

MASTER CONTINUING DISCLOSURE AGREEMENT
(2019)

This Master Continuing Disclosure Agreement (the “Master Agreement”) is executed and delivered by the State of Utah (the “State”) in connection with the implementation of the provisions of Title 53G, Chapter 4, Part 8, Utah Code Annotated 1953, as amended (the “Guaranty Act”) by which the timely payment of principal of and interest on certain general obligation bonds (the “Guaranteed Bonds”) issued from time to time by Boards of Education of certain school districts in the State are guaranteed by the State. The Guaranteed Bonds are being issued and guaranteed pursuant to the laws of the State. The State covenants and agrees, for the benefit of the Beneficial Owners from time to time of the Guaranteed Bonds, as follows:

SECTION 1. Purpose of the Master Agreement. This Master Agreement is being executed and delivered by the State for the benefit of the Holders and Beneficial Owners of the Guaranteed Bonds and in order to assist the Participating Underwriters in complying with the Rule.

SECTION 2. Definitions. The following capitalized terms shall have the following meanings:

“Annual Report” shall mean any Annual Report provided by the State pursuant to, and as described in, Section 3 and 4 of this Master Agreement.

“Annual Report Date” shall mean the date specified in Section 3 as the deadline for filing the Annual Report.

“Beneficial Owner” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Guaranteed Bonds (including persons holding Guaranteed Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Guaranteed Bonds for federal income tax purposes.

“Dissemination Agent” shall mean the State, or any successor Dissemination Agent designated in writing by the State and which has filed with the State a written acceptance of such designation.

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; *provided however*, the term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Guaranty” means the State’s guaranty of payment of the principal of and interest on Guaranteed Bonds made by the Guaranty Act.

“Listed Events” shall mean any of the events listed in Sections 5(a) and 5(b) of this Master Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board, the address of which is 1300 I Street, NW, Suite 1000, Washington DC 20005-3314; Telephone (202) 838-1500; and the website address of which is www.msrb.org and www.emma.msrb.org (for municipal disclosures and market data).

“Participating Underwriter” shall mean any of the original underwriters of Guaranteed Bonds required to comply with the Rule in connection with an offering of Guaranteed Bonds.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended.

“State” shall mean the State of Utah.

SECTION 3. Provisions of Annual Reports.

(a) The State shall, or shall cause the Dissemination Agent to, not later than 200 days after the end of the State’s fiscal year (presently June 30), commencing with the report for the 2018-19 Fiscal Year, provide to the MSRB in electronic format an Annual Report which is consistent with the requirements of Section 4 of this Master Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Master Agreement; provided that the audited financial statements of the State may be submitted separately from the balance of the Annual Report and later than the date required above for the filing of the Annual Report if they are not available by that date. If the State’s fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c).

(b) Not later than ten (10) business days prior to the Annual Report Date, the State shall provide the Annual Report to the Dissemination Agent (if other than the State). If the State is unable, or otherwise fails, to provide to the MSRB an Annual Report by the Annual Report Date, the State shall promptly send a notice to the MSRB.

(c) The Dissemination Agent shall:

(i) determine each year prior to the Annual Report Date the website address to which the MSRB directs the annual reports to be submitted; and

(ii) (if the Dissemination Agent is other than the State), file a report with the State certifying that the Annual Report has been provided pursuant to this Master Agreement, stating the date it was provided and listing the website address to which it was provided.

SECTION 4. Content of Annual Reports. The State's Annual Report shall contain or include by reference the following:

1. The Comprehensive Annual Financial Report ("CAFR") of the State for the prior fiscal year including audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the State's CAFR is not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the then most recently filed CAFR, and the CAFR shall be filed in the same manner as the Annual Report when it becomes available.

2. Any additional financial information and operating data with respect to the State, in its capacity as guarantor under the Guaranty, included in a final official statement (as defined in the Rule) offering Guaranteed Bonds, to the extent such information is not presented in the CAFR and the inclusion of which was consented to by the State.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the State or related public entities, which have been submitted to the MSRB or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB. The State shall clearly identify each such other document so included by reference.

SECTION 5. Reporting of Events.

(a) Pursuant to the provisions of this Section 5(a), the State shall give, or cause to be given, notice of the occurrence of any of the following Listed Events, but only with respect to its guaranty of the Guaranteed Bonds, in a timely manner but not more than ten (10) business days after the Listed Event:

1. Principal and interest payment delinquencies of the State on Guaranteed Bonds;

2. Bankruptcy, insolvency, receivership or similar event of the State;

3. Rating changes of the State's guaranty of Guaranteed Bonds;
and

4. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the State, any of which reflect financial difficulties.

(b) Pursuant to the provisions of this Section 5(b), the State shall give or cause to be given, notice of the occurrence of any of the following Listed Events but only with respect to its guaranty of the Guaranteed Bonds in a timely manner but not more than ten (10) business days after the Listed Event if material:

1. Modifications to the rights of the owners of the Guaranteed Bonds under the Guaranty Act;

2. Incurrence of a Financial Obligation of the State, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the State, any of which affect holders of the Guaranteed Bonds, if material.

(c) Whenever the State obtains knowledge of the occurrence of a Listed Event under Section 5(b), the State shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If the State determines that knowledge of the occurrence of a Listed Event under Section 5(b) would be material under applicable federal securities laws, the State shall promptly file a notice of such occurrence with the MSRB.

SECTION 6. Termination of Reporting Obligation. The State's obligations under this Master Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Guaranteed Bonds. If such termination occurs prior to the final maturity of all of the Guaranteed Bonds, the State shall give notice of such termination in the same manner as for a Listed Event under Section 5(d).

SECTION 7. Dissemination Agent. The State may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Master Agreement, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The Dissemination Agent, if other than the State, shall not be responsible in any manner for the content of any notice or report prepared by the State pursuant to this Master Agreement.

SECTION 8. Amendment; Waiver. Notwithstanding any other provision of this Master Agreement, the State may amend this Master Agreement, and any provision of this Master Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a) or 5(b), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Guaranteed Bonds, or the type of business conducted;

(b) This Master Agreement, as amended or taking into account such waiver, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule as they exist on the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the Holders or Beneficial Owners of the Guaranteed Bonds in the same manner as provided for amendments with the consent of Holders, if any, or (ii) does not, in the opinion of

nationally recognized bond counsel, materially impair the interests of the Holders or Beneficial Owners of the Guaranteed Bonds.

In the event of any amendment or waiver of a provision of this Master Agreement, the State shall describe such amendment in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the State. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 5(b), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 9. Additional Information. Nothing in this Master Agreement shall be deemed to prevent the State from disseminating any other information, using the means of dissemination set forth in this Master Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Master Agreement. If the State chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Master Agreement, the State shall have no obligation under this Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 10. Default. In the event of a failure of the State to comply with any provision of this Master Agreement any Holder or Beneficial Owner of the Guaranteed Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the State to comply with its obligations under this Master Agreement. A default or failure under this Master Agreement shall not be deemed an Event of Default under the Guaranty Act, and the sole remedy under this Master Agreement in the event of any failure of the State to comply with this Master Agreement shall be an action to compel performance.

SECTION 11. Limitation on Scope of Master Agreement. The State makes no undertaking or agreement with respect to matters, whether material or not, related to Guaranteed Bonds other than those related to its guaranty by the Guaranty Act of Guaranteed Bonds.

Compliance with the Rule in connection with all such matters is the responsibility of the Participating Underwriters and the respective issuers of the Guaranteed Bonds.

SECTION 12. Duties Immunities and Liabilities of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Master Agreement, and the State, to the extent permitted by law, agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses

(including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's gross negligence or willful misconduct. The obligations of the State under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Guaranteed Bonds.

SECTION 13. Beneficiaries. This Master Agreement shall inure solely to the benefit of the State, the Dissemination Agent, the Boards of Education issuing Guaranteed Bonds (each with respect to its Guaranteed Bonds only), the Participating Underwriters and Holders and Beneficial Owners from time to time of the Guaranteed Bonds (who shall be deemed parties benefiting from this Master Agreement), and shall create no rights in any other person or entity.

Date: August 27, 2019.

STATE OF UTAH

By: 
Utah State Treasurer

