borrower's obligation to repay the Note is contingent upon the availability of Revenues generated under the Contract in excess of the UIA Revenue Requirement, as

defined in the Contract. Borrower is not obligated to utilize any other funds to repay this Note.

3. Interest Accruals. The unpaid principal balance will bear interest at the rate set forth in Section 3.5(e) of the Contract.

4. Interest Calculation Basis. All interest accruing under this Note shall be calculated on the basis of a 360-day year for the actual number of days elapsed.

5. Payments of Principal and Accrued Interest.

(a) Beginning on _______________, Borrower shall make monthly installment payments to Lender of principal and accrued interest on the unpaid Principal Indebtedness in the amount of ___________ ($__________) each.

(b) The entire unpaid Principal Indebtedness, together with all accrued and unpaid interest thereon, if not sooner paid, shall be due and payable in full on the Maturity Date.

6. Place of Payment. All payments under this Note shall be made in lawful money of the United States of America at Lender's offices at ________________ Utah, or at such other place as Lender may from time to time designate. All payments on this Note shall, at the option of Lender, be applied first to the payment of accrued interest and after all such interest has been paid, any remainder shall be applied toward the reduction of the Principal Indebtedness.

7. Default Rate of Interest. During any period of time which an Event of Default has occurred and is continuing, interest shall accrue against the outstanding Principal Indebtedness evidenced hereby at a rate equal to the otherwise effective rate of interest under this Note plus five percent (5.0%) per annum, calculated on the basis of a 360-day year for the actual number of days elapsed.

8. Prepayment. Borrower may prepay all or a portion of the amount owed earlier than it is due.

9. Late Fee Charges. If any payment required by this Note not received by Lender within ten (10) days after such payment is due, a late fee charge equal to five percent (5.0%) of such late payment shall be due and payable.

10. Incorporation of Contract. The terms, conditions, covenants, provisions, stipulations and agreements of the Contract are hereby made a part of this Note by reference to such document in the same manner and with the same effect as if the Contract were fully set forth herein. Borrower hereby covenants and promises to abide by and comply with each and every covenant and condition set forth in this Note and the Contract.

11. Application of Payments. All payments on this Note shall, at the option of Lender, be applied first to the payment of accrued interest and after all such interest has been paid, any remainder shall be applied toward repayment of any additional advances

Lender has made hereunder which have not already been added to the Principal Indebtedness then outstanding, and the balance, if any, toward the reduction of the Principal Indebtedness.

12. Waivers, Substitution of Security. Borrower waives presentment for payment, notice of dishonor and protest, and consents to any extension of time with respect to any payment due under this Note, to any substitution or release of collateral, and to the addition or release of any party. No waiver of any payment under this Note shall operate as a waiver of any other payment. No delay or failure of Lender in the exercise of any right or remedy provided for under this Note shall be deemed a waiver of such right by Lender, and no exercise of any right or remedy shall be deemed a waiver of any other right or remedy which Lender may have.

13. Governing Law. This Note is to be construed in accordance with the laws of the State of Utah, without giving effect to principles of conflicts of laws.

14. General. Time is of the essence hereof. Upon the occurrence and continuance of an Event of Default, Lender shall have, in addition to all rights and remedies available to Lender at law or in equity, all rights and remedies allowed under Utah law.

DATED effective as of the date first above written.

[Signatures appear on following pages.]

BORROWER:

UTAH INFRASTRUCTURE AGENCY

By:_______________________________
Chair

LENDER:

______________, UTAH

(SEAL)

By:_______________________________
Mayor

ATTEST AND COUNTERSIGN:

By:_________________________
City Recorder

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APPENDIX D
FORM OF OPINION OF BOND COUNSEL

Upon the issuance of the Series 2022 Bonds, Gilmore & Bell, P.C., Bond Counsel to UIA, proposes to issue its approving opinion in substantially the following form.

[Date of Issuance]

Utah Infrastructure Agency
Murray, Utah

Zions Bancorporation, National Association
Corporate Trust Department
Salt Lake City, Utah

Re: Utah Infrastructure Agency $6,675,000 Telecommunications, Franchise and Sales Tax Revenue Bonds (Santa Clara Project), Series 2022

We have acted as bond counsel to the Utah Infrastructure Agency (the "Issuer"), in connection with the issuance by the Issuer of its $6,675,000 Telecommunications, Franchise and Sales Tax Revenue Bonds (Santa Clara Project), Series 2022 (the "Series 2022 Bonds"). The Series 2022 Bonds are being issued pursuant to (a) the resolution of the Issuer adopted on December 13, 2021, and (b) a General Indenture of Trust dated as of April 1, 2022 (the "General Indenture"), as supplemented by a First Supplemental Indenture of Trust dated as of April 1, 2022 (the "First Supplemental Indenture" and together with the General Indenture, the "Indenture"), each between the Issuer and Zions Bancorporation, National Association, as trustee.

We have examined the law and such certified proceedings and other documents as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation. Our opinion is limited to the matters expressly set forth herein, and we express no opinion concerning any other matters.

Based on our examination and the foregoing, we are of the opinion as of the date hereof and under existing law, as follows:

1. The Indenture has been authorized, executed and delivered by the Issuer, constitutes a valid and binding obligation of the Issuer and creates a valid lien on the Revenues (as defined in the Indenture) and the other amounts pledged thereunder for the security of the Series 2022 Bonds.

2. The Series 2022 Bonds are valid and binding special obligations of the Issuer payable solely from the Revenues and other amounts pledged therefor in the Indenture, and the Series 2022 Bonds do not constitute a general obligation indebtedness of the Issuer within the meaning of any State of Utah constitutional provision or statutory limitation, nor a charge against the general credit of the Issuer.

3. The interest on the Series 2022 Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal income tax purposes and (ii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Issuer complies with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2022 Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Issuer has covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Series 2022 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2022 Bonds.

4. The interest on the Series 2022 Bonds is exempt from State of Utah individual income taxes.

We express no opinion herein regarding the accuracy, completeness or sufficiency of the Official Statement or any other offering material relating to the Series 2022 Bonds.

The rights of the holders of the Series 2022 Bonds and the enforceability thereof and of the documents identified in this opinion may be subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium, and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent applicable, and their enforcement may be subject to the application of equitable principles and the exercise of judicial discretion in appropriate cases.

This opinion is given as of its date, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may come to our attention or any changes in law that may occur after the date of this opinion.

Respectfully submitted,

APPENDIX E
FORM OF THE CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (the "Disclosure Undertaking"), is executed and delivered by the Utah Infrastructure Agency (the "Agency"), in connection with the issuance by the Agency of its $6,675,000 Telecommunications, Franchise and Sales Tax Revenue Bonds (Santa Clara Project), Series 2022 (the "Series 2022 Bonds"). The Series 2022 Bonds are being issued pursuant to a General Indenture of Trust dated as of April 1, 2022, as supplemented by a First Supplemental Indenture of Trust, dated as of April 1, 2022 (together, the "Indenture"), between the Agency and Zions Bancorporation, National Association, as trustee (the "Trustee"). In connection with the aforementioned transaction, the Agency covenants and agrees as follows:

Section 1. Purpose of the Disclosure Undertaking. This Disclosure Undertaking is being executed and delivered by the Agency for the benefit of the Bondholders of the Series 2022 Bonds and in order to assist the Underwriter in complying with the Rule (as each such term is defined below). The Agency represents that it will be the only obligated person with respect to the Series 2022 Bonds at the time the Series 2022 Bonds are delivered to the Underwriter and that no other person is expected to become so committed at any time after issuance of the Series 2022 Bonds.

Section 2. Definitions. In addition to the definitions set forth in the Indenture or parenthetically defined herein, which apply to any capitalized term used in this Disclosure Undertaking unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means the Annual Report provided by the Agency pursuant to, and as described in Sections 3 and 4 of this Disclosure Undertaking.

"Dissemination Agent" shall mean any person or entity engaged by the Agency to provide the reports and notices required hereunder and which has been designated in writing by the Agency as the Dissemination Agent. Written notice of the engagement and designation of a Dissemination Agent shall be filed by the Agency with the Trustee. The initial Dissemination Agent shall be the Agency.

"Financial Obligation" means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of (a) or (b) in this definition; provided however, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Listed Events" shall mean any of the events listed in Section 5 of this Disclosure Undertaking.

"MSRB" shall mean the Municipal Securities Rulemaking Board, the address of which is currently 1300 I Street, NW, Suite 1000, Washington D.C. 20005; Telephone (202) 838-1500; the current website address of which is www.msrb.org and www.emma.msrb.org (for municipal disclosures and market data).

"Official Statement" shall mean the Official Statement of the Agency dated April 11, 2022, relating to the Series 2022 Bonds.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"Underwriter" shall mean KeyBanc Capital Markets Inc., as the original underwriter of the Series 2022 Bonds and required to comply with the Rule in connection with the offering of the Series 2022 Bonds.

Section 3. Provision of Annual Reports.

(a) The Agency shall, or shall cause the Dissemination Agent, not later than 210 days after the end of each fiscal year of the Agency (presently June 30) commencing with the fiscal year ending June 30, 2022, provide to the MSRB in electronic format an Annual Report which is consistent with the requirements of Section 4 of this

Disclosure Undertaking. Not later than fifteen (15) business days prior to said date, the Agency shall provide the Annual Report to the Dissemination Agent and the Trustee (if the Dissemination Agent is other than the Trustee). The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Undertaking; provided that the audited financial statements of the Agency may be submitted separately from the balance of the Annual Report. If the Agency's fiscal year changes, it shall give notice of such change in the same manner as for Listed Event under Section 5(e).

(b) If by ten (10) business days prior to the date specified in Section 3(a) for providing the Annual Report to the MSRB, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Agency to determine if the Agency is in compliance with Section 3(a).

(c) If the Dissemination Agent is unable to verify that the Annual Report has been provided to the MSRB by the dates required in Sections 3(a), the Dissemination Agent shall, in a timely manner, send a notice of failure to file the Annual Report to the MSRB in electronic format.

(d) The Dissemination Agent shall:

(i) determine each year prior to the dates for providing the Annual Report, the website address to which the MSRB directs the annual reports to be submitted; and

(ii) send a notice to the Agency certifying that the Annual Report has been provided pursuant to this Disclosure Undertaking, stating the date it was provided, and listing the website address to which it was provided.

Section 4. Content of Annual Reports. (a) The Annual Report of the Agency shall contain or incorporate by reference the following:

(i) A copy of the Agency's annual financial statements prepared in accordance with generally accepted accounting principles and audited by a certified public accountant or a firm of certified public accounts. If the Agency's audited annual financial statements are not available by the time specified in Section 3(a) above, unaudited financial statements will be provided as part of the Annual Report of the Agency and audited financial statements will be provided when and if available.

(ii) An update of the financial and operating information in the Official Statement relating to the Agency of the type contained in tables under the headings:

(A) "SECURITY FOR THE SERIES 2022 BONDS–Projected Service Revenues" (but only as the same become historically available);
(B) "SECURITY FOR THE SERIES 2022 BONDS–Historical Franchise and Sales Tax Revenues of the City" (but only as the same become historically available);
(C) "UIA–Financial Summaries and Budget– Statement of Revenues, Expenses and Changes in Net Position;
(D) "UIA–Financial Summaries and Budget– Statement of Net Position"; and
(E) "UIA–Financial Summaries and Budget– Budget and Year-to-Date Financial Results."

(b) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Agency, as appropriate or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The Agency, as appropriate, shall clearly identify each such other document so incorporated by the reference. All of the items contained in the Annual Report shall be submitted in a pdf word-searchable format.

Section 5. Reporting of Significant Events.

(a) Pursuant to the provisions of this Section 5(a), the Agency shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2022 Bonds in a timely manner but not more than ten (10) Business Days after the event:

(i) Principal and interest payment delinquencies;

(ii) Unscheduled draws on debt service reserves reflecting financial difficulties;

(iii) Unscheduled draws on credit enhancements reflecting financial difficulties;

(iv) Substitution of credit or liquidity providers, or their failure to perform;

(v) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2022 Bonds or other material events affecting the tax status of the Series 2022 Bonds;

(vi) Defeasances;

(vii) Tender offers;

(viii) Bankruptcy, insolvency, receivership or similar proceedings;

(ix) Rating changes; or

(x) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Agency, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5(b), the Agency shall give or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Series 2022 Bonds in a timely manner not more than ten (10) Business Days after the Listed Event, if material:

(i) Mergers, consolidations, acquisitions, the sale of all or substantially all of the assets of the obligated persons or their termination;

(ii) Appointment of a successor or additional trustee or the change of the name of a trustee;

(iii) Non-payment related defaults;

(iv) Modifications to the rights of the owners of the Series 2022 Bonds;

(v) Series 2022 Bond calls;

(vi) Release, substitution or sale of property securing repayment of the Series 2022 Bonds;

(vii) Incurrence of a Financial Obligation of the Agency or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders.

Whenever the Agency obtains knowledge of the occurrence of a Listed Event under Section 5(b), whether because of a notice from the Trustee or otherwise, the Agency shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the Agency has determined that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the Agency shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If the Agency determines that the Listed Event under Section 5(b) would not be material under applicable federal securities laws, the Agency shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by the Agency to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the MSRB in an electronic format in a timely manner not more than ten (10) Business Days after the Listed Event.

Section 6. Termination of Reporting Obligation. The Agency's obligations under this Disclosure Undertaking shall terminate upon the earlier of: (i) the date of legal defeasance, prior redemption or payment in full of all of the Series 2022 Bonds; (ii) the date that the Agency shall no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written Disclosure Undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Series 2022 Bonds.

Section 7. Dissemination Agent. The Agency may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Undertaking, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Undertaking, the Agency may amend this Disclosure Undertaking and any provision of this Disclosure Undertaking may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an "obligated person" (as defined in the Rule) with respect to the Series 2022 Bonds, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Series 2022 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Bondholders of the Series 2022 Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of Bondholders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Bondholders of the Series 2022 Bonds.

In the event of any amendment or waiver of a provision of this Disclosure Undertaking, the Agency shall describe such amendment in the next Annual Report of the Agency, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Agency, as applicable. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(a), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Undertaking shall be deemed to prevent the Agency from disseminating any other information, using the means of dissemination set forth in this Disclosure Undertaking or any other means of communication, or including any other information in any Annual

Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Undertaking. If the Agency chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Undertaking, the Agency shall have no obligation under this Disclosure Undertaking to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 10. Default. In the event of a failure of the Agency or the Dissemination Agent to comply with any provision of this Disclosure Undertaking, any Bondholder of the Series 2022 Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Agency or Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Undertaking. A default under this Disclosure Undertaking shall not be deemed an "event of default" under the Indenture, and the sole remedy under this Disclosure Undertaking in the event of any failure of the Agency or the Dissemination Agent to comply with this Disclosure Undertaking shall be an action to compel performance.

Section 11. Duties Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Undertaking, and the Agency agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct.

The Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Dissemination Agent shall have no duty or obligation to review or verify any information, disclosures or notices provided to it by the Agency and shall not be deemed to be acting in any fiduciary capacity for the Agency, the Registered Owners of the Series 2022 Bonds or any other party. The Dissemination Agent shall have no responsibility for the Agency's failure to report to the Dissemination Agent a Listed Event or a duty to determine the materiality thereof. The Dissemination Agent shall have no duty to determine or liability for failing to determine whether the Agency has complied with this Disclosure Undertaking. The Dissemination Agent may conclusively rely upon certifications of the Issuer at all times. The obligations of the Agency under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Series 2022 Bonds.

Section 12. Beneficiaries. This Disclosure Undertaking shall inure solely to the benefit of the Agency, the Dissemination Agent, the Underwriter and the Bondholders from time to time of the Series 2022 Bonds, and shall create no rights in any other person or entity.

Section 13. Counterparts. This Disclosure Undertaking may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Date: __________, 2022.

UTAH INFRASTRUCTURE AGENCY

By:____
Chair

ATTEST:

By:____
Secretary-Treasurer

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APPENDIX F
PROVISIONS REGARDING BOOK-ENTRY ONLY SYSTEM

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2022 Bonds. The Series 2022 Bonds are to be issued as fully-registered bonds registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate is to be issued for each series of the Series 2022 Bonds, each in the aggregate principal amount of such series, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has Standard & Poor's rating of AA+. The DTC Rules applicable to its Direct Participants are on file with the Securities and Exchange Commission. Neither UIA nor the Underwriter makes any representation about such information. More information about DTC can be found at www.dtcc.com.

Purchases of Series 2022 Bonds under the DTC system must be made by or through Direct Participants, which are to receive a credit for the Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2022 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2022 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2022 Bonds, except in the event that use of the book-entry system for the Series 2022 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2022 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2022 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2022 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2022 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2022 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2022 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the bond documents. For example, Beneficial Owners of Series 2022 Bonds may wish to ascertain that the nominee holding the Series 2022 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial

Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2022 Bonds within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2022 Bonds unless authorized by a Direct Participant in accordance with DTC's Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to UIA as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2022 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2022 Bonds are to be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from UIA or the Paying Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct or Indirect Participants to Beneficial Owners are to be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Direct or Indirect Participant and not of DTC nor its nominee, the Paying Agent, or UIA, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of UIA or the Paying Agent, disbursement of such payments to Direct Participants is the responsibility of DTC, and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2022 Bonds at any time by giving reasonable notice to UIA. Under such circumstances, in the event that a successor depository is not obtained, Series 2022 Bond certificates are required to be printed and delivered.

UIA may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2022 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that UIA believes to be reliable, but UIA takes no responsibility for the accuracy thereof.

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