

## NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Utah Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, that on October 4, 2017, the City Council (the "City Council") of Vernal City, Utah (the "Issuer"), adopted a resolution (the "Resolution") in which it authorized the issuance and sale of the Issuer's Sales Tax Revenue Refunding Bonds in one or more series (herein, the "Bonds") in an aggregate principal amount not to exceed \$5,000,000, to bear interest at a rate or rates not to exceed 5.500% per annum, to mature in not more than twenty-five (25) years from their date or dates, and to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, plus accrued interest to the date of delivery, if any. No ad valorem or real property taxes will be pledged to secure the Bonds.

The Issuer proposes to pledge the Local Sales and Use Tax Funds received by Issuer pursuant to Title 59, Chapter 12, Part 2, Utah Code Annotated 1953, as amended, to retire and refund the Issuer's outstanding (1) Sales Tax Revenue Bonds, Series 2003, (2) Sales Tax Revenue Bonds, Series 2009, (3) Limited Obligation Sales Tax Highway Bonds, Series 2001A, and (4) Limited Obligation Sales Tax Highway Bonds, Series 2003A (collectively, the "Refunded Bonds"), and the Local Option Sales and Use Taxes pursuant to Title 59, Chapter 12, Part 21, Utah Code Annotated 1953, as amended, as additional revenues will be used to retire and refund the Issuer's (A) Limited Obligation Sales Tax Highway Bonds, Series 2001A, (B) Limited Obligation Sales Tax Highway Bonds, Series 2003A, (C) Sales Tax Revenue Bonds, Series 2003, and (D) Sales Tax Revenue Bonds, Series 2009.

The Bonds will be issued pursuant to the Resolution and an Indenture to be adopted authorizing and confirming the sale of the Bonds (the "Indenture") for the purposes of (i) retiring and refunding one or more of the Issuer's outstanding Refunded Bonds, and (ii) paying the costs of issuing the Bonds.

A draft of the Indenture consisting of a General Indenture of Trust dated May 1, 2009, as amended by a Third Supplemental Indenture in substantially final form was before the City Council and was part of the Resolution at the time of the adoption of the Resolution by the City Council. The Indenture is to be adopted by the City Council in such form and with such changes thereto as shall be approved by the City Council upon the adoption thereof, approving a pricing committee to finalize the details of the Indenture and the Bonds; provided that the principal amount, the interest rate, maturity and discount of the Bonds will not exceed the maximums set forth above.

A copy of the Resolution and Indenture and information on the Issuer's outstanding bonds are on file in the office of the Issuer Manager/Recorder of the Issuer where they may be examined during regular business hours for at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that, for a period of thirty (30) days from and after the date of the publication of this notice, any person in interest shall have the right to contest the legality of the Resolution or Indenture or the Bonds, or any provision made for the security and payment of the Bonds by filing a verified written complaint in the district court of their county of

residence, and that after such 30-day period, no one shall have any cause of action to contest the regularity, formality or legality thereof for any reason.

DATED October 4, 2017.

/s/ Quinn Bennion  
City Manager/Recorder