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PT OF

**INDENTURE OF TRUST, MORTGAGE, ASSIGNMENT OF
LEASE AGREEMENTS AND SECURITY AGREEMENT**

Dated as of February 1, 2011

**LOCAL BUILDING AUTHORITY OF MORGAN COUNTY SCHOOL DISTRICT,
MORGAN COUNTY, UTAH**

(Trustor, Mortgagor and Debtor)

TO

**ZIONS FIRST NATIONAL BANK,
as Trustee (Trustee, Mortgagee and Secured Party)**

Authorizing the Issuance of and Securing \$4,000,000 Taxable Qualified School Construction Lease Revenue Bonds, Series 2011, of the Local Building Authority of Morgan County School District, Morgan County, Utah.

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but is only for convenience of reference.)

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EXHIBIT A
DESCRIPTION OF REAL ESTATE REFERRED TO IN GRANTING CLAUSE FIRST

The tracts of land constituting the Facility Sites are located in Morgan County, State of Utah, and are more particularly described as follows:

PHYSICAL EDUCATION FACILITY SITE

Situated in Morgan County, Utah:

A part of the North Half of Section 36, Township 4 North, Range 2 East, Salt Lake Base and Meridian, U.S. Survey:

Beginning at a point 2842.73 feet North 0°25'20" West along the Township Line and 2617.22 feet South 89°34'40" West from the Southeast Corner of said Section as Monumented by a ½-inch Diameter Aluminum Pipe; and running thence South 67°01'48" West 334.34 feet; thence North 22°58'12" West 220.00 feet; thence North 67°01'48" East 334.34 feet; thence South 22°58'12" East 220.00 feet to the point of beginning.

Contains 1.689 Acres

SCHOOL BUS FACILITY SITE

Situated in Morgan County, Utah:

A part of Lot 2, River Lodge Subdivision, in Morgan City, Morgan County, Utah, being in the Northeast Quarter of Section 36, Township 4 North, Range 2 East and the Northwest Quarter of Section 31, Township 4 North, Range 3 East, Salt Lake Base and Meridian, U.S. Survey:

Beginning at a point 98.00 feet North 53°13'19" West along the Northerly line of said Lot 2 from the Northeast Corner of said Lot 2; and running thence South 37°35'18" West 556.05 feet to the Southerly line of said Lot 2, thence three (3) courses along said Southerly line of Lot 2 as follows: North 6°12'14" West 70.95 feet North 23°34'09" West 102.66 feet; and North 39°29'22" West 95.02 feet; thence North 7°08'11" East 290.36 feet to the Northerly line of said Lot 2; thence three (3) courses along said Northerly line as follows: South 82°51'49" East 307.98 feet; Southeasterly along the arc of a 199.14 foot radius curve to the right a distance of 103.02 feet (Central Angle Equals 29°38'30" and Center Bears South 7°08'11" West Long Chord bears South 68°02'34" East 101.88 feet); and South 53°13'19" East 15.19 feet to the point of beginning.

Contains 2.913 Acres

EXHIBIT B

ATTACH DEBT SERVICE SCHEDULE WITH EXPECTED SUBSIDY PAYMENTS

Local Building Authority of Morgan County School District

\$4,000,000 Lease Revenue Bonds, Series 2011

(Qualified School Construction Bonds)

(Final Numbers)

Debt Service Schedule

Date	Principal	Coupon	Interest	Tax Credit	Total P+I	Fiscal Total
04/05/2011	-	-	-	-	-	-
12/01/2011	-	-	144,484.44	(144,484.44)	-	-
06/01/2012	286,000.00	5.510%	110,200.00	(110,200.00)	286,000.00	286,000.00
12/01/2012	-	-	102,320.70	(102,320.70)	(0.00)	-
06/01/2013	286,000.00	5.510%	102,320.70	(102,320.70)	286,000.00	286,000.00
12/01/2013	-	-	94,441.40	(94,441.40)	0.00	-
06/01/2014	286,000.00	5.510%	94,441.40	(94,441.40)	286,000.00	286,000.00
12/01/2014	-	-	86,562.10	(86,562.10)	0.00	-
06/01/2015	286,000.00	5.510%	86,562.10	(86,562.10)	286,000.00	286,000.00
12/01/2015	-	-	78,682.80	(78,682.80)	(0.00)	-
06/01/2016	286,000.00	5.510%	78,682.80	(78,682.80)	286,000.00	286,000.00
12/01/2016	-	-	70,803.50	(70,803.50)	0.00	-
06/01/2017	286,000.00	5.510%	70,803.50	(70,803.50)	286,000.00	286,000.00
12/01/2017	-	-	62,924.20	(62,924.20)	0.00	-
06/01/2018	286,000.00	5.510%	62,924.20	(62,924.20)	286,000.00	286,000.00
12/01/2018	-	-	55,044.90	(55,044.90)	0.00	-
06/01/2019	285,000.00	5.510%	55,044.90	(55,044.90)	285,000.00	285,000.00
12/01/2019	-	-	47,193.15	(47,193.15)	0.00	-
06/01/2020	285,000.00	5.510%	47,193.15	(47,193.15)	285,000.00	285,000.00
12/01/2020	-	-	39,341.40	(39,341.40)	0.00	-
06/01/2021	285,000.00	5.510%	39,341.40	(39,341.40)	285,000.00	285,000.00
12/01/2021	-	-	31,489.65	(31,489.65)	0.00	-
06/01/2022	285,000.00	5.510%	31,489.65	(31,489.65)	285,000.00	285,000.00
12/01/2022	-	-	23,637.90	(23,637.90)	0.00	-
06/01/2023	286,000.00	5.510%	23,637.90	(23,637.90)	286,000.00	286,000.00
12/01/2023	-	-	15,758.60	(15,758.60)	(0.00)	-
06/01/2024	286,000.00	5.510%	15,758.60	(15,758.60)	286,000.00	286,000.00
12/01/2024	-	-	7,879.30	(7,879.30)	(0.00)	-
06/01/2025	286,000.00	5.510%	7,879.30	(7,879.30)	286,000.00	286,000.00
Total	\$4,000,000.00	-	\$1,686,843.64	(1,686,843.64)	\$4,000,000.00	-

Yield Statistics

Bond Year Dollars	\$30,614.22
Average Life	7.654 Years
Average Coupon	5.5100000%
Net Interest Cost (NIC)	5.5100000%
True Interest Cost (TIC)	-2.42E-14
Bond Yield for Arbitrage Purposes	-2.59E-14
All Inclusive Cost (AIC)	0.1929871%

IRS Form 8038

Net Interest Cost	5.5100000%
Weighted Average Maturity	7.654 Years

Series 2011 LBA | SINGLE PURPOSE | 2/24/2011 | 11:13 AM

EXHIBIT C

[FORM OF WRITTEN REQUISITION]

WRITTEN REQUISITION NO. ____

Zions First National Bank
One South Main Street, 12th Floor
Salt Lake City, Utah 84133
Attention: Corporate Trust Department

Re: Written Requisition for Disbursement of Funds From the
Local Building Authority of Morgan County School District, Morgan County,
Utah Lease Revenue Bonds Acquisition Fund

As Trustee under that certain Indenture of Trust, Mortgage, Assignment of Lease Agreements and Security Agreement, dated as of February 1, 2011 (the "*Indenture*"), between the Local Building Authority of Morgan County School District, Morgan County, Utah (the "*Authority*"), and Zions First National Bank, as trustee (the "*Trustee*"), you are hereby requisitioned, in accordance with the provisions of Section 408 of the Indenture, to disburse from the Acquisition Fund described above, which was created pursuant to Section 407 of the Indenture, the amounts more fully set forth on *Schedules A* hereto to be paid pursuant to this Written Requisition to the payees listed on such *Schedule A* for the purposes therein set forth. Such disbursement represents the amount to which each such payee is entitled in accordance with the bill of sale, invoice or other statement of account attached to *Schedule A*.

The undersigned, as an Authorized Lessee Representative, as defined in that certain Master Lease Agreement, dated as of February 1, 2011 (the "*Lease*"), between the Authority and the Board of Education of Morgan County School District, Morgan County, Utah (the "*Lessee*"), does hereby certify in compliance with Section 408 of the Indenture that:

(i) I have read the Indenture and the Lease and have reviewed appropriate records and documents of the Authority and the Lessee relating to the matters covered by this Written Requisition;

(ii) The amount of each item of the Costs of Acquisition of the Project (as each such term is defined in the Indenture) due and payable and hereby requisitioned to be disbursed, and the person or persons to whom said amount should be disbursed, other than the Authority or the Lessee, are shown on *Schedule A* attached hereto, and supporting bills of sale, invoices or statements of account from each such person or persons are attached to said *Schedule A*;

(iii) Each amounts requisitioned to be disbursed hereby constitutes Costs of Acquisition of the Project, said amounts are required to be disbursed pursuant to a contract or purchase order entered into therefor by or on behalf of the Lessee, or were necessarily and reasonably incurred, and said amounts are not being paid in advance of the time, if any, fixed for payment;

(iv) No amount set forth in this Written Requisition was included in any Requisition previously filed with, and paid by, the Trustee pursuant to Section 408 of the Indenture;

(v) No written notice of any lien, right to lien or attachment upon, or bona fide claim affecting the right to receive payment of, any of the moneys payable under this Written Requisition to any of the persons, firms or corporations named herein has been received or if any notice of any such lien, attachment or claim has been received, such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of this Written Requisition for the payment thereof;

(vi) This Written Requisition does not contain any item representing payment on account of any retained percentage entitled to be retained at the date hereof;

(vii) The Lessee estimates that the amount of moneys which will remain on deposit in the Acquisition Fund after the withdrawal hereby requisitioned is made plus the amount of allowable interest earnings on the amount of moneys remaining in the Acquisition Fund and investment earnings on other funds that will be transferred into the Acquisition Fund will, after payment of the amounts hereby requisitioned, be sufficient to pay all remaining Costs of Acquisition of the Project as estimated by the Lessee as of the date hereof; and

(viii) In the case of increased Costs of Acquisition of the Project, the amount of any such increase has been or is hereupon being deposited with the Trustee.

EXECUTED this _____ day of _____, _____.

BOARD OF EDUCATION OF MORGAN COUNTY
SCHOOL DISTRICT, MORGAN COUNTY,
UTAH

By _____
Authorized Lessee Representative

SCHEDULE A

**PAYMENT TO BE
MADE TO:**

AMOUNT

PURPOSE

Schedule A

Written Requisition