MASTER LEASE AGREEMENT

Dated as of _____, 2020

between

MUNICIPAL BUILDING AUTHORITY OF IVINS CITY, UTAH
as Lessor

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

and

IVINS CITY, UTAH,
as Lessee

A Political Subdivision and Body Corporate and Politic of
the State of Utah

Various interests of the Municipal Building Authority of Ivins City, Utah, in this Master Lease Agreement have been assigned to secure the payment of the Municipal Building Authority of Ivins City, Utah Lease Revenue Bonds, Series 2020 under a Master Resolution dated as of _____, 2020.

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MASTER LEASE AGREEMENT

THIS MASTER LEASE AGREEMENT (the "Master Lease") dated as of _____, 2020, entered into by and between the MUNICIPAL BUILDING AUTHORITY OF IVINS CITY, UTAH (the "Authority"), as lessor hereunder, a nonprofit corporation duly organized, existing, and in good standing under the laws of the State of Utah, and also acting as issuer under a Master Resolution dated as of even date herewith (the "Master Resolution"), and IVINS CITY, UTAH (the "City"), as lessee hereunder, a political subdivision and body corporate and politic under the laws of the State of Utah;

W I T N E S S E T H:

WHEREAS, the City is a political subdivision and body corporate and politic duly existing under and by virtue of the Constitution and laws of the State of Utah; and

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

WHEREAS, pursuant to the direction of the City Council of Ivins City, Utah (the "City Council") contained in the Creating Resolution, the Authority has been duly and regularly created, established, and is organized and existing as a nonprofit corporation under and by virtue of the provisions of the Constitution and laws of the State of Utah, including, in particular, the provisions of the Utah Revised Nonprofit Corporations Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended (the "Nonprofit Corporation Act") and Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended, (the "Authority Act" and collectively with the Nonprofit Corporation Act, the "Acts"); and

WHEREAS, under the articles of incorporation of the Authority (the "Articles") the objects and purposes for which the Authority has been founded and incorporated are to acquire, improve, or extend one or more projects and to finance their costs on behalf of the City in accordance with the procedures and subject to the limitations of the Authority Act in order to accomplish the public purposes for which the City exists; and

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

WHEREAS, the Authority and the City desire to finance the construction of a new City hall and all related improvements (the "Project"); and

WHEREAS, the Authority shall finance the Project through the issuance of the Authority's Lease Revenue Bonds, Series 2020 (the "Series 2020 Bonds"); and

WHEREAS, the Authority desires to ground lease from the City the site of the Project (the "Project Site") pursuant to a Ground Lease Agreement dated as of

_____, 2020, by and between the City, as lessor, and the Authority, as lessee (the "Ground Lease"); and

WHEREAS, the City desires to lease, as lessee, on an annually renewable basis, the Project from the Authority and the Authority desires to lease, as lessor, the Project to the City under the terms and provisions set forth in this Master Lease; and

WHEREAS, the Governing Board of the Authority (the "Governing Board") and the City Council have previously approved the estimated costs of the Project; and

WHEREAS, under the provisions of a resolution dated August 6, 2020 (the "City Resolution"), the City Council has authorized and approved the execution of this Master Lease and has authorized certain actions to be taken by the Authority in connection with the financing of the Project, including the issuance by the Authority under the Master Resolution of its Lease Revenue Bonds, Series 2020 in the total aggregate principal amount of $_____; and

WHEREAS, pursuant to the provisions of a resolution dated August 6, 2020, the Governing Board has authorized, approved, and directed the execution of this Master Lease and related documents, has adopted the Master Resolution, and has authorized, approved, and directed certain actions to be taken by the Authority in connection with the financing of the Project, including the issuance of the Series 2020 Bonds; and

WHEREAS, pursuant to and in accordance with the provisions of the Authority Act and the Articles, the Authority proposes to undertake the financing of the Project and the leasing of the Project to the City under the terms and provisions of this Master Lease; and

WHEREAS, the Series 2020 Bonds will be secured as provided in the Master Resolution, including (i) the Security Documents (defined herein), and (ii) a pledge and assignment of this Master Lease and the revenues and receipts derived by the Authority from the Project, all as more fully set forth in the Master Resolution.

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

ARTICLE I

DEFINITIONS

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

"Acts" means collectively, the Local Building Authority Act, Title 17D, Chapter 2, Utah Code Annotated 1953, as amended, and the Utah Revised Nonprofit Corporation Act, Title 16, Chapter 6a, Utah Code Annotated 1953, as amended.

"Additional Bonds" means Bonds issued by the Authority pursuant to Section 3.10 of the Master Resolution.

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

"Authority" means the Municipal Building Authority of Ivins City, Utah, a nonprofit corporation organized under the laws of the State with its principal place of business in Ivins, Utah, acting in the capacity of lessor under this Master Lease and as issuer under the Master Resolution.

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

"Base Rentals" means the payments payable by the City exclusively from City Funds pursuant to Section 6.2 of this Master Lease during the Original Term and any applicable Renewal Term hereof (as those terms are hereinafter defined), which constitute the payments payable by the City for and in consideration of the right of use of the Project during such Original Term and applicable Renewal Terms and the purchase option granted herein.

"Bonds" means the Series 2020 Bonds and any Additional Bonds or Refunding Bonds issued under the Master Resolution.

"Business Day" means a legal business day on which banking business is transacted in the state in which the Authority has its principal office.

"CIB" means the State of Utah Permanent Community Impact Fund Board, or any successor agency.

"City" means Ivins City, Utah, a political subdivision and body politic duly established and existing under and by virtue of the Constitution and laws of the State.

"City Funds" means all revenues, receipts, and other legally available moneys, including without limitation payments received by the City from operation or subleasing of the Project and moneys derived from ad valorem property taxes and other taxes, to the extent the same are budgeted and appropriated by the governing body of the City for the purpose of paying Base Rentals, Additional Rentals, or the Purchase Option Price hereunder during the Original or any Renewal Term in which this Master Lease may be in effect.

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

"Completion Certificate" shall mean the certificate described in Section 7.3 hereof establishing the Completion Date.

"Completion Date" shall mean the date of acceptance by the City of the Project as evidenced by delivery of the Completion Certificate.

"Construction Contract" shall mean any construction contract among the Authority (or its designee), the City, and any contractor regarding construction of the Project.

"Costs of Construction" shall mean:

(1) the actual cost of enlarging, constructing, reconstructing, improving, replacing, restoring, renovating, maintaining, equipping, or furnishing all or any part of the Project, including architect's or engineer's fees; and

(2) all expenses connected with the authorization, sale, and issuance of the Bonds, including trustee initial fees, fees for outside attorneys or accountants, whose opinions are required to obtain the issuance of the Bonds, financial advisors' fees, and councils and printing costs, those amounts as the Authority shall find necessary to establish reserves and maintenance, repair, replacement, and contingency funds and accounts, and the interest on Bonds for a reasonable time prior to, during, and for a reasonable period of time after completion of the construction of the Project.

"Event of Default" means one or more events of default as defined in Section 14.1 of this Master Lease.

"Event of Nonappropriation" means a failure by the City to renew this Master Lease by failing to budget and appropriate sufficient City Funds for the payment of all or any part of the Base Rentals and Additional Rentals for any Renewal Term hereof as set forth in Section 6.6 of this Master Lease prior to the beginning of any Renewal Term.

"Force Majeure" means, without limitation, the following: acts of God; strikes, lockouts, or other industrial disturbances; acts of public enemies; orders, or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies, or officials, or any civil or military authority; insurrections; riots; landslides; earthquakes; storms; droughts; floods; explosions; breakage; or accidents to machinery, transmission pipes, or canals; or any other cause or event not reasonably within the control of the City and not due to its negligence.

"Ground Lease" means the Ground Lease Agreement dated as of _____, 2020, by and between the City as lessor and the Authority as lessee, and any amendments or supplements thereto, whereby the City leased the Project Site to the Authority.

"Independent Counsel" means an attorney duly admitted to the practice of law before the highest court of the State and who is not a full-time employee of the Authority or the City.

"Master Lease" means this Master Lease Agreement and any amendments or supplements hereto, including the exhibits attached hereto.

"Lease Term" means the duration of the leasehold estate created in the Project as provided in Article IV of this Master Lease, including the Original Term and the Renewal Terms, if any.

"Master Resolution" means the Master Resolution of the Authority dated as of the date of this Master Lease, pursuant to which the Bonds are authorized to be issued and certain interests of the Authority in this Master Lease, and the Base Rentals, Purchase Option Price, and other revenues received by the Authority from the City with respect to the Project are to be pledged and assigned as security for the payment of principal and interest of, premium, if any, on the Bonds, including any resolution supplemental thereto.

"Net Proceeds" when used with respect to any performance or payment bond proceeds or proceeds from policies of insurance required hereby or any condemnation award or the proceeds of any liquidation of all or portions of the Project, means the amount remaining after deducting all expenses (including, without limitation, attorneys' fees and costs) incurred in the collection of such proceeds or award from the gross proceeds thereof.

"Original Term" means the portion of the Lease Term which terminates on December 31, 2020.

"Permitted Encumbrances" means, as of any particular time, (i) liens for taxes and assessments not then delinquent, or which the City may, pursuant to the provisions of Article IX of this Master Lease, permit to remain unpaid; (ii) this Master Lease, including any security interests granted herein; (iii) utility access and other easements and rights of

way, restrictions, and exceptions which the City Representative and the Authority Representative certify will not interfere with the operation of the Project or impair the marketability of title to the Project or the general security provided for the Bondholders; (iv) the Master Resolution, the Security Documents, and related financing statements, if any; (v) such minor defects, irregularities, encumbrances, and clouds on title as normally exist with respect to property of the general character of the Project and as do not, in the opinion of Independent Counsel, materially impair the operation or marketability of title to the Project.

"Project" means the construction of a new City hall and all related improvements, as more fully described in Exhibit A hereto and the acquisition of a leasehold interest in the Project Site leased by the Authority, as lessee, from the City, as lessor, under the Ground Lease.

"Project Documents" means (i) the plans and specifications with respect to the Project, (ii) a survey, if any, of the Project Site, prepared by a registered land surveyor in accordance with standard requirements for land title surveys, showing the location of all improvements, easements, encroachments, and other encumbrances on the Project Site; (iii) any necessary permits for construction of the Project, including any building permits, and certificates of occupancy or waivers of the same; (iv) the Construction Contract; (v) policies of title, casualty, public liability, and workers' compensation insurance, or certificates thereof, as required by this Master Lease with respect to the Project; (vi) performance and payment bonds with respect to the Project; (vii) contracts with the architect hired in connection with the plans and specifications; and (viii) policies of title, casualty and public liability insurance, any and all other documents executed by or furnished to the City in connection with the acquisition, construction, and equipping of the Project.

"Project Site" means the real property, as more fully described in Exhibit A hereof, upon which the Project is located.

"Purchase Option Price" means an amount payable, at the option of the City, at any time for the purpose of terminating the payment obligation of the City under this Master Lease and purchasing the Project, which amount, when added to the amounts then on deposit in the Bond Fund and Reserve Fund (other than moneys held by the Authority for the payment of Bonds not deemed Outstanding), shall be sufficient (i) to pay, defease, retire and/or redeem all the Outstanding Bonds, as appropriate, in accordance with the provisions of the Master Resolution (including, without limiting the generality of the foregoing, the principal of to maturity or earliest applicable redemption date of the relevant Bonds, as the case may be, and premium, if any, thereon, the expenses of defeasance and/or redemption, including escrow agent fees, if any, and the Authority's and paying agents' fees and expenses) and (ii) in case of redemption, to make arrangements satisfactory to the Authority for the giving of the required notice of redemption.

"Refunding Bonds" means Bonds issued by the Authority pursuant to Section 3.9 of the Master Resolution.

"Renewal Terms" means the optional Renewal Terms of the Lease Term as provided in Article IV of this Master Lease.

"Security Documents" means collectively a Leasehold Deed of Trust, Assignment of Rents, and Security Agreement with respect to the Project, and an Assignment of Ground Lease.

"State" means the State of Utah.

ARTICLE II

REPRESENTATIONS, COVENANTS, AND WARRANTIES

Section 2.1 Representations, Covenants, and Warranties of the City. The City represents, covenants, and warrants for the benefit of the Authority as follows:

(a) The City is a political subdivision and body corporate and politic duly existing as such within the State under the Constitution and laws of the State. Under the provisions of the Constitution and laws of the State, the City is authorized to enter into the transactions contemplated by this Master Lease and to carry out its obligations hereunder. The City has duly authorized and approved the execution and delivery of this Master Lease. The City agrees that it will do or cause to be done all things necessary to preserve and keep in full force and effect its existence.

(b) The Authority has by this Master Lease leased the Project to the City as hereinafter provided. It is understood by the parties hereto that the Authority shall have all rights, title, and interest in the Project, subject to Permitted Encumbrances.

(c) During the Lease Term, the Project will at all times be used for the purposes described herein consistent with the permissible scope of the Authority and the City under the Constitution and laws of the State.

(d) The City is not in default under any of the provisions of the laws of the State which default would affect its existence or its powers referred to in subsection (a) of this Section 2.1. Neither the execution and delivery of this Master Lease, nor the issuance and sale of the Bonds, nor the performance by the City of its obligations under this Master Lease will constitute on the part of the City a breach of or a default under, any existing law, court, or administrative regulation, decree, order, or any material agreement, indenture, mortgage, lease, or any other instrument to which the City is subject or by which it is or may be bound.

(e) There is no action, suit, or proceeding pending or, to the best knowledge of the City, threatened, or any basis therefor, before any court or administrative agency which may adversely affect the City or the ability of the City to perform its obligations under this Master Lease. All authorizations, consents, and approvals of governmental bodies or agencies required in connection with the execution and delivery by the City of this Master Lease or in connection with the carrying out by the City of its obligations under the Master Lease have been obtained.

(f) The construction of the Project will be accomplished in accordance with all applicable laws and is necessary and appropriate for accomplishing one or more of the authorized functions or public purposes of the City and is suitable for such purpose and in furtherance of the purposes of the City and the best interests of the citizens of the City.

(g) No voter approval (as contemplated by 11-14-201, Utah Code Annotated 1953, as amended) was sought on the question of whether general obligation bonds of the City should be issued to finance the Project.

Section 2.2 Representations, Covenants, and Warranties of the Authority. The Authority represents, covenants, and warrants for the benefit of the City as follows:

(a) The Authority is a nonprofit corporation duly incorporated and in good standing under the laws of the State and is duly qualified to transact business in the State, is not in violation of any provision of its Articles or its bylaws, has the corporate power and authority to enter into this Master Lease and has duly authorized and approved the execution and delivery of this Master Lease by proper corporate action.

(b) The Authority agrees that, so long as this Master Lease has not been terminated, it will maintain its corporate existence, will continue to be a corporation in good standing under the laws of the State, will not dissolve or otherwise dispose of all or substantially all of its assets, except as provided in this Master Lease, and will not consolidate with or merge into another corporation or permit one or more other corporations to consolidate with or merge into it.

(c) The Authority has, or will acquire, ownership of the Project (subject to Permitted Encumbrances). The Authority has by this Master Lease leased the Project to the City as hereinafter provided. It is understood by the parties hereto that the Authority shall have all rights, title, and interest in the Project, subject to Permitted Encumbrances.

(d) The Authority will not pledge the Base Rentals, the Additional Rentals, Purchase Option Price, or any of its other rights hereunder and will not assign its interest in or encumber the Project except as provided hereunder and under the Master Resolution and the Security Documents. All property and moneys received by the Authority for the City will, so long as no Event of Nonappropriation or Event of Default shall occur, be applied for the benefit of the City, and all property and moneys received by the Authority hereunder with respect to the Project and under the Master Resolution for the Bondholders of the Bonds will be applied for the proportionate benefit of said Bondholders.

(e) Neither the execution and delivery hereof, nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby conflicts with or results in a breach of the terms, conditions, or provisions of any restriction or any agreement or instrument to which the Authority is now a party or by which the Authority is bound, or constitutes a default under any of the foregoing or results in the creation or imposition of any lien, charge, or encumbrance whatsoever upon any of the property or assets of the Authority except Permitted Encumbrances.

(f) Except as otherwise provided herein, in the Master Resolution and the Security Documents, the Authority will not assign this Master Lease, its rights to payments from the City or its duties and obligations hereunder to any other person, firm, or corporation so as to impair or violate the representations, covenants, and warranties contained in this Section 2.2.

(g) The Authority will not use any of the proceeds of the sale of the Series 2020 Bonds in a manner not authorized by the terms of this Master Lease, the Master Resolution, or the exhibits hereto and thereto.

(h) There is no action, suit, or proceeding pending or, to the best knowledge of the Authority, threatened, or any basis therefor, before any court or administrative agency which might adversely affect the Authority or the ability of the Authority to perform its obligations under the Master Lease, the Master Resolution, the Security Documents or the Bonds. All authorizations, consents, and approvals of governmental bodies or agencies required in connection with the execution and delivery by the Authority of this Master Lease, the Master Resolution, the Security Documents, and the Bonds or in connection with the carrying out by the Authority of its obligations under this Master Lease, the Master Resolution, the Security Documents, and the Bonds have been obtained.

(i) The Authority gave notice of its intent to issue the Series 2020 Bonds and no petition meeting the requirements of Section 17D-2-502 of the Authority Act was submitted during the 30-day period following publication of such notice.

ARTICLE III

DEMISING CLAUSE

The Authority hereby demises and leases the Project to the City and the City leases the Project from the Authority, subject only to Permitted Encumbrances in accordance with the provisions of this Master Lease, to have and to hold under this Master Lease unless sooner terminated as expressly provided herein. Nothing in this Master Lease shall be construed to require the City to operate the Project other than as the lessee hereunder or to exercise its right to purchase the Project or any portion thereof as provided in Article XII of this Master Lease.

The Authority warrants and covenants that it has pursuant to the Ground Lease a leasehold interest in and to the Project Site and that it will furnish the Project, all as more fully described in Exhibit A hereto, subject to Permitted Encumbrances. The Authority will cause to be furnished at the time of delivery of the Series 2020 Bonds, or at or prior to disbursement of any amounts with respect to such portion of the Project, a title report issued by a title insurance company satisfactory to the CIB which satisfies the requirements of Section 3.3(c) of the Master Resolution.

The Authority shall be empowered, after an Event of Nonappropriation or an Event of Default and the foreclosure of the security afforded under this Master Lease, the Master Resolution, or the Security Documents, and apply the said amounts collected to the Base Rentals and Additional Rentals, as appropriate, required herein, but no such collection shall be deemed a waiver of any agreement, term, covenant, or condition hereof, or the acceptance of any sublessee as lessee hereunder.

ARTICLE IV

LEASE TERM

Section 4.1 Commencement of Lease Term. The Lease Term shall commence as of the date of delivery of the Series 2020 Bonds and shall terminate at midnight on December 31, 2020. The Lease Term may be continued, solely at the option of the City, beyond the termination of the Original Term for an additional year, the first "Renewal Term," and for [thirty (30)] consecutive additional Renewal Terms thereafter each of one year in duration, upon the City having budgeted and appropriated, prior to the end of the then current Original or Renewal Term, sufficient City Funds for the payment of Base Rentals and reasonably estimated Additional Rentals to become due during the next following Renewal Term, it being understood that by budgeting and appropriating such amounts, the City shall have elected to continue the Lease Term for the next following Renewal Term and shall have given adequate notice thereof as contemplated by Section 17D-2-502 of the Authority Act, and it being further understood that if no payment is due and owing during a Renewal Term, the City shall be deemed to have continued the Lease Term for said Renewal Term. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Base Rentals and Purchase Option Price shall be as otherwise provided herein.

Section 4.2 Termination of Lease Term. The Lease Term shall terminate upon the first to occur of the following events:

(a) the occurrence of an Event of Nonappropriation;

(b) the exercise by the City of its option to purchase the Project, granted under the provisions of this Master Lease;

(c) an Event of Default and the election of the Authority to terminate this Master Lease under Article XIV hereof;

(d) the discharge of the lien of the Master Resolution under Article IX thereof;

(e) the termination of the Lease Term pursuant to Section 10.3 of this Master Lease under the conditions provided therein; or

(f) _____, which date constitutes the last day of the final Renewal Term of this Master Lease, upon payment of all Base Rentals and Additional Rentals required hereunder.

Section 4.3 Effect on the City of Expiration or Termination of the Term of this Master Lease. The expiration or termination of the term of this Master Lease as to the City's right of possession and use of the Project pursuant to Section 4.2 hereof shall terminate all obligations of the City under this Master Lease (except to the extent that the City incurred any obligation to pay Rentals from moneys theretofore appropriated and available for such purpose) and shall terminate the City's rights of use, occupancy, and

operation of the Project; provided, however, that all other terms of this Master Lease and the Master Resolution, shall be continuing until the liens of the Master Resolution are discharged or foreclosed, as provided in the Master Resolution, except that all obligations of the City to pay any amounts to the Bondholders hereunder shall thereafter be satisfied only as provided in the Master Resolution. The termination or expiration of the term of this Master Lease as to the City's right of possession and use pursuant to Section 4.2 hereof, in and of itself, shall not discharge the lien of the Master Resolution.

Section 4.4 Revised Schedule of Base Rentals and Option Price. Upon partial redemption of any Series of Bonds pursuant to the Master Resolution, or the issuance of Additional Bonds or Refunding Bonds pursuant to the Master Resolution, the Authority shall provide the City with a revised schedule of Base Rentals which schedule shall take into account such redemption or issuance and shall be and become for all purposes thereafter Exhibit B to this Master Lease setting forth the Base Rentals.

ARTICLE V

ENJOYMENT OF PROJECT

Subject to the provisions of the Master Lease, the Authority hereby covenants to provide the City during the Lease Term with quiet use and enjoyment of the Project, and the City shall during the Lease Term peaceably and quietly have and hold and enjoy the Project, without suit, trouble, or hindrance from the Authority or the Bondholders, except as expressly set forth herein and in the Master Resolution and the Security Documents. Neither the Authority nor any Bondholder shall interfere with such quiet use and enjoyment during the Lease Term so long as no Event of Default or Event of Nonappropriation shall have occurred. The Authority shall, at the request of the City and at the cost of the City, join in any legal action in which the City asserts its right to such possession and enjoyment, to the extent that the Authority may lawfully do so. In addition, the City may at its own expense join in any legal action affecting its possession and enjoyment of the Project and shall be joined as a party in any action affecting its liabilities hereunder.

The Authority shall have the right at all reasonable times during business hours (and in emergencies at all times) to enter into and upon the Project for the purpose of inspecting the same.

ARTICLE VI

PAYMENTS BY THE CITY

Section 6.1 Payments to Constitute a Current Expense of the City. The City and the Authority acknowledge and agree that the obligation of the City to pay Base Rentals and Additional Rentals hereunder constitutes a current expense of the City payable exclusively from City Funds and shall not in any way be construed to be an obligation or indebtedness of the City within the meaning of Sections 3 or 4 of Article XIV of the Utah Constitution, or any other constitutional or statutory limitation or requirement applicable to the City concerning the creation of indebtedness. No provision of this Master Lease shall be construed or interpreted as a lending of the credit of the City within the meaning of Section 29 of Article VI of the Utah Constitution. Neither the City, nor the Authority on its behalf, has pledged the credit of the City to the payment of the Base Rentals, the Additional Rentals, the Purchase Option Price, the Bonds or the interest, if any, thereon, and neither this Master Lease, the Security Documents, the Master Resolution nor the Bonds shall directly or contingently obligate the City to apply money, or to levy or pledge any form of taxation, to the payment of the Base Rentals, the Additional Rentals, the Purchase Option Price, the Bonds or any interest, if any, thereon except as expressly provided herein.

Section 6.2 Payment of Base Rentals. The City shall pay Base Rentals exclusively from City Funds. The City shall pay Base Rentals during the Original Term and any Renewal Term in such amounts as shall be sufficient to pay principal and interest, if any, when due on the Series 2020 Bonds. The Base Rentals shall be payable directly to the Authority in annual payments in such amounts as shall equal the principal payments falling due on the Series 2020 Bonds, by regularly scheduled maturities on the next succeeding principal payment date on the Series 2020 Bonds on the next Interest Payment Date, such that there shall be on deposit with the Authority at least fifteen (15) days prior to each principal payment date on the Series 2020 Bonds an amount sufficient to make such payment. In addition, until the Reserve Fund with respect to the Series 2020 Bonds is at all times fully funded to the Reserve Fund Requirement, the City shall, in the event it elects to renew this Master Lease during the following Renewal Term, and as a condition of renewal, pay to the Authority in annual payments Base Rentals during the following Renewal Term, in an amount sufficient to fund or replenish the Reserve Fund to the Reserve Fund Requirement as provided in the Master Resolution. Attached hereto as Exhibit B is the Base Rental Schedule. Notwithstanding anything contained herein to the contrary, no payment of Base Rentals shall be required to be paid prior to delivery of the Project to the City for occupancy; provided, however, that as substantial portions of the Project are available for operation the City shall pay Base Rentals in proportion to the portion available. The amount of the Base Rentals otherwise payable by the City hereunder shall be reduced by an amount equal to (i) earnings on the investment of the Bond Fund, (ii) moneys transferred to the Bond Fund from the Reserve Fund pursuant to the last paragraph of Section 6.7 of the Master Resolution which moneys are applied to pay the principal of the Bonds, and (iii) any moneys paid by the Authority for the purchase of the Bonds and the cancellation thereof or which are otherwise deposited in the Bond Fund, other than moneys paid as Base Rentals or the Purchase Option Price. Base Rentals due at

least fifteen (15) days prior to any Bond payment date shall be in consideration for the use of the Project by the City during the one-year period succeeding each Bond payment date and for the option to purchase the Project granted herein.

It is understood and agreed by the City that, subject to the terms of this Master Lease and the Master Resolution, all Base Rentals payable under this Section 6.2 by the City, as well as the Purchase Option Price, if paid with respect to the Project, are pledged by the Authority for the benefit of the Bondholders. The City assents to such pledge. The Authority hereby directs the City, and the City hereby agrees to pay to the Authority at its principal office, all Base Rentals payable by the City pursuant to this Section 6.2 and, if paid, the Purchase Option Price.

The amount of the Base Rentals and Purchase Option Price otherwise payable shall be reduced as appropriate to reflect any redemption of Series 2020 Bonds and/or the purchase of Bonds and the cancellation thereof in advance of their maturity; provided, however, that adequate provision shall be made for the payment of any Additional Bonds or Refunding Bonds. If at any time the amounts held by the Authority in the Bond Fund and the Reserve Fund (other than moneys held for the payment of Bonds not deemed Outstanding) shall be sufficient to pay at the times required the principal of and interest and redemption premium, if any, on all of the Bonds (including any Additional Bonds and Refunding Bonds) then Outstanding, the City shall not be obligated to pay any further Base Rentals hereunder.

Section 6.3 Payment of Additional Rentals with Respect to the Project. In addition to the Base Rental and as part of the total consideration for the use of the Project and the option to purchase the Project, and commencing upon delivery of possession of the Project or any substantial portion thereof, as provided in Section 6.2 of this Master Lease and continuing throughout the period that the City pays Base Rentals, the City shall pay the following Additional Rentals, exclusively from City Funds, during the Original Term and any Renewal Terms thereof as hereinafter provided:

(a) the annual fee of the Authority for the ordinary services of the Authority rendered and its ordinary expenses incurred under the Master Resolution;

(b) the reasonable fees and charges of the Authority and any paying agent appointed under the Master Resolution with respect to the Bonds for acting as paying agent as provided in the Master Resolution;

(c) the reasonable fees and charges of the Authority for extraordinary services rendered by it and extraordinary expenses incurred by it as Authority under the Master Resolution;

(d) the reasonable out-of-pocket expenses of the Authority not otherwise required to be paid by the City under the terms of this Master Lease;

(e) the costs of maintenance and repair as required under Section 9.1 of this Master Lease;

(f) the costs of taxes, governmental charges, utility charges, management and operations expenses, liens, and encumbrances as required under Section 9.3 of this Master Lease;

(g) the costs of casualty, public liability and property damage, and worker's compensation insurance as required under Sections 9.4, 9.5, and 9.6 of this Master Lease;

(h) the amount of any tax or excise on the Base Rentals, Additional Rentals, Purchase Option Price, or any other tax, however described, levied, assessed, or imposed by the United States Government, the State, or any political subdivision or any taxing authority thereof against the Authority; and

(i) an amount equal to any franchise, succession, capital levy, or transfer tax or any income, excess profits, or revenue tax, or any other tax, assessment, charge, or levy upon the Base Rentals, Additional Rentals, or the Purchase Option Price payable by the City pursuant to this Master Lease.

The Additional Rentals specified in subsections (a), (b), and (c) of this Section 6.3 shall be payable to the Authority and shall be due and payable within ten (10) days after notice in writing from the Authority to the City stating the amount of Additional Rentals then due and payable and the purpose thereof. Except as otherwise provided herein or in the Master Resolution, the Additional Rentals specified in subsections (d), (e), (f), (g), (h), and (i) of this Section 6.3 shall be payable to the Authority or directly to the person or entity with respect to which such costs were incurred and shall be due and payable at such time as the Authority or such person or entity shall require.

Section 6.4 Manner of Payment. The Base Rentals, Additional Rentals and, if paid, the Purchase Option Price, shall be paid exclusively from City Funds and in lawful money of the United States of America. The obligation of the City to make payment of the Base Rentals and Additional Rentals required under this Article VI and other sections hereof and to perform and observe the other covenants and agreements contained herein shall be absolute and unconditional in all events except as expressly provided hereunder. Notwithstanding any dispute between the City and the Authority, any Bondholder, any contractor or subcontractor, if any, retained with respect to the acquisition, construction, and equipping of the Project, any supplier of labor or materials in connection therewith or any other person, the City shall pay all payments of Base Rentals and Additional Rentals, from and to the extent of available City Funds, when due, and shall not withhold any Base Rentals or Additional Rentals pending final resolution of such dispute, nor shall the City assert any right of set-off or counterclaim against its obligation to make such payments required hereunder. The obligation of the City to pay Base Rentals and Additional Rentals during the Original Term and the then current Renewal Term shall be absolute and unconditional in all events, except as expressly provided herein, and payment of the Base Rentals and Additional Rentals shall not be abated through accident or unforeseen circumstances.

Section 6.5 Expression of Need for the Project by the City; Determination of Purchase Price. The City hereby declares that, as of the date of the execution of this Master Lease, the City currently has an essential need for the Project which is the subject of this Master Lease to carry out and give effect to the public purposes of the City. By the execution hereof, the City and the Authority hereby agree and determine that the Base Rentals and Additional Rentals payable hereunder are reasonable and that the Purchase Option Price represents, as of the end of the Original Term or any Renewal Term, a reasonable purchase price of the Project. In making such determination the City and the Authority have given consideration to the costs of construction of the Project, the cost of financing the Project, the uses and purposes for which the Project will be employed by the City and the benefit to the citizens of the City by reason of the City's use and occupancy of the Project pursuant to the provisions of this Master Lease.

Section 6.6 Nonappropriation. In the event that sufficient City Funds shall not be budgeted and appropriated by the City prior to the beginning of any Renewal Term for the payment of the (i) Base Rentals becoming due during such Renewal Term, and (ii) such Additional Rentals becoming due during such Renewal Term which can be determined with reasonable accuracy, then an Event of Nonappropriation shall be deemed to have occurred as of the first day of such Renewal Term and the City shall not be obligated to make payment of the Base Rentals or Additional Rentals provided for herein beyond the last day of the Renewal Term preceding such Event of Nonappropriation. Subject to the provisions of the next succeeding sentence, once the City has elected to continue this Master Lease for a Renewal Term by budgeting and appropriating sufficient City Funds for the payment of Base Rentals and Additional Rentals hereunder the City shall, as of the first day of such Renewal Term, be obligated to pay such Base Rentals and Additional Rentals during such Renewal Term. If the City fails to pay any Base Rentals or Additional Rentals due under this Master Lease, or upon an Event of Nonappropriation the City shall immediately quit and vacate the Project and its obligation to pay Base Rentals or Additional Rentals hereunder shall terminate. The Authority shall, upon the occurrence of an Event of Nonappropriation, have all rights and remedies to take possession of the Project as trustee for the benefit of the Bondholders and shall hold in trust for the Bondholders all moneys then on hand and being held in all funds created under the Master Resolution. All property, funds, and rights acquired by the Authority by reason of an Event of Nonappropriation as provided herein shall be held by the Authority under the Master Resolution for the benefit of the Bondholders as set forth in said Master Resolution until the principal of, and premium, and interest, if any, on the Bonds are paid in full and any excess shall thereafter be paid to the City.

The parties hereto agree that, upon the occurrence of an Event of Nonappropriation, the City shall immediately quit and vacate the Project.

Section 6.7 Application of Base Rentals, Additional Rentals, and Purchase Option Price. All Base Rentals, the Additional Rentals specified in subsections (a), (b), (c), and (d) of Section 6.3 hereof, and, if paid by the City, the Purchase Option Price shall be paid to the Authority for application in accordance with the Master Resolution.

Section 6.8 Request for Appropriation. To the extent permitted by law, the City covenants and agrees as follows:

(a) During the term of this Master Lease, the City covenants and agrees (i) to include in its annual tentative budget prepared by the appropriate officials acting on behalf of the City in accordance with applicable law an item for expenditure of an amount necessary (after taking into account any moneys then legally available for such purpose, including but not limited to such revenues and receipts, if any, as may be generated by the City's operation or subleasing of the Project) to pay the Base Rentals and reasonably estimated Additional Rentals (calculated as provided herein) for the Project during the next succeeding Renewal Term, and (ii) to take such further action (or cause the same to be taken) as may be necessary or desirable to assure that the final budget submitted to the governing body of the City for its consideration seeks an appropriation of moneys sufficient to pay such Base Rentals and Additional Rentals for each such Renewal Term, including all such actions for such purpose as may be required under the Uniform Fiscal Procedures Act for Counties, Title 17, Chapter 36, Utah Code Annotated 1953, as amended (the "Uniform Fiscal Procedures Act"). The first such inclusion in the City's annual tentative budget shall be made under applicable law in the fiscal year prior to the fiscal year commencing January 1, 2020, so that the Base Rentals payable during such Renewal Term and the reasonably estimated Additional Rentals payable during such Renewal Term will have been appropriated for such purpose, and subsequent inclusions in each respective tentative budget for appropriations by the City shall be made in each fiscal year thereafter so that the Base Rentals to be paid during the succeeding Renewal Term and Additional Rentals payable during such Renewal Term will be available for such purposes as long as the governing body of the City determines to approve such amount in the final budget as adopted.

(b) To effect the covenants set forth in (a) above, the City hereby directs its "budget officer" (as such term is defined in the Uniform Fiscal Procedures Act, or any other officer at the time charged with the responsibility of formulating budget proposals) to include in the tentative budget prepared annually by such budget officer or other officer and submitted to the governing body of the City, in any year in which this Master Lease is in effect, items for all payments required for the ensuing Renewal Term under this Master Lease. It is hereby expressed as the intention of the City that the decision to renew or not to renew the term of this Master Lease is to be made solely by the governing body of the City at the time it considers for adoption the final budget for each of its fiscal years and corresponding Renewal Terms hereunder, and not by any official of the City, acting in his or her individual capacity as such. In this connection, the City hereby covenants and agrees that such budget officer or other officer shall not amend, modify, or otherwise change the appropriations made in any finally adopted budget for the payment of any Base Rentals or Additional Rentals without the express prior approval of the governing body of the City.

ARTICLE VII

CONSTRUCTION OF THE PROJECT AND
ISSUANCE OF SERIES 2020 BONDS

Section 7.1 Agreement to Acquire Project. The City and the Authority agree that the Authority shall cause the Project to be constructed as herein provided, all of which construction shall be made in accordance with the plans for the Project as approved by the City and the Authority. The Authority hereby agrees that in order to effectuate the purposes of this Master Lease, it will make, execute, acknowledge, and transmit any contracts, orders, receipts, writings, and instructions with any other persons, firms, or corporations and in general do all things which may be requisite or proper, all for the construction of the Project.

The Authority agrees to construct the Project through the application of moneys to be disbursed from the Escrow Account (as defined in the Master Resolution) by the Authority upon the authorization of the Authority Representative in accordance with the Master Resolution.

The Authority agrees to cause the construction of the Project to be completed with all reasonable dispatch, and to use its best efforts to cause the same to be completed by _____ or as soon thereafter as may be practicable, subject only to delays caused by Force Majeure excepted; but if for any reason the Project is not completed by said date, there shall be no resulting liability on the part of the Authority or Event of Default hereunder.

Section 7.2 Agreement to Issue the Series 2020 Bonds; Application of Bond Proceeds. In order to provide funds to finance the Project (as described herein), the Authority, concurrently with the execution of this Master Lease, will issue, sell, and deliver to the CIB the Series 2020 Bonds and the Authority will deposit the proceeds thereof in the Escrow Account as provided in the Master Resolution. Moneys shall be disbursed from the Escrow Account in accordance with the terms of the Escrow Agreement.

Section 7.3 Establishment of Completion Date; Disbursement of Balance of Escrow Account. In the event improvements are constructed with bond proceeds, the Completion Date shall be evidenced by a certificate signed by the Authority Representative and the City Representative stating that, except for amounts retained by the Authority at the direction of the Authority for any Costs of Construction, if applicable, not then due and payable, (i) the construction of the Project has been completed in accordance with the plans and specifications and all labor, services, materials, and supplies used in such construction have been paid for, (ii) all other facilities necessary in connection with the Project have been constructed, acquired, and installed to their satisfaction, (iii) the Project is suitable and sufficient for its intended purposes, and (iv) all costs and expenses incurred in the acquisition and construction, if any, of the Project have been paid. Notwithstanding the foregoing, such certificate shall state that it is given without prejudice to any rights against third parties which exist at the date of such certificate or which may subsequently come into being. Upon receipt of such certificate, the Authority shall terminate the Escrow

Account and disburse any remaining moneys on deposit therein to the Bond Fund to be used to prepay the Bonds as provided in the Escrow Agreement.

Section 7.4 Sufficiency of Escrow Account. In the event that the moneys held in the Escrow Account are insufficient to pay all Project Costs, including Costs of Construction, if applicable, the City and the Authority hereby agree (i) to reduce the scope of the Project (particularly, flexible costs of the Project) in order that all of such costs will be covered without the necessity of issuing Additional Bonds, or (ii) to deposit additional moneys in the Escrow Account either through the issuance of Additional Bonds or from other legally available moneys sufficient to complete the acquisition and, if applicable, construction of the Project.

Section 7.5 Investment of Bond Fund and Reserve Fund Moneys. Subject to the provisions of Article VI of the Master Resolution, any moneys held as a part of the Bond Fund, the Reserve Fund, or any other fund created under said Master Resolution shall be invested and reinvested by the Authority in Investment Obligations (as defined in the Master Resolution).

ARTICLE VIII

TITLE TO THE PROJECT; CONVEYANCE TO THE CITY; SECURITY INTEREST

Section 8.1 Title to the Project. Title to the Project and any and all additions, repairs, replacements, or modifications thereto, shall be held in the name of the Authority, subject to Permitted Encumbrances, at all times until conveyed to the City as provided in Section 12.1. The City shall not have any right, title, or interest in the Project or any additions, repairs, replacements, modifications, or fixtures thereto except as expressly set forth herein.

Section 8.2 Security Interest. To secure the payment of all of the obligations of the Authority under the Master Resolution, the Authority shall grant to the Bondholders a security interest in the Project, the Base Rentals, and Additional Rentals received by the Authority under this Master Lease, and all other rights to receive payments. Upon execution of this Master Lease, the City and the Authority agree that the Authority shall execute the Security Documents and the Master Resolution. The Master Resolution creates a valid and binding pledge and assignment of and security interest in all of the personal property pledged as part of the Project, in favor of the Bondholder as security for payment of the Bonds, enforceable by the Bondholder in accordance with the terms thereof. Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-501 of the Local Government Bonding Act, Utah Code Annotated 1953, as amended, and is and shall be prior to any judicial lien hereafter imposed on the personal property pledged as part of the Project to enforce a judgment against the Authority on a simple contract.

ARTICLE IX

MAINTENANCE; TAXES; INSURANCE; AND OTHER CHARGES

Section 9.1 Maintenance of the Project by the City. The City shall, at its own expense from available City Funds, operate, manage, keep, and maintain the Project in good working order, condition, and repair, including replacements of a capital nature when necessary, and including periodic painting as reasonably determined by the Authority and in accordance with all operating and maintenance manuals and all applicable laws, rules, ordinances, orders, and regulations as shall be in effect from time to time of (i) any federal, state, City, municipal, or other governmental or quasi-governmental agencies and bodies having or claiming jurisdiction thereof and all their respective departments, bureaus, and officials; (ii) the insurance underwriting board or insurance inspection bureau having or claiming jurisdiction thereof; and (iii) all insurance companies insuring all or any part of the Project. The foregoing shall not be construed to prohibit the City from challenging the validity or applicability of such laws, rules, ordinances, orders, and regulations and to defer compliance until the challenge has been completed.

Without limiting the generality of the foregoing, the City shall, at the City's sole cost and expense, as if the City were the absolute owner thereof, from available City Funds, assume all responsibility for the Project (including all surfaces of the buildings and entrances thereto, foundations, ceilings, roof, all glass and show window moldings and all partitions, doors, fixtures, equipment, and appurtenances thereto, including lighting and plumbing systems and fixtures, sewage facilities, electric motors and heating, ventilating and air-conditioning systems, and all landscaping, parking lots, driveways, fences, and signs located on the Project Site and all sidewalks and parkways located adjacent to the Project Site) and pay all costs of any kind (including operating costs and costs of repair, whether of a capital nature or otherwise) associated therewith.

Section 9.2 Modification of the Project. The City shall have the privilege of remodeling the Project or making substitutions, additions, modifications, and improvements thereto, at its own cost and expense, and the same shall be subject to this Master Lease, the Master Resolution, and the Security Documents, and shall also be included under the terms hereof and thereof; provided, however, that such remodeling, substitutions, additions, modifications, and improvements shall not in any way damage the Project or cause it to be used for purposes other than those authorized under the provisions of this Master Lease, and the Constitution and laws of the State; and provided, however, that the Project, as remodeled, improved, or altered upon completion of such remodeling, substitutions, additions, modifications, and improvements made pursuant to this Article IX shall be of a fair rental value not less than the fair rental value of the Project immediately prior to the remodeling or the making of substitutions, additions, modifications, and improvements. The City shall not permit any mechanic's or other lien to be established or remain against the Project for labor or materials furnished in connection with any remodeling, substitutions, additions, modifications, improvements, repairs, renewals, or replacements so made by the City; provided, however, that if the City shall first notify the Authority of the intention of the City so to do, the City may in good faith contest any mechanic's or other lien filed or established against the Project, and in such event may

permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom unless the Authority shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such items the security afforded pursuant to the terms hereof and pursuant to the Master Resolution and the Security Documents will be materially endangered or the Project or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay and cause to be satisfied and discharged all such unpaid items. The Authority will cooperate fully with the City in any such contest, upon the request and at the expense of the City. Any property for which a substitution or replacement is made pursuant to this Section 9.2 may be disposed of by the City in any manner and in the sole discretion of the City.

Section 9.3 Taxes, Other Governmental Charges, and Utility Charges. In the event that the Project or any portion thereof shall, for any reason, be deemed subject to taxation, assessments, or charges lawfully made by any governmental body which may be secured by a lien against the Project, an Additional Rental, from and to the extent of City Funds, shall be paid by the City equal to the amount of all such taxes, assessments, and governmental charges then due. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the City shall be obligated to provide for Additional Rentals only for such installments as are required to be paid during that period that the City is obligated to pay Base Rentals. The City shall not allow any liens for taxes, assessments, or governmental charges to exist (including, without limitation, any taxes levied which, if not paid, will become a charge on the rentals and receipts prior to or on a parity with the charge thereon and the pledge and assignment thereof to be created and made in the Master Resolution), or any interest therein (including the interest of the Authority) or the rentals and revenues derived therefrom or hereunder. The City shall also pay as Additional Rentals, from and to the extent of available City Funds, as the same respectively become due, all gas, water, steam, electricity, heat, power, telephone, utility and other charges incurred in the operation, maintenance, use, occupancy and upkeep of the Project.

As long as the City is in possession of the Project and except as otherwise provided herein, it shall keep it free and clear of all liens, charges, and encumbrances (except Permitted Encumbrances and any encumbrances arising through the Authority) and shall have the responsibility for all management, operations, maintenance, and repair of the Project. The City in its discretion may discharge such responsibility by: (i) using its own employees; or (ii) contracting for services; or (iii) subleasing portions of the Project, subject to the provisions hereof and of the Master Resolution; or (iv) any combination of such methods. No such contract shall place a greater burden on the Authority than provided herein, nor infringe upon rights granted to or retained by the Authority hereunder, nor violate or in any way impair the Authority's obligations under the Master Resolution or any other instrument, if any, securing any debt or borrowings by the Authority, all or substantially all the proceeds of which are to be used to finance the Project. The Authority does not agree to provide anything more than the Project as herein defined, and shall have no obligation to incur any expense of any kind or character in connection with the management, operation, or maintenance of the Project during the Lease Term.

The City may, at the expense and in the name of the City, in good faith contest any such taxes, assessments, utility, and other charges and, in the event of any such contest, may permit the taxes, assessments, or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom provided the City shall first deposit with the Authority, or in court, a bond or other security satisfactory to Authority pursuant to Section 1.18 of the Leasehold Deed of Trust, Assignment of Rents and Security Agreement delivered by the Authority unless the Authority shall notify the City that, in the opinion of Independent Counsel, by nonpayment of any such items the security afforded pursuant to the terms hereof and pursuant to the Master Resolution and the Security Documents will be materially endangered or the Project or any portion thereof will be subject to loss or forfeiture, in which event such taxes, assessments, or charges shall be paid forthwith. In the event that the City shall fail to pay any of the foregoing items required by this Section 9.3 to be paid by the City, the Authority may (but shall be under no obligation to) pay the same, which amounts, together with interest thereon at a rate per annum equal to eighteen percent (18%) as of the date of payment, the City agrees to pay, from and to the extent of available City Funds.

Section 9.4 Provisions Respecting Insurance. The City agrees to insure or cause to be insured the Project against loss or damage of the kinds usually insured against by public bodies similarly situated, including, without limitation, policies of casualty and property damage insurance, by means of policies issued by reputable insurance companies duly qualified to do such business in the State with a uniform standard coverage endorsement limited only as may be provided in the standard form of extended coverage endorsement at that time in use in the State, in amounts that are not less than full insurable value of the Project. The term "full insurable value" as used herein shall mean the actual replacement value, or at the option of the City any lesser amount which is equal to or greater than the amount of all of the Bonds then Outstanding. Alternatively, the City may insure or cause to be insured under a blanket insurance policy or policies or under self-insurance which cover not only the Project but other properties in the amounts required by the previous sentence. If a program of self-insurance is used, (i) such program must provide for disbursements therefrom without the approval of the governing body of the City and (ii) such program shall be reviewed at least annually by an actuarial consultant, to insure that the reserves established are sufficient for the risks intended to be covered by such program. If self-insurance is not utilized, the policies may have a deductible clause in an amount not to exceed $100,000.

Any insurance policy issued pursuant to the preceding paragraph of this Section 9.4 shall be so written or endorsed as to make losses, if any, payable to the Authority under the Master Resolution. The Net Proceeds of the insurance required in this Section 9.4 shall be applied as provided in Section 10.2 or, at the option of the City, Section 10.3 of this Master Lease. The City may settle, adjust, or compromise any claims for loss, damage, or destruction under any policy or policies of insurance only with written approval of the Authority. Each insurance policy provided for in Section 9.4 of this Master Lease shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interest of the City or the Authority without first giving written notice thereof to the City, the Authority and the CIB at least ten (10) days in advance of such cancellation or modification. Copies of all insurance policies issued

pursuant to Section 9.4 or Section 9.5 of this Master Lease, or certificates evidencing such policies, shall be deposited with Authority.

Section 9.5 Public Liability Insurance. The City agrees to carry or cause to be carried public liability insurance with one or more reputable insurance companies in minimum amounts of $500,000 for the death of or personal injury to one person and $1,000,000 for personal injury or death for each occurrence and $300,000 for property damage for any occurrence. The Authority shall be made additional insureds under such policies. The insurance required by this Section 9.5 may be by blanket insurance policy or policies or self-insurance meeting the requirements of Section 9.4 hereof. If self-insurance is not utilized, the policies may have a deductible clause in such amount as shall be approved by the Authority.

Section 9.6 Worker's Compensation Coverage. At all times from the date hereof until the end of the Lease Term, the City shall maintain, or cause to be maintained, worker's compensation coverage with respect to officers, agents, and employees of the City working in, on or about the Project, including coverage for occupational diseases.

Section 9.7 Advances. In the event that the City shall fail to maintain the full insurance coverage required by this Master Lease or shall fail to keep the Project in good repair and operating condition, the Authority may (but shall be under no obligation to) take out the required policies of insurance and pay the premiums on the same or may make such repairs or replacements as are necessary and provide for payment thereof; which amounts, together with interest thereon at a rate of eighteen percent (18%) per annum, the City agrees to pay, from and to the extent of available City Funds.

Section 9.8 Failure to Provide Insurance. In the event the Authority pays for any insurance policies required by this Article, the City will promptly pay directly to the Authority all premiums for said insurance, and until payment is made by the City therefor, the amount of all such premiums which have been paid by the Authority shall bear interest at the per annum rate of eighteen percent (18%). The City shall, upon the Authority's reasonable request, deposit with the Authority in monthly installments an amount equal to one-twelfth of the estimated aggregate annual insurance premiums on all policies of insurance required by this Article. The City further agrees, upon the Authority's request, to cause all bills, statements, or other documents relating to the foregoing insurance premiums to be sent or mailed directly to the Authority. If at any time and for any reason the funds deposited with the Authority are or will be insufficient to pay such amounts as may then or subsequently be due, the Authority shall notify the City and the City shall immediately deposit an amount equal to such deficiency with the Authority.

Section 9.9 Evidence and Notice Regarding Insurance. Evidence of the insurance required by Sections 9.4 and 9.5 hereof shall be provided by the City to the Authority annually on or before the anniversary date of issuance of the Bonds. Policies providing said insurance shall require that notice of cancellation of any said insurance must be furnished to the Authority and the CIB by the insurance carrier thirty (30) days in advance of cancellation.

ARTICLE X

DAMAGE, DESTRUCTION, AND CONDEMNATION; USE OF NET PROCEEDS

Section 10.1 Damage, Destruction, and Condemnation. If, prior to the termination of the Lease Term and the payment in full of the Bonds (or the making of provisions for the payment thereof in accordance with the Master Resolution) (i) the Project or any material portion thereof shall be destroyed (in whole or in part), or damaged by fire or other casualty; or (ii) title to, or the temporary or permanent use of the Project or any material portion thereof or the estate of the City or the Authority in the Project or any material portion thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm, or corporation acting under governmental authority; or (iii) a material defect in construction of the Project shall become apparent; or (iv) title to or the use of all or any material portion of the Project shall be lost by reason of a defect in title thereto, the City shall be obligated, subject to the provisions of Section 10.3 of this Master Lease, to continue to pay the amounts specified in Sections 10.2, 6.2, and 6.3 of this Master Lease regardless of whether the Project shall have been accepted.

Section 10.2 Obligation of the City to Repair and Replace the Project. Subject to the provisions of Section 10.3 of this Master Lease, the City shall cause the Net Proceeds of any insurance policies, performance bonds, or condemnation awards with respect to the Project to be deposited in a separate trust fund with the Authority. All Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification, or improvement of the Project by the City upon receipt of a requisition acceptable to the Authority signed by the City Representative, stating with respect to each payment to be made: (i) the requisition number; (ii) the name and address of the person, firm, or corporation to whom payment is due; (iii) the amount to be paid; (iv) that each obligation mentioned therein has been properly incurred, is a proper charge against the separate trust fund, and has not been the basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation; and (v) such other documents and information as the Authority requires. The balance of any such Net Proceeds remaining after such repair, restoration, modification, or improvement has been completed shall be transferred to the Bond Fund to be applied to the payment of the principal of, premium, if any, and interest, if any, on the Bonds, or if said Bonds shall have been fully paid (or provision for payment thereof has been made in accordance with the provisions of the Master Resolution), any balance remaining in such separate trust fund shall be paid to the City. If the Net Proceeds shall be insufficient to pay in full the cost of any repair, restoration, modification, or improvement or to redeem all Outstanding Bonds, the City shall, from and to the extent of available City Funds, complete the work and pay any cost in excess of the amount of the Net Proceeds. The City agrees that, if by reason of any such insufficiency of the Net Proceeds, the City shall make any payments pursuant to the provisions of this Section 10.2, the City shall not be entitled to any reimbursement therefor from the Authority or the Bondholders nor shall the City be entitled to any diminution of the Base Rentals and Additional Rentals payable under Sections 6.2 and 6.3 of this Master Lease. The City further agrees that any repair, restoration, modification, or

improvement paid for in whole or in part out of such Net Proceeds shall be subject to the security afforded by the Master Resolution, this Master Lease, and the Security Documents, and shall be included under the terms hereof.

Section 10.3 Discharge of the Obligation of the City to Repair and Replace the Project. In the event that the Net Proceeds of any insurance policy, performance bond, or condemnation award made available by reason of an occurrence described in Section 10.1 of this Master Lease shall be insufficient to pay in full the cost of any repair, restoration, or modification of the Project required under Section 10.2 of this Master Lease, then the obligation to repair and replace the Project under Section 10.2 of this Master Lease may, at the option of the City, be discharged by depositing the Net Proceeds of the insurance policies, performance bonds, or condemnation awards made available by reason of such occurrence into the Bond Fund. Upon the deposit of such Net Proceeds in the Bond Fund, the City shall have no further obligation for the payment of Base Rentals and Additional Rentals hereunder, and possession of the Project as well as all rights created pursuant to this Master Lease and interest of the City and the Authority therein and in any funds or accounts created under the Master Resolution (except for moneys held for the payment of Bonds not then deemed Outstanding), shall be surrendered to the Bondholder. Thereafter, the Project may be liquidated pursuant to the provisions of the Master Resolution and Security Documents and the proceeds of such liquidation and the Net Proceeds of any insurance policy, performance bond, or condemnation award so deposited in the Bond Fund, as well as all other moneys on deposit in any fund created under the Master Resolution (except moneys held for the payment of Bonds not then deemed Outstanding), shall be applied to the redemption of the Bonds on the next succeeding redemption date. Such redemption of Bonds shall be made upon full or partial payment of the principal amount of the Bonds then Outstanding and accrued interest thereon, if any, all in accordance with the Master Resolution. In the event that available moneys shall be insufficient to redeem said Bonds by payment of an amount equal to the Outstanding principal amount thereof and accrued interest, if any, to the redemption date, no further claim for payment may be had by the Bondholders against the Authority or the City, as provided in the Master Resolution.

Section 10.4 Cooperation of the Authority. The Authority shall cooperate fully with the City at the expense of the City in filing any proof of loss with respect to any insurance policy or performance bond covering the events described in Section 10.1 of this Master Lease and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Project or any portion thereof or any property of the City in connection with which the Project is used and will, to the extent it may lawfully do so, and shall permit the City to litigate in any proceeding resulting therefrom in the name and behalf of the Authority. In no event will the Authority voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim or any prospective or pending condemnation proceeding or any part thereof without the written consent of the City Representative.

Section 10.5 Condemnation of Property Owned by the City. The City shall be entitled to the Net Proceeds of any condemnation award or portion thereof made for destruction of, damage to or taking of its property not included in the Project.

ARTICLE XI

DISCLAIMER OF WARRANTIES; COMPLIANCE WITH LAWS AND RULES; OTHER COVENANTS

Section 11.1 Disclaimer or Warranties. THE AUTHORITY MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR FITNESS FOR USE OF THE PROJECT OR ANY OF THE EQUIPMENT OR FIXTURES THEREIN OR ANY OTHER REPRESENTATION OR WARRANTY. In no event shall the Authority be liable for any incidental, indirect, special, or consequential damage in connection with or arising out of this Master Lease or the existence, furnishing, functioning, or the use by the City of any item, product, or service provided for herein.

Section 11.2 Further Assurances and Corrective Instruments. The City and the Authority agree that they will, from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Project hereby leased or intended so to be or for carrying out the intention hereof.

Section 11.3 City and Authority Representatives. Whenever under the provisions hereof the approval of the City or the Authority is required, or the City or the Authority is required to take some action at the request of the other, such approval or such request shall be given for the City by the City Representative and for the Authority by the Authority Representative, and any party hereto and the Authority shall be authorized to act on any such approval or request.

Section 11.4 Requirements of Law. During the Lease Term, the City and the Authority shall observe and comply promptly with all current and future laws, ordinances, orders, rules, and regulations as the same become effective, of the federal, state, City, and City governments and of all courts or other governmental authorities having jurisdiction over the Project or any portion thereof and of all their respective departments, bureaus, and officials, and of the insurance regulatory agencies having jurisdiction over the Project, or any portion thereof, or any other body exercising similar functions, and of all insurance companies writing policies covering the Project or any portion thereof, whether the same are in force at the commencement of the Lease Term or may in the future be passed, enacted or directed.

Section 11.5 Inspection of the Project. The City and the Authority agree that the Bondholders or their duly authorized agents shall have the right at all reasonable times to enter upon the Project and to examine and inspect the Project. The Authority and its duly authorized agents shall also be permitted, at all reasonable times, to examine the books, records, reports, and other papers of the City and the Authority with respect to the Project.

Section 11.6 Granting of Easements. As long as no Event of Nonappropriation or an Event of Default with respect to the Project shall have happened and be continuing, the City may at any time or times grant easements, licenses, rights of way (including the dedication of public highways), and other rights or privileges in the nature of easements with respect to any property or rights included in this Master Lease and the Master Resolution, free from the security interest afforded by or under this Master Lease, the Master Resolution, and the Security Documents or the City may release existing easements, licenses, rights of way, and other rights and privileges with or without consideration, and the Authority agrees that it shall execute and deliver any instrument necessary or appropriate to confirm and grant or release any such easement, license, right of way, or other grant or privilege upon receipt of: (i) a copy of the instrument of grant or release; (ii) a written application signed by the City Representative requesting such instrument and stating that such grant or release will not impair the effective use or interfere with the operation of the Project or any material portion thereof; and (iii) an opinion of Independent Counsel that such grant or release will not materially weaken, diminish, or impair the security granted to the Bondholders and contemplated hereby or hereunder or under the Master Resolution or the Security Documents.

Section 11.7 Refunding Bonds. Refunding Bonds may be issued by the Authority in accordance with the provisions of this Section 11.7 and Section 3.9 of the Master Resolution. Prior to, or concurrently with, the issuance of and delivery of Refunding Bonds, the Authority shall pay, or make provision for the payment of, all Bonds then Outstanding (other than such Refunding Bonds) as set forth in Article IX of the Master Resolution.

Section 11.8 Issuance of Additional Bonds. Additional Bonds may be issued by the Authority in accordance with the provisions of Section 3.10 of the Master Resolution and with a corresponding effect on the Base Rentals and Additional Rentals due hereunder.

ARTICLE XII

CONVEYANCE OF THE PROJECT

Section 12.1 Conveyance of the Project. The Authority's right and interest in and to the Project shall be transferred, conveyed, and assigned by the Authority to the City:

(a) Upon payment by the City of the then applicable Purchase Option Price and upon giving not less than thirty (30) days prior written notice to the Authority; or

(b) Upon payment by the City of all Base Rentals and Additional Rentals required to be paid under this Master Lease during the Original Term and each of the Renewal Terms; or

(c) Upon the discharge of the lien of the Master Resolution under Article IX thereof.

The Authority agrees to execute such documents and instruments as shall be necessary to effect a release of the security interest granted by said Master Resolution or the Security Documents upon the payment in full of the Bonds.

Section 12.2 Conveyance on Purchase of Project. At the closing of any purchase of the Project pursuant to the option to purchase granted in this Master Lease, the Authority shall, upon receipt of the Purchase Option Price, or upon the payment by the City of all Base Rentals and Additional Rentals required, or upon discharge of the lien of the Master Resolution as the case may be, deliver to the City the following:

(a) If necessary, a release by the Authority of the lien under the Master Resolution and Security Documents, together with any other instrument necessary or appropriate to release any security interest granted by this Master Lease with respect to such Project, the Master Resolution and Security Documents.

(b) All necessary documents conveying to the City good and marketable title to the Project as it then exists subject to the following: (i) those liens and encumbrances created by the City or to the creation or suffering of which the City consented; (ii) those liens and encumbrances resulting from the failure of the City to perform or observe any of the agreements on its part contained in this Master Lease; and (iii) Permitted Encumbrances, other than the Master Resolution, this Master Lease, the Security Documents, and any financing statements filed by the Authority pursuant to this Master Lease with respect to the Project or the Master Resolution.

Section 12.3 Relative Position of Option and Master Resolution. The purchase option granted to the City in this Article XII with respect to the Project shall be and remain prior and superior to the Master Resolution and the Security Documents and may be exercised whether or not an Event of Nonappropriation or an Event of Default shall have occurred and be continuing hereunder or under the Master Resolution and the Security

Documents; provided, however, that such option must be exercised before the later of (i) ninety (90) days after notification in writing by the Authority to the City of the occurrence of an Event of Default under the Master Resolution, the Master Lease, or the Security Documents or (ii) the ultimate disposition of the Project upon exercise of any available foreclosure remedy, and further provided that, as a condition of the exercise of such option, the City must pay, in addition to the Purchase Option Price, any interest payment deficiencies accruing from the date of the Event of Default or Event of Nonappropriation.

ARTICLE XIII

ASSIGNMENT, SUBLEASING, INDEMNIFICATION AND SELLING

Section 13.1 The Authority to Grant Security Interest to Bondholder. The parties hereto agree that pursuant to the Master Resolution and the Security Documents, the Authority shall and does hereby pledge and assign to the Bondholders all of the Authority's right, title, and interest in this Master Lease, except the Authority's rights to compensation from the City for expenses of the Authority under Section 6.3(d) of this Master Lease, the Authority's rights to indemnification from the City under Section 13.3 of this Master Lease and the obligation of the City to pay any attorneys' fees and expenses incurred by the Authority under Section 14.5 of this Master Lease.

Section 13.2 Assignment and Subleasing by the City. This Master Lease may not be assigned by the City for any reason. The City may, with the written consent of the Authority, enter into a sublease of all or portions of the Project without the necessity of obtaining the consent of any Bondholder; subject, however, to each of the following conditions:

(a) the Project may only be subleased or assigned to a municipality, City, district, nonprofit corporation, if those nonprofit corporations were formerly public bodies, or an agency or department of the State;

(b) this Master Lease and the obligations of the City to make payment of Base Rentals and Additional Rentals hereunder shall at all times during the Lease Term remain obligations of the City notwithstanding any sublease;

(c) the City shall, prior to the execution of a sublease, furnish, or cause to be furnished to the Authority a true and complete copy of each sublease;

(d) no sublease shall cause the Project, in whole or in part, to be used for a purpose other than a governmental or proprietary public function authorized under the provisions of the Constitution and laws of the State; and

(e) any such sublease shall be expressly subordinate to the rights of the Authority and the Bondholders under the Master Resolution, this Master Lease, and the Security Documents.

After an Event of Nonappropriation or an Event of Default and the foreclosure of the security afforded under the Master Lease, the Master Resolution, or the Security Documents, the Authority may collect the amount of the Base Rentals and Additional Rentals allocable to any sublease from any and all sublessees.

The Authority shall be empowered, after an Event of Nonappropriation or an Event of Default and the foreclosure of the security afforded under this Master Lease, the applicable Master Resolution, or the applicable Security Documents with respect to the Project, to collect the amount of the Base Rentals and Additional Rentals allocable to any

sublease from any and all sublessees, and apply the net amount collected to the Base Rentals and Additional Rentals required herein with respect to the Project, but no such collection shall be deemed a waiver of any agreement, term, covenant, or condition hereof, or the acceptance of any sublessee as lessee hereunder.

Section 13.3 Release and Indemnification Covenants. To the extent of the Net Proceeds of the insurance coverage of the City and contractor's performance and payment bonds for the Project required hereunder, the City shall and hereby agrees to indemnify and save the Authority harmless against and from all claims, by or on behalf of any person, firm, corporation, or other legal entity arising from the conduct or management of, or from any work or thing done on, the Project during the Lease Term from: (i) any condition of the Project; and (ii) any act or negligence of the City or of any of its agents, contractors, or employees or any violation of law or the breach of any covenant or warranty hereunder. The City shall indemnify and save the Authority harmless, from and to the extent of available moneys as set forth above, from any such claim arising as aforesaid from (i) or (ii) above, or in connection with any action or proceeding brought thereon and, upon notice from the Authority, shall defend them or either of them in any action or proceeding.

In exchange for the City's agreement to indemnify the Authority as provided in this Section 13.3, the Authority hereby agrees to assert any cause of action that it might have against any third parties for the benefit of the City. Furthermore, in no event will the Authority voluntarily settle or consent to the settlement of any proceeding arising out of any claim applicable to the Project without the written consent of the City Representative.

Section 13.4 References to Bonds Ineffective After Bonds Paid. Upon payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Master Resolution) and all fees and charges of Authority, all references in this Master Lease to said Bonds shall be ineffective and the Bondholders shall thereafter have no rights hereunder, saving and excepting those that shall have theretofore vested.

Section 13.5 Installation of the Furnishings and Machinery of the City. The City may from time to time in its sole discretion and at its own expense, install machinery, equipment, and other tangible property in the Project. All such machinery, equipment, and other tangible property, except any machinery, equipment, and other tangible property substituted for machinery, equipment, and tangible property purchased with proceeds of the Bonds as provided in Section 13.6, shall remain the sole property of the City, in which the Authority shall have no interest and may be removed by the City at any time; provided, however, that the City shall be obligated to repair any damage to the Project, at its own cost and expense, resulting from any such removal.

Section 13.6 Equipment Purchased with Proceeds of the Bonds. Any item of equipment shall be labeled, to the extent practicable, to indicate that it is owned by the Authority, subject to the Master Resolution, the Security Documents, and this Master Lease. Equipment of the Project financed with proceeds of the Bonds may not be relocated by the City from the Project. Any item of such equipment which shall be determined by the City to be no longer usable in connection with the Project may be sold by the City after

written notice to the Authority and upon (i) substitution of equipment of comparable or greater value or (ii) deposit of the proceeds thereof in the Bond Fund. Upon any such sale, the equipment so sold shall be released from the Master Resolution, this Master Lease, the Security Documents, and the security interest created thereunder and hereunder.

ARTICLE XIV

EVENTS OF DEFAULT AND REMEDIES

Section 14.1 Events of Default Defined. Any one of the following shall be an "Event of Default" under this Master Lease:

(a) Failure by the City to pay any Base Rentals or Additional Rentals required to be paid under Sections 6.2 and 6.3 of this Master Lease at the time specified therein, in the absence of an Event of Nonappropriation, for a period of five (5) days after written notice, specifying such failure and requesting that it be remedied, given to the City by the Authority or, in any event, a failure by the City to make such payments within fifteen (15) days after the date on which they are due; or

(b) Failure by the City to observe and perform any covenant, condition, or agreement on its part to be observed or performed, other than as referred to in (a), for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, given to the City by the Authority, unless the Authority shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the Authority shall not unreasonably withhold its consent to an extension of such time if corrective action shall be instituted by the City within the applicable period and diligently pursued until the default is corrected; or

(c) The City shall abandon any material portion of the Project; or

(d) The City's interest in this Master Lease or any part thereof with respect to the Project shall be assigned or transferred without the written consent of the Authority, either voluntarily or by operation of law, except as permitted hereunder; or

(e) The City shall file any petition or institute any proceedings wherein or whereby the City seeks to be adjudicated a bankrupt, or to be discharged from any and all of its debts or obligations, or offers to the City's creditors to effect a composition or extension of time to pay the City's debts, or seeks a reorganization or a readjustment of the City's debts, or for any other similar release, or any such petition or any such proceedings of the same or similar kind or character shall be filed, or instituted or taken against the City and the same shall not have been dismissed or otherwise resolved in favor of the City within sixty (60) days from the filing or institution thereof.

The foregoing provisions of this Section 14.1 are subject to the following limitations: (i) the obligations of the City to make payments of the Base Rentals and Additional Rentals as provided in Sections 6.2 and 6.3 of this Master Lease shall be subject to the occurrence of an Event of Nonappropriation; and (ii) if, by reason of Force Majeure, the City shall be unable in whole or in part to carry out any agreement on its part herein

contained, other than the obligations on the part of the City contained in Article VI hereof, the City shall not be deemed in default during the continuance of such inability. The City agrees, however, to remedy with all reasonable dispatch the cause or causes preventing the City from carrying out its agreement; provided, however, that the settlement of strikes, lockouts, and other industrial disturbances shall be entirely within the discretion of the City, and the City shall not be required to make settlement of strikes, lockouts, and other industrial disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the City, unfavorable to the City.

Section 14.2 Remedies on Default. Whenever any Event of Default referred to in Section 14.1 of this Master Lease shall have happened and be continuing, the Authority shall have the right, at its option or at the direction of the Bondholders as provided in the Master Resolution without any further demand or notice, to take one or any combination of the following remedial steps:

(a) Immediately reenter and take possession of the Project; or

(b) Take whatever action at law or in equity may appear necessary or desirable to enforce their or its rights in and to the Project.

The obligation of the City to vacate the Project as provided in Section 6.6 of this Master Lease shall also apply to an Event of Default. Any amounts collected pursuant to action taken under this Section 14.2 shall be paid into the Bond Fund and applied in accordance with the provisions of the Master Resolution.

Section 14.3 Limitations on Remedies. No judgment requiring a payment of money may be entered against the City by reason of an Event of Default or an Event of Nonappropriation under this Master Lease. In the event the security interest created under the Master Resolution, this Master Lease, or the Security Documents shall be foreclosed subsequent to the occurrence of an Event of Default or an Event of Nonappropriation, no deficiency judgment may be entered against the City or the Authority.

Section 14.4 No Remedy Exclusive. No remedy herein conferred upon or reserved to the Authority is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon an Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved in this Article XIV, it shall not be necessary to give any notice, other than such notice as may be required in this Article XIV.

Section 14.5 Agreement to Pay Attorneys' Fees and Expenses. In the event that either party hereto shall default under any of the provisions hereof and the nondefaulting party shall employ attorneys or incur other expenses for the collection of Base Rentals and Additional Rentals, or the enforcement of performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees

that it shall on demand therefor pay to the nondefaulting party the fees of such attorneys and such other expenses so incurred by the nondefaulting party, to the extent that such attorneys' fees and expenses may be determined to be reasonable by a court of competent jurisdiction; provided, however, that the obligation of the City under this Section 14.5 shall be subject to the availability of City Funds.

Section 14.6 No Additional Waiver Implied by One Waiver. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE XV

MISCELLANEOUS

Section 15.1 Lease Term. This Master Lease shall remain in effect from the date hereof until the termination of the Lease Term as provided in Section 4.2 of this Master Lease.

Section 15.2 Notices. All notices, certificates, or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, addressed as follows: if to the Authority, to the Municipal Building Authority of Ivins City, Utah, 55 North Main Street, Ivins City, Utah 84738, Attention: Chair/President; if to the City, to 55 North Main Street, Ivins City, Utah 84738, Attention: Mayor; and if to the Bondholders, to their address as shown on the registration list kept by the Authority. A duplicate copy of each notice, certificate, or other communication given hereunder by the Authority or the City shall also be given to the Bondholders. The Authority, the City, and the Bondholders may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, or other communications shall be sent.

Section 15.3 Binding Effect. This Master Lease shall inure to the benefit of and shall be binding upon the Authority, the City and their respective successors and assigns, subject, however, to the limitations contained in Sections 2.1(a), 2.2(b), 2.2(f), and 13.2 of this Master Lease.

Section 15.4 Severability. In the event any provision of this Master Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof and in the event any provision of this Master Lease were to invalidate the Bonds, such provision shall be rendered invalid and unenforceable, but shall not invalidate or render unenforceable any other provision hereof.

Section 15.5 Amounts Remaining in Bond Fund and Reserve Fund; Dissolution. It is agreed by the parties hereto that any amounts remaining in the Bond Fund or Reserve Fund upon expiration or sooner termination of the Lease Term, as provided in this Master Lease, after payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Master Resolution) and the fees and expenses of Authority and any paying agents in accordance with the Master Resolution, shall belong to and be paid to the City by the Authority as an overpayment of Base Rentals and Additional Rentals. Upon dissolution of the Authority, after payment in full of the Bonds (or provision for payment thereof having been made in accordance with the provisions of the Master Resolution) and payment in full of other obligations of the Authority, any assets and net earnings of the Authority shall be paid to the City in accordance with the Authority Act.

Section 15.6 Amendments, Changes, and Modifications. Subsequent to the issuance of Bonds and prior to their payment in full (or provision for the payment thereof

having been made in accordance with the provisions of the Master Resolution), and except as otherwise herein expressly provided, this Master Lease may not be effectively amended, changed, modified, altered, or terminated except as provided in the Master Resolution.

Section 15.7 Execution in Counterparts. This Master Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 15.8 Net Lease. This Master Lease shall be deemed and construed to be a "net lease," and the City shall pay absolutely net during the Master Lease Term the Base Rentals, Additional Rentals and all other payments required hereunder, free of any deductions, and without abatement, deduction, or setoff, other than those herein expressly provided.

Section 15.9 Applicable Law. This Master Lease shall be governed by and construed in accordance with the laws of the State.

Section 15.10 Captions. The captions or headings in this Master Lease are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or Sections of this Master Lease.

Section 15.11 No Personal Liability. No person executing this Master Lease or any of the Bonds, the Master Resolution or the Security Documents shall be subject to personal liability or accountability by reason of such action or the issuance of the Bonds.

IN WITNESS WHEREOF, the Authority has caused this Master Lease to be executed in its corporate name with its corporate seal hereunto affixed and attested by a duly authorized officer. The City has executed this Master Lease in its name with the seal of its City Recorder hereunto affixed and attested by a duly authorized officer. All of the above occurred as of the date first above written.

MUNICIPAL BUILDING AUTHORITY
OF IVINS CITY, UTAH

(SEAL)

By:_____
Chair/President

ATTEST:

By:_____
Secretary-Treasurer

IVINS CITY, UTAH

(SEAL)

By:_____
Mayor

ATTEST:

By:_____
City Recorder

STATE OF UTAH)
: ss.
COUNTY OF WASHINTON)

On this _____, 2020, before me, the undersigned notary, personally appeared _____ and _____, the Chair/President and the Secretary-Treasurer, respectively, of the Municipal Building Authority of Ivins City, Utah, who are personally known to me or who proved to me their identities through documentary evidence to be the persons who signed the preceding document in my presence and who swore or affirmed to me that their signatures are voluntary.

_____
NOTARY PUBLIC

STATE OF UTAH)
: ss.
COUNTY OF WASHINGTON)

On this _____, 2020, before me, the undersigned notary, personally appeared _____ and _____, the Mayor and City Recorder, respectively, of Ivins City, Utah, who are personally known to me or who proved to me their identities through documentary evidence to be the persons who signed the preceding document in my presence and who swore or affirmed to me that their signatures are voluntary.

_____
NOTARY PUBLIC

EXHIBIT A

The Project is described as follows:

Description of Project: The construction of a new City hall and all related improvements.

Description of Project Site: Ivins City, Utah:

EXHIBIT B

LEASE PAYMENT SCHEDULE
SERIES 2020

Date (_____)	Principal	Interest	Reserve Fund Requirement	Series 2020 Payment