

SECOND SUPPLEMENTAL INDENTURE OF TRUST

Dated as of August 1, 2011

by and between

EAGLE MOUNTAIN CITY, UTAH

and

U.S. BANK NATIONAL ASSOCIATION

Supplementing the General Indenture of Trust
Dated as of September 1, 2005

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SECOND SUPPLEMENTAL INDENTURE OF TRUST

This Second Supplemental Indenture of Trust, dated as of August 1, 2011, by and between Eagle Mountain City, Utah, a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah (the "Issuer") and U.S. Bank National Association, a national bank duly organized and existing under the laws of the United States of America, authorized by law to accept and execute trusts and having its principal office in Salt Lake City, Utah (the "Trustee");

WITNESSETH:

WHEREAS, the Issuer has entered into a General Indenture of Trust, dated as of September 1, 2005 (the "General Indenture"), with the Trustee; and

WHEREAS to (a) finance the acquisition of property for rights of way and the construction of a substation, power lines, and related improvements (the "2011 Project"), (b) acquire a Reserve Instrument for deposit in a Series 2011 Debt Service Reserve Account, and (c) pay the costs of issuance related to the Series 2011 Bonds, the Issuer has determined to issue its Gas and Electric Revenue Bonds, Series 2011 in the aggregate principal amount of \$11,085,000 (the "Series 2011 Bonds"); and

WHEREAS, the Series 2011 Bonds will be authorized, issued and secured under the General Indenture, as amended and supplemented by this Second Supplemental Indenture (the "Second Supplemental Indenture," and collectively with the General Indenture, and any amendments thereto or hereto, the "Indenture"); and

WHEREAS, Assured Guaranty Municipal Corp. (the "Insurer") has agreed to provide bond insurance with respect to the issuance of the Series 2011 Bonds; and

WHEREAS, Assured Guaranty Municipal Corp. (the "Series 2011 Reserve Instrument Provider") has also offered to provide a surety bond policy (the "Series 2011 Reserve Instrument") to fund the Series 2011 Debt Service Reserve Subaccount herein defined; and

WHEREAS, the execution and delivery of the Series 2011 Bonds and of this Second Supplemental Indenture have in all respects been duly authorized and all things necessary to make the Series 2011 Bonds, when executed by the Issuer and authenticated by the Trustee, the valid and binding legal obligations of the Issuer and to make this Second Supplemental Indenture a valid and binding agreement have been done;

NOW, THEREFORE, THIS SECOND SUPPLEMENTAL INDENTURE WITNESSETH, that to secure the Series 2011 Bonds and all Additional Bonds issued and Outstanding under the Indenture, the payment of the principal or redemption price thereof and interest thereon, the rights of the Registered Owners of the Bonds, to of all Security Instrument Issuers of Security Instrument and the Reserve Instrument Providers of Reserve Instrument, and the performance of all of the covenants contained in such Bonds and herein, and for and in consideration of the mutual covenants herein contained and of the purchase of such Series 2011 Bonds by the Registered Owners thereof from

time to time and the issuance of the Reserve Instrument by the Reserve Instrument Provider, if any, and the Security Instrument by the Security Instrument Issuer, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer has executed and delivered this Second Supplemental Indenture of Trust, and by these presents does, in confirmation of the General Indenture, as amended and supplemented, hereby sell, assign, transfer, set over and pledge unto Trustee, its successors and trusts and its assigns forever, to the extent provided in the General Indenture, as amended and supplemented, all right, title and interest of the Issuer in and to (i) the Net Revenues (as defined in the General Indenture), (ii) all moneys in funds and accounts held by the Trustee under the General Indenture and hereunder (except the Rebate Fund), and (iii) all other rights granted under the General Indenture and hereinafter granted for the future securing of the Series 2011 Bonds.

TO HAVE AND TO HOLD THE SAME unto the Trustee and its successors and its assigns in trust forever;

IN TRUST, NEVERTHELESS, FIRST, for the equal and ratable benefit and security of all present and future Bondholders and Security Instrument Issuers without preference, priority, or distinction as to security or otherwise (except as otherwise specifically provided), of any of the Bonds or Security Instrument Repayment Obligations over any of the others by reason of time of issuance, sale, delivery, maturity or expiration thereof or otherwise for any cause whatsoever; and SECOND, for the equal and proportionate benefit, security and protection of all Reserve Instrument Providers without preference, priority, or distinction as to lien or otherwise (except as otherwise specifically provided) of any Reserve Instrument Provider over any other Reserve Instrument Provider by reason of time of issuance, delivery or expiration thereof or otherwise for any cause whatsoever.

ARTICLE I

SUPPLEMENTAL INDENTURE; DEFINITIONS

Section 1.1 Supplemental Indenture. This Second Supplemental Indenture is supplemental to, and is executed in accordance with and pursuant to Articles II and IX of the General Indenture.

Section 1.2 Definitions. All terms which are defined in the General Indenture, shall have the meanings, respectively, when used herein (including the use thereof in the recitals and the granting clauses thereof) unless expressly given a different meaning or unless the context clearly otherwise requires. All terms used herein which are defined in the recitals hereto shall have the meanings therein given to the same unless the context requires otherwise and, in addition, the following terms shall have the meanings specified below:

“Debt Service Reserve Requirement” means, with respect to the Series 2011 Bonds, the amount of \$1,019,865.62. Upon the refunding of any Series 2011 Bond by the issuance of Refunding Bonds (as defined in the General Indenture), the Debt Service Reserve Requirement shall be adjusted as provided in the General Indenture.

“Insurer” or “AGM” means with respect to the Series 2011 Bonds, Assured Guaranty Municipal Corp. (formerly known as Financial Security Assurance, Inc.). For purposes of the Trust Indenture, the Insurer shall constitute the issuer of a Security Instrument.

“Interest Payment Date” means June 1 and December 1, commencing June 1, 2012.

“Original Issue Date” means the initial date of issuance of the Series 2011 Bonds.

“Reserve Instrument Provider” means, with respect to the Series 2011 Reserve Instrument, Assured Guaranty Municipal Corp. (formerly known as Financial Security Assurance, Inc.).

“Series 2011 Acquisition/Construction Account” means the account established within the Acquisition/Construction Fund under the General indenture held in trust by the Trustee.

“Series 2011 Bonds” means the Gas and Electric Revenue Bonds, Series 2011, herein authorized.

“Series 2011 Debt Service Reserve Account” means the account established within the Debt Service Reserve Fund under the General Indenture held in trust by the Trustee.

“Series 2011 Reserve Instrument” means the surety bond issued by the Reserve Instrument Provider to satisfy all or any portion of the Debt Service Reserve Requirement

applicable to the Series 2011 Bonds. The term "Series 2011 Reserve Instrument" shall constitute a Reserve Instrument under the Indenture.

"Series 2011 Security Instrument" means the municipal bond insurance policy issued by the Insurer insuring the payment of principal and interest on the Series 2011 Bonds. For purposes of the Indenture, the Series 2011 Security Instrument shall constitute a Security Instrument.

"Underwriter" means George K. Baum & Company.

"2011 Project" means acquisition of property for rights of way and the construction of a substation, power lines, and related improvements and constitutes a "Project" under the General Indenture.

ARTICLE II

ISSUANCE OF THE SERIES 2011 BONDS

Section 2.1 Principal Amount, Designation and Series. The Series 2011 Bonds are hereby authorized for issuance under the Indenture for the purpose of providing funds to (a) finance the 2011 Project, (b) acquire the Series 2011 Reserve Instrument for deposit in the Series 2011 Debt Service Reserve Account, and (c) pay the costs of issuance related to the Series 2011 Bonds. The Series 2011 Bonds shall be limited to \$11,085,000 in aggregate principal amount, shall be issued in fully registered form, shall be in substantially the form and contain substantially the terms contained in Exhibit A attached hereto and made a part hereof, and shall bear interest at the rates and be payable as to principal or redemption price as specified herein. The Series 2011 Bonds shall be designated as, and shall be distinguished from the Bonds of all other series by the title, "Gas and Electric Revenue Bonds, Series 2011."

Section 2.2 Date, Maturities and Interest. The Series 2011 Bonds shall be dated as of the Dated Date, and shall mature on the dates in the years and in the amounts and shall bear interest from the Interest Payment Date next preceding their date of authentication thereof unless authenticated as of an Interest Payment Date, in which event such Bonds shall bear interest from such date, or unless such Bonds are authenticated prior to the first Interest Payment Date, in which event such Bonds shall bear interest from their dated date or unless, as shown by the records of the Trustee, interest on the Series 2011 Bonds shall be in default, in which event such Bonds shall bear interest from the date to which interest has been paid in full, or unless no interest shall have been paid on such Bonds, in which event such Bonds shall bear interest from their dated date, payable on each Interest Payment Date at the rates per annum as set forth below:

<u>Maturity (June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2012	\$720,000	3.000%
2013	605,000	2.250
2014	565,000	2.000
2015	530,000	2.250
2016	485,000	2.250
2017	445,000	4.000
2018	405,000	4.000
2019	420,000	5.000
2020	445,000	5.000
2021	470,000	5.000
2022	490,000	3.500
2023	505,000	3.625
2024	525,000	5.000

<u>Maturity (June 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2025	540,000	4.000
2026	575,000	5.000
2031	3,360,000	4.375

The interest on Series 2011 Bonds so payable, and punctually paid and duly provided for, on any Interest Payment Date will be paid to the Registered Owner thereof at the close of business on the Regular Record Date for such interest, which shall be the fifteenth day (whether or not a business day) next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Registered Owner of any Series 2011 Bonds on such Regular Record Date, and may be paid to the Registered Owner thereof at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice thereof to be given to such Registered Owner not less than ten days prior to such Special Record Date. The principal of and premium, if any, on the Series 2011 Bonds are payable upon presentation and surrender thereof at the Principal Corporate Trust Office of the Trustee. Interest shall be paid by check or draft mailed on each Interest Payment Date to the Holder of each of the Series 2011 Bonds as the name and address of such Holder appears on the Record Date in the Register. Interest shall be calculated on the basis of a year of 360 days comprised of twelve 30-day months.

Section 2.3 Redemption.

(a) Optional Redemption. The Series 2011 Bond maturing on or prior to June 1, 2021, are not subject to redemption prior to maturity. The Series 2011 Bond maturing on or after June 1, 2022, are subject to redemption at the option of the Issuer on June 1, 2021, and on any date thereafter prior to maturity, in whole or in part, from such maturities or parts thereof as may be selected by the Issuer, at a redemption price equal to 100% of the principal amount of the Series 2011 Bonds to be redeemed plus accrued interest thereon to the date fixed for redemption.

(b) Mandatory Sinking Fund Redemption. The Series 2011 Bonds maturing on June 1, 2031, are subject to mandatory sinking fund redemption at a redemption price equal to 100% of the principal amount thereof and accrued interest to the redemption date on the dates and in the principal amounts as follows:

Mandatory Sinking Fund <u>Redemption Date</u>	Mandatory Sinking <u>Fund Amount</u>
2027	\$615,000
2028	645,000
2029	670,000
2030	700,000
2031*	730,000

* Final Maturity.

Upon redemption of any Series 2011 Bonds maturing on June 1, 2031, other than by application of such mandatory sinking fund redemption, an amount equal to the principal amount so redeemed will be credited toward a part or all of any one or more of such Mandatory Sinking Fund Redemption amounts for the Series 2011 Bonds maturing on June 1, 2031, in such order as shall be determined by the Issuer.

Section 2.4 Execution of Bonds. The Mayor is hereby authorized to execute by facsimile or manual signature the Series 2011 Bonds and the City Recorder to countersign by facsimile or manual signature the Series 2011 Bonds and to have imprinted, engraved, lithographed, stamped or otherwise placed on the Series 2011 Bonds a facsimile of the official seal of the Issuer, and the Trustee shall manually authenticate the Series 2011 Bonds.

Section 2.5 Delivery of Bonds. It is hereby determined that the Series 2011 Bonds shall be authenticated and delivered to the initial purchaser thereof on such date upon which the Mayor and such purchaser shall mutually agree, upon payment of the purchase price thereof.

Section 2.6 Designation of Registrar. The Trustee is hereby designated as Registrar for the Series 2011 Bonds, acceptance of which appointment shall be evidenced by execution of this Second Supplemental Indenture by the Registrar.

Section 2.7 Designation of Paying Agent. The Trustee is hereby designated as Paying Agent for the Series 2011 Bonds, acceptance of which appointment shall be evidenced by execution of this Second Supplemental Indenture from the Paying Agent.

Section 2.8 Limited Obligation. The Series 2011 Bonds, together with interest thereon, shall be limited obligations of the Issuer payable solely from the Net Revenues (except to the extent paid out of moneys attributable to the Series 2011 Bond proceeds or other funds created hereunder or under the Indenture (except the Rebate Fund) or the income from the temporary investment thereof).

Section 2.9 Book-Entry System; Limited Obligation of Issuer.

(a) Except as provided in Sections 2.9(b) and 2.9(c), the Registered Owner of all Series 2011 Bonds shall be, and the Series 2011 Bonds shall be

registered in the name of Cede & Co. (“Cede”), as nominee of The Depository Trust Company, New York, New York (together with any substitute securities depository appointed pursuant to Section 2.9(c)(ii), “DTC”). Payment of the interest on any Series 2011 Bond shall be made in accordance with the provisions of this Second Supplemental Indenture to the account of Cede on the Interest Payment Dates for the Bonds at the address indicated for Cede in the registration books of the Registrar.

(b) The Series 2011 Bonds shall be initially issued in the form of a separate single fully registered Bond in the amount of each separate stated maturity of the Series 2011 Bonds. Upon initial issuance, the ownership of each such Series 2011 Bond shall be registered in the registration books of the Issuer kept by the Registrar, in the name of Cede, as nominee of DTC. With respect to Series 2011 Bonds so registered in the name of Cede, the Issuer, the Registrar and any Paying Agent shall have no responsibility or obligation to any DTC participant or to any beneficial owner of any of such Series 2011 Bonds. Without limiting the immediately preceding sentence, the Issuer, the Registrar and any Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC participant with respect to any beneficial ownership interest in the Series 2011 Bonds, (ii) the delivery to any DTC participant, beneficial owner or other person, other than DTC, of any notice with respect to the Series 2011 Bonds, including any notice of redemption, or (iii) the payment to any DTC participant, beneficial owner or other person, other than DTC, of any amount with respect to the principal or redemption price of, or interest on, any of the Series 2011 Bonds. The Issuer, the Registrar and any Paying Agent may treat DTC as, and deem DTC to be, the absolute owner of each Bond for all purposes whatsoever, including (but not limited to) (1) payment of the principal or redemption price of, and interest on, each such Bond, (2) giving notices of redemption and other matters with respect to such Bonds and (3) registering transfers with respect to such Bonds. So long as the Series 2011 Bonds are registered in the name of Cede & Co., the Paying Agent shall pay the principal or redemption price of, and interest on, all Series 2011 Bonds only to or upon the order of DTC, and all such payments shall be valid and effective to satisfy fully and discharge the Issuer’s obligations with respect to such principal or redemption price, and interest, to the extent of the sum or sums so paid. Except as provided in Section 2.9(c), no person other than DTC shall receive a Bond evidencing the obligation of the Issuer to make payments of the principal or redemption price of, and interest on, any such Bond pursuant to this Second Supplemental Indenture. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede, and subject to the transfer provisions of the Indenture, the word “Cede” in this Second Supplemental Indenture shall refer to such new nominee of DTC.

Except as provided in Section 2.9(c)(iii), and notwithstanding any other provisions of this Second Supplemental Indenture, the Series 2011 Bonds may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee

of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

(c) (i) DTC may determine to discontinue providing its services with respect to the Series 2011 Bonds at any time by giving written notice to the Issuer, the Registrar, and the Paying Agent, which notice shall certify that DTC has discharged its responsibilities with respect to the Series 2011 Bonds under applicable law.

(ii) The Issuer, in its sole discretion and without the consent of any other person, may, by notice to the Registrar, terminate the services of DTC with respect to the Series 2011 Bonds if the Issuer determines that the continuation of the system of book-entry-only transfers through DTC is not in the best interests of the beneficial owners of the Series 2011 Bonds or the Issuer; and the Issuer shall, by notice to the Registrar, terminate the services of DTC with respect to the Series 2011 Bonds upon receipt by the Issuer, the Registrar, and the Paying Agent of written notice from DTC to the effect that DTC has received written notice from DTC participants having interests, as shown in the records of DTC, in an aggregate principal amount of not less than fifty percent (50%) of the aggregate principal amount of the then outstanding Series 2011 Bonds to the effect that: (1) DTC is unable to discharge its responsibilities with respect to the Series 2011 Bonds; or (2) a continuation of the requirement that all of the outstanding Series 2011 Bonds be registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC, is not in the best interests of the beneficial owners of the Series 2011 Bonds.

(iii) Upon the termination of the services of DTC with respect to the Series 2011 Bonds pursuant to Section 2.9(c)(ii)(2) hereof, or upon the discontinuance or termination of the services of DTC with respect to the Bonds pursuant to Section 2.9(c) or Section 2.9(c)(ii)(1) hereof the Issuer may within 90 days thereafter appoint a substitute securities depository which, in the opinion of the Issuer, is willing and able to undertake the functions of DTC hereunder upon reasonable and customary terms. If no such successor can be found within such period, the Series 2011 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede, as nominee of DTC. In such event, the Issuer shall execute and the Registrar shall authenticate Series 2011 Bond certificates as requested by DTC of like principal amount, maturity and Series, in authorized denominations to the identifiable beneficial owners in replacement of such beneficial owners' beneficial interest in the Series 2011 Bonds.

(iv) Notwithstanding any other provision of this Second Supplemental Indenture to the contrary, so long as any Series 2011 Bond is registered in the name of Cede, as nominee of DTC, all payments with

respect to the principal or redemption price of, and interest on, such Series 2011 Bond and all notices with respect to such Series 2011 Bond shall be made and given, respectively, to DTC.

(v) In connection with any notice or other communication to be provided to Holders of Bonds registered in the name of Cede pursuant to this Second Supplemental Indenture by the Issuer or the Registrar with respect to any consent or other action to be taken by such Holders, the Issuer shall establish a record date for such consent or other action by such Holders and give DTC notice of such record date not less than fifteen (15) days in advance of such record date to the extent possible.

Section 2.10 Perfection of Security Interest.

(a) The Indenture creates a valid and binding pledge and assignment of security interest in all of the Net Revenues pledged under the Indenture in favor of the Trustee as security for payment of the Series 2011 Bonds, enforceable by the Trustee in accordance with the terms thereof.

(b) The Issuer represents and warrants that it has not heretofore made a pledge of, granted a lien on or security interest in, or made an assignment or sale of the Net Revenues that ranks on a parity with or prior to the pledge granted under this Second Supplemental Indenture.

(c) Under the laws of the State, such pledge and assignment and security interest is automatically perfected by Section 11-14-28, Utah Code Annotated 1953, as amended, and is and shall have priority as against all parties having claims of any kind in tort, contract, or otherwise hereafter imposed on the Net Revenues.

(d) The Issuer shall not hereafter make or suffer to exist any pledge or assignment of, lien on, or security interest in the Net Revenues that ranks prior to or on a parity with the pledge granted under the Indenture, or file any financing statement describing any such pledge, assignment, lien, or security interest, except as expressly permitted under the Indenture.

Section 2.11 Series 2011 Bonds as Additional Bonds. The Series 2011 Bonds are issued as Additional Bonds under the General Indenture. The Issuer hereby finds, determines, and declares that the requirements set forth in Section 2.13 of the General Indenture have been and will be complied with upon the issuance of the Series 2011 Bonds.

ARTICLE III

APPLICATION OF PROCEEDS AND FUNDS AND ACCOUNTS; AMENDMENT TO DEBT SERVICE COVERAGE COVENANT

Section 3.1 Creation of Accounts. There are hereby established with the Trustee, a Series 2011 Acquisition/Construction Account within the Acquisition/Construction Fund, a Series 2011 Debt Service Reserve Account within the Debt Service Reserve Fund, and a Cost of Issuance Account.

Section 3.2 Application of Proceeds of the Series 2011 Bonds. The Issuer shall deposit with the Trustee the proceeds from the sale of the Series 2011 Bonds in the amount of \$11,143,293.58 (representing the principal amount of the Series 2011 Bonds, plus an original issue premium of \$251,857.40, and less an Underwriter's discount of \$72,052.50), less a bond insurance premium of \$80,716.70, and less a reserve fund surety premium of \$40,794.62, and the Trustee shall deposit such proceeds as follows:

(a) An amount of \$11,000,000 shall be deposited in the Series 2011 Acquisition/Construction Account;

(b) An amount of \$143,293.58 shall be deposited in the Series 2011 Cost of Issuance Account.

Section 3.3 Debt Service Reserve Fund. For purposes of the Series 2011 Bonds, the Debt Service Reserve Requirement shall equal \$1,019,865.62 and shall be funded on the date of delivery of the Series 2011 Bonds with the Series 2011 Reserve Instrument. Thereafter, the Issuer shall replenish the Series 2011 Debt Service Reserve Account as provided in Sections 5.2(c) and 5.5 of the General Indenture.

Section 3.4 Disbursements from the Series 2011 Cost of Issuance Account. Costs of issuance in the amount of \$143,293.58 shall be paid by the Trustee from the Series 2011 Cost of Issuance Account upon receipt from the Issuer of an executed Cost of Issuance Disbursement Request in substantially the form of Exhibit B attached hereto. Any unexpended balance remaining in the Series 2011 Cost of Issuance Account 30 days after delivery of the Series 2011 Bonds shall be paid to the Issuer.

Section 3.5 Deposits into and Disbursements from the Series 2011 Acquisition/Construction Account. All moneys on deposit in the Series 2011 Acquisition/Construction Account shall be expended in accordance with the terms of the General Indenture. Any moneys remaining in the Series 2011 Acquisition/Construction Account after completion of the new additions and improvements to the System shall be transferred to the Bond Fund and applied toward the next succeeding payment on the Series 2011 Bonds.

Section 3.6 Amendment to Debt Service Covenant. Section 6.1(a) of the General Indenture is hereby amended to read as follows:

(a) While any of the principal of and interest on the Bonds are outstanding and unpaid, or any Repayment Obligations are outstanding, any resolution or other enactment of the Governing Body of the Issuer, applying the Net Revenues for the payment of the Bonds and the Repayment Obligations shall be irrevocable until the Bonds and/or any Repayment Obligations have been paid in full as to both principal and interest, and is not subject to amendment in any manner which would impair the rights of the holders of those Bonds or the Repayment Obligations which would in any way jeopardize the timely payment of principal or interest when due. Furthermore, the rates including connection fees, for all services supplied by the System to the Issuer and to its inhabitants and to all customers within or without the boundaries of the Issuer, shall be sufficient to pay the Operation and Maintenance Expenses for the System, and to provide Net Revenues for each Bond Fund Year of not less than 125% of the Aggregate Annual Debt Service Requirement for such year, plus an amount sufficient to fund the Debt Service Reserve Fund in the time, rate and manner specified herein, provided, however, that such rates must be reasonable rates for the type, kind and character of the service rendered. There shall be no free gas or electric service, and such rates shall be charged against all users of the System, including the Issuer. The Issuer agrees that should its annual financial statement made in accordance with the provisions of Section 6.1(d) disclose that during the period covered by such financial statement the Net Revenues were not at least equal to the above requirement, the Issuer shall request that a Qualified Engineer make recommendations as to the revision of the rates, charges and fees and that the Issuer on the basis of such recommendations will revise the schedule of rates, charges and fees insofar as is practicable and further revise Operation and Maintenance Expenses so as to produce the necessary Net Revenues as herein required.

ARTICLE IV

PROVISIONS RELATING TO INSURANCE POLICY AND THE SERIES 2011 RESERVE INSTRUMENT.

Section 4.1 Series 2011 Security Instrument. Upon the issuance of the Series 2011 Bonds the Issuer shall cause the Insurer to deliver the Series 2011 Security Instrument and the Series 2011 Reserve Instrument, respectively.

Section 4.2 Provisions Relating to the Series 2011 Security Instrument. Notwithstanding any other provision of the Indenture to the contrary, so long as the Series 2011 Bonds remain outstanding and the Insurer and the Reserve Instrument Provider are not in default under any payment obligations hereunder or under the Series 2011 Security Instrument or Series 2011 Reserve Instrument the following provisions shall apply:

The Insurer shall, to the extent it makes any payment of principal of or interest on the Series 2011 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Series 2011 Security Instrument. The obligations to the Insurer shall survive discharge or termination of the Indenture.

(a) The prior written consent of the Insurer shall be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Debt Service Reserve Account, if any. Notwithstanding anything to the contrary set forth in the Indenture, amounts on deposit in the Debt Service Reserve Account shall be applied solely to the payment of debt service due on the applicable series of Bonds.

(b) Upon the occurrence of an extraordinary optional, special, or extraordinary mandatory redemption in part, the selection of Bonds to be redeemed shall be subject to the approval of the Insurer. The exercise of any provision of the Indenture which permits the purchase of Bonds in lieu of redemption shall require the prior written approval of the Insurer if any Bond so purchased is not cancelled upon purchase.

(c) The Insurer shall be deemed to be the sole Owner of the Series 2011 Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the Series 2011 Bonds are entitled to take pursuant to the Indenture. The maturity of the Series 2011 Bonds shall not be accelerated without the consent of the Insurer. The prior written consent of the Insurer shall be a condition to deposit of any Reserve Instrument (other than the Series 2011 Reserve Instrument) for the Series 2011 Bonds.

(d) The Bonds shall be secured by a pledge of the Net Revenues as defined in the Indenture.

(e) Any amendment, supplement, modification to, or waiver of, the Indenture or any other transaction document, including any underlying security agreement (each a “Related Document”), that requires the consent of Bondowners or adversely affects the rights and interests of the Insurer shall be subject to the prior written consent of the Insurer.

(f) Unless the Insurer otherwise directs, upon the occurrence and continuance of an Event of Default or an event which with notice or lapse of time would constitute an Event of Default, amounts on deposit in the Construction Fund shall not be disbursed, but shall instead be applied to the payment of debt service or redemption price of the Bonds.

(g) No grace period for a covenant default shall exceed thirty (3) days or be extended for more than sixty (60) days, without the prior written consent of the Insurer. No grace period will be permitted for payment defaults.

(h) The rights granted to the Insurer under the Indenture to request, consent to, or direct any action are rights granted to the Insurer in consideration of its issuance of the Series 2011 Security Instrument. Any exercise by the Insurer of such rights is merely an exercise of the Insurer’s contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the Series 2011 Bondholders nor does such action evidence any position of the Insurer, positive or negative, as to whether Bondholder consent is required in addition to consent of Insurer.

(i) The Issuer shall pay or reimburse the Insurer any and all charges, fees, costs and expenses which the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Indenture, (ii) the pursuit of any remedies under the Indenture or otherwise afforded by law or equity, (iii) the pursuit of any remedies under the Indenture or any other related document whether or not executed or completed, (iv) the violation by the Issuer of any law, rule or regulation, or any judgment, order or decree applicable to it, or (v) any litigation or other dispute in connection with the Indenture or the transactions contemplated thereby, other than amounts resulting from the failure of the Insurer to honor its obligations under the Series 2011 Security Instrument. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver, or consent proposed in respect of the Indenture. All such amounts shall constitute “Security Instrument Costs.”

(j) The Insurer shall be entitled to pay principal or interest on the Series 2011 Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Series 2011 Security Instrument) whether or not the Insurer has received a Notice of Nonpayment (as such terms are defined in the Series 2011 Security Instrument) or a claim upon the Series 2011 Security Instrument. Any amounts payable to the

Security Instrument Issuer by the Issuer under this Subsection (j) shall constitute “Security Instrument Repayment Obligations.”

(k) Amounts paid by the Insurer under the Series 2011 Security Instrument shall not be deemed paid for purposes of the Indenture and any Series 2011 Bonds so paid shall remain Outstanding and continue to be due and owing until paid by the Issuer in accordance with the Indenture. The Insurer shall, to the extent it makes any payment of principal of or interest on the Series 2011 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Series 2011 Security Instrument. The Indenture shall not be discharged unless all amounts due or to become due to the Insurer have been paid in full or duly provided for.

(l) If, on the third Business Day prior to the related scheduled interest payment date or principal payment date (“Payment Date”), there is not on deposit with the Trustee, after making all transfers and deposits required under the Indenture, moneys sufficient to pay the principal of and interest on the Series 2011 Bonds due on such Payment Date, the Trustee shall make a claim under the Series 2011 Security Instrument and give notice to the Insurer and to its designated agent (if any) (the “Insurer’s Fiscal Agent”) by telephone or telecopy of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Series 2011 Bonds and the amount required to pay principal of the Series 2011 Bonds, confirmed in writing to the Insurer and the Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Series 2011 Security Instrument.

(i) In the event the claim to be made is for a mandatory sinking fund redemption installment, upon receipt of the moneys due, the Trustee shall authenticate and deliver to affected Series 2011 Bondholders who surrender their Series 2011 Bonds a new Series 2011 Bond or Series 2011 Bonds in an aggregate principal amount equal to the unredeemed portion of the Series 2011 Bond surrendered. The Trustee shall designate any portion of payment of principal on Series 2011 Bonds paid by the Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Series 2011 Bonds registered to the then current Series 2011 Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Series 2011 Bond to the Insurer, registered in the name of the Insurer in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee’s failure to so designate any payment or issue any replacement Series 2011 Bond shall have no effect on the amount of principal or interest payable by the Issuer on any Series 2011 Bond or the subrogation rights of the Insurer.

(ii) The Trustee shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Account (as hereinafter defined) and the allocation of such funds to payment of interest on the principal paid in respect to any Series 2011 Bond. The Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Issuer.

(iii) Upon payment of a claim under the Series 2011 Security Instrument the Trustee shall establish a separate special purpose trust account for the benefit of Bondholders referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Series 2011 Security Instrument in trust on behalf of Series 2011 Bondholders and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Series 2011 Bondholders in the same manner as principal and interest payments are to be made with respect to the Series 2011 Bonds under the sections hereof regarding payment of Series 2011 Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything to the contrary otherwise set forth in the Indenture, and to the extent permitted by law, in the event amounts paid under the Series 2011 Security Instrument are applied to claims for payment of principal of or interest on the Series 2011 Bonds, interest on such principal of and interest on such Series 2011 Bonds shall accrue and be payable from the date of such payment at the greater of (A) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank or its successor at its principal office in the City of New York, as its prime or base lending rate plus 3%, and (B) the then applicable rate of interest on the Series 2011 Bonds provided that in no event shall such rate exceed the maximum rate permissible under applicable usury or similar laws limiting interest rates.

(iv) Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses, or liabilities of the Trustee.

(v) Any funds remaining in the Policy Payments Account following a Payment Date shall promptly be remitted to the Insurer.

(m) The Insurer shall be provided with the following information (by the Issuer with respect to items (i), (ii), (vi), (vii), (viii), and (x) below, and by the Trustee with respect to items (iii) through (v), (ix) and (x) below):

(i) Annual audited financial statements within 180 days after the end of the Issuer's fiscal year and the Issuer's annual budget within 30 days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;

(ii) Notice of any draw upon the Series 2011 Debt Service Reserve Account within two Business Days after knowledge thereof other than (A) withdrawals of amounts in excess of the applicable Debt Service Reserve Requirement and (B) withdrawals in connection with a refunding of the Series 2011 Bonds;

(iii) Notice of any default known to the Paying Agent within five Business Days after knowledge thereof;

(iv) Prior notice of the advance refunding or redemption of any of the Series 2011 Bonds including the principal amount, maturities and CUSIP numbers thereof;

(v) Notice of the resignation or removal of the Paying Agent and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto;

(vi) Notice of the commencement of any proceeding by or against the Issuer commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation, or similar law (an "Insolvency Proceeding");

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on the Series 2011 Bonds;

(viii) A full original transcript of all proceedings relating to the execution of any amendment or supplement to the Indenture (other than supplements in connection with the issuance of Additional Bonds); and

(ix) All reports, notices, and correspondence to be delivered to Series 2011 Bondholders under the terms of the Indenture.

(n) The Issuer will permit the Insurer to discuss the affairs, finances and accounts of the Issuer or any information the Insurer may reasonably request regarding the security for the Series 2011 Bonds with appropriate officers of the Issuer on any business day upon reasonable prior notice.

(o) The Trustee (to the extent it becomes aware of such) shall notify the Insurer of any failure of the Issuer to provide notices, certificates and other information under the transaction documents to which the Trustee is a party.

(p) Notwithstanding satisfaction of the other conditions to the issuance of Additional Bonds set forth in the Indenture, no such issuance may occur (1) if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance and (2) unless the Debt Service Reserve Fund is fully funded at the Debt Service Reserve Requirement (including the proposed issue) upon the issuance of such Additional Bonds, in either case unless otherwise permitted by the Insurer.

(q) No contract shall be entered into or any action taken by which the rights of the Insurer or security for or sources of payment of the Series 2011 Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer.

(r) The Notice address of the Insurer is: Assured Guaranty Municipal Corp. (formerly known as Financial Security Assurance Inc.), 31 West 52nd Street, New York, New York 10019, Attention: Risk Management Department–Surveillance; re: Policy No. 213736-N; or such other notice address as the Insurer shall provide in writing to the Paying Agent and the Issuer. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of General Counsel and shall be marked to indicate “URGENT MATERIAL ENCLOSED.”

(s) The Insurer shall be deemed to be a third party beneficiary to the Indenture.

(t) To accomplish defeasance of the Series 2011 Bonds, the Issuer must cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to the Insurer (“Accountant”) verifying the sufficiency of the escrow established to pay the Series 2011 Bonds in full on the maturity or redemption date (“Verification”), (ii) an escrow deposit agreement (which shall be acceptable in form and substance to the Insurer), and (iii) a certificate of discharge of the Paying Agent with respect to the Series 2011 Bonds; each verification shall be acceptable in form and substance, and addressed, to the Issuer, the Paying Agent and the Insurer. The Issuer shall utilize its best efforts to provide the Insurer with final drafts of the above-referenced documentation not less than five business days prior to the funding of the escrow.

(u) Any Interest Rate Swap Contract entered into by the Issuer shall meet the following conditions: (i) the Interest Rate Swap Contract must be entered into to manage interest costs related to, or a hedge against (a) assets then held, or (b) debt then outstanding, or (ii) debt reasonably expected to be issued within the next twelve (12) months, and (iii) the Interest Rate Swap Contract shall not contain any leverage element or multiplier component greater than 1.0x unless there is a matching hedge arrangement which effectively off-sets the

exposure from any such element or component. Unless otherwise consented to in writing by the Insurer, any uninsured net settlement, breakage or other termination amount then in effect shall be subordinate to debt service on the Bonds and on any debt on parity with the Bonds. The Issuer shall not terminate an Interest Rate Swap Contract unless it demonstrates to the satisfaction of the Insurer prior to the payment of any such termination amount that such payment will not cause the Issuer to be in default under the Bond Documents, including but not limited to, any monetary obligations thereunder. All Swap Counterparties or guarantors to any Interest Rate Swap Contract must have a rating of at least "A-" and "A3" by Standard & Poor's ("S&P") and Moody's Investors Service ("Moody's"). If the Swap Counterparty or guarantor's rating falls below "A-" or "A3" by either S&P or Moody's, the Swap Counterparty or guarantor shall execute a credit support annex to the Interest Rate Swap Contract, which credit support annex shall be acceptable to the Insurer. If the Swap Counterparties or the guarantor's long term unsecured rating falls below "Baa1" or "BBB+" by either Moody's or S&P, a replacement Swap Counterparty or guarantor, acceptable to the Insurer, shall be required.

(v) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Indenture would adversely affect the security for the Series 2011 Bonds or the rights of the Series 2011 Bondholders, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Insurance Policy.

Section 4.3 Provisions Relating to Series 2011 Reserve Instrument. Notwithstanding any other provisions of the Indenture to the contrary, so long as the Series 2011 Bonds remain outstanding and the Insurer and the Reserve Instrument Provider are not in default under any payment obligations hereunder or under the Series 2011 Security Instrument or Series 2011 Reserve Instrument, the following provisions shall apply:

The Series 2011 Reserve Instrument constitutes a Reserve Instrument under the Indenture. The Issuer shall repay any draws under the Series 2011 Reserve Instrument and pay all related reasonable expenses incurred by the Reserve Instrument Provider. Interest shall accrue and be payable on such draws and expenses from the date of payment under the Series 2011 Reserve Instrument at the Late Payment Rate. "Late Payment Rate" means the lesser of (i) the greater of (A) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus three percent (3%), and (B) the then applicable highest rate of interest on the Series 2011 Bonds, and (ii) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the Reserve Instrument Provider shall specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw. Policy Costs shall constitute Reserve Instrument Repayment Obligations.

Amounts in respect of Policy Costs paid to the Reserve Instrument Provider shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Reserve Instrument Provider on account of principal due, the coverage under the Series 2011 Reserve Instrument will be increased by a like amount, subject to the terms of the Series 2011 Reserve Instrument.

All cash and investments in the Series 2011 Debt Service Reserve Account shall be transferred to the Bond Fund for payment of debt service on the applicable Outstanding Series 2011 Bonds before any drawing may be made on the Series 2011 Reserve Instrument or any other Reserve Instrument credited to the Series 2011 Debt Service Reserve Account in lieu of cash. Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Reserve Instrument (including the Series 2011 Reserve Instrument) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Series 2011 Debt Service Reserve Account. Payment of Policy Costs and reimbursement of amounts with respect to other Reserve Instrument shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Series 2011 Debt Service Reserve Account. "Available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(a) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of Paragraph (a) hereof, the Reserve Instrument Provider shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under the Indenture other than (i) acceleration of the maturity of the Outstanding Bonds or (ii) remedies which would adversely affect owners of the Outstanding Bonds.

(b) The Indenture shall not be discharged until all Policy Costs owing to the Reserve Instrument Provider shall have been paid in full. The Issuer's obligation to pay such amounts shall expressly survive payment in full of the Series 2011 Bonds.

(c) Pursuant to the Indenture, in order to secure the Issuer's payment obligations with respect to the Policy Costs there has been granted and perfected in favor of the Reserve Instrument Provider a security interest (subordinate only to that of the owners of the Bonds) in all revenues and collateral pledged as security for the Outstanding Bonds.

(d) The Trustee shall ascertain the necessity for a claim upon the Series 2011 Reserve Instrument and to provide notice to the Reserve Instrument Provider in accordance hereof and the Series 2011 Reserve Instrument at least five business days prior to each date upon which interest or principal is due on the Outstanding Bonds. When deposits are required to be made by the Issuer with the Trustee to Series 2011 Debt Service Reserve Account for the Series 2011 Bonds more often than semi-annually, the Trustee shall be instructed to give notice to the Reserve Instrument Provider of any failure to make timely payment in full of such deposits within two business days of the date due.

ARTICLE V

CONFIRMATION OF GENERAL INDENTURE

As supplemented by this Second Supplemental Indenture, and except as provided herein, the General Indenture is in all respects ratified and confirmed, and the General Indenture, and this Second Supplemental Indenture shall be read, taken and construed as one and the same instrument so that all of the rights, remedies, terms, conditions, covenants and agreements of the General Indenture shall apply and remain in full force and effect with respect to this Second Supplemental Indenture, and to any revenues, receipts and moneys to be derived therefrom.

IN WITNESS WHEREOF, the Issuer and the Trustee have caused this Second Supplemental Indenture of Trust to be executed as of the date first written above.

EAGLE MOUNTAIN CITY, UTAH

(SEAL)



By: _____

Leatha [Signature]
Mayor

COUNTERSIGN:

By: _____

Amf B. [Signature]
City Recorder

U.S. BANK NATIONAL ASSOCIATION

By: _____

Ki R. [Signature]
Title: *Vice President*

EXHIBIT A

(FORM OF SERIES 2011 BOND)

Unless this certificate is presented by an authorized representative of The Depository Trust Company (55 Water Street, New York, New York) to the issuer or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

UNITED STATES OF AMERICA
STATE OF UTAH
EAGLE MOUNTAIN CITY, UTAH
GAS AND ELECTRIC REVENUE BOND
SERIES 2011

Number R - _____ \$ _____

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Issue Date</u>	<u>CUSIP</u>
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August 18, 2011

Registered Owner: CEDE & CO.

Principal Amount: _____ DOLLARS

Eagle Mountain City, Utah ("Issuer"), a political subdivision and body politic duly organized and existing under the Constitution and laws of the State of Utah, for value received, hereby acknowledges itself to be indebted and promises to pay to the Registered Owner named above or registered assigns, out of the special fund hereinbelow designated and not otherwise, the Principal Amount specified above on the Maturity Date specified above with interest thereon until paid at the Interest Rate specified above per annum, payable semiannually on June 1 and December 1 of each year commencing June 1, 2012, until said Principal Amount is paid. Principal and premium, if any, shall be payable upon surrender of this Bond at the principal offices of U.S. Bank National Association, Corporate Trust Services, 170 South Main, 2nd Floor, Salt Lake City, Utah 84101 ("Trustee" and "Paying Agent") or its successors. Interest on this Bond shall be payable by check or draft mailed to the Registered Owner hereof at his address as it appears on the registration books of the Paying Agent, who shall also act as the Registrar for the Issuer, or at such other address as is furnished to the Paying Agent in writing by such Registered Owner. Interest hereon shall be deemed to be paid by the Paying Agent when mailed. Both principal and interest shall be payable in lawful money of the United States of America.

This Bond is one of an issue of Bonds of the Issuer designated as the "Gas and Electric Revenue Bonds, Series 2011 (the "Series 2011 Bonds") in the aggregate principal amount of \$11,085,000 of like tenor and effect, except as to date of maturity and interest rate, numbered R-1 and upwards, issued by the Issuer pursuant to a General Indenture of Trust dated as of September 1, 2005, and Second Supplemental Indenture of Trust dated as of August 1, 2011 (collectively the "Indenture"), approved by resolution adopted on August 2, 2011 (the "Bond Resolution"), for the purpose of (a) financing the acquisition of property for rights of way and the construction of a substation, power lines, and related improvements (the "2011 Project"), (b) acquiring a Reserve Instrument to fund the Series 2011 Debt Service Reserve Account, and (c) paying the costs of issuance related to the Series 2011 Bonds, all in full conformity with the Constitution and laws of the State of Utah. Both principal of and interest on this Bond and the issue of which it is a part are payable solely from a special fund designated "Eagle Mountain City, Utah Gas and Electric Revenue Bond Fund" (the "Bond Fund"), into which fund, to the extent necessary to assure prompt payment of the principal of and interest on the issue of which this is one and on all series of bonds issued on a lien parity with this Bond shall be paid the Net Revenues (as defined in the Indenture) derived and to be derived from the Issuer's gas and electric system (the "System") all as more fully described and provided in the Indenture.

As more fully provided in the Indenture, the Series 2011 Bonds shall be payable only from the Net Revenues and shall not constitute a general indebtedness or pledge of the full faith and credit of the Issuer, within the meaning of any constitutional or statutory provision or limitation of indebtedness.

As provided in the Indenture, additional bonds, notes and other obligations of the Issuer may be issued and secured on an equal lien parity with the Series 2011 Bonds, from time to time in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and may otherwise vary as provided in the Indenture, and the aggregate principal amount of such bonds, notes and other obligations issued and to be issued under the Indenture is not limited.

Reference is hereby made to the Indenture, copies of which are on file with the Trustee, for the provisions, among others, with respect to the nature and extent of the rights, duties and obligations of the Issuer, the Trustee and the Registered Owners of the Series 2011 Bonds, the terms upon which the Series 2011 Bonds are issued and secured, and upon which the Indenture may be modified and amended, to all of which the Registered Owner of this Bond assents by the acceptance of this Bond.

Except as otherwise provided herein and unless the context indicates otherwise, words and phrases used herein shall have the same meanings as such words and phrases in the Indenture.

Interest on all Series 2011 Bonds authenticated on or Series 2001 to the Original Issue Date shall accrue from the Original Issue Date. Interest on the Series 2011 Bonds authenticated subsequent to the Original Issue Date shall accrue from the Interest Payment Date next preceding their date of authentication, or if authenticated on an

Interest Payment Date, as of that date; provided, however, that if interest on the Series 2011 Bonds shall be in default, interest on the Series 2011 Bonds issued in exchange for Series 2011 Bonds surrendered for transfer or exchange shall be payable from the date to which interest has been paid in full on the Series 2011 Bonds surrendered.

The Bonds are subject to optional and mandatory sinking fund redemption at the times, in the amounts and with notice all as provided in the Indenture.

The Bonds are issued as fully registered Bonds. Subject to the limitations and upon payment of the charges provided in the Indenture, registered Bonds may be exchanged for a like aggregate principal amount of registered Bonds of other authorized denominations of the same series and the same maturity.

This Bond is transferable by the registered holder hereof in person or by his attorney duly authorized in writing at the principal corporate offices of U.S. Bank National Association (the "Registrar") in Salt Lake City, Utah, but only in the manner, subject to the limitations and upon payment of the charges provided in the Indenture and upon surrender and cancellation of this Bond. Upon such transfer a new registered Bond or Bonds of the same series and the same maturity and of authorized denomination or denominations for the same aggregate principal amount will be issued to the transferee in exchange therefor.

The Issuer and the Paying Agent may deem and treat the Registered Holder hereof as the absolute owner hereof (whether or not this Bond shall be overdue) for the purpose of receiving payment of or on account of principal hereof, premium, if any, and interest due hereon and for all other purposes, and neither Issuer nor Paying Agent shall be affected by any notice to the contrary.

This Bond is issued under and pursuant to the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and this Bond does not constitute a general obligation indebtedness of the Issuer within the meaning of any state constitutional or statutory limitation. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the Issuer or any agency, instrumentality or political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment.

The Issuer covenants and agrees that it will cause to be collected and accounted for sufficient Net Revenues as will at all times be sufficient to pay promptly the principal of and interest on this Bond and the issue of which it forms a part and to make all payments required to be made into the Bond Fund, and to carry out all the requirements of the Indenture.

It is hereby declared and represented that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this Bond have existed, have happened and have been performed in regular and due time, form and manner as required by law, that the amount of this Bond, together with the issue of which it forms a part, does not exceed any limitation prescribed by the Constitution or statutes

of the State of Utah, that the Net Revenues of the Issuer have been pledged and that an amount therefrom will be set aside into a special fund by the Issuer sufficient for the prompt payment of the principal of and interest on this Bond and the issue of which it forms a part, as authorized for issue under the Indenture, and that the Net Revenues of the Issuer are not pledged, hypothecated or anticipated in any way other than by the issue of the Bonds of which this Bond is one and all bonds issued on a parity with this Bond.

This Bond shall not be valid or become obligatory for any purpose nor be entitled to any security or benefit under the Indenture until the Certificate of Authentication on this Bond shall have been manually signed by the Trustee.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed by the manual or facsimile signature of its Mayor and countersigned by the manual or facsimile signature of its City Recorder under its corporate seal or a facsimile thereof.

(SEAL)

(facsimile or manual signature)

Mayor

COUNTERSIGN:

(facsimile or manual signature)

City Recorder

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Gas and Electric Revenue Bonds, Series 2011 of Eagle Mountain City, Utah.

U.S. BANK NATIONAL ASSOCIATION,
As Trustee

By: _____ (Manual Signature)
Authorized Officer

Date of Authentication: _____

ASSIGNMENT

FOR VALUE RECEIVED, _____, the undersigned, hereby sells, assigns and transfers unto:

(Social Security or Other Identifying Number of Assignee)

(Please Print or Typewrite Name and Address of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature: _____

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of this Bond in every particular, without alteration or enlargement or any change whatever.

Signature Guaranteed:

NOTICE: The signature(s) should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations, and credit unions with membership in an approved signature guarantee medallion program), pursuant to S.E.C. Rule 17Ad-15.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM – as tenants in common
TEN ENT – as tenants by the entireties
JT TEN – as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT MIN ACT _____
(Cust.)

Custodian for _____
(Minor)

under Uniform Gifts to Minors Act of _____
(State)

Additional abbreviations may also be used though not in the above list.

EXHIBIT B

COSTS OF ISSUANCE DISBURSEMENT REQUEST

U.S. Bank National Association
Corporate Trust Services
170 South Main Street,, Suite 200
Salt Lake City, Utah 84111

Pursuant to Section 3.4 of the Second Supplemental Indenture of Trust dated as of July 1, 2011, you are hereby authorized to pay to the following costs of issuance from the Series 2011 Cost of Issuance Account:

[See Attached Schedule]

MAYOR,
EAGLE MOUNTAIN CITY, UTAH

COSTS OF ISSUANCE

Payee

Purpose

Amount