

When Recorded Please Return to:
Christopher E. Bramhall
Chapman and Cutler
50 South Main Street, Suite 800
Salt Lake City, Utah 84144

Document No. 4

E# 922748 BK 1404 PG 877
CAROL DEAN PAGE, DAVIS CNTY RECORDER
1991 APR 9 9:59 AM FEE 60.00 DEP SHH
REQ'D FOR SECURITY TITLE COMPANY

SECURITY TITLE CO.

Order No. 9412C

RETURNED

COUNTY MENTAL HEALTH FACILITIES LEASE AGREEMENT

APR - 9 1991

SW 20-2N-1E
SE 1/4N-1E
S. 1/4 1E-1E

Dated as of April 1, 1991

Between

the

MUNICIPAL BUILDING AUTHORITY OF DAVIS COUNTY, UTAH,

Lessor,

14 000 000
12 000 000
P. 100 000 000

and

DAVIS COUNTY, UTAH,

Lessee.

As set forth in Sections 4.05 and 11.02(c) hereof, the interest of the Municipal Building Authority of Davis County, Utah in this County Mental Health Facilities Lease Agreement and all Base Rentals and certain other amounts receivable hereunder have been assigned to Zions First National Bank, as trustee under that certain Indenture of Trust, Mortgage, Assignment of County Mental Health Facilities Lease Agreement and County Mental Health Facilities Ground Lease and Security Agreement, dated as of April 1, 1991, between the Municipal Building Authority of Davis County, Utah, and Zions First National Bank, as trustee, and are subject to the lien and security interest of Zions First National Bank, as trustee. For the purpose of perfecting a security interest in this County Mental Health Facilities Lease Agreement by the Trustee under Article 9 of the Utah Uniform Commercial Code, or otherwise, only the counterpart delivered, pledged and assigned to said Trustee shall be deemed the original.

When Recorded Please Return to:
Christopher E. Bramhall
Chapman and Cutler
50 South Main Street, Suite 800
Salt Lake City, Utah 84144

Document No. 4

00922248 BK 1404 PG 878

COUNTY MENTAL HEALTH FACILITIES LEASE AGREEMENT

Dated as of April 1, 1991

Between

the

MUNICIPAL BUILDING AUTHORITY OF DAVIS COUNTY, UTAH,

Lessor,

and

DAVIS COUNTY, UTAH,

Lessee.

As set forth in Sections 4.05 and 11.02(c) hereof, the interest of the Municipal Building Authority of Davis County, Utah in this County Mental Health Facilities Lease Agreement and all Base Rentals and certain other amounts receivable hereunder have been assigned to Zions First National Bank, as trustee under that certain Indenture of Trust, Mortgage, Assignment of County Mental Health Facilities Lease Agreement and County Mental Health Facilities Ground Lease and Security Agreement, dated as of April 1, 1991, between the Municipal Building Authority of Davis County, Utah, and Zions First National Bank, as trustee, and are subject to the lien and security interest of Zions First National Bank, as trustee. For the purpose of perfecting a security interest in this County Mental Health Facilities Lease Agreement by the Trustee under Article 9 of the Utah Uniform Commercial Code, or otherwise, only the counterpart delivered, pledged and assigned to said Trustee shall be deemed the original.

TABLE OF CONTENTS

(This Table of Contents is not a part of this County Mental Health Facilities Lease Agreement, but is for convenience of reference only.)

<u>Section</u>	<u>Page</u>
Parties	1
Recitals	1
ARTICLE I	
<u>DEFINITIONS</u>	
1.01. Definitions	2
ARTICLE II	
<u>DEMISE</u>	
2.01. Demise of the Leased Property	5
ARTICLE III	
<u>TERM OF THE LEASE</u>	
3.01. Commencement of the Term of the Lease	6
3.02. Expiration or Termination of the Term of the Lease	7
3.03. Effect on the Lessee of Expiration or Termination of the Term of the Lease	7
ARTICLE IV	
<u>RENTALS PAYABLE</u>	
4.01. Rentals Payable	8
4.02. Consideration	10
4.03. Covenant to Request Appropriations	10
4.04. Limitations on Liability	11
4.05. Base Rentals Assigned; Unconditional Obligation	12
4.06. Payment	12
4.07. Credit on Base Rentals	12
4.08. Application of Base Rentals	13

4.09. Nonappropriation 13
 4.10. Advances by the Trustee 14
 4.11. Lease Not to Constitute "True" Lease 14

ARTICLE V

REFUNDING OF SERIES 1982 BONDS; INVESTMENTS;
 ARBITRAGE CERTIFICATIONS

5.01. Refunding of Series 1982 Bonds 15
 5.02. Investment of Bond Fund, Costs of Issuance Fund,
 Reserve Fund, Redemption Fund and
 Insurance Fund 15
 5.03. Special Arbitrage Certifications 15

ARTICLE VI

MAINTENANCE AND OPERATION

6.01. Maintenance and Operation 16
 6.02. Care of the Leased Property 16
 6.03. Loss and Damage 17

ARTICLE VII

INSURANCE PROVISIONS

7.01. Insurance 17

ARTICLE VIII

TAXES

8.01. Taxes 19

ARTICLE IX

ALTERATIONS, ADDITIONS AND IMPROVEMENTS

9.01. Alterations, Additions and Improvements
 to the Leased Property 20
 9.02. Title to Alterations, Additions and Improvements 21
 9.03. Lessee's Equipment 21

ARTICLE X

DAMAGE OR DESTRUCTION; CONDEMNATION

10.01. Damage, Destruction and Condemnation 22

ARTICLE XI

ASSIGNMENTS

11.01. Assignments by Lessee 23
 11.02. Assignments by Lessor in General
 Without Release of Liability 24
 11.03. Lessor's Assignment as a Whole
 and Release From Liability 24
 11.04. Replacement of the Lessor 25
 11.05. Subordination and Attornment 25

ARTICLE XII

REPRESENTATIONS, COVENANTS AND WARRANTIES

12.01. Representations, Covenants and Warranties
 of the Lessee 25
 12.02. Representations, Covenants and Warranties
 of the Lessor 29

ARTICLE XIII

AMENDMENTS

13.01. Amendments, Changes and Modifications 31
 13.02. Amendments by Lessor and Lessee Only 32

ARTICLE XIV

VESTING OF TITLE

14.01. Vesting of Title 32

ARTICLE XV

RIGHT OF ENTRY; LIENS; QUIET ENJOYMENT

15.01.	Right of Entry	33
15.02.	Liens	33
15.03.	Covenant of Quiet Enjoyment	33

ARTICLE XVI

EVENTS OF DEFAULT; REMEDIES

16.01.	Events of Default Defined	33
16.02.	Remedies on Default	35
16.03.	Surrender of Leased Property	35
16.04.	Limitations on Remedies	36
16.05.	Remedies Cumulative	36
16.06.	Waiver	36
16.07.	Curing Lessee's Breach	36

ARTICLE XVII

MISCELLANEOUS

17.01.	Notices	37
17.02.	Governing Law	37
17.03.	Lessee's Obligation to Operate	37
17.04.	Execution in Counterparts	37
17.05.	Severability	37
17.06.	Successors and Assigns; Third Party Beneficiaries	38
17.07.	Limitation of Warranty	38
17.08.	Captions and Headings	38
17.09.	"Net Lease"	38
17.10.	Provision for Payment	38
17.11.	No Merger	38
17.12.	Action by the Lessee	38

Signatures and Seals	39
----------------------------	----

Acknowledgments	40
-----------------------	----

EXHIBIT A	Description of Facilities	A-1
EXHIBIT B	Description of Sites	B-1
SCHEDULE I	Schedule of Base Rental Payments	
EXHIBIT C	Notice of Extension of Lease Term	C-1

COUNTY MENTAL HEALTH FACILITIES LEASE AGREEMENT

THIS COUNTY MENTAL HEALTH FACILITIES LEASE AGREEMENT, dated as of April 1, 1991 (the or this "Lease"), by and between the MUNICIPAL BUILDING AUTHORITY OF DAVIS COUNTY, UTAH (the "Lessor"), a Utah nonprofit corporation acting as a public entity and instrumentality of the State of Utah, whose mailing address is 28 East State Street, Farmington, Utah 84025, and DAVIS COUNTY, UTAH (the "Lessee"), a county duly organized and existing under the laws of the State of Utah, whose mailing address is 28 East State Street, Farmington, Utah 84025,

WITNESSETH:

WHEREAS, Davis County, Utah (the "Lessee") has organized the Lessor solely for the purpose of (a) accomplishing the public purposes for which the Lessee exists by acquiring, improving or extending any improvements, facilities or properties (whether real or personal) and appurtenances to them which the Lessee is authorized or permitted by law to acquire, including, but not limited to, public buildings or other structures of every nature or any joint or partial interest in the same, which improvements, facilities, properties and appurtenances need not be situated within the boundaries of the Lessee and (b) financing the costs of such projects on behalf of the Lessee in accordance with the procedures and subject to the limitations of the Utah Municipal Building Authority Act, Title 17A, Chapter 3, Part 9, Utah Code Annotated 1953, as amended (the "Act"); and

WHEREAS, the Lessor has heretofore (a) issued \$1,100,000 aggregate principal amount of its Revenue Bonds, Series 1982 (the "Series 1982 Bonds") which are presently outstanding in the aggregate principal amount of \$755,000, pursuant to the Act and that certain Indenture of Trust and Pledge, dated as of May 15, 1982 (the "Series 1982 Indenture"), between the Lessor and Zions First National Bank, as trustee, (b) applied a portion of the proceeds of the Series 1982 Bonds to the acquisition of two parcels of real property ("Parcels A and B") and the acquisition, construction, installation and improvement of Parcels A and B and on a third parcel of real property ("Parcel C") owned by the Lessee and leased to the Lessor pursuant to that certain Ground Lease Agreement, dated as of May 15, 1982 (the "Series 1982 Ground Lease"), between the Lessee, as lessor and the Lessor, as lessee (Parcels A, B and C being collectively referred to herein as the "Sites"), of certain buildings, equipment and related improvements and structures for use by (or on behalf of) the Lessee in connection with the provision of certain mental health services within the Lessee (the Sites and such buildings, equipment, improvements and structures being collectively referred to herein as the "Leased Property"), and (c) leased the Leased Property to the Lessee pursuant to that certain Lease Agreement, dated as of May 15, 1982 (the "Series 1982 Lease") between the Lessor, as lessor and the Lessee, as lessee; and

WHEREAS, the Lessor desires to advance refund the Series 1982 Bonds for the purpose of achieving an interest cost savings, and for this purpose has determined to issue \$800,000 aggregate principal amount of its Lease Revenue Refunding Bonds (County Mental Health Facilities), Series 1991 (the "Bonds"); and

WHEREAS, upon the defeasance of the Series 1982 Bonds, the Series 1982 Lease and the Series 1982 Ground Lease shall terminate pursuant to the terms thereof; and

WHEREAS, the Lessor and the Lessee desire, simultaneously with the execution and delivery of the Bonds, to enter into this Ground Lease, pursuant to which the Lessee shall lease to the Lessor, and the Lessor shall lease from the Lessee, Parcel C; and

WHEREAS, the Lessor and the Lessee have agreed, simultaneously with the execution and delivery of the Bonds, to enter into that certain County Mental Health Facilities Lease Agreement, dated as of the date hereof (the "Lease"), pursuant to which the Lessor has agreed to lease the Leased Property to the Lessee; and

WHEREAS, the Lessee and the Lessor are respectively empowered to enter into this Lease pursuant to applicable law, including particularly Section 17A-3-905(1), Utah Code Annotated 1953, as amended; and

WHEREAS, the Lessee agrees and consents to the assignment of the Lessor's interest herein to the trustee for the Bonds for security purposes and to the other terms and conditions thereof all as herein provided for the purpose of providing for the refunding and defeasance of the Series 1982 Bonds;

NOW THEREFORE, FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES AND AGREEMENTS HEREIN CONTAINED, THE PARTIES HERETO AGREE AS FOLLOWS:

ARTICLE I

DEFINITIONS

1.01. Definitions. All words and phrases defined in Article I of the Indenture shall have the same meaning when used in this Lease. In addition, the following words and phrases shall have the following meanings for all purposes of this Lease:

"Additional Rentals" shall mean the amount or amounts payable by the Lessee pursuant to Section 4.01(b) hereof.

"Authorized Lessee Representative" shall mean the person or persons at the time designated, by written certificate furnished to the Lessor and the Trustee, as the person or persons authorized to act on behalf of the Lessee. Such certificate shall contain the specimen signature of such person or persons, shall be signed on behalf of the Lessee by its Chairman and may designate an alternate or alternates. The Authorized Lessee Representative may, but need not, be an employee of the Lessee.

"Authorized Lessor Representative" shall mean the person or persons at the time designated, by written certificate furnished to the Lessee and the Trustee, as the person or persons authorized to act on behalf of the Lessor. Such certificate shall contain the specimen signature of such person or persons, shall be signed on behalf of the Lessor by its President or Vice President and may designate an alternate or alternates. The Authorized Lessor Representative may, but need not, be an employee of the Lessor.

"Base Rental Payment Date" shall mean the twentieth day of each January and July during the term of the Lease.

"Base Rentals" shall mean the amount or amounts (comprised of a principal component and an interest component) payable by the Lessee pursuant to Section 4.01(a)

hereof in consideration of the use and enjoyment of the Leased Property during the term of this Lease, on the dates and in the amounts as set forth in the Base Rental Payment Schedule specified in Schedule I attached hereto and as such Schedule I may be revised hereafter in accordance with Section 607 of the Indenture. In the event of a partial redemption of Bonds or the issuance of Additional Bonds as provided in the Indenture, the Base Rentals are to be recalculated by the Trustee and provided to and binding upon the Lessee as more fully set forth in Section 4.01(a) hereof and Section 607 of the Indenture.

"Bond Counsel" shall mean an attorney at law or a firm of attorneys (which shall be mutually acceptable to the Lessee and the Trustee) of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on obligations issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America.

"Code" shall mean the Internal Revenue Code of 1986, as amended and supplemented from time to time, and any applicable regulations thereunder.

"Event of Default" shall mean one or more of the events described in Section 16.01 hereof.

"Event of Nonappropriation" shall mean a nonrenewal of the term of the Lease by the Lessee, determined by the failure or refusal of the governing body of the Lessee to appropriate, specifically with respect to the Lease, moneys sufficient (after taking into account any moneys legally available for such purpose) to pay the Base Rentals and reasonably estimated Additional Rentals (calculated as provided in Section 4.01(b) hereof) for the next succeeding Renewal Term as provided herein or determined by the unavailability of such moneys for such purpose for any other reason. The existence or nonexistence of an Event of Nonappropriation shall be determined as of the date on which the governing body of the Lessee fails or refuses to adopt a final budget in accordance with applicable law which appropriates sufficient moneys to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term as contemplated by Section 3.01 hereof or on any earlier or later date on which the Trustee receives written notification from the Lessee that the governing body of the Lessee has failed or refused to make such appropriations and the term of the Lease will not be renewed; provided, however, that the Trustee may waive any Event of Nonappropriation which is cured by the Lessee within a reasonable time if, in the Trustee's judgment, such waiver is in the best interests of the owners of the Bonds, except as otherwise provided in Section 4.09(a) hereof.

"Facilities" shall mean, collectively, all buildings, improvements, structures, additions, renovations, remodelings, open parking areas and fixtures, equipment, appliances, furniture, furnishings, machinery, inventory, supplies, maintenance and repair equipment and other equipment, located on or attached to Parcels A, B and C, and to be used (i) in the case of Parcel A, as a facility to provide outpatient services, including psychiatric and psychological assessment and diagnosis, individual psychotherapy and family, marital and group psychotherapy, (ii) in the case of Parcel B, as an alcohol recovery center in a community-oriented residential treatment program for substance abusers, and (iii) in the case of Parcel C, as a facility to provide therapeutic treatment and support in the community for psychiatric clients, including community based living arrangements and mental health and rehabilitation services to prevent inappropriate or unnecessary hospitalization, all as more particularly described in Exhibit A attached hereto.

"Fiscal Year" shall mean the twelve-month period used from time to time by the Lessee for its financial accounting purposes, such period currently extending from January 1 to the next succeeding December 31.

"Ground Lease" shall mean that certain County Mental Health Facilities Ground Lease, dated as of the date hereof, with respect to the leasing by the Lessee, as ground lessor, of Parcel C to the Lessor, as ground lessee, in connection with the operation of a portion of the Facilities, and any amendments and supplements thereto as therein and in the Indenture provided.

"Indenture" shall mean that certain Indenture of Trust, Mortgage, Assignment of County Mental Health Facilities Lease Agreement and County Mental Health Facilities Ground Lease and Security Agreement, dated as of the date hereof, between the Lessor, as trustor, mortgagor and debtor, and the Trustee, as trustee, mortgagee and secured party, and any amendments and supplements thereto as therein provided.

"Initial Term" shall have the meaning specified in Section 3.01 hereof.

"Lease" shall mean this County Mental Health Facilities Lease Agreement, including the Exhibits and Schedule attached hereto and incorporated herein, and any amendments and supplements hereto as herein and in the Indenture provided.

"Leased Property" shall mean, collectively, the Sites and the Facilities, leased and to be leased to the Lessee pursuant hereto.

"Lessee" shall mean Davis County, Utah, a county duly organized and existing under the laws of the State of Utah, in its capacity as lessee hereunder, and any public body or public corporation succeeding to its rights and obligations under this Lease or the Ground Lease. Any reference herein to the "governing body" of the Lessee shall refer to the Board of County Commissioners of Davis County, Utah, and to any successor governing body as authorized by applicable law.

"Lessee's Counsel" shall mean the elected or duly appointed attorney of Davis County, Utah or his designee, who regularly or by special appointment represents the Lessee in legal matters.

"Lessor" shall mean the Municipal Building Authority of Davis County, Utah, a Utah nonprofit corporation acting as a public entity and instrumentality of the State of Utah and performing essential governmental functions on behalf of the Lessee, and any successor to the duties or functions of the Lessor.

"Parcel A" shall mean that certain tract of land situated in Davis County, Utah, identified as such and more particularly described on Exhibit B attached hereto.

"Parcel B" shall mean that certain tract of land situated in Davis County, Utah, identified as such and more particularly described on Exhibit B attached hereto.

"Parcel C" shall mean that certain tract of land situated in Davis County, Utah, identified as such and more particularly described on Exhibit B attached hereto.

"Permitted Encumbrances" shall mean, as of any particular time, (a) liens for taxes, assessments and other governmental charges not then delinquent; (b) this Lease, the Indenture, the Ground Lease and any financing statements naming the Issuer or the Lessee as debtor and naming the Issuer or the Trustee as secured party now or hereafter filed to perfect the mortgage lien and security interests granted by the Indenture and this Lease; (c) utility, access and other easements and rights-of-way, mineral rights, restrictions and exceptions that an Authorized Lessee Representative certifies to the Trustee will not materially interfere with or impair the operations being conducted in or on the Leased Property (or, if no operations are being conducted therein or thereon, the operations for which the Leased Property was designed or last modified); (d) any mechanic's, laborer's, materialmen's, supplier's or vendor's lien or right in respect thereof if payment is not yet due and payable under the contract in question; (e) such minor defects, irregularities, encumbrances, easements, rights-of-way and clouds on title as normally exist with respect to properties similar in character to the Leased Property and (i) do not, in the opinion of an architect approved by the Trustee, certified in writing to the Trustee, materially impair the property affected thereby for the purpose for which it was acquired or is held by the Issuer or the Lessee or (ii) are adequately insured against by a title insurance policy reasonably satisfactory to the Trustee and the Lessee; and (f) any liens or encumbrances being contested as provided in Section 8.01(c) or 9.01(b) hereof.

"Renewal Term" shall have the meaning specified in Section 3.01 hereof.

"Rentals" shall mean the total amount of the Base Rentals and the Additional Rentals payable during the Initial Term and each Renewal Term hereunder.

"Series 1982 Indenture" shall mean that certain Indenture of Trust and Pledge, dated as of May 15, 1982, between the Issuer and Zions First National Bank, as trustee, relating to the Series 1982 Bonds.

"Sites" shall mean, collectively, Parcels A, B and C.

"Term of the Lease" or "Term of this Lease" with respect to the possessory interest of the Lessee shall mean the Initial Term and any Renewal Terms as to which the Lessee exercises its option to renew the term of the Lease as provided in Section 3.01 hereof, subject to the provisions hereof concerning termination of certain of the Lessee's obligations hereunder.

"Trustee" shall mean Zions First National Bank, of Salt Lake City, Utah, and its successors and any corporation resulting from or surviving any consolidation or merger to which it or its successors may be a party and any successor trustee at the time serving as successor trustee under the Indenture.

ARTICLE II

DEMISE

2.01. Demise of the Leased Property. The Lessor does hereby rent, lease and demise to the Lessee, and the Lessee does hereby take, accept and lease from the Lessor, the Leased Property, subject to Permitted Encumbrances, on the terms and conditions and for the purposes herein set forth, together with all easements, rights and appurtenances in connection therewith or thereto belonging, to have and to hold for the term of the Lease.

ARTICLE III

TERM OF THE LEASE

3.01. Commencement of the Term of the Lease. The initial term of this Lease shall commence as of April 1, 1991, and shall expire at midnight on December 31, 1991 (the "Initial Term"), subject to the Lessee's option to extend the term of this Lease for five (5) additional and consecutive one-year renewal terms commencing on January 1 of the years 1992 through 1996, and a final renewal term commencing January 1, 1997, and ending August 2, 1997 (herein referred to individually as the "Renewal Term" and collectively as the "Renewal Terms"). The terms and conditions of this Lease during any Renewal Term shall be the same as the terms and conditions during the Initial Term, except that the Base Rentals will be as specified in Schedule I attached hereto for each such Renewal Term, as such Schedule may be revised as provided in Section 607 of the Indenture. Each option shall be exercised by the adoption by the governing body of the Lessee of a final budget in accordance with applicable law which appropriates, specifically with respect to the Lease, moneys sufficient (after taking into account any moneys legally available for such purpose) to pay the Base Rentals and reasonably estimated Additional Rentals (calculated as provided in Section 4.01(b) hereof) for the next succeeding Renewal Term as provided herein. The adoption of such final budget, after the holding of any required public hearing and compliance with the procedures required by applicable law, shall constitute the specified notice within the meaning and for the purposes of Section 17A-3-905(3)(a) of the Act and automatically extend the term of the Lease for the succeeding Renewal Term without any further action required by any officers or officials of the Lessee. Within ten (10) days after the adoption of such final budget, the Lessee shall deliver written notice (which notice may be substantially in the form attached hereto as Exhibit C) to the Trustee stating that the Lessee has extended the term of this Lease for the succeeding Renewal Term, describing in reasonable detail the actions taken by the governing body of the Lessee (if such actions are then required to pay any Rentals hereunder or, if no such actions are then required, explaining the reasons therefor) to appropriate funds sufficient for the purpose of paying the Base Rentals and reasonably estimated Additional Rentals (calculated as provided in Section 4.01(b) hereof) to become due during such succeeding Renewal Term, and stating, if such is the case, the amount of any deficiency in such appropriation and whether or not the Lessee believes such deficiency will cause it to be unable to pay Rentals coming due hereunder during the next succeeding Renewal Term. Unless the Trustee shall have previously received the foregoing notice applicable to the next succeeding Renewal Term, the Trustee shall, on or prior to December 10 of each year, make inquiry of the Lessee as to whether the Lessee has extended the term of this Lease and whether the governing body of the Lessee shall have made the appropriation necessary to pay the Base Rentals and reasonably estimated Additional Rentals to become due during such succeeding Renewal Term. The Lessee shall deliver written notice to the Trustee as soon as practicable, but in no event later than the expiration of the Initial Term or the then current Renewal Term, stating (if such is the case) that the governing body of the Lessee has failed or refused to appropriate, specifically with respect to the Lease, moneys sufficient to pay such Base Rentals and reasonably estimated Additional Rentals for the next succeeding Renewal Term and stating what actions the Lessee and its officials propose to take with respect to the Lease, the Leased Property and any budgetary procedures for any Rentals that may thereafter accrue. The option hereby granted may not be exercised at any time during which an Event of Default or an Event of Nonappropriation (except as otherwise provided in Section 4.09 hereof) has occurred and is then continuing under any of the terms of this Lease; provided, however, that if the Event of Default complained of (money payments excepted) is of such nature that the same is curable but not within the period

allowed for curing such Event of Default, then the right of the Lessee to exercise the option hereby granted shall not be suspended if the Lessee shall have promptly commenced within such period to comply with the provisions hereof which shall have been breached by it and if and so long as the Lessee shall, with diligence and continuity, proceed to cure such Event of Default.

In the event the governing body of the Lessee is precluded, pursuant to the provisions of Section 59-2-923, Utah Code Annotated 1953, as amended, from adopting a final budget on or prior to December 15 of any year, the Trustee may waive an Event of Nonappropriation occurring as a result of the failure to so adopt a final budget, provided that the Trustee receives assurances satisfactory to the Trustee that the final budget will be adopted on the earliest date allowable under applicable law and will include the appropriation to pay Rentals described in the preceding paragraph, and provided further that any Rentals which become due and payable pursuant to the terms of this Lease prior to the adoption of such final budget shall be paid by the Lessee in accordance with the tentative budget adopted by the governing body of the Lessee, as authorized pursuant to Section 59-2-923, Utah Code Annotated 1953, as amended.

3.02. Expiration or Termination of the Term of the Lease. The term of the Lease will expire or terminate, as appropriate, as to the Lessee's right of possession of the Leased Property as described in Section 3.03 hereof upon the first to occur of any of the following events: (a) the expiration of the Initial Term or any Renewal Term during which there occurs an Event of Nonappropriation (which is not thereafter waived by the Trustee as herein provided); (b) an Event of Default and a termination of the term of the Lease as to the possessory interest of the Lessee by the Trustee as herein provided; (c) discharge of the Indenture as therein provided; or (d) August 2, 1997, which date constitutes the day following the last Bond Payment Date of the final Renewal Term of the Lease, or such later date as all Rentals required hereunder shall be paid; provided, however, that nothing herein shall be construed to extend the term of the Ground Lease or to extend the term of the Lease beyond the estimated useful life of the Facilities as set forth in Section 12.01(p) hereof).

3.03. Effect on the Lessee of Expiration or Termination of the Term of the Lease. The expiration or termination of the term of the Lease as to the Lessee's right of possession and use of the Leased Property pursuant to Section 3.02 hereof shall terminate all obligations of the Lessee hereunder (except to the extent that the Lessee incurred any obligation to pay Rentals from moneys theretofore appropriated and available for such purpose) and shall terminate the Lessee's rights of use, occupancy and operation of the Leased Property (except to the extent of any conveyance of the Facilities and Parcels A and B to the Lessee pursuant to Article XIV hereof, and except to the extent of the Lessee's interest in Parcel C upon expiration of the Ground Lease); provided, however, that all other terms of this Lease and the Indenture, including all obligations of the Trustee with respect to the owners of the Bonds and the receipt and disbursement of funds, shall be continuing until the lien of the Indenture is discharged or foreclosed, as provided in the Indenture, except that all obligations of the Lessee to pay any amounts to the Bondowners and the Trustee hereunder shall thereafter be satisfied only as provided in the Indenture. The termination or expiration of the term of the Lease as to the Lessee's right of possession and use pursuant to Section 3.02 hereof, of itself, shall not discharge the lien of the Indenture.

ARTICLE IV

RENTALS PAYABLE

4.01. Rentals Payable. The Lessee shall pay the Base Rentals and the Additional Rentals (but shall not be entitled to prepay or cause to be prepaid any such Base Rentals or Additional Rentals, except as otherwise expressly provided in the Indenture or in Section 10.01(c) hereof, in which event such moneys shall be applied to the redemption of the Bonds in accordance with Section 602 of the Indenture) in the amounts, at the times and in the manner set forth herein, said amounts constituting in the aggregate the total of the annual Rentals payable under this Lease, as follows:

(a) Base Rentals. The Lessee agrees, subject to the availability of appropriations of funds to it therefor and other moneys legally available for the purpose, and otherwise subject to the limitations of Section 4.04 hereof, to pay to the Trustee for the account of the Lessor as provided in Section 4.06 hereof in arrears during each Renewal Term (i) base rental representing a principal component payable in the respective annual installments and on the respective July 20 of each year commencing July 20, 1991, as indicated in the Base Rental Payment Schedule under the column entitled "Principal Component" attached as Schedule I hereto and (ii) base rental representing an interest component in annual installments and on January 20 and July 20 of each year, commencing July 20, 1991 as indicated in the Base Rental Payment Schedule under the column entitled "Interest Component" attached as Schedule I hereto. Said Base Rentals shall be paid as in this Section provided for the use, occupancy and operation of the Leased Property during the Initial Term and during each of the succeeding Renewal Terms as to which the Lessee has exercised its option to extend the term of the Lease pursuant to Section 3.01 hereof. The Lessee understands that the Base Rental Payment Schedule attached as Schedule I hereto may be revised from time to time based on the redemption of Bonds or the issuance of any Additional Bonds as provided under Section 607 of the Indenture. The Lessee hereby agrees to pay the Base Rentals in accordance with the Base Rental Payment Schedule attached as Schedule I hereto as it may be revised from time to time by such amounts as are necessary to reflect the redemption of the principal of certain Bonds or to pay the principal of the Additional Bonds and interest on such Additional Bonds in an amount necessary to enable the sale of the Additional Bonds at par.

(b) Additional Rentals. In addition to the Base Rentals hereinabove set forth, and as part of the total Rentals during each Renewal Term during the term of the Lease, the Lessee shall pay on a timely basis, but only from legally available funds appropriated for such purposes or otherwise legally available therefor (provided that the Lessee shall not be obligated to seek out such additional sources), to the parties entitled thereto an amount or amounts (the "Additional Rentals") for the Renewal Term to which the following items apply or relate, equivalent to the sum of the following:

(i) the annual fee of the Trustee for the ordinary services of the Trustee rendered and its ordinary expenses incurred under the Indenture and any Tax Certificate;

(ii) the reasonable fees and charges of the Trustee, any paying agent and any registrar appointed under the Indenture with respect to the Bonds for acting as trustee, paying agent and registrar as provided in the Indenture, including but not limited to those payable pursuant to Section 1004 of the Indenture, and any amount payable as indemnification pursuant to the last paragraph of Section 1004 of the Indenture;

(iii) the reasonable fees and charges of the Trustee for extraordinary services rendered by it and extraordinary expenses incurred by it as Trustee under the Indenture;

(iv) the reasonable fees and out-of-pocket expenses of the Lessor relating to the Leased Property not otherwise required to be paid by the Lessee under the terms of this Lease, including but not limited to all costs of legal, accounting and auditing services;

(v) the costs of maintenance, operation and repair with respect to the Leased Property and utility charges as required under Article VI hereof and any costs to repair, rebuild or replace the Leased Property as required in Section 10.01 hereof;

(vi) the costs of casualty, public liability, property damage and workers' compensation insurance as required under Article VII hereof and the costs related to any self-insurance carried or required to be carried by the Lessee as provided in Section 7.01(c) hereof;

(vii) the costs of taxes and governmental charges and assessments as required under Article VIII hereof;

(viii) 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 (however denominated), if any shall ever become due, levied, assessed or imposed by the State of Utah or any political subdivision thereof upon the Base Rentals payable hereunder or upon the Leased Property or any of the Revenues;

(ix) any amount required to be deposited with the Trustee into the Reserve Fund in order to maintain in the Reserve Fund an amount equal to the Reserve Fund Requirement on November 1 of each year in which this Lease is in effect, including but not limited to reimbursing the Reserve Fund for any amount withdrawn therefrom pursuant to Section 411(a) of the Indenture or for any reduction in value of the securities held in the Reserve Fund as described in Section 411(d) of the Indenture;

(x) any amount of interest required to be paid on any of the foregoing items as a result of the Lessee's failure to pay any such items when due, as required by Section 4.06 hereof, or any amount of interest required to be paid pursuant to Section 4.10 hereof; and

(xi) any additional payment required to be made pursuant to any Tax Certificate to maintain the excludability from gross income for federal income tax purposes of interest on any Bonds, together with an amount equal to the costs and expenses incurred by the Lessor to calculate the amount of any required payment, or to otherwise comply with the provisions of any Tax Certificate.

Prior to November 1 of each year during the term of the Lease, the Trustee will, in accordance with Section 1013(c) of the Indenture, provide a statement to the Lessee of the amount of the estimated Additional Rentals (including but not limited to those required pursuant to Section 4.01(b)(ix) hereof) that are expected to become due during the next succeeding Renewal Term if the governing body of the Lessee elects to extend the term of the Lease for such Renewal Term as provided herein. The Lessor and the Lessee hereby agree to cooperate with the Trustee in providing such information as is reasonably

requested by the Trustee in connection with the preparation of such statements pursuant to Section 1013(e) of the Indenture.

(c) Notice of Nonpayment of Base Rentals. The Trustee has agreed in Section 406(a) of the Indenture to notify the Lessee as soon as practicable, but in no event later than five (5) days after the applicable Base Rental Payment Date, in the event any Base Rentals or portion thereof are not paid when due on the applicable Base Rental Payment Date (including for this purpose any grace period provided under the Lease).

4.02. Consideration. The payments of Base Rentals and Additional Rentals hereunder for each Renewal Term during the term of the Lease shall constitute the total Rentals which are payable for said Renewal Term and shall be paid by the Lessee for and in consideration of the right of use, occupancy and operation of the Leased Property and the continued quiet use and enjoyment of the Leased Property for and during said Renewal Term. The parties hereto have agreed and determined that such total Rentals represent the fair rental value of the Leased Property. In making such determination, consideration has been given to the costs of refinancing the acquisition, construction, installation, improvement and extension of the Facilities and the acquisition of Parcels A and B, the uses and purposes which will be served by the Leased Property and the benefits therefrom which will accrue to the parties to the Lease and the general public by reason of the Leased Property. Base Rentals due on any January 20 will be in consideration of the right of use, occupancy and operation of the Leased Property by the Lessee from the immediately preceding August 2 through the immediately succeeding February 1, and Base Rentals due on any July 20 will be in consideration of the right of use, occupancy and operation of the Leased Property by the Lessee from the immediately preceding February 2 through the immediately succeeding August 1.

4.03. Covenant to Request Appropriations. (a) During the term of the Lease, the Lessee covenants and agrees (i) to include in its annual tentative budget prepared by the appropriate officials acting on behalf of the Lessee 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) to pay the Base Rentals and reasonably estimated Additional Rentals (calculated as provided in Section 4.01(b) hereof) for the Leased Property 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 Lessee 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, Sections 17-36-1 et seq. of the Utah Code Annotated 1953, as amended. The first such inclusion in the Lessee's annual tentative budget shall be made under applicable law with respect to the tentative budget applicable to the Fiscal Year beginning January 1, 1992 so that the Base Rentals payable during the Renewal Term beginning January 1, 1992 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 Lessee shall be made in each Fiscal Year thereafter so that the Base Rentals to be paid during the Renewal Term during such Fiscal Year and Additional Rentals payable during such Renewal Term will be available for such purposes as long as the governing body of the Lessee determines to approve such amount in the final budget as adopted. The Lessee has made certain representations and certifications with respect to appropriations relative to the Initial Term of the Lease in Section 12.01(r) hereof.

(b) To effect the covenants set forth in Section 4.03(a) hereof, the Lessee hereby directs its "budget officer" (as such term is defined in the Uniform Fiscal Procedures Act for Counties, Section 17-36-3 of the Utah Code Annotated 1953, as amended), 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 Lessee, in any year in which the Lease is in effect, items for all payments required for the ensuing Renewal Term under the Lease. It is hereby expressed as the intention of the Lessee that the decision to renew or not to renew the term of the Lease is to be made solely by the governing body of the Lessee at the time it considers for adoption the final budget for each of its Fiscal Years and corresponding Renewal Terms under the Lease, and not by any official of the Lessee, acting in his or her individual capacity as such. In this connection, the Lessee 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 Rentals without the express prior approval of the governing body of the Lessee.

4.04. Limitations on Liability. (a) Nothing herein shall be construed to require the governing body of the Lessee to appropriate any money to pay any Rentals hereunder. If the Lessee fails to pay any portion of the Rentals which are due hereunder or an Event of Default hereunder or an Event of Nonappropriation occurs, the Lessee shall immediately (but in no event earlier than the expiration of the Initial Term or the then current Renewal Term for which the Lessee has paid or appropriated moneys sufficient to pay all Rentals due for such Renewal Term, in the case of an Event of Nonappropriation) quit and vacate the Leased Property in accordance with the schedule therefor provided by the Lessee to the Trustee in accordance with Section 4.09(b) hereof, and its obligation to pay any Rentals (except for Rentals theretofore appropriated and then available for such purpose) shall thereupon cease, it being understood between the parties that neither the State of Utah nor any political subdivision thereof, except the Lessee as provided herein, is obligated to pay any Rentals due to the Lessor hereunder. Should the Lessee fail to pay any portion of the required Rentals and then fail immediately to quit and vacate the Leased Property, the Trustee in accordance with the Indenture may immediately bring legal action to evict the Lessee from the Leased Property (but not for money damages except as hereinafter and in the Indenture provided) and commence proceedings to foreclose the lien of the Indenture pursuant to the Indenture. The Lessee hereby agrees, to the extent permitted by law, to pay as damages for its failure immediately to quit and vacate the Leased Property upon termination of the Initial Term or the then current Renewal Term, as the case may be, of the Lease in violation of the terms hereof an amount equal to the Base Rentals otherwise payable during such period prorated on a daily basis and any reasonable Additional Rentals attributable to such period on the basis of the services provided. No judgment may be entered against the State of Utah or any political subdivision of the State of Utah for failure to pay any Rentals hereunder, except to the extent that the Lessee has theretofore incurred liability to pay any such Rentals through its actual use, occupancy and operation of the Leased Property, or through its exercise of an option that renews the Lease for an additional Renewal Term for which moneys have been appropriated, or is otherwise obligated to pay such Rentals pursuant to Section 10.01(a) hereof.

(b) The Rentals constitute current expenses of the Lessee, and the Lessee's obligations hereunder are from year to year only and do not constitute a mandatory payment obligation of the Lessee in any ensuing Fiscal Year beyond the then current Fiscal Year. No provision hereof shall be construed or interpreted as creating a general obligation or other indebtedness of the State of Utah or any political subdivision of the State of Utah within the meaning of any constitutional or statutory debt limitation. Neither the

execution, delivery and performance of the Lease nor the issuance of the Bonds directly or indirectly obligates the Lessee to make any payments hereunder beyond those appropriated for the Lessee's then current Fiscal Year; provided, however, that nothing herein shall be construed to limit the rights of the Bondowners or the Trustee to receive any amounts which may be realized from the Trust Estate pursuant to the Indenture.

(c) No obligation assumed by or imposed upon the Lessor hereunder shall require the performance of any act by the Lessor except to the extent, if any, that the cost and expense of such performance may be provided for from the proceeds of sale of the Bonds or paid by the Lessee hereunder as Additional Rental. Failure of the Lessor to perform any such act shall not entitle the Lessee to terminate the Lease.

4.05. Base Rentals Assigned; Unconditional Obligation. It is understood and agreed that all Base Rentals payable under Section 4.01(a) hereof and all Additional Rentals payable under Section 4.01(b)(ix) hereof by the Lessee are assigned to the Trustee pursuant to the Indenture. The Lessee assents to such assignment, and hereby agrees that its obligation to pay the Base Rentals and Additional Rentals from legally available funds appropriated for such purpose (a) shall be absolute and unconditional, (b) except as expressly herein provided, shall not be subject to any defense or any right of setoff, counterclaim or recoupment arising out of any breach by the Lessor of any obligation to the Lessee, whether hereunder or otherwise, or out of any indebtedness or liability at any time owing to the Lessee by the Lessor and (c) shall not terminate or abate as a result of the destruction of or damage to the Leased Property, condemnation of all or part of the Leased Property, defective title in or to any part of the Leased Property or failure of consideration. Notwithstanding any dispute between the Lessee and the Lessor hereunder, the Lessee shall pay all Base Rentals when due and shall not withhold payment of any Base Rentals pending the final resolution of such dispute. In the event of a determination that the Lessee was not liable for payment of such Base Rentals or any portion thereof, said payments or excess of payments, as the case may be, shall be credited against subsequent payments of Base Rentals due hereunder or, at the direction of the Lessee, delivered to the Lessee.

4.06. Payment. Each Base Rental payment shall be paid in lawful money of the United States of America, in funds which shall be immediately available on the Base Rental Payment Date on which they are due. Each Base Rental payment shall be paid at the principal corporate trust office of the Trustee in Salt Lake City, Utah, or at such other place or places as may be set forth in the Indenture. Each Additional Rental payment shall be paid in lawful money of the United States of America at the appropriate office as designated by the respective payees entitled to receive such Additional Rental, except that the payment of any Additional Rental pursuant to Section 4.01(b)(ix) hereof into the Reserve Fund shall be paid at such principal corporate trust office of the Trustee or at such other place or places as may be set forth in the Indenture. Each Base Rental payment and each Additional Rental payment which is not paid when due shall bear interest at the rate per annum theretofore borne by such Base Rental payment or Additional Rental payment from the date on which the Base Rental payment or Additional Rental payment, as the case may be, becomes due until the same is paid.

4.07. Credit on Base Rentals. (a) There shall be credited against Base Rentals (i) any amount held in the Bond Fund on each Base Rental Payment Date next preceding each respective Bond Payment Date, including the portion of the proceeds of sale of the

Bonds which is deposited in the Bond Fund as accrued interest and earnings derived from the investment of funds held in the Bond Fund available for such purpose; (ii) on the Base Rental Payment Date next preceding the Bond Principal Payment Date on which the final maturity of principal of the Bonds is to be paid, any amount to be transferred into the Bond Fund in accordance with Section 411(b) of the Indenture; and (iii) any amount to be so credited as provided in Section 4.05 hereof.

(b) If at any time the aggregate moneys available under the Indenture for payment of the principal of, and premium, if any, and interest on, the Bonds and all other expenses to be paid by the Lessee as Additional Rentals under the Indenture shall be sufficient to pay in accordance with the provisions of the Indenture all of the Bonds at the time Outstanding and to pay all such expenses (including the fees and charges of the Trustee and any paying agent and registrar and the expenses of the Lessor due or to become due through the date on which the last of the Bonds is to be paid or redeemed), and to pay any other monetary obligations of the Lessee hereunder, and if the Lessee is not at the time otherwise in default on any obligation hereunder, the Lessee shall be entitled to use, occupy and operate the Leased Property from the date on which such aggregate moneys are deposited with the Trustee during the remainder of the term of this Lease without further payment of any Rentals during that interval (but otherwise on the terms and conditions hereof), and any moneys in the funds and accounts created by the Indenture which are in excess of the amounts required to pay the Bonds in accordance with the provisions of the Indenture and to pay all costs, fees, charges and expenses shall be refunded to the Lessee upon payment (or provision for payment) in full of the Bonds as provided in the Indenture, except as otherwise required by the Indenture or any Tax Certificate. If Bonds are to be paid prior to maturity, this Section 4.07(b) is subject to the condition that said Bonds shall have been properly called for redemption under the Indenture and the required notice of redemption shall have been given or provision for the giving of such notice shall have been made to the satisfaction of the Trustee, and the necessary moneys or Government Obligations (as such term is defined in Article VII of the Indenture) properly deposited, all as required by the Indenture.

4.08. Application of Base Rentals. All Base Rentals shall be paid to the Trustee for application in accordance with the Indenture.

4.09. Nonappropriation. (a) In the event that sufficient funds (i) are not appropriated by the governing body of the Lessee prior to the beginning of any Renewal Term for the payment of the Base Rentals on the Base Rental Payment Dates and reasonably estimated Additional Rentals (determined as provided in Section 1013(c) of the Indenture) payable during such Renewal Term, or (ii) are otherwise not legally available for such purpose (other than amounts on deposit in the Reserve Fund and other funds held under the Indenture), then an Event of Nonappropriation shall be deemed to have occurred; provided, however, that (x) the Trustee shall declare an Event of Nonappropriation on any earlier date on which the Trustee receives an Officer's Certificate from an Authorized Lessee Representative to the effect that the governing body of the Lessee has determined by official action not to renew the term of the Lease for the next succeeding Renewal Term and (y) absent receipt of such Officer's Certificate and if an Event of Nonappropriation has otherwise occurred as provided above in this Section 4.09, the Trustee shall give written notice to the Lessee of any Event of Nonappropriation on or before January 10 next succeeding the expiration of the term of the Lease or such later date as the Trustee determines to be in the best interest of the Bondowners, but any failure of the Trustee to give such written notice to the Lessee will not prevent the Trustee from declaring an Event of Nonappropriation or from taking any remedial action that would otherwise be available

to the Trustee hereunder or under the Indenture. An Event of Nonappropriation shall also be deemed to have occurred (subject to waiver by the Trustee as hereinafter described) if, during the Initial Term or any Renewal Term, any Additional Rentals shall become due which were not included in the Lessee's final budget adopted by the governing body of the Lessee, or which exceed the amount included in such budget, and funds are not legally available (including funds legally available for such purpose under the Indenture) to the Lessee to pay such Additional Rentals by the earlier of December 31 of the then current Renewal Term or ninety (90) days after the date on which such Additional Rentals are due. The Trustee may waive any Event of Nonappropriation which is cured by the Lessee within a reasonable time if, in the Trustee's judgment, such waiver is in the best interests of the owners of the Bonds; provided, however, that after December 31 of each year during the term of the Lease the Trustee shall not waive any Event of Nonappropriation which results from sufficient funds not being appropriated by the governing body of the Lessee for the payment of the Base Rentals that would be payable during the next succeeding Renewal Term unless the Trustee has reason to believe that appropriate officials of the Lessee are diligently pursuing appropriations by the governing body of the Lessee to pay such Base Rentals on a timely basis and that a delay in declaring an Event of Nonappropriation, under the circumstances, is in the best interests of the owners of the Bonds. If an Event of Nonappropriation shall occur, the Lessee 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 during which such Event of Nonappropriation occurs, except for the Lessee's obligation to pay Rentals which are payable prior to the termination of the Lease; provided, however, that the Lessee shall continue to be liable for the amounts payable pursuant to Section 4.04(a) hereof during such time when the Lessee continues to use, occupy and operate the Leased Property. The Trustee shall, upon the occurrence of an Event of Nonappropriation, have all rights and remedies to take possession of the Leased Property as trustee for the benefit of the owners of the Bonds and shall be further entitled to all moneys then on hand in all funds and accounts created under the Indenture. All property, funds and rights acquired by the Trustee upon the termination of this Lease as to the Lessee's possessory interests hereunder by reason of an Event of Nonappropriation as provided herein shall be held by the Trustee under the Indenture for the benefit of the owners of the Bonds as set forth in the Indenture until the principal of, and premium (if any) and interest on, the Bonds are paid in full and any excess (subject to the requirements of any Tax Certificate) shall thereafter be paid to the Lessee as provided in Section 409 of the Indenture.

(b) The parties hereto agree that, upon the occurrence of an Event of Nonappropriation (which is not waived) or an Event of Default (which is not waived), the Lessee shall have all responsibility for vacating the Leased Property and shall vacate the Leased Property immediately following such occurrence. Within thirty (30) days after the occurrence of an Event of Nonappropriation or an Event of Default, the Lessee shall provide the Trustee with a timetable for vacating the Leased Property.

4.10. Advances by the Trustee. If the Lessee fails to pay any Additional rentals required by this Lease, the Trustee may (but shall be under no obligation to) pay such Additional Rentals, which Additional Rentals, together with interest thereon at the lesser of the rate of ten percent (10%) per annum or the maximum rate permitted by law, are to be reimbursed to the Trustee by the Lessee upon demand therefor, subject to the availability of sufficient legally available funds for such purpose.

4.11. Lease Not to Constitute "True" Lease. It is the intention of the parties hereto that this Lease not constitute a "true" lease for federal income tax purposes and,

therefore, it is the intention of the parties hereto that the Lessee be considered the owner of the Leased Property for federal income tax purposes, but not (except for Parcel C) for Utah law purposes relating to title and other matters as herein provided.

ARTICLE V

REFUNDING OF SERIES 1982 BONDS; INVESTMENTS;
ARBITRAGE CERTIFICATIONS

5.01. Refunding of Series 1982 Bonds. The Lessor shall cause to be effected the refunding and defeasance of the Series 1982 Bonds. For this purpose, the Lessor shall cause the Bonds to be issued pursuant to the Indenture and shall cause the proceeds from the sale thereof to be applied as follows:

(i) there shall be deposited into the Bond Fund a sum equal to \$1,074.11, representing accrued interest paid on the Bonds, to be disposed of in accordance with Section 405 of the Indenture;

(ii) there shall be deposited into the Costs of Issuance Fund a sum equal to \$35,589.70, to be deposited on in accordance with Section 414 of the Indenture; and

(iii) there shall be paid to the Escrow Agent, for deposit into the Escrow Account, the balance of the proceeds to be received from the sale of the Bonds in the amount of \$750,674.11.

Moneys deposited into the Escrow Account shall be used in accordance with the terms and conditions of the Escrow Agreement (i) for the simultaneous payment and cancellation of all or a portion of the Series 1982 Bonds or (ii) to cause the conditions of Article VIII of the Series 1982 Indenture to be satisfied so as to cause the Series 1982 Bonds not so paid and cancelled to be deemed to be paid within the meaning of Article VIII of the Series 1982 Indenture.

5.02. Investment of Bond Fund, Costs of Issuance Fund, Reserve Fund, Redemption Fund and Insurance Fund. Any moneys held as a part of the Bond Fund, the Costs of Issuance Fund, the Reserve Fund, the Insurance Fund, the Redemption Fund or any other fund or account created pursuant to the Indenture (except for the Escrow Account, which shall be invested as provided in the Escrow Agreement), shall be invested or reinvested by the Trustee from time to time, but only at the request of and as directed by an Authorized Lessee Representative or otherwise, in accordance with the provisions of Article V of the Indenture; provided, however, that no investment shall be made of any funds which would violate the covenant set forth in Section 5.03 hereof, or the provisions of any Tax Certificate.

5.03. Special Arbitrage Certifications. The Lessor and the Lessee jointly and severally certify and covenant to each other and to and for the benefit of the purchasers and owners of the Bonds from time to time outstanding that so long as any of the Bonds remain outstanding, (a) moneys on deposit in any fund or account in connection with or relating to either the Lease or the Bonds, whether or not such moneys were derived from the proceeds of sale of the Bonds or from any other sources, including payments of Rentals which are payable under the Lease, will not

be used in a manner which will cause either the Lease or the Bonds to be classified as "arbitrage bonds" within the meaning of Section 148(a) of the Code and any regulations promulgated or proposed thereunder, including Sections 1.103-13, 1.103-14 and 1.103-15 of the Income Tax Regulations (26 CFR Part 1) as the same exist on this date, or may from time to time hereafter be amended, supplemented or revised, and (b) the Lessor and the Lessee will execute, and comply with the covenants and conditions of, the Tax Certificate, except as may be otherwise permitted pursuant thereto or to the Indenture.

ARTICLE VI

MAINTENANCE AND OPERATION

6.01. Maintenance and Operation. The Lessee shall, at its own expense, maintain, manage and operate the Leased Property and all improvements thereon in good order, condition and repair, ordinary wear and tear excepted. The Lessee shall provide or cause to be provided all security service, custodial service, janitor service, power, gas, telephone, light, heating and water, and all other public utility services. It is understood and agreed that in consideration of the payment by the Lessee of the Rentals herein provided for, the Lessor is only obligated to provide the Leased Property in the manner, at the times and to the extent herein provided, and neither the Lessor, the Trustee nor any owner of any Bond shall have any obligation to incur any expense of any kind or character in connection with the management, operation or maintenance of the Leased Property during the term of the Lease. The Lessee shall keep the Leased Property and any and all improvements thereto free and clear of all liens, charges and encumbrances, except those caused or consented to by the Trustee and Permitted Encumbrances.

6.02. Care of the Leased Property. (a) The Lessee shall take good care of the Leased Property, fixtures and appurtenances, and suffer no waste or injury thereto, ordinary wear and tear excepted. The Lessee shall pay for all damage to the Leased Property, its fixtures and appurtenances due to any act or omission or cause whatsoever.

(b) The Lessee shall not place a load upon any floor of the Leased Property exceeding the floor load per square foot area which such floor was designed to carry and which may be allowed by law.

(c) There shall be no allowance to the Lessee for a diminution in or abatement of Rentals and no liability on the part of the Lessor by reason of inconvenience, annoyance or injury to government operations arising or resulting from the Lessor, the Lessee or others making repairs, alterations, additions or improvements in or to any portion of the Leased Property, or in or to fixtures, appurtenances or equipment thereof, and no liability upon the Lessor or allowance for a diminution in or abatement of Rentals for failure of the Lessor or others to make any repairs, alterations, additions or improvements in or to any portion of the Leased Property, or in or to the fixtures, appurtenances or equipment thereof. The foregoing shall not be construed to mean that the Lessor has any such obligations.

(d) The Lessor shall not be liable for, and there shall be no diminution in or abatement of Rentals for, any loss or damage to the Leased Property caused by

vermin, rain, snow, liquids and semi-liquids or from storms that may leak into or flow from any part of the Leased Property through any defects in its roof, walls, windows, ceilings, plumbing or from any other source, or caused by any latent defect in the Leased Property or its equipment.

(e) The Lessee's taking possession of the Leased Property or any portion thereof shall be conclusive evidence against the Lessee that the Leased Property or such portion thereof was in good order and satisfactory condition when the Lessee took possession thereof provided; however, Lessee's taking possession as herein provided shall be without prejudice to any rights against third parties which exist at the date of taking such possession or which may subsequently come into being. No promise of the Lessor to alter, remove, improve or clean the Leased Property and no representation respecting the condition of the Leased Property have been made by the Lessor to the Lessee.

6.03. Loss and Damage. All of the Lessee's personal property of any kind that may be on or about the Leased Property or placed in the custody of any of the Lessee's employees or agents shall be held at the sole risk of the Lessee, and neither the Lessor, the Trustee nor any Bondowner shall have any liability to the Lessee for any theft or loss thereof or damage thereto from any cause whatsoever.

ARTICLE VII

INSURANCE PROVISIONS

7.01. Insurance. (a) The Lessee shall at all times maintain or cause to be maintained with responsible insurers all such insurance on the Leased Property (valued as defined below) which is customarily maintained with respect to properties of like character against accident to, loss of or damage to such properties. Notwithstanding the generality of the foregoing, the Lessee shall not be required to maintain or cause to be maintained any insurance which is not available from reputable insurers on the open market, except as required by Section 7.01(c) hereof, or more insurance than is specifically referred to below.

The Lessee shall, so long as the Lessee has possession of the Leased Property:

(i) Keep or cause to be kept a policy or policies of insurance against loss or damage to the Facilities resulting from fire, lightning, vandalism, malicious mischief, riot and civil commotion, and such perils ordinarily defined as "extended coverage" and other perils as the Trustee and the Lessee may agree should be insured against on forms and in amounts satisfactory to each. Such insurance may be carried in conjunction with any other fire and extended coverage insurance carried or required to be carried by the Lessee. Such insurance shall be maintained in an amount not less than the principal amount of the then Outstanding Bonds or the full insurable value of the Leased Property (such value to include amounts spent for the acquisition, construction, installment, improvement and extension of the Facilities and architectural, engineering, legal and administrative fees, inspection and supervision, but excluding value attributable to the Sites), whichever amount is greater, subject to deductible conditions for any loss not to exceed \$25,000 for any loss, unless

the Trustee and the Lessee agree in writing that the amount of insurance may be reduced to an amount that shall not be less than the principal amount of the then outstanding Bonds. The term "full insurable value" as used in this subsection shall mean the actual replacement cost, using the items of value set forth above (including the cost of restoring the surface grounds owned or leased by the Lessee but excluding the cost of restoring trees, plants and shrubs), without deduction for physical depreciation. Said "full insurable value" shall be determined from time to time but not less frequently than once in every 36 months; and

(ii) Maintain or cause to be maintained public liability insurance against claims for bodily injury or death, or damage to property occurring upon, in or about the Leased Property, such insurance to afford protection to a limit of not less than \$1,000,000 combined single limit, and property damage liability insurance in an amount not less than \$500,000; provided, however, that nothing herein shall be construed to require the Lessee to maintain or cause to be maintained any such public liability insurance for amounts greater than the limitations on such liability provided under the Utah Governmental Immunity Act, Chapter 30 of Title 63, Utah Code Annotated 1953, as amended. Such insurance may be maintained under an Owners, Landlords and Tenants policy and may be maintained in the form of a minimum \$1,000,000 single limit policy covering all such risks. Such insurance may be carried in conjunction with any other liability insurance coverage carried or required to be carried by the Lessee.

All insurance herein provided for shall be effected under policies issued by insurers of recognized responsibility, licensed or permitted to do business in the State of Utah, except as otherwise hereinafter provided. The Lessee may, in its discretion, insure the Leased Property under blanket insurance policies which insure not only the Leased Property, but other buildings as well, so long as such blanket insurance policies otherwise comply with the terms of this Section 7.01(a).

All policies or certificates issued by the respective insurers for insurance shall provide that such policies or certificates shall not be cancelled or materially changed without at least thirty (30) days prior written notice to the Trustee. Certificates evidencing such policies shall be deposited with the Trustee together with appropriate evidence of payment of the premiums therefor, and, at least thirty (30) days prior to expiration dates of expiring policies or contracts held by the Trustee, copies of renewal or new policies or contracts or certificates shall be deposited with the Trustee together with evidence of payment of premiums therefor.

All policies of insurance must provide that the Net Proceeds of fire and extended coverage insurance shall be deposited into the Insurance Fund under the Indenture to be applied to rebuild, replace and repair the affected portion of the Leased Property or redeem outstanding Bonds as provided in Article X hereof.

(b) Notwithstanding anything herein to the contrary, any policies of insurance that the Lessee is required to keep or cause to be kept pursuant to Section 7.01(a) hereof may be provided through any self-insurance program of the Lessee or in which the Lessee participates with other governmental units of the State of Utah. In such event, the Lessee shall cause the risk manager of its self-insurance program to issue certificates of coverage to the Trustee for any such risks covered

by the self-insurance program and otherwise evidencing compliance with the requirements of Section 7.01(a) hereof which certificates of coverage shall be accompanied with an opinion of Lessee's Counsel that the obligations of the Lessee under any such self-insurance program are legal, binding and enforceable against the Lessee in accordance with their terms. At least once each year, commencing during calendar year 1992, the Lessee shall cause its risk manager or, at its expense, an independent consultant to review the Lessee's self-insurance program and to render a report to the Lessee as to the adequacy and actuarial soundness of such self-insurance program to provide the coverage required by Section 7.01(a) hereof to the extent the Lessee self-insures for such coverage as herein permitted and as to its recommendations, if any, for adjustments thereto. The Lessee shall make such adjustments to its self-insurance program as are necessary to comply with any such recommendations of its risk manager or the independent consultant appointed for the purposes of this Section 7.01(b). The Lessee shall file or cause its risk manager or such insurance consultant to file a copy of such report with the Trustee at the same time as the Lessee files the written statement required by Section 7.01(d) hereof.

(c) To the extent that the Lessee is unable to obtain or maintain any of the insurance required to be carried as provided in Section 7.01(a) hereof from reputable insurers on the open market at reasonable prices therefor, the Lessee shall provide for such insurance through its self-insurance program or through a self-insurance program in which the Lessee participates with other governmental units of the State of Utah; provided, however that any costs and expenses incurred by the Lessee in connection with such self-insurance program and the cost of any reserves required to fund such a self-insurance program shall be payable by the Lessee solely from legally available moneys appropriated for such purpose and payable as Additional Rentals hereunder.

(d) The Lessee shall file with the Trustee annually, within one hundred eighty (180) days after the close of each Fiscal Year, commencing with the Fiscal Year which ends on December 31, 1991, a written statement of the Lessee containing a summary of all insurance policies (including policies provided through any self-insurance program described in Section 7.01(b) or 7.01(c) hereof) then in effect with respect to the Leased Property.

(e) The Lessee for itself and its insurers, to the extent possible (as a reasonable cost) and to the extent permitted by law, hereby waives any claim against the Trustee and the Lessor, including claims based on negligence, if the claim results from any of the perils the Lessee is required to insure against or provide self-insurance for in this Section 7.01.

ARTICLE VIII

TAXES

8.01. Taxes. (a) The Lessor and the Lessee understand and agree that the Leased Property constitutes public property free and exempt from all taxation in accordance with applicable law, including but not limited to Section 17A-3-913 of the Act; provided, however, that the Lessor agrees to cooperate with the Lessee, upon written request by the Lessee, to contest any proposed tax or assessment, or to take steps necessary to recover any tax or assessment paid. The Lessee agrees to reimburse the Lessor from Additional Rentals for any and all costs and expenses thus incurred by the Lessor.

(b) Notwithstanding Section 8.01(a) hereof, in the event that the Leased Property or any portion thereof or any portion of the Rentals 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 Leased Property or any portion of the Rentals, an Additional Rental shall be paid by the Lessee 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 Lessee shall be obligated hereunder to provide for Additional Rentals only for such installments as are required to be paid during the term of the Lease. The Lessee shall not allow any liens for taxes, assessments or governmental charges to exist with respect to the Leased Property or any portion thereof (including, without limitation, any taxes levied upon the Leased Property or any portion thereof which, if not paid, will become a charge on the Rentals and receipts from the Leased Property or any portion thereof prior to or on a parity with the charge thereon and the pledge and assignment thereof to be created and made in the Indenture), or any interest therein (including the interest of the Lessor) or the Rentals and revenues derived therefrom or hereunder, except to the extent permitted by Section 8.01(c) hereof.

(c) The Lessee may, at its expense and in its name, in good faith contest any such taxes, assessments 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 unless by nonpayment of any such items the security afforded pursuant to the terms of the Indenture will be materially endangered (in the judgment of the Trustee) or the Leased Property or any essential part thereof will be subject to loss or forfeiture (in the judgment of the Trustee), in which event such taxes, assessments or charges shall be paid forthwith. The Lessor will cooperate fully with the Lessee in any such contest. In the event that the Lessee shall fail to pay any of the foregoing items required by this Section 8.01 to be paid by the Lessee, the Issuer or the Trustee may (but shall be under no obligation to) pay the same and any amounts so advanced therefor by the Issuer or the Trustee shall become an additional obligation of the Lessee to the party making the advancement, which amounts the Lessee hereby agrees to pay from Additional Rentals on demand together with interest thereon from the date thereof until paid at the lesser of ten percent (10%) per annum or the maximum rate permitted by law, but only from moneys appropriated and legally available for such purpose.

ARTICLE IX

ALTERATIONS, ADDITIONS AND IMPROVEMENTS

9.01. Alterations, Additions and Improvements to the Leased Property.

(a) The Lessee shall have the right during the term of the Lease to make any alterations, additions or improvements of any kind, structural or otherwise, as it shall deem necessary or desirable, on or to the Leased Property, to attach fixtures, structures or signs, and to affix any personal property to the improvements on the Leased Property; provided, however, that no such alteration, addition or improvement shall reduce or otherwise adversely affect the value of the Leased Property or the fair rental value thereof or materially alter or change the character or use of the Leased Property or impair the excludability from gross income for federal income tax purposes of interest on the Bonds.

(b) The Lessee will not permit any mechanic's or other lien to be established or remain against the Leased Property for labor or materials furnished in connection with any construction, substitutions, additions, modifications, improvements, repairs, renewals or replacements so made by the Lessee, provided that if the Lessee shall first notify the Trustee of the Lessee's intention so to do, the Lessee may in good faith contest any mechanic's or other lien filed or established against the Leased Property, 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 by nonpayment of any such items the security afforded pursuant to the terms of the Indenture will be materially endangered (in the judgment of the Trustee) or the Leased Property or any essential part thereof will be subject to loss or forfeiture (in the judgment of the Trustee), in which event the Lessee shall promptly pay and cause to be satisfied and discharged all such unpaid items. The Lessor will cooperate fully with the Lessee in any such contest, upon the request and at the expense of the Lessee.

9.02. Title to Alterations, Additions and Improvements. Except as provided in Section 9.03 hereof, all such alterations, additions and improvements shall become the property of the Lessor as a part of the Leased Property and shall be subject hereto and to the Indenture.

9.03. Lessee's Equipment. (a) All of the Lessee's equipment and other personal property installed or placed by the Lessee in or on the Leased Property which is not a fixture under applicable law or which is not refinanced with the proceeds of sale of the Bonds shall remain the sole property of the Lessee in which neither the Lessor, the owners of the Bonds nor the Trustee shall have any interest, and may be modified or removed at any time by the Lessee and shall not be subject to the lien of the Indenture. The Lessee shall pay for any damage caused by such modification or removal, but only from funds legally available for such purpose.

(b) The title to any personal property, improvements or fixtures placed on or in the Leased Property by any sublessee or licensee of the Lessee shall be controlled by the sublease or license agreement between such sublessee or licensee and the Lessee.

(c) If after the occurrence of an Event of Nonappropriation or an Event of Default, the Lessee moves out or is dispossessed and fails to remove any property of the Lessee at the time of such moving out or dispossession, then and in that event, the Trustee shall have the option, following not less than thirty (30) days' prior written notice to the Lessee of the Trustee's intention to exercise such option, either to regard such property as abandoned by the Lessee, in which case such property shall become the property of the Lessor subject to the Indenture, or shall have the right to demand that the Lessee remove such property from the Leased Property, and in the event of failure of the Lessee to comply with said demand, the Trustee shall have the right to remove, sell or destroy such property.

ARTICLE X

DAMAGE OR DESTRUCTION; CONDEMNATION

10.01. Damage, Destruction and Condemnation. (a) If, during the term of the Lease, (i) the Facilities or any portion thereof shall be destroyed, in whole or in part, or damaged by fire or other casualty or event; or (ii) title to, or the temporary or permanent use of, the Leased Property or any portion thereof or the estate of the Lessee, the Lessor or the Trustee in the Leased Property or any 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 Facilities shall become apparent; or (iv) title to or the use of all or any portion of the Leased Property shall be lost by reason of a defect in title; then, subject to Sections 4.09(a) and 10.01(c) hereof, the Lessee shall continue to pay Base Rentals and Additional Rentals and to take such action as it shall deem necessary or appropriate to repair, rebuild and replace the affected portion of the Leased Property.

(b) In accordance with Section 413 of the Indenture, the Trustee shall cause the Net Proceeds of any insurance policies (including any moneys derived from any self-insurance program), performance bonds or condemnation awards with respect to the Leased Property, to be deposited into the Insurance Fund to be applied as provided herein and in Section 413 of the Indenture, and all Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification, improvement or replacement of the damaged or destroyed portion of the Leased Property by the Lessee, except as otherwise provided in Section 10.01(c) hereof or as may be required by any Tax Certificate. The balance of any Net Proceeds remaining after the repair, restoration, modification, improvement or replacement has been completed are to be deposited into the Redemption Fund, except to the extent otherwise required by any Tax Certificate.

(c) If such Net Proceeds shall be insufficient to pay in full the cost of any such repair, restoration, modification, improvement or replacement, the Lessee shall, within ninety (90) days after the occurrence of the event giving rise to such Net Proceeds, either:

(i) commence and thereafter complete the work and pay any cost in excess of the Net Proceeds, but only from Additional Rentals, in which case the Lessee agrees that it will not be entitled to any reimbursement therefor from the Trustee or the owners of the Bonds, nor shall it be entitled to any diminution of the Base Rentals or Additional Rentals; or

(ii) if the failure to repair, rebuild or replace shall not materially detract from the value of the Leased Property, then the Lessee may discharge its obligation to repair, rebuild or replace the affected portion of the Leased Property by causing such Net Proceeds to be deposited into the Redemption Fund for the purpose of causing the extraordinary optional redemption of all or part of the Bonds, as appropriate, in accordance with the Indenture.

(d) The Lessee hereby agrees that any repair, restoration, modification, improvement or replacement for or in whole or in part out of such Net Proceeds shall be the property of the Lessor subject to the Indenture and this Lease, and will

be included as part of the Leased Property subject to this Lease and the Ground Lease.

(e) The Lessor and the Lessee agree that it is the intent of the parties that the risk of any loss arising out of any damage, destruction or condemnation of the Leased Property or any portion thereof shall be borne by the Lessee and not by the Lessor or the Bondholders, and the Lessee hereby covenants and agrees that in the event of any damage, destruction or condemnation, the Lessee shall either repair, rebuild or replace the Leased Property to essentially its same condition before any such damage, destruction or condemnation or provide funds, but only from legally available moneys for such purpose, necessary to redeem the Bonds at the earliest practicable date in accordance with the Indenture.

(f) The Lessee hereby agrees to deliver the Officer's Certificate provided in Section 413 of the Indenture in accordance with the terms thereof.

ARTICLE XI

ASSIGNMENTS

11.01. Assignments by Lessee. Neither this Lease nor any interest of the Lessee herein shall, at any time after the date hereof, without the prior written consent of the Trustee, be mortgaged, pledged, assigned or transferred by the Lessee by voluntary act or by operation of law, or otherwise, except as specifically provided herein. The Lessee shall at all times remain liable for the performance of the covenants and conditions on its part to be performed, notwithstanding any assigning, transferring or subletting which may be made with such consent. The Lessee shall have the right, without notice to or consent of the Lessor, the Trustee or any owner of Bonds, to further sublease or permit the use of any specified portion of the Leased Property only to or for the benefit of any other "public bodies" (as such term is defined in Section 17A-3-902 of the Act), the State of Utah or any other entities permitted as sublessees of a project now or hereafter permitted or authorized by the Act, including but not limited to Section 17A-3-907(2) of the Act, but nothing herein contained shall be construed to relieve the Lessee from its obligation to pay Rentals as provided in this Lease or relieve the Lessee from any other obligations contained herein; provided, however, that no such assignment or sublease may be made if the use of the Leased Property by the assignee or sublessee will affect the validity of this Lease, change the character or use of the Leased Property to ones not then permitted by applicable law or impair the excludability from gross income for federal income tax purposes of interest on the Bonds (including but not limited to any assignment or sublease of any portion of the Leased Property to the United States Government or any of its agencies or departments or to any private operator or manager that may result in such impairment). Any such assignment, sublease or license shall require the assignee, sublessee or licensee to execute an acceptable attornment agreement with the Lessee and the Trustee and to assume all of the terms, covenants and agreements of the Lessee hereunder to the extent of the portion of the Leased Property so assigned, sublet or licensed; provided, however, that where portions of the Leased Property have been so assigned, sublet or licensed, the Lessee shall continue to be responsible for the payment of Rentals due under this Lease. The Lessor may execute any and all instruments necessary and proper in connection therewith. The Lessee hereby agrees (a) to direct all of its permitted

sublessees, assignees and transferees to pay all rentals and other amounts due under any sublease, assignment or transfer permitted by this Section 11.01 directly to the Trustee for deposit into the Bond Fund and (b) to pay any of such amounts received by the Lessee directly to the Trustee for deposit into the Bond Fund.

11.02. Assignments by Lessor in General Without Release of Liability.

(a) The Lessor's obligations to perform under this Lease may be assigned in whole or in part by the Lessor, but the Lessor shall remain liable to perform hereunder, with notice to the Lessee as provided in Section 11.02(b) hereof; provided that such assignment (other than an assignment for security purposes or the assignment effected by the Indenture and the exercise of any remedies thereunder and any further assignment resulting from the exercise of any such remedies) may only be made to a public corporation or other public entity duly authorized by applicable law to perform the obligations as Lessor hereunder and the assignment to which will not impair the excludability from gross income for federal income tax purposes of interest on the Bonds or impair the validity or enforceability of this Lease.

(b) No assignment or reassignment of any of the Lessor's right, title or interest in this Lease or the Leased Property shall be effective unless and until the Lessee shall have received a duplicate original counterpart of the document by which the assignment or reassignment is made, disclosing the name and address of each such assignee. The Lessee hereby acknowledges receipt of the Indenture for purposes of this Section 11.02(b). During the term hereof, the Lessee shall keep, or cause to be kept, a complete and accurate record of all such assignments in form necessary to comply with Section 149 of the Code, and the regulations, proposed or existing, from time to time promulgated thereunder.

(c) The Lessor may assign its rights, title and interest in and to this Lease and any other documents executed with respect to this Lease and/or grant or assign a security interest in this Lease, in whole or in part, as herein provided. The Lessor, simultaneously with the execution of this Lease, has assigned this Lease and all Base Rentals and certain other sums (including any Additional Rentals payable pursuant to Section 4.01(b)(ix) hereof) due and to become due hereunder to the Trustee under the Indenture. Upon the execution and delivery of the Indenture, the Lessor therein gives written notice thereof to the Lessee, and all Base Rentals and certain other sums (including such Additional Rentals) due and to become due hereunder shall be paid to the Trustee when due and payable. Neither any purchaser of any of the Bonds nor the Trustee shall be bound or obligated to perform or see to the performance of any duty, covenant, condition or warranty (express or implied) made by the Lessor or required to be observed or performed by the Lessor under any of the terms hereof.

11.03. Lessor's Assignment as a Whole and Release From Liability.

Except as otherwise set forth in Section 11.04 hereafter, the rights, obligations and duties of the Lessor hereunder may be assigned as a whole and the Lessor may be released from its obligations hereunder only with the written consent of the Lessee and the Trustee and then only upon assignment of the Lessor's interest herein to a public corporation or other entity duly authorized by applicable law to perform the obligations as Lessor hereunder and the assignment to which will not impair the excludability from gross income for federal income tax purposes of interest on the Bonds or impair the validity or enforceability of this Lease.

11.04. Replacement of the Lessor. If any event occurs which in the judgment of the Trustee materially impairs the ability of the Lessor to serve as lessor hereunder or as Issuer under the Indenture, the Trustee may replace the Lessor with such other entity as the Trustee deems appropriate so long as such successor entity is a public corporation or other public entity duly authorized by applicable law to perform the obligations as Lessor hereunder and as Issuer under the Indenture and such replacement will not impair the excludability from gross income for federal income tax purposes of interest on the Bonds or impair the validity or enforceability of this Lease. In any such event, the Lessor being replaced shall cooperate with the Trustee in conveying all right, title and interest of the Lessor in and to the Leased Property (subject to the Ground Lease) and any and all other right, title and interest of the Lessor in, to and under the Lease, the Ground Lease and the Indenture to such successor entity as the Trustee may designate as provided herein.

11.05. Subordination and Attornment. (a) This and the Lessee's interest in the Leased Property and its interest as lessee here shall at all times be subject and subordinate to the lien of the Indenture and to all the terms, conditions and provisions thereof, whether now existing or hereafter created and without the need for any further act or agreement by the Lessee; provided, however, that so long as an Event of Default under the Indenture or an Event of Nonappropriation has not occurred and is then continuing this Lease shall remain in full force and effect notwithstanding such subordination or the Lessor's default in connection with the said lien, and the Lessee shall not be disturbed by the Lessor or the Trustee in its possession, use and enjoyment of the Leased Property during the term of the Lease or in the enjoyment of its rights hereunder. The Lessee shall not subordinate its interests hereunder or in the Leased Property to any other lien or encumbrance without the prior written consent of the Trustee. Any such unauthorized subordination by the Lessee shall be void and of no force or effect whatsoever.

(b) In the event of any sale, assignment or transfer of the Lessor's interest under this Lease or in the Leased Property, including any such disposition resulting from the Lessor's default under the said lien, the Lessee shall attorn to the Lessor's successor and shall recognize such successor as the Lessor under this Lease, said attornment to be effective and self-operative without the execution of any other instruments on the part of either party hereto immediately upon such successor succeeding to the interest of the Lessor hereunder, and this Lease shall continue in accordance with its terms between the Lessee, as lessee, and such successor, as Lessor.

ARTICLE XII

REPRESENTATIONS, COVENANTS AND WARRANTIES

12.01. Representations, Covenants and Warranties of the Lessee. The Lessee hereby represents, covenants and warrants for the benefit of the Lessor and the owners from time to time of the Bonds as follows:

(a) The Lessee has the power and authority to enter into the Tax Certificate and the transactions contemplated by this Lease and the other Operative Agreements to which it is a party and to carry out its obligations

hereunder and thereunder. The Lessee has been duly authorized to execute and deliver this Lease, and agrees that it will do or cause to be done all things necessary to preserve and keep this Lease (to the extent herein provided and subject to the limitations expressed herein, including but not limited to the limitations provided in Section 4.04 hereof) in full force and effect.

(b) The Lessee is not subject to any legal or contractual limitation or provision of any nature whatsoever which in any way limits, restricts or prevents the Lessee from entering into this Lease and the other Operative Agreements to which it is a party or performing any of its obligations hereunder or thereunder, except to the extent that such performance may be limited by bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, known to be pending or threatened against or affecting the Lessee, nor to the best knowledge of the Lessee is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Lease or any other agreement or instrument to which the Lessee is a party and which is used or contemplated for use in the consummation of the transactions contemplated by this Lease. All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by the Lessee of this Lease or any such other agreement or instrument or in connection with the carrying out by the Lessee of its obligations hereunder or thereunder have been obtained.

(d) Within the meaning of the County Officers and Employees Disclosure Act (Sections 17-16a-1 et seq., Utah Code Annotated 1953, as amended), no "elected officer" or "appointed officer" of the Lessee, or any member of the governing body of the Lessee, has any direct or indirect pecuniary interest in, or will receive or has agreed to receive any compensation with respect to, any contract, lease, purchase, sale or employment made or to be made in connection with the proposed transactions contemplated by the performance of any of the Operative Agreements or any other agreement contemplated in connection with any of the foregoing or in connection with the issuance of the Bonds.

(e) The payment of the Rentals hereunder or any portion thereof is not directly or indirectly (i) secured by any interest in (A) property used or to be used for a private business or (B) payments in respect of such property or (ii) to be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used for a private business use, all within the meaning of Section 141(b) of the Code. No proceeds of the Series 1991 Bonds are to be used (directly or indirectly) to make or finance loans to persons other than governmental units within the meaning of Section 141(c) of the Code.

(f) The entering into and performance of this Lease or any other document or agreement contemplated hereby to which the Lessee is or is to be a party will not violate any judgment, order, law or regulation applicable to the Lessee or result in any breach of, or constitute a default under, or result in the

creation of any lien, charge, security interest or other encumbrance upon any assets of the Lessee or on the Leased Property pursuant to, any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which the Lessee is a party or by which it or its assets may be bound, except as herein or in the Indenture provided.

(g) All requirements have been met and procedures have occurred in order to ensure the enforceability of this Lease.

(h) During the term hereof, the Leased Property will be used by the Lessee (except as otherwise permitted by Section 11.01 hereof) only for the purpose of performing one or more essential governmental or proprietary functions (including related functions) of the Lessee consistent with the permissible scope of the Lessee's authority. The use, occupancy and operation of the Leased Property is essential to the conduct of the Lessee's governmental operations to provide for the public health, welfare, safety and convenience of the Lessee and its inhabitants.

(i) The Lessee shall comply with all applicable laws, rules, regulations, orders, directions and requirements of all governmental departments, bodies, bureaus, agencies and officers, including, without limitation, all zoning and other laws that would be applicable to the Leased Property if it were not owned or occupied by a political subdivision of the State of Utah and with all reasonable rules, directions, requirements and recommendations of the local board of fire underwriters and other fire insurance rating organizations for the areas in which the respective portions of Leased Property are situated, pertaining to the Leased Property or the use, occupancy and operation thereof. The Lessee shall not do or suffer to be done, or keep or suffer to be kept anything in, upon or about the Leased Property which will contravene any policies insuring against loss or damage by fire or other hazards, including, but not limited to, public liability insurance.

(j) The audited financial statements of the Lessee as of and for the year ended December 31, 1989, a copy of which have heretofore been delivered to each of the initial purchasers of the Series 1991 Bonds in connection with the initial sale thereof, present fairly the financial position of the Lessee at December 31, 1989 and the results of its operations and the changes in financial position for the year then ended, and have been prepared in conformity with generally accepted accounting principles and have been applied on a basis consistent with that of the preceding year. Any other statements and data submitted in writing by the Lessee to such purchasers in connection with this Lease are true and correct in all material respects as of their respective dates. Since the date of such financial statements there have been no material adverse changes in the assets, liabilities or financial condition of the Lessee. The Lessee has no knowledge of any liabilities, contingent or otherwise, of the Lessee, and the Lessee has not entered into any material commitments or contracts which have not been previously disclosed in writing to such purchasers, other than in the ordinary and normal course of its operations, which may have a materially adverse effect upon its financial condition, operations or business as now conducted.

(k) The Lessee has obtained and examined all conditions, covenants, restrictions, easements, reservations, rights, rights-of-way and all legal requirements, use permits, occupancy permits, building permits and other requirements affecting or relating to the Leased Property, and the Leased Property does and will not violate any of the same.

(l) The Lessee has complied in all material respects with all legal requirements in relation to environmental quality, and the Lessee is not under investigation by any state or federal agency designed to enforce such legal requirements.

(m) All streets, easements, utilities and related services necessary for the Leased Property and the operation thereof for its intended purposes are available to the boundaries of the Sites.

(n) Until the termination of the Lessee's possessory rights hereunder with the effect provided in Section 3.03 hereof, the Lessee shall (i) permit the agents or representatives of the Trustee upon two (2) Business Days' notice to have access to and to examine its properties, books and records relating to the Leased Property and furnish or cause to be furnished at the Lessee's expense to the Trustee the following:

(A) As soon as possible, and in any event not later than three (3) days after the occurrence of any Event of Default or Event of Nonappropriation, a statement of an Authorized Lessee Representative setting forth the details of such Event of Nonappropriation or Event of Default and the action which the Lessee proposes to take with respect thereto;

(B) As soon as available, and in any event not later than one hundred eighty (180) days after the close of each Fiscal Year, the audited financial statements of the Lessee as at the close of and for such Fiscal Year, all in reasonable detail and stating in comparative form the figures as at the close of and for the previous Fiscal Year, audited by and with the report of the Lessee's auditor;

(C) Such other information relating to the affairs of the Lessee with respect to the Leased Property (including but not limited to evidence or appropriations and preliminary and final budgets) as the Trustee reasonably may request from time to time; and

(ii) From time to time, record, register and file all such notices, statements and other documents and take such other steps, including without limitation the amendment of any of the Operative Agreements and any instruments perfecting interests thereunder, as may be necessary or advisable to render fully valid and enforceable under all legal requirements the rights, liens and priorities of the Lessor and the Trustee with respect to all security from time to time furnished under this Lease or intended to be so furnished and to preserve the excludability from gross income for federal income tax purposes of interest on the Bonds, in each case in such form and at such times shall be satisfactory to the Lessor and the Trustee, and pay all fees and

expenses (including reasonable attorneys' fees) incident to compliance with this paragraph.

(o) Until the termination of the Lessee's possessory rights hereunder with the effect provided in Section 3.03 hereof, unless the Trustee shall otherwise consent in writing, the Lessee agrees not to:

(i) Create, incur, assume or permit to exist any mortgage, deed of trust, security interest (whether possessory or nonpossessory) or other encumbrance of any kind (including without limitation the charge upon property purchased under conditional sale or other title retention agreement) upon or on the Leased Property, other than (A) liens for taxes not delinquent or being contested as permitted hereunder; (B) liens in connection with workers' compensation, unemployment insurance or social security obligations; (C) mechanics', workmen's, materialmen's, landlords', carriers' or other like liens arising in the ordinary and normal course of business with respect to obligations which are not due or which are being contested hereunder; (D) liens in favor of the Trustee arising out of the transactions contemplated hereby; and (E) Permitted Encumbrances; or

(ii) Enter into or consent to any amendment of any of the documents contemplated hereby, except as may be required in the opinion of Bond Counsel to preserve the excludability from gross income for federal income tax purposes of interest on the Bonds and except as may be otherwise permitted by the Indenture or this Lease.

(p) The estimated useful life of the Facilities is not less than twenty-five (25) years. The term of this Lease, including for this purpose all Renewal Terms authorized herein, does not exceed the shorter of (i) the estimated useful life of the Facilities or (ii) forty (40) years.

(q) The Lessee agrees to comply with and punctually perform all of its obligations under the Ground Lease, including all obligations imposed by law.

(r) The governing body of the Lessee has, in accordance with the provisions of the Uniform Fiscal Procedures Act for Counties, Sections 17-36-1 et seq., Utah Code Annotated 1953, as amended, taken all necessary and appropriate actions relative to the appropriation of funds during the current Fiscal Year in an amount which shall be fully sufficient to pay all Base Rentals and Additional Rentals payable pursuant to this Lease during the Initial Term hereof, and the payment of such Base Rentals and Additional Rentals in accordance with the terms hereof is not prohibited by the aforesaid Uniform Fiscal Procedures Act for Counties or in violation of any resolution or budget applicable to the Lessee currently in effect.

12.02. Representations, Covenants and Warranties of the Lessor. The Lessor hereby represents, covenants and warrants for the benefit of the Lessee and the owners from time to time of the Bonds as follows:

(a) The Lessor has the power and authority to enter into the transactions contemplated by this Lease and the Ground Lease and to carry out

its obligations hereunder and thereunder. The Lessor has been duly authorized to execute and deliver all of the Operative Agreements to which it is a party.

(b) The Lessor is not subject to any legal or contractual limitation or provision of any nature whatsoever which in any way limits, restricts or prevents the Lessor from entering into this Lease or the Ground Lease or any of the other Operative Agreements or performing any of its obligations hereunder or thereunder, except to the extent that such performance may be limited by bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(c) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, known to be pending or threatened against or affecting the Lessor, nor to the best knowledge of the Lessor is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the transactions contemplated by this Lease or any other agreement or instrument to which the Lessor is a party and which is used or contemplated for use in the consummation of the transactions contemplated by this Lease. All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by the Lessor of this Lease or any such other agreement or instrument or in connection with the carrying out by the Lessor of its obligations under this Lease or thereunder have been obtained.

(d) The Lessor has a valid leasehold interest in Parcel C pursuant to the Ground Lease, which interest the Lessor has mortgaged to the Trustee pursuant to the Indenture as additional security for the payment of the principal of, and premium (if any) and interest on, the Bonds. The Lessor and the Lessee understand and agree that the Lessor shall have all right, title and interest in and to the Leased Property subject to the Ground Lease, the Indenture and the annually renewable leasehold interest of the Lessee.

(e) The Lessor will not pledge the Base Rentals or any of its other rights hereunder and will not mortgage or encumber the Leased Property except as provided herein and under the Indenture. All property and moneys received by the Lessor from the Lessee will, so long as no Event of Nonappropriation or Event of Default has occurred and is then continuing, be applied for the benefit of the Lessee, and all property and moneys received by the Lessor hereunder and under the Indenture for the owner or owners of the Bonds will be applied for the benefit of such owner or owners.

(f) The Lessor hereby represents that it recognizes the provisions of Section 265(b)(3) of the Code which provide that a "qualified tax-exempt obligation" as therein defined may be treated by certain financial institutions as if it were acquired on August 7, 1986 for certain purposes. The Lessor hereby designates the Series 1991 Bonds for purposes of Section 265(b)(3) of the Code as a "qualified tax-exempt obligation" as provided therein. In support of the foregoing designation, the Lessor hereby further represents and warrants that (i) the Series 1991 Bonds do not constitute a "private activity bond" (as defined in Section 141 of the Code), (ii) the Lessor has no "subordinate entities" (i.e., an entity deriving its issuing authority from the Lessor or subject to substantial control by the Lessor) within the meaning of Section 265(b)(3)(E) of

the Code except as may be described in the Tax Certificate, (iii) the Lessor has not heretofore issued or entered into any qualified tax-exempt obligations during calendar year 1991, (iv) the reasonably anticipated amount of qualified tax-exempt obligations which will be issued or entered into by the Lessor during calendar year 1991 does not exceed \$10,000,000 and (v) including the Series 1991 Bonds, not more than \$10,000,000 of obligations issued or entered into by the Lessor during the calendar year of issuance of the Series 1991 Bonds have been to date or will be designated by the Lessor for purposes of Section 265(b)(3) of the Code. In connection with the issuance of the Series 1991 Bonds or any Series of Additional Bonds hereafter issued pursuant to the Indenture, Bond Counsel shall be entitled to rely on the representations in this Section 12.02(f) in rendering its opinion.

(g) The payment of the Series 1991 Bonds or any portion thereof is not directly or indirectly (i) secured by any interest in (A) property used or to be used for a private business or (B) payments with respect to such property or (ii) to be derived from payments (whether or not to the Lessor in its capacity as the Issuer) with respect to property, or business use, all within the meaning of Section 141(b) of the Code. No proceeds of the Series 1991 Bonds are to be used (directly or indirectly) to make or finance loans to persons other than governmental units within the meaning of Section 141(c) of the Code.

ARTICLE XIII

AMENDMENTS

13.01. Amendments, Changes and Modifications. (a) Except as otherwise expressly provided in Sections 13.01(b), 13.01(c) and 13.02 hereof, this Lease may not be amended, changed or modified without the prior written consent of the Trustee or the owners of the Bonds in accordance with the Indenture.

(b) So long as no Event of Default or Event of Nonappropriation has occurred hereunder and is then continuing, the Lessor and the Lessee may make, from time to time, without the consent of the Trustee or the owners of the Bonds, such modifications, alterations, amendments or additions to, or deletions from, any of the Sites as the Lessor and the Lessee mutually agree to be necessary and desirable to facilitate the use and development by the Lessee, its successors, permitted sublessees and assigns, of such Sites; provided, however, that each portion of Parcels A, B and C remaining subject to this Lease after any such modification, alteration, amendment to, or deletion from, such Parcels A, B and C shall (i) be capable of being operated as separate and independent functional unit without additional cost to the occupant, (ii) be a single legal parcel of land or a combination of contiguous legal parcels, (iii) include the Facilities located thereon refinanced with the proceeds of sale of the Bonds or the replacement of such Facilities, (iv) have adequate access to and from public streets and easements for the maintenance of all utilities and (v) not be in violation of any applicable law, rule, regulation, ordinance, covenant or restriction relating thereto. The Lessor and the Lessee hereby further covenant not to agree to any modification, alteration, amendment or addition to or deletion from any of the Sites which would reduce the fair rental value of the Leased Property remaining subject to this Lease (such value to be determined in each instance with reference to the value to the Lessee, as may be determined by the governing body of the Lessee, based upon its use of the Leased Property hereunder and not with reference to such value as may be applicable for a

different use or by a different user of the Leased Property) below the Rentals payable under the Lease or adversely affect the excludability from gross income for federal income tax purposes of interest on the Bonds or otherwise adversely affect the purposes for which the Lessor acquired the Leased Property and for which the Lessee is leasing the Leased Property pursuant to this Lease. Upon such modification, alteration, amendment or addition to or deletion from any of the Sites, the Lessor and the Lessee shall execute and cause to be recorded an amendment to this Lease reflecting the release of such portion of the Sites.

(c) Without the consent of the Trustee or the owners of the Bonds and if no Event of Default hereunder or under the Indenture shall have happened and be continuing, the Lessee 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 the Indenture, free from the lien of the Indenture, or the Lessee may release existing easements, licenses, rights-of-way and other rights or privileges with or without consideration, and the Lessor agrees that it shall execute and deliver and will cause and direct the Trustee to execute and deliver any such instrument necessary or appropriate to confirm and grant or release any such easement, license, right-of-way or other right or privilege upon receipt of: (i) a copy of the instrument of grant or release; (ii) a written application signed by an Authorized Lessee Representative requesting such instrument; and (iii) a certificate executed by an Authorized Lessee Representative stating that such grant or release (A) is not detrimental to the proper conduct of the operations of the Lessee, and (B) will not impair the effective use or interfere with the operation of the Leased Property and will not materially weaken, diminish or impair the security intended to be given by or under the Indenture.

(d) The release of any portion of any of the Sites or any interests therein as herein provided shall not entitle the Lessee to any postponement, abatement or diminution of the Base Rentals or any other payments required to be paid hereunder.

13.02. Amendments by Lessor and Lessee Only. This Lease may be amended at any time by written agreement of the Lessor and the Lessee (regardless of any assignments of the Lessor's interests), with the prior written consent of the Trustee, but without notice to or the consent of the owners of the Bonds pursuant to Section 1301 of the Indenture, (a) whenever, in the opinion of counsel satisfactory to the Trustee and the Lessee, the contemplated amendment is necessary to cause this Lease to comply with Utah law or to cause interest on the Bonds to be or remain excludible from gross income for federal income tax purposes, (b) whenever the effect of such amendment is solely to add further, additional or improved security to the rights of the Trustee and the owners of the Bonds or (c) whenever the amendment shall not prejudice in any material respect the rights of the owners of the Bonds then outstanding.

ARTICLE XIV

VESTING OF TITLE

14.01. Vesting of Title. (a) Title to all real property or interests therein, buildings, fixtures, equipment and other personal property consisting of the Facilities and the Sites will be held in the name of the Lessor, subject to the Lease and the Indenture, except that title to Parcel C (acquired from other moneys) shall be held in the name of the Lessee, subject to the Ground Lease, the Lease and the Indenture.

(b) The Lessor's interest in the Facilities and Parcels A and B shall be transferred to the Lessee and title thereto shall thereupon vest in the Lessee (i) on August 2, 1997, upon payment of all Base Rentals for all Renewal Terms and all then accrued Additional Rentals; or (ii) when the lien of the Indenture shall have been discharged in accordance with the terms thereof, other than by foreclosure of such lien.

(c) Upon dissolution of the Lessor and after transfer of title to the Facilities and Parcels A and B pursuant to Section 14.01(b) above, any assets and net earnings of the Lessor then remaining (including but not limited to any amounts to be paid to the Lessee pursuant to Section 409 of the Indenture) shall be paid to the Lessee in accordance with Section 17A-9-912 of the Act and as provided in Section 17A-9-905(5)(b) of the Act.

ARTICLE XV

RIGHT OF ENTRY; LIENS; QUIET ENJOYMENT

15.01. Right of Entry. The Lessor and the Trustee and their respective designated representatives shall have the right to enter upon the Leased Property during reasonable business hours (and in emergencies at all times) (a) to inspect the same, (b) for any purpose connected with the Lessor's rights or obligations under this Lease or (c) for all other lawful purposes.

15.02. Liens. Except for payments made or required to be made under the Indenture, the Lessee shall pay or cause to be paid, when due, all sums of money that may become due for, or purporting to be for, any labor, services, materials, supplies or equipment alleged to have been furnished or to be furnished to or for, in, upon or about the Leased Property and which may be secured by any mechanics', materialmen's or other lien against the Leased Property, or the Lessor's interest therein, and shall cause each such lien to be fully discharged and released; provided, however, that if the Lessee desires to contest in good faith any such lien, this may be done, and if such lien shall be reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and said stay thereafter expires, then and in any such event the Lessee shall forthwith pay and discharge said judgment, but in each instance only from moneys duly appropriated and legally available for such purpose.

15.03. Covenant of Quiet Enjoyment. The parties hereto mutually covenant and agree that the Lessee, by keeping and performing the covenants and agreements herein contained, shall at all times during the term hereof, peaceably and quietly, have, hold and enjoy the Leased Property, subject to all Permitted Encumbrances.

ARTICLE XVI

EVENTS OF DEFAULT; REMEDIES

16.01. Events of Default Defined. Any of the following shall be an "Event of Default" under this Lease:

(a) Failure by the Lessee to pay any Base Rentals required to be paid under Section 4.01(a) hereof, or failure by the Lessee to pay Additional Rentals

required to be paid under Section 4.01(b)(ix) hereof, at the times specified therein as the respective due dates therefor; or

(b) Failure by the Lessee to pay any Additional Rentals (other than Additional Rentals required to be paid under Section 4.01(b)(ix) hereof) during the term of this Lease for a period of thirty (30) days after written notice specifying such failure and requesting that it be remedied shall be received by the Lessee from the Trustee; or

(c) Failure by the Lessee to vacate the Leased Property by the expiration of the Initial Term or any Renewal Term during which an Event of Nonappropriation occurs; or

(d) Failure by the Lessee to observe and perform any covenant, condition or agreement herein on its part to be observed or performed, other than as referred to in Section 16.01(a), 16.01(b) or 16.01(c) hereof, for a period of sixty (60) days after written notice, specifying such failure and requesting that it be remedied, shall have been given to the Lessee by the Trustee, unless the Trustee 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 Trustee will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Lessee within the applicable period and diligently pursued until the default is corrected; or

(e) Any representation or warranty (i) made by the Lessee pursuant to Section 12.01 hereof or by the Lessor pursuant to Section 12.02 hereof or (ii) contained in any certificate delivered in connection with this Lease, shall prove to have been false or misleading in any material respect when made; or

(f) The entry of an order or decree in any court of competent jurisdiction enjoining or restraining use of the Leased Property for its intended purposes, or enjoining, restraining or prohibiting the Lessee from consummating the transactions contemplated by this Lease, which order or decree is not vacated and which proceedings are not discontinued within sixty (60) days after the granting of such order or decree.

The foregoing provisions of this Section 16.01 are subject to the following limitations: (i) the obligations of the Lessee to make payments of the Base Rentals and the Additional Rentals shall be subject to the provisions of Section 4.09 of this Lease with respect to an Event of Nonappropriation; and (ii) if, by reason of Force Majeure (as such term is hereinafter defined), the Lessee shall be unable in whole or in part to carry out any agreement on its part herein contained, other than the obligations of the Lessee contained in Article IV hereof, the Lessee shall not be deemed in default during the continuance of such inability. The Lessee agrees, however, to remedy with all reasonable dispatch the cause or causes preventing the Lessee from carrying out its agreement; provided, however, that the settlement of strikes, lockouts and other disturbances shall be entirely within the discretion of the Lessee, and the Lessee shall not be required to make settlement of strikes, lockouts and other disturbances by acceding to the demands of the opposing party or parties when such course is, in the judgment of the Lessee, unfavorable to the Lessee. As used herein, the term "Force Majeure" shall mean, without limitation, the following: acts of God; strikes, lockouts or other disturbances; acts of public enemies; orders of any kind of the

government of the United States of America or the State of Utah or any of their respective departments, agencies or officials, or any civil or military authority; insurrections; riots; epidemics; landslides; lightning; earthquakes; fire; storms; floods; washouts; droughts; arrests; restraints of government and people; civil disturbances; explosions; partial or entire failure or unavailability of utilities; or any other cause or event not reasonably within the control of the Lessee.

16.02. Remedies on Default. (a) Upon the occurrence and continuance of any Event of Default hereunder or an Event of Nonappropriation, the Trustee as provided in Section 902 of the Indenture shall give notice to the Lessee to vacate the Leased Property immediately (but in no event earlier than the expiration of the Initial Term or the then current Renewal Term for which the Lessee has paid or appropriated moneys sufficient to pay all Rentals due for such Initial Term or Renewal Term, in the case of an Event of Nonappropriation) and shall, without any further demand or notice, (i) terminate this Lease or the Lessee's possessory rights hereunder (without otherwise terminating the Lease), re-enter the Leased Property and eject all parties in possession thereof therefrom, and relet the Leased Property (subject to the Ground Lease) subject to Section 16.02(c) hereof, or then or at any time thereafter commence proceedings to foreclose on and liquidate, relet or sell the Leased Property (subject to the Ground Lease) in the manner permitted by law and as otherwise provided in the Indenture, subject to Section 16.02(c) hereof; (ii) exercise any of the remedies provided to the Trustee upon the occurrence of an Event of Default under the Indenture as the Trustee shall determine to be in the best interests of the Bondowners and as are consistent with the terms and provisions for the exercise of such remedies provided in the Indenture and exercise the option provided to the Trustee (as assignee of the Lessor, in its capacity as ground lessee under the Ground Lease, pursuant to the Indenture) in Section 19 of the Ground Lease; or (iii) take any action at law or in equity deemed necessary or desirable to enforce its and the Bondowners' rights with respect to the Leased Property and the Lessee.

(b) Upon the termination of the term of this Lease or the Lessee's possessory interests herein by reason of an Event of Nonappropriation or an Event of Default, all moneys then held in any fund or account under the Indenture and any Net Proceeds received on such foreclosure, liquidation, reletting or sale shall be held by the Trustee for the benefit of the owners of the Bonds (and applied from time to time as provided in Section 908 of the Indenture). Notwithstanding anything herein to the contrary, the Trustee shall be entitled to relet the Leased Property for such period not exceeding the term of the Ground Lease as is necessary for the Trustee to obtain sufficient moneys to pay in full the principal of, and premium (if any) and interest on, the Bonds, and the obligations of the Trustee with respect to the owners of the Bonds and the receipt and disbursement of funds shall be continuing until the lien of the Indenture is discharged as provided in the Indenture except as a result of foreclosure.

(c) In the event the Trustee exercises the remedies provided in Section 16.02(a) hereof, the Trustee shall give preference in liquidating, reletting or selling the Leased Property (subject to the Ground Lease), provided therein to those lessees or buyers of the Leased Property whose use or ownership of the Leased Property would preserve the the excludability from gross income for federal income tax purposes of interest on the Bonds.

16.03. Surrender of Leased Property. Upon the occurrence and continuance of any Event of Default or Event of Nonappropriation, the Lessee shall immediately quit and surrender the Leased Property to the Trustee in the same condition in which it existed at

the time of the initial use and occupancy thereof by the Lessee, ordinary wear and tear excepted.

16.04. Limitations on Remedies. With the sole exception of the obligation of the Lessee to pay Base Rentals and Additional Rentals attributable to any period during which the Lessee shall actually use, occupy and operate the Leased Property, or for which the governing body of the Lessee has appropriated funds for such purpose, no judgment requiring the payment of money not subject to the lien of the Indenture may be entered against the Lessee by reason of any Event of Default or an Event of Nonappropriation under this Lease. In the event the term of this Lease is terminated as a result of an Event of Default or an Event of Nonappropriation, no deficiency judgment may be entered against the Lessee, except as otherwise expressly herein provided with respect to the Lessee's actual use, occupancy and operation of the Leased Property. Notwithstanding anything herein to the contrary, the Lessee shall not be under any obligation in respect to any creditors, shareholders, or security holders of the Lessor (including but not limited to the owners from time to time of the Bonds), and no remedy or other provision herein or in the Indenture provided shall be construed to provide any such remedy or to create or impose any such obligation.

16.05. Remedies Cumulative. The rights and remedies given or reserved herein to the Lessor and the Trustee are and shall be deemed to be cumulative, and the exercise of any shall not be deemed to be an election excluding the exercise at any other time of a different or inconsistent right or remedy or the maintenance of any action either at law or in equity.

16.06. Waiver. The delay or failure of the Lessor or the Trustee at any time to insist in any one or more instances upon a strict performance of any covenant of this Lease or to exercise any right, remedy, power or option herein granted or established by law, shall not be construed as an impairment of or a waiver or a relinquishment for the future of such covenant, right, remedy, power or option, but the same shall continue and remain in full force and effect, and if any breach shall occur and afterwards be compromised, settled or adjusted, this Lease shall continue in full force and effect as if no breach had occurred unless otherwise agreed. The receipt and acceptance by the Lessor or the Trustee of any Rentals, in whole or in part, with knowledge of the breach of any term, covenant or condition hereof, shall not be deemed a waiver of such breach, and no waiver of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Lessor and the Trustee.

16.07. Curing Lessee's Breach. If the Lessee shall default in the observance or performance of any term or covenant on the Lessee's part to be observed or performed under or by virtue of any of the terms of this Lease, the Trustee may (but shall not be obligated to do so) immediately, or at any time thereafter and without notice, and to the extent permitted by law, perform or cause to be performed the same for the account of the Lessee, and any sums paid or obligations incurred in connection therewith shall be deemed to be Additional Rentals hereunder and shall be paid by the Lessee to the Trustee for appropriate disbursement within fifteen (15) days of the rendering of any bill or statement to the Lessee therefor; provided, however, that nothing herein shall be construed to obligate the Lessee to pay any such Additional Rentals from any funds other than moneys legally available and appropriated for such purpose.

ARTICLE XVII

MISCELLANEOUS

17.01. Notices. All notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments or designations hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party, if sent by United States registered mail, return receipt requested, postage prepaid and addressed as follows:

if to the Lessor:

Municipal Bonding Authority of
Davis County, Utah
28 East State Street
Farmington, Utah 84025
Attention: President

if to the Lessee:

Davis County, Utah
28 East State Street
Farmington, Utah 84025
Attention: Chairman, Board of County Commissioners

A duplicate copy of any such notice shall also be served upon the Trustee as herein provided to its address at Zions First National Bank, Salt Lake City, Utah, Attention: Corporate Trust Department, and upon each of the Appropriate Rating Agencies.

17.02. Governing Law. This Lease is made in the State of Utah under the Constitution and laws of such State and is to be so construed.

17.03. Lessee's Obligation to Operate. The Lessee shall be obligated to use, occupy and operate the Leased Property so as to afford to the public the benefits contemplated by this Lease and to permit the Lessor and the Trustee to carry out their respective covenants to the owners of the Bonds.

17.04. Execution in Counterparts. This Lease may be simultaneously executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but all together shall constitute but one and the same Lease, and it is also understood and agreed that separate counterparts of this Lease may be separately executed by the Lessor and the Lessee, all with the same full force and effect as though the same counterpart had been executed simultaneously by the Lessor and the Lessee; provided, however, that for purposes of perfecting a security interest in this Lease by the Trustee under Article 9 of the Utah Uniform Commercial Code, or otherwise, only the counterpart delivered, pledged and assigned to the Trustee shall be deemed the original.

17.05. Severability. If any one or more of the terms, provisions, promises, covenants or conditions of this Lease, or the application thereof to any person or circumstance, shall to any extent be adjudged invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, each and all of the remaining terms, provisions, promises, covenants and conditions of this Lease, and the application

thereof to other persons or circumstances, shall not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law.

17.06. Successors and Assigns; Third Party Beneficiaries. (a) This Lease and the covenants, conditions and agreements herein contained shall be binding upon and inure to the benefit of the permitted successors and assigns of the parties hereto.

(b) This Lease is executed in part to induce the purchase by others of the Bonds, and for the further securing of the Bonds, and, accordingly, as long as any Bonds are outstanding, all respective covenants and agreements of the parties herein contained are hereby declared to be for the benefit of the owners from time to time of the Bonds, but may be enforced by or on behalf of such owners only in accordance with the provisions of the Indenture. The Lease shall not be deemed to create any right in any person who is not a party (other than the permitted successors and assigns of a party) and shall not be construed in any respect to be a contract in whole or in part for the benefit of any third party (other than the permitted successors and assigns of a party hereto), except in each case the owners from time to time of the Bonds and the Trustee.

17.07. Limitation of Warranty. The Lessor makes no warranties except those warranties or representations expressly made by the Lessor in this Lease or other documents related to the issuance of the Bonds.

17.08. Captions and Headings. The captions and headings used throughout this Lease are for convenience of reference only, and the words contained therein shall not be deemed to affect the meaning of any provision or the scope or intent of this Lease, nor in any way affect this Lease.

17.09. "Net Lease." This Lease shall be deemed and construed to be a "net lease," and the Lessee hereby agrees that the Rentals provided for herein shall be an absolute net return to the Lessor free and clear of any expenses, charges or setoffs whatsoever, except as otherwise specifically provided herein.

17.10. Provision for Payment. Any payment or prepayment by the Lessee shall be deemed made if sufficient Government Obligations (as such term is defined in Article VII of the Indenture) shall have been deposited with the Trustee as provided in the Indenture; provided that notice of the exercise of the Lessee's right of prepayment and the corresponding redemption of Bonds shall have been duly given in case of any redemption as provided in the Indenture. Such Government Obligations shall be sufficient only if they are not redeemable at the option of the issuer thereof prior to maturity and if they mature and bear interest at such times and in such amounts as will assure sufficient cash to pay such payment or prepayment when due without rendering the portion of any payment or prepayment hereunder which is allocable to interest on the Bonds to be includible in gross income for federal income tax purposes and otherwise comply with the requirements specified in Article VII of the Indenture.

17.11. No Merger. Neither this Lease nor the Ground Lease nor any provisions hereof or thereof shall be construed to effect a merger of the title of the Lessee to Parcel C under the Ground Lease and the Lessee's leasehold interest therein under this Lease.

17.12. Action by the Lessee. Whenever it is herein provided or permitted for any action to be taken by the Lessee, such action may be taken by an Authorized Lessee Representative hereunder unless the context clearly indicates otherwise.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease to be executed and attested by their proper officers thereunto duly authorized, and their official seals to be hereon impressed, all as of the day and year first above written.

LESSOR:

MUNICIPAL BUILDING AUTHORITY OF
DAVIS COUNTY, UTAH

By *[Signature]*
President

[Seal]

Attest:

[Signature]
Secretary

LESSEE:

DAVIS COUNTY, UTAH

By *[Signature]*
Chairman, Board of County
Commissioners

[Seal]

Attest:

[Signature]
County Clerk Auditor

DRL/CEB/jg/860635-1a

ACKNOWLEDGMENTS

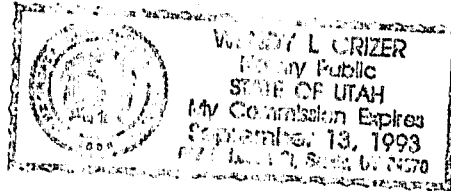
STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the 8th day of April, 1991, personally appeared before me Gayle A. Stevenson, who, being by me duly sworn (or affirmed), did say that he is the President of the Municipal Building Authority of Davis County, Utah, the Utah nonprofit corporation described in and which executed the foregoing instrument, and that said instrument was signed in behalf of said corporation by authority of its bylaws and a resolution of its Board of Trustees, and said Gayle A. Stevenson acknowledged to me that said corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day and year in this certificate first above written.

Wendy L. Crizer
NOTARY PUBLIC
Residing at: Sandy, Utah

My Commission Expires:
9-13-93



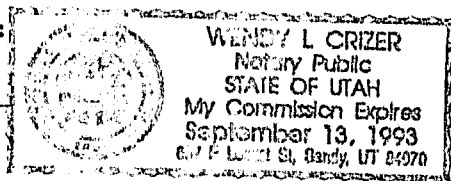
STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

On the 8th day of April, 1991, personally appeared before me Gayle A. Stevenson, who, being by me duly sworn (or affirmed), did say that he is the Chairman of the Board of County Commissioners of Davis County, Utah, the governmental body described in and which executed the foregoing instrument, and that said instrument was signed in behalf of said governmental body by authority of a resolution of its Board of County Commissioners, and said Gayle A. Stevenson acknowledged to me that said governmental body executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the day and year in this certificate first above written.

Wendy L. Crizer
NOTARY PUBLIC
Residing at: Sandy, Utah

My Commission Expires:
9-13-93

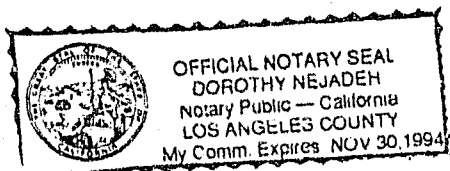


STATE OF CALIFORNIA)
COUNTY OF Los Angeles) ss.

On this 5 day of April, 1991, before me, DOROTHY NEJADEH, a Notary Public of the State of California, personally appeared Margene Isom, personally known to me, or proved to me on the basis of satisfactory evidence, to be the person who executed the foregoing instrument as the Secretary on behalf of the Municipal Building Authority of Davis County, Utah, and acknowledged to me that said authority executed said instrument.

Dorothy Nejadeh
Notary Public

[Notarial Seal]



STATE OF CALIFORNIA)
 : ss.
COUNTY OF Los Angeles)

On this 5 day of April, 1991, before me, DOROTHY NEJBOEH, a Notary Public of the State of California, personally appeared Margene Isom, personally known to me, or proved to me on the basis of satisfactory evidence, to be the person who executed the foregoing instrument as the County Clerk/Auditor of Davis County, Utah, and acknowledged to me that said county executed said instrument.

Dorothy Nejoeh
Notary Public

[Notarial Seal]

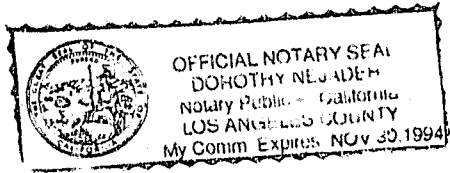


EXHIBIT A

The Facilities located or constructed on Parcels A, B and C generally consist of the following:

Parcel A

Parcel A consists of approximately 1.38 acres located at 470 East Medical Drive in Bountiful, Utah. Parcel A is located near the Lakeview Hospital, various medical and dental clinics and other health and social service facilities. The building located on Parcel A includes a single story structure of approximately 7,812 square feet constructed of brick veneer with aluminum fascia and soffit. The building has aluminum windows and entrance frames and asphalt shingles. Parcel A is fully landscaped with sprinkling system, curb, gutter, sidewalk and a 67-space asphalt parking area.

The building and facilities located on Parcel A will be used to provide Outpatient Services to residents of Davis County. Outpatient Services include psychiatric and psychological assessment and diagnosis; individual psychotherapy; and family, marital and group psychotherapy. Such services are the most extensive modality of care offered through the Davis County Mental Health Center.

Parcel B

Parcel B of the Property consists of approximately one acre located at 860 South State in Clearfield, Utah. Parcel B is located across the street from North Davis Junior High School. A two-story brick house of approximately 4,000 square feet is located on Parcel A. The house has a living room, a dining room, a family room, a large kitchen and seven bedrooms. The house has a large covered porch, running across the front and down approximately one-half of the side. A large two-car garage, large wooden frame storage building, greenhouse, fish pond and parking area (12 car capacity) are also located on Parcel B.

The house and facilities located on Parcel B will be used as an Alcohol Recovery Center in a community-oriented residential treatment program for substance abusers.

Parcel C

Parcel C consists of approximately 0.24 acres located at 2250 North 700 West, Layton, Utah. Parcel C is owned by Davis County and is located near the Davis North Medical Center (hospital), medical and dental clinics and other health and social service facilities. Parcel C will not be acquired by the Issuer but will be leased to the Issuer by Davis County. The building located on Parcel C and refinanced with proceeds of the Bonds is approximately 2,300 square feet and is constructed of brick veneer exterior facing on wood framing. Landscaping and a sprinkling system have been installed. An existing parking area (27 spaces) is included in Parcel C and will be leased to the Issuer.

The building and facilities will provide day treatment and residential/transition treatment for individuals needing therapeutic involvements as a result of mental illness. Davis County's Day Treatment Program provides therapeutic treatment and support in the

community for psychiatric clients who have adjustment problems. The Davis County's Transition Residential Program provides community based living arrangements and mental health and rehabilitation services necessary to prevent inappropriate or unnecessary hospitalization and to assist individuals in their transition from inpatient, nursing home, or other institutional care, to more independent functioning.

Equipment

The equipment located in the buildings located on Parcels A, B and C of the Property consist of heating, ventilating and air conditioning units; chalkboards; bulletin boards; appliances (a refrigerator and a microwave oven for each building); drapes; folding partitions; planters and mirrors.

EXHIBIT B

The three parcels of real property referred to in this Lease collectively as the Sites are located in Davis County, State of Utah, and are more particularly described as follows:

PARCEL A:

Beginning at a point on the South line of Medical Drive North $89^{\circ}43'12''$ East 100.96 feet along the Section line and North $0^{\circ}06'38''$ West 560.71 feet from the Southwest corner of Section 20, Township 2 North, Range 1 East, Salt Lake Meridian, and running thence South $0^{\circ}06'38''$ East 70.66 feet along the East line of 400 East Street; thence North $89^{\circ}43'12''$ East 247.50 feet; thence South $0^{\circ}06'38''$ East 203.38 feet; thence North $89^{\circ}43'12''$ East 166.0 feet; thence North $0^{\circ}06'38''$ West 260.23 feet to the South line of Medical Drive; thence North $88^{\circ}21'58''$ West 413.69 feet to the point of beginning.

PARCEL B:

All of Lot 2, SMITH ESTATES SUBDIVISION, a subdivision of part of Section 12, Township 4 North, Range 2 West, Salt Lake Meridian, in the City of Clearfield, according to the official plat thereof.

PARCEL C:

Beginning at a point North $89^{\circ}47'$ East 42.375 feet along the Section line and North $0^{\circ}03'$ East 1158.0 feet from the South Quarter corner of Section 7, Township 4 North, Range 1 West, Salt Lake Base and Meridian, in the City of Layton; and running thence North $0^{\circ}03'$ East 25.0 feet along the East line of the street; thence North $89^{\circ}47'$ East 258.5 feet; thence North $0^{\circ}03'$ East 25.0 feet; thence North $89^{\circ}47'$ East 69.5 feet along the South line and projection thereof of the existing building; thence South $0^{\circ}03'$ West 57.0 feet; thence South $89^{\circ}47'$ West 69.5 feet; thence North $0^{\circ}03'$ East 7.0 feet; thence South $89^{\circ}47'$ West 258.5 feet to the point of beginning.

SCHEDULE I

BASE RENTAL PAYMENT SCHEDULE

<u>Base Rental Payment Date</u>	<u>Principal Component</u>	<u>Interest Component</u>	<u>Total Payment</u>
July 20, 1991	\$ 85,000.00	\$16,111.67	\$101,111.67
January 20, 1992		21,830.00	21,830.00
July 20, 1992	105,000.00	21,830.00	126,830.00
January 20, 1993		18,837.50	18,837.50
July 20, 1993	110,000.00	18,837.50	128,837.50
January 20, 1994		15,592.50	15,592.50
July 20, 1994	110,000.00	15,592.50	125,592.50
January 20, 1995		12,292.50	12,292.50
July 20, 1995	125,000.00	12,292.50	137,292.50
January 20, 1996		8,417.50	8,417.50
July 20, 1996	125,000.00	8,417.50	133,417.50
January 20, 1997		4,480.00	4,480.00
July 20, 1997	140,000.00	4,480.00	144,480.00

[FORM OF NOTICE OF EXTENSION OF TERM OF LEASE]

Zions First National Bank, as Trustee
under an Indenture of Trust, Mortgage,
Assignment of County Mental Health Facilities Lease
Agreement and County Mental Health Facilities Ground Lease
and Security Agreement, dated as of
April 1, 1991, from the Municipal
Building Issuer of Davis County, Utah
One South Main Street,
Salt Lake City, Utah 84111
Attention: Corporate Trust Department

Pursuant to Section 3.01 of that certain County Mental Health Facilities Lease Agreement, dated as of April 1, 1991 (the "Lease"), between the Municipal Building Issuer of Davis County, Utah and Davis County, Utah (the "Lessee"), the Lessee hereby declares that it has extended the term of the Lease for the Renewal Term (as defined in the Lease) commencing January 1, 19__ and ending December 31, 19__.

The Board of County Commissioners of the Lessee met in regular public session on _____ and appropriated funds in the total amount of \$_____ sufficient for the purpose of paying the Base Rentals and reasonably estimated Additional Rentals (as such terms are defined in the Lease) calculated as provided in Section 4.01(b) of the Lease, to become due during the aforementioned Renewal Term. Of the total amount appropriated, \$_____ was appropriated for the purpose of paying Base Rentals and \$_____ was appropriated for the purpose of paying reasonably estimated Additional Rentals.

[Insert statement and explanation of any deficiency in the foregoing appropriations to pay such Base Rentals and reasonably estimated Additional Rentals as required by Section 3.01 of the Lease.]

DATED this _____ day of _____, 19__.

DAVIS COUNTY, UTAH

By _____
Authorized Lessee Representative