

**Resolution No. R2026-05** A Resolution Of The Fairfield Town Council Authorizing The Mayor To Enter Into An Agreement With Utah Division of Finance.

**Dated April 15, 2026**

**WHEREAS**, Fairfield (referred to as “the Town”) and the Utah Division of Finance (referred to as “the Division”) are public entities under the laws of the State of Utah; and

**WHEREAS**, the Town Council now desires to authorize the Mayor to negotiate, sign, and enter into a contract with Utah Division of Finance, for the reimbursement of the Allen's Ranch Road waterline and other project area improvements;

**WHEREAS**, the Town Council specifically authorizes Town Staff to complete and execute any necessary tax or financial forms as requested by the Division to finalize the contract;

**NOW THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF FAIRFIELD, UTAH AS FOLLOWS:**

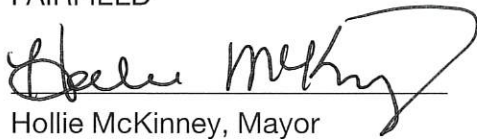
Section 1. Approval. The Town Council of Fairfield, Utah, hereby authorizes the Mayor to negotiate, sign, and enter into a contract with the Utah Division of Finance, for and on behalf of the Town as outlined above, attached hereto as Exhibit A, incorporated herein by reference.

Section 2. Severability. If any section, part, or provision of this Resolution is held invalid or unenforceable, such invalidity or unenforceability shall not affect any other portion of this Resolution, and all sections, parts, and provisions of this Resolution shall be severable.

Section 3. Effective Date. This Resolution shall become effective immediately upon its approval by the Town Council.

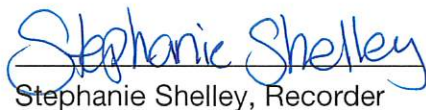
**Passed and adopted this 15th day of April 2026.**

FAIRFIELD

  
Hollie McKinney, Mayor

Hollie McKinney	yes <u>X</u>	no _____	abstain _____
RL Panek	yes <u>RP</u>	no _____	abstain _____
Tyler Thomas	yes <u>TT</u>	no _____	abstain _____
Michael Weber	yes <u>MW</u>	no _____	abstain _____
Richard Cameron	yes <u>RC</u>	no _____	abstain _____

ATTEST:

  
Stephanie Shelley, Recorder



FAIRFIELD

STATE OF UTAH        )  
                                  ) ss.  
COUNTY OF UTAH )

I, Stephanie Shelley, Town Recorder of Fairfield, Utah, do hereby certify and declare that the above and foregoing is a true, full, and correct copy of an ordinance passed by the Town Council of Fairfield, Utah, on the **15th day of April 2026**.

**Resolution No. R2026-05** A Resolution Of The Fairfield Town Council Authorizing The Mayor To Enter Into An Agreement With Utah Division of Finance

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Corporate Seal of Fairfield, Utah, this **15th day of April 2026**.

  
Fairfield Recorder/Clerk



---

# Exhibit A

## INLAND PORT INFRASTRUCTURE REVOLVING LOAN FUND

### LOAN AGREEMENT

THIS LOAN AGREEMENT (the “Loan Agreement”) is made and entered into as of the 15th day of June, 2026 (the “Effective Date”), by and between the UTAH DIVISION OF FINANCE (the “Division”) acting as the lender (the “Lender”) and loan servicer, and Fairfield Town, a municipal corporation authorized to and doing business in the state of Utah (“Borrower”) (each individually a “Party and together “Parties”).

#### RECITALS

WHEREAS Borrower has requested a loan for the purpose of financing a water line into the Light Industrial West area and for the planning, engineering and design of other projects in the Pony Express project area;

WHEREAS, the Inland Port Fund was created (§63A-3-402(1)(a), the “Fund”) as an enterprise revolving loan fund for the purpose of providing loans for infrastructure projects within the Utah Inland Port Authority’s (“UIPA”) approved project areas to fulfill UIPA’s mission and vision;

WHEREAS an infrastructure loan from the Fund may not be made unless the infrastructure loan is recommended by the loan approval committee (the “Committee”) established in Utah Code § 11-58-106 and approved by the UIPA board and the Executive Appropriations Committee;

WHEREAS, a loan in the amount of \$1,600,000.00 from the Fund to the Borrower (the “Loan”) was recommended for approval by the Loan Committee on January 7, 2026.

WHEREAS, the Loan was approved by the UIPA board on January 13, 2026;

WHEREAS, the Loan was approved by the Executive Appropriations Committee on February 18, 2026;

WHEREAS, §63A-3-404(1) of the Revolving Loan Act (“Act”) requires that a “borrower enter into a loan agreement with the Division for repayment of the money”;

WHEREAS, the Act provides that upon approval of the Loan, the Division shall lend the money and shall administer and enforce the Loan in accordance with the terms of the Loan Agreement;

WHEREAS, Borrower promises to use the proceeds of the Loan to run a water line into the Light Industrial West area, and engineering, planning and design costs for future projects in the Pony Express project area, Utah (the “Project”), which constitute infrastructure projects under the Act and the Utah Inland Port Authority Act §11-58-102 *et seq.*, and further promises to make the Project available to the public to use under commercially reasonable terms; and

WHEREAS, this Loan Agreement establishes the term, interest rate, a period of capitalized interest, and the security for repayment of the principal and interest on the Loan.

---

## AGREEMENT

NOW THEREFORE, in consideration of the promises and mutual covenants contained herein and for other good and valuable consideration, the Parties agree as follows:

1. **Recitals.** The recitals to this Loan Agreement are incorporated as if fully set forth herein.
2. **Definitions.** As used in this Loan Agreement, the following terms have the following meanings:
  - a. INTENTIONALLY DELETED
  - b. INTENTIONALLY DELETED
  - c. INTENTIONALLY DELETED
  - d. INTENTIONALLY DELETED
  - e. “General Contractor” means the general contractor chosen by the Borrower to construct the Project.
  - f. “Governmental Authority” means any nation or government, any state or other political subdivision thereof, any central bank (or similar monetary or regulatory authority) thereof, any court or similar judicial authority thereof, any entity exercising executive, legislative, regulatory or administrative functions of or pertaining to government, and any corporation or other entity owned or controlled, through Equity Interests or otherwise, by any of the foregoing.
  - g. “Indebtedness” means, as to any Person, without duplication, (a) all indebtedness for borrowed money or with respect to deposits or advances of any kind, (b) all obligations evidenced by bonds, debentures, notes or similar instruments, (c) all obligations upon which interest charges are customarily paid, (d) all obligations under conditional sale or other title retention agreements relating to property acquired by such Person, (e) all obligations in respect of the deferred purchase price of property or services (excluding current account payables incurred in the ordinary course of business), (f) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by the Person, whether or not the Indebtedness secured thereby has been assumed and (g) all capitalized lease obligations. The Indebtedness of any Person shall include the Indebtedness of any other entity (including any partnership in which such Person is a general partner)

to the extent such Person is liable therefore as a result of such Person's ownership interest in or other relationship with such entity.

---

- h. "Lien" means any security interest, mortgage, deed of trust, pledge, hypothecation, assignment, charge or deposit arrangement, encumbrance, lien (statutory or otherwise) or charge of any kind including any agreement to give any of the foregoing, any conditional sale or other title retention agreement or any financing or similar statement or notice filed under the Uniform Commercial Code as adopted and in effect in the relevant jurisdiction (or other similar recording or notice statute, and any lease in the nature thereof), except a filing for precautionary purposes made with respect to a true lease or other true bailment.
- i. "Loan Documents" means this Loan Agreement, and all other amendments, forms, certificates, agreements, documents and instruments related to or executed in connection with this Loan Agreement and the transactions contemplated hereby, all as amended, restated, replaced, supplemented or otherwise modified from time to time.
- j. "Material Adverse Effect" means a material adverse effect on (a) the business, assets, operations condition or prospects of the Borrower, taken as a whole (b) the ability of the Borrower to perform any of its obligations hereunder or under any of the Loan Documents, or (c) the rights of or benefits available to the Lender under any of the Loan Documents.
- k. "Note" means a promissory note in the form of the Note attached hereto as Exhibit B issued by the Borrower to the Lender.
- l. "Obligations" means any and all obligations, liabilities and indebtedness, contingent or otherwise, whether now existing or hereafter arising, of the Borrower from time to time owed to the Lender arising under or in connection with this Loan Agreement and the other Loan Documents.
- m. "Permitted Liens" means (a) Liens for taxes, assessments or governmental charges not delinquent or being contested in good faith by the Borrower for which adequate reserves are established and maintained; (b) Liens or deposits in connection with worker's compensation, unemployment insurance, social security, ERISA or similar legislation, or to secure customs' duties, public or statutory obligations, in lieu of surety, stay or appeal bonds or to secure performance of contracts or bids (other than contracts for the payment of borrowed money) or deposits required by law as a condition to the transaction of business or other liens or deposits of like nature made in the ordinary course of business; (c) Liens in favor of the Lender; (d) easements, restrictions, minor title irregularities and similar matters which have no Material Adverse Effect as a practical matter upon the ownership or use of its property by the Borrower; and (e) precautionary UCC financing statements filed with respect to assets that are leased by the Borrower under operating leases.

- n. "Person" means any natural person, corporation, limited liability company, joint venture, limited liability partnership, partnership, association, trust or other entity or any Governmental Authority.
- o. "Real Property" means the real estate upon which the Project will be situated.
- p. "Requirement of Law" means, as to any Person, any law (statutory or common), treaty, rule or regulation of a Governmental Authority applicable to or binding upon the Person or any of its property or any ruling, order, judgment or determination of an arbitrator or a Governmental Authority to which the Person or any of its property is subject.
3. **Loan Term.** The term of this Loan shall be 15 years beginning on the Effective Date. The annual interest rate will be at 3.13% per year. Borrower shall pay the principal and interest as provided in Section 4 below and according to Exhibit A, which is incorporated by reference.
4. **Loan Disbursement; Repayment.** The Division shall disburse the loan amount of \$1,600,000.00, less any fees and costs to be deducted from the loan as provided herein, on the Effective Date. The Division shall have no obligation to disburse any loan proceeds to Borrower unless and until the Division has received a duly executed Note in the form attached hereto as Exhibit B. The Borrower agrees to make annual payments in the amount of \$220,273.55 following a five year deferral period, on or before the 15th day of June to the Division by check, ACH, or other electronic funds payments, and the Division shall deposit such payment into the Fund. Payments will be applied first to Late Charges, then accrued interest, then outstanding origination or servicing fees, and finally the principal balance.
5. **Origination Fee.** Borrower shall pay a loan origination fee to the Division in the amount of \$500.00. The origination fee shall be deducted from the loan proceeds at disbursement, and the net amount disbursed to Borrower shall reflect such deduction.
6. **Servicing Fee.** Borrower shall pay an annual servicing fee in the amount of \$170.00 to the Division which shall be retained as compensation for ongoing loan administration services. The loan servicing fee may be increased to an amount not to exceed \$500.00 from year to year as determined in the sole discretion of the Department of Government Operations. Lender shall provide Borrower with at least ten (10) business days advance notice of any changes in the fee before the fee is payable.
7. **Borrower Representations and Warranties.** In order to induce the Division to make the Loan, the Borrower represents and warrants as follows:

7.1 Organization; Power. The Borrower is a municipal corporation and duly qualified to do business in the State of Utah. The Borrower has the power and authority to own its properties and carry on its business as currently conducted.

7.2 Authorization and Binding Effect. The execution and delivery by the Borrower of this Loan Agreement and the other Loan Documents, and the performance by the Borrower of its obligations hereunder and under the other Loan Documents: are within its power, have been duly authorized by proper action on the part of the governing body of the Borrower, are not in violation of any Requirement of Law, the organizational or charter documents of the Borrower or the terms of any agreement, restriction or undertaking to which the Borrower is a party or by which the Borrower or its properties is bound and do not require the approval or consent of the voting members of the Borrower, any Governmental Authority or any other Person, other than those obtained and in full force and effect. This Loan Agreement and the other Loan Documents, when executed and delivered, will constitute the valid and binding obligations of the Borrower enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or similar laws of general application affecting the enforcement of creditors' rights and except to the extent that general principles of equity might affect the specific enforcement of this Loan Agreement or the other Loan Documents.

7.3 Financial Statements. The Borrower has furnished to the Division the balance sheet of the Borrower as of its most recently completed fiscal year, and related statements of income, retained earnings and cash flows of the Borrower for the fiscal year ended on that date, prepared by the Borrower. Such financial statements are correct and complete and fairly present the financial condition of the Borrower as of such dates and the results of its operations and cash flows for the periods ended on such dates. There has been no material adverse change in the condition or prospects of the Borrower, financial or otherwise, and no event, act or failure to act which would reasonably be expected to result in a Material Adverse Effect has occurred, since the date of the most recent financial statement furnished to the Division.

7.4 Revenues and Repayment. Borrower represents to the Division that its revenues from operations and other liquid assets if needed will be sufficient to pay all principal and interest payments hereunder when due.

7.5 Litigation. There is no litigation or administrative proceeding pending or, to the knowledge of the Borrower, threatened against or affecting the Borrower, or the properties of the Borrower which purports to affect or pertain to this Loan Agreement, or any of the transactions contemplated hereby or thereby or if determined adversely would reasonably be expected to have a Material Adverse Effect.

7.6 Indebtedness; No Default. The Borrower does not have any outstanding Indebtedness, except as permitted under Section 11.1. There exists no default nor has any act or omission occurred which, with the giving of notice or the passage of time, would constitute a default under the provisions of any instrument evidencing any such Indebtedness, any contingent obligation or any agreement

relating thereto or any other agreement or instrument to which the Borrower is a party, and which would reasonably be expected to have a Material Adverse Effect.

7.7 Ownership of Properties; Liens and Encumbrances. The Borrower has good and marketable title to all property, real and personal, reflected on the most recent financial statement of the Borrower furnished to the Division, and all property purported to have been acquired since the date of such financial statement, except property sold or otherwise disposed of in the ordinary course of business subsequent to such date. All such property is free of any Liens, except Permitted Liens. All owned and leased buildings and equipment of the Borrower are in good condition, repair and working order, ordinary wear and tear excepted, and conform to all Requirements of Law.

7.8 Tax Returns. The Borrower has filed when due all federal and state income and other tax returns which are required to be filed.

7.9 No Burdensome Restrictions. The Borrower is not a party to and is not bound by any agreement, instrument, undertaking, any Requirement of Law, or subject to any other restriction which would reasonably be expected to have a Material Adverse Effect or may in the future have a Material Adverse Effect or under or pursuant to which the Borrower is or will be required to place (or under which any other Person may place) a Lien upon any of its properties securing Indebtedness either upon demand or upon the happening of a condition, with or without such demand.

7.10 Insurance. The Borrower has paid all premiums in respect of such insurance. The Borrower believes that the insurance maintained by or on behalf of the Borrower is adequate.

7.11 Accuracy of Information. All information furnished by the Borrower to the Division is true, correct and complete in all material respects as of the date furnished and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make such information not misleading.

8. **Authority.** Each party represents that it has the authority to enter into this Loan Agreement.

9. **Conditions for Borrowing.** The Division's obligation to make the Loan is subject to the satisfaction, on or before the Effective Date, of the following conditions:

9.1 Loan Agreement. This Loan Agreement shall have been duly executed by the Borrower.

9.2 Note and Loan Documents. The Note and Loan Documents shall have been duly executed by the Borrower.

9.3 Filings, Registrations, and Recordings. Each document (including any Uniform Commercial Code financing statement) required by this Loan Agreement or under law or reasonably requested by the Division to be filed, registered or recorded in order to create in favor of the Division any perfected right or interest required by this Loan Agreement shall be in proper form for filing, registration or recordation.

9.4 Certificates; Organizational Documents; Good Standing. The Division shall have received a certificate of the Borrower, dated the Effective Date and executed by an authorized officer of the Borrower, which shall: (i) certify the resolutions of its governing body authorizing the execution, delivery and performance of this Loan Agreement; (ii) identify by name and title and bear the signatures of the officers of the Borrower authorized to sign this Loan Agreement; and (iii) contain appropriate attachments, including the organizational documents of the Borrower and a certificate of good standing (or equivalent) for the Borrower from its jurisdiction of organization.

9.5 Financial Statements. The Division shall have received satisfactory results of its business due-diligence investigation, including the Borrower's financial statements for its most recently completed fiscal year.

9.6 Fees. The Division shall have received all fees required to be paid, and all expenses for which invoices have been presented, on or before the Effective Date.

9.7 Insurance. The Division shall have received evidence of insurance coverage on the Borrower's property and operations sufficient to satisfy the requirements of this Loan Agreement.

9.8 Proceedings Satisfactory. Such other documents as the Division may reasonably request shall have been received, and all proceedings taken in connection with the transactions contemplated by this Loan Agreement, and all instruments and other documents applicable thereto, shall be satisfactory to the Division.

9.9 Additional Conditions. In addition, upon request, the Borrower shall provide to the Division the following items, duly executed by the parties thereto, each as is satisfactory to the Division in the Division's sole discretion:

(a) a certificate signed by Borrower and the General Contractor certifying the budget and cost breakdown to complete the Project (the "Budget");

(b) satisfactory evidence from the appropriate governmental authority that the Project will conform to applicable zoning ordinances, including all set-back and side-yard requirements, or that the Borrower has received any variances required to bring the improvements into conformity, or such opinions of Borrower's counsel as are reasonably required by the Division relating to such matters;

(c) evidence that the Project is not located in a special flood hazard area within the meaning of the Federal Flood Disaster Protection Act or evidence that the Project has flood insurance in an amount and with deductibles that are satisfactory to the Division in its sole discretion;

(d) the construction contract with the General Contractor and such other contracts covering not less than 100% of the projected hard costs of the Project (the "Construction Contract");

(e) a copy of the architectural contract or contracts, if any (the "Architect Contract")

(f) a letter of credit or performance bond, satisfactory to the Division, insuring completion of the Project in accordance with the Construction Contract;

(g) a complete set of the final plans and specifications for the Project (the "Plans and Specifications"); and

(h) building permits for the Project issued by the appropriate governmental authorities (the "Licenses and Permits").

(i) evidence of the approval for occupancy of the completed portions of the Project by all governmental authorities having jurisdiction;

(j) a certificate of substantial completion from the applicable governmental authority;

(k) full lien waivers from all contractors, subcontractors and materialmen showing that all amounts payable to such parties for the Project have been paid or will be paid out of the final advance;

(l) a policy or policies of fire and extended coverage insurance, including rent loss insurance and such other coverage as the Division may require for the Project;

(m) other information, documents and opinions as the Division may reasonably require.

(n) a current survey of the Real Property certified by a registered land surveyor, [a] showing [i] the location of all improvements, including parking area, driving area, exits and entrances, all easements, adjoining public streets and alleys, encroachments and utilities, including water and sewer lines to the point of connection with the public system and [ii] any flood plain or flood hazard areas, any wetlands or conservancy areas, any side-yard or set-back restrictions and any and all other areas where the construction of improvements, including utilities, would be limited,

restricted, or prohibited (or the survey shall state that none of the foregoing conditions exist), [b] setting forth the complete legal description of each parcel of real estate comprising the Real Property, and [c] including copies of such other documents of record concerning the Real Property as shall be specified by the Division, together with an update to such survey showing the location of the proposed Project.

9.10 Representations and Warranties. The representations and warranties contained in Section 7 of this Loan Agreement shall be true and correct on and as of the Effective Date.

9.11 No Default. There shall exist on the Effective Date no Default or Event of Default under this Loan Agreement.

9.12 Condemnation; Eminent Domain. There shall be no condemnation or eminent domain proceeding pending or threatened against all or any portion of the Real Property.

10. **Borrower's Covenants**. The Borrower covenants that it will, until all Obligations have been paid in full:

10.1 Project. Borrower shall use the loan proceeds to (i) cover the costs of installation of a water line to the Light Industrial West area serving multiple businesses, and for (ii) the design of a future culinary well to be connected to and integrated with the Town's existing culinary water system allowing for expanded culinary water service to Fairfield.

10.2 Other Financial Information.

(a) Financial Statements. Beginning December 31, 2026 and continuing on each December 31st of each year thereafter, in each case within 180 days of the end of each such fiscal year, furnish to the Division, a balance sheet of the Borrower as of the close of each fiscal year, and related statements of income, retained earnings and cash flows for such fiscal year, all in reasonable detail and satisfactory in scope to the Division, and reviewed by a certified public accountant reasonably acceptable to the Division.

(b) Promptly furnish to the Division such other financial information as the Division may from time to time reasonably request.

10.3 Books and Records; Inspections. Keep proper, complete and accurate books of record and account and permit any representative of the Division, upon reasonable notice, to visit and inspect any of the properties and examine and copy any of the books and records of the Borrower; provided that if an Event of Default exists, no such notice needs to be provided.

10.4 Insurance. Maintain insurance coverage as may be required by law or the Loan Documents but in any event not less than insurance coverage, in the forms,

amounts and with companies, which would be carried by prudent management in connection with similar properties and businesses. Without limiting the foregoing, the Borrower will keep all its physical property insured against fire and extended coverage risks in amounts at least equal to, and with deductibles no greater than, those generally maintained by businesses engaged in similar activities in similar geographic areas; maintain all such worker's compensation and similar insurance as may be required by law; and maintain, in amounts and with deductibles at least equal to those generally maintained by businesses engaged in similar activities in similar geographic areas, general public liability insurance against claims for bodily injury, death or property damage occurring on, in or about the properties of the Borrower, business interruption insurance and product liability insurance. UNLESS THE BORROWER PROVIDES THE DIVISION WITH EVIDENCE OF THE INSURANCE COVERAGE REQUIRED BY THIS LOAN AGREEMENT, THE DIVISION MAY PURCHASE INSURANCE AT THE BORROWER'S EXPENSE TO PROTECT THE DIVISION'S INTERESTS. THIS INSURANCE MAY, BUT NEED NOT, PROTECT THE BORROWER'S INTERESTS. THE COVERAGE THAT THE DIVISION PURCHASES MAY NOT PAY ANY CLAIM THAT IS MADE AGAINST THE BORROWER IN CONNECTION WITH THE COLLATERAL. THE BORROWER MAY LATER CANCEL ANY INSURANCE PURCHASED BY THE DIVISION, BUT ONLY AFTER PROVIDING THE DIVISION WITH EVIDENCE THAT THE BORROWER HAS OBTAINED INSURANCE AS REQUIRED BY THIS LOAN AGREEMENT. IF THE DIVISION PURCHASES INSURANCE FOR THE COLLATERAL, THE BORROWER WILL BE RESPONSIBLE FOR THE COSTS OF THAT INSURANCE, INCLUDING INTEREST AND ANY OTHER CHARGES THAT MAY BE IMPOSED WITH THE PLACEMENT OF THE INSURANCE, UNTIL THE EFFECTIVE DATE OF THE CANCELLATION OR EXPIRATION OF THE INSURANCE. THE COSTS OF THE INSURANCE MAY BE ADDED TO THE PRINCIPAL OWING HEREUNDER. THE COSTS OF THE INSURANCE MAY BE MORE THAN THE COST OF THE INSURANCE THE BORROWER MAY BE ABLE TO OBTAIN ON ITS OWN.

10.5 Condition of Property. Keep the property subject to the Project in good condition, repair and working order.

10.6 Payment of Taxes. Pay and discharge all lawful taxes, assessments and governmental charges upon it or against the property subject to the Project prior to the date on which penalties are attached thereto, unless and to the extent only that the same shall be contested in good faith and by appropriate proceedings by the Borrower and appropriate reserves with respect thereto are established and maintained.

10.7 Compliance with Law. Do all things necessary to maintain its existence in good standing in its state of organization, preserve and keep in full force and effect its rights and franchises necessary to continue its business and comply with

all Requirements of Law, writs, judgments, injunctions, decrees and awards to which it may be subject including all applicable environmental laws.

10.8 Compliance with Other Loan Agreements. Timely comply with all of its obligations under other loan agreements, and the Loan Documents.

10.9 Notices. Promptly, and in any event within 5 Business Days after the Borrower has become aware of the applicable event, notify the Division in writing of: any Default or Event of Default; any notice given, or any action taken with respect to a claimed default, by any holder of any other Indebtedness issued or assumed by the Borrower, or the lessor under any lease as to which the Borrower is the lessee or under any agreement under which any such Indebtedness was issued or secured; and any condition or event which would make any warranty contained in Section 7 inaccurate. Each notice under this section shall be accompanied by a written statement by an officer of the Borrower setting forth details of the occurrence referred to therein, stating what action the Borrower proposes to take with respect thereto and at what time and accompanied by all documents and correspondences from and to third parties relating to the occurrence referred to therein.

11. **Negative Covenants.** The Borrower covenants that, without the prior written consent of the Division, it will not, until all Obligations have been paid in full:

11.1 Indebtedness. Create, incur, assume or permit to exist any Indebtedness (including any contingent obligations) except (a) Indebtedness owed to the Lender; and (b) Indebtedness secured by Permitted Liens.

11.2 Liens. Create, assume or permit to exist any Lien upon any of its property or assets, whether now owned or hereafter acquired, except Permitted Liens.

11.3 Mergers; Sales. Merge with or consolidate into any other Person, or permit any other Person to merge with or consolidate with it, except that any subsidiary of the Borrower may merge into the Borrower (with the Borrower as the surviving entity). Enter into any lease with any third party, except for leases approved by the Division in writing of leases which are subject to subordination, non-disturbance and attornment agreement which is satisfactory to, and in favor of, the Division. Sell, assign, dispose or otherwise transfer any of its property or assets (except for sales of worn-out or obsolete assets in the ordinary course of business).

12. **Indemnity.** Borrower agrees to indemnify, defend and to hold harmless the Division from any and all claims, suits, obligations, damages, losses, costs and expenses, (including without limitation, the Division's attorneys fees) demands, liabilities, penalties, and fines of any nature whatsoever that may be asserted against or incurred by the Division, its officers, directors, employees and agents arising out of or relating to this Loan Agreement and the exercise of the rights and remedies granted the Division under this Loan Agreement. The foregoing indemnity provisions shall survive the cancellation of this Loan Agreement as to all matters arising or accruing

prior to such cancellation and the indemnity provisions shall survive in the event that the Division elects to exercise any of the remedies as provided under this Loan Agreement following a default hereunder. Should any claim, action, proceeding be made or brought against the Division by reason of any event as to which Borrower's indemnifications apply, then upon the Division's demand, Borrower at its sole cost and expense, shall defend such claim, action or proceeding in Borrower's name, if necessary, by the attorneys for Borrower's insurance carrier (if such claim or proceeding is covered by insurance) or otherwise by such attorneys as the Division shall approve. The Division may also engage its own attorneys in its reasonable discretion to defend Borrower and to assist in its defense and Borrower agrees to pay the fees and disbursements of such attorneys.

13. **Optional Prepayment.** From and after the date hereof, the Borrower may prepay this Loan Agreement in whole or in part. Such prepayment shall include all accrued and unpaid interest on the principal amount of such prepayment and be applied first against late fees, then accrued and unpaid interest, if any and finally against the principal outstanding under this Loan Agreement and the Note. If a prepayment is made the repayment period shall be shortened and the number of annual principal installments shall be reduced in the inverse order of maturities (and the amount of the final remaining principal installment shall be reduced, if required).

14. **Events of Default.** For purposes of this Loan Agreement, at the option of the Division, the Borrower shall be in default hereunder upon occurrence of any of the following (each an "Event of Default"):

14.1 Default on Payments. Failure of Borrower to make any payment due within thirty (30) days of the Due Date. The Division shall assess, and Borrower agrees to pay, a late charge on the delinquent installment at the rate of eighteen percent (18%) per annum (the "Late Charge") from said Due Date until paid, for any payment not paid on or before thirty (30) days of the Due Date.

14.2 Compliance Default. Failure to comply with any term, obligation, covenant, condition, or other provision contained in this Loan Agreement or the Loan Documents. If such a failure is, at the discretion of the Division, deemed curable, then it may be cured (and no Event of Default will be deemed to have occurred) if Borrower, after the Division sends written notice demanding cure of such failure and the conditions under which the cure will be deemed to have occurred, cures the failure within 10 days.

14.3 Breach. Breach of payment terms, or breach of any warranty, representation or statement made or furnished to the Division by or on behalf of the Borrower under this Loan Agreement or the other Loan Documents, or at the time made or furnished was false in any material respect.

14.4 Insolvency. The insolvency or bankruptcy of Borrower, appointment of a receiver for any part of Borrower's property, any assignment for the

benefit of creditors, the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower, or the dissolution, death or termination of Borrower.

14.5 Debt Collection Lawsuit, Foreclosure, Forfeiture. Commencement of a debt collection lawsuit, foreclosure or forfeiture proceedings against Borrower, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against Borrower. However, this subsection shall not apply in the event of a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the debt collection lawsuit, foreclosure or forfeiture proceeding, provided that Borrower gives Lender written notice of such claim and furnishes reserves, a letter of credit, or a surety bond for the claim satisfactory to Lender.

14.6 Insecurity, Anticipatory Breach. The Division in its sole discretion may declare a default if objective reason(s) exists such that the Division reasonably deems itself insecure, or if there is an unequivocal indication that the Borrower will not perform obligations under the Loan Agreement or other Loan Documents when performance is due, or in a situation in which future non-performance is inevitable.

15. **Remedies.** Upon the occurrence of any Event of Default and the expiration of any cure periods (if any), the Division, at its option, may exercise any one or more of the following rights and remedies, in addition to any other rights or remedies provided by law:

15.1 Accelerate Indebtedness. The Division shall have the right at its option to declare the entire Indebtedness immediately due and payable.

15.2 Right to Sue. The Division shall have the right to take any legal action permitted by applicable law to recover any sums, accelerate any principal amount due and file a lawsuit in the Third District Court, Salt Lake County, State of Utah, to collect the balance due.

15.3 Appoint Receiver. The Division shall have the right to have a receiver appointed to manage the affairs of Borrower, and to apply the proceeds from any debt collection action, over and above the cost of the receivership, against the indebtedness or unpaid principal. The Borrower agrees to pay the administration costs of the receiver. The Borrower hereby waives any requirement that the receiver be impartial and disinterested as to all of the parties and agrees that employment by Lender shall not disqualify a person from serving as a receiver.

15.4 Other Remedies. The Division shall have any other right or remedy provided in this Loan Agreement or the other Loan Documents, or by law including all costs and expenses incurred by the Division in enforcing its rights hereunder.

16. **Remedies not Exclusive.** The remedies of the Division provided herein or otherwise available to the Division at law or in equity shall be cumulative and concurrent, and may be pursued singly, successively and together at the sole discretion of the Division, and may be exercised as often as occasion therefore shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release of the same.
17. **Notices.** All notices required to be given to any of the parties hereunder shall be in writing and shall be delivered (a) by personal delivery, with receipt acknowledged; (b) by e-mail (with original copy to follow); (c) by reputable overnight commercial courier service; or (d) by United States registered or certified mail, return receipt requested, postage prepaid, to the parties at the addresses as set forth below (subject to the right of a party to designate a different address for itself by notice similarly given):

If to Borrower:  
Fairfield Town  
Attn: Mayor Hollie McKinney  
PO Box 271  
Cedar Valley, Utah 84013

If to the Division:  
Utah Division of Finance  
Attn: Loan Team  
4315 South 2700 West  
Taylorsville, UT 84129

Any notice given by United States mail postage prepaid, return receipt requested, shall be deemed to have been given on the fifth business day after the same is deposited in the United States, addressed as provided above. Any notice given personally, or by reputable overnight commercial courier service, shall be deemed to be given upon receipt of the same by the party to whom the same is to be given. Whenever notice is required, the notice may be waived in writing by the party entitled to receive such notice.

18. **Severability.** Any term or provision of this Loan Agreement or other Loan Document that is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable in any situation or in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions or the validity or enforceability of the invalid, void or unenforceable term or provision in any other situation or in any other jurisdiction. If the final judgment of a court of competent jurisdiction or other authority declares that any term or provision of this Loan Agreement is invalid, void or unenforceable, the parties agree that the court making such determination shall have the power to and shall, subject to the discretion of such court, reduce the scope, duration, area or applicability of the term or provision, to delete specific words or phrases, or to replace any invalid, void or unenforceable term or provision with a term

or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision.

---

19. **Successors and Assigns.** This Loan Agreement and the Loan Documents shall be binding on Borrower, and shall inure to the benefit of the Division and their respective permitted successors and permitted assigns, and the words “the Division” and “Borrower” whenever occurring herein shall be deemed and construed to include such respective successors and assigns, provided that (a) Borrower may not assign or transfer its right or obligations under this Loan Agreement or the other Loan Documents, and (b) Borrower shall remain responsible for the performance of its obligations under this Loan Agreement and the other Loan Documents notwithstanding any attempted assignment or transfer of Borrower’s obligations under this Loan Agreement or the other Loan Documents.
20. **Entire Agreement.** Subject to Section 9 above, this Loan Agreement contains the entire agreement between the parties with respect to the subject matter hereof and thereof. This Loan Agreement shall constitute the entire agreement and understanding of the parties with respect to the subject matter hereof, and shall supersede all offers, negotiations, and other agreements with respect thereto.
21. **Modification of Agreement.** No modification, amendment, or waiver of any provision of this Loan Agreement, shall be effective unless it is in writing and signed by the Division the Borrower, and then the waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.
22. **Waivers by Borrower.** Borrower hereby unconditionally waives any presentment, notice of dishonor, or demand for payment.
23. **Governing Law, Jurisdiction and Venue.** This Loan Agreement shall be governed by and construed in accordance with the laws of the State of Utah, without regard to conflict of law principles. Each party hereto hereby irrevocably submits and consents to the jurisdiction of the Third Judicial District Court in Salt Lake City, Salt Lake County, Utah and irrevocably waives all objections as to venue.
24. **Waiver of Personal Service.** Borrower waives personal service of any and all process and consents to all such service of process made by mail or by messenger directed to the address specified above in Section 12. Borrower represents that this waiver is knowingly, willingly, and voluntarily given.
25. **Waiver of Trial by Jury.** Borrower hereby waives any and all right to trial by jury in any action or proceeding arising out of or relating to this Loan Agreement. Borrower represents that this waiver is knowingly, willingly, and voluntarily given.
26. **Headings.** The section and other headings, if any, are inserted for reference only, and they neither form a part of this Loan Agreement nor are they to be used in the construction or interpretation of this Loan Agreement.

*[Signatures on Following Page]*

---

IN WITNESS WHEREOF, the undersigned has caused this Loan Agreement to be duly executed and delivered as of the day and year first written above.

---

FAIRFIELD TOWN

By:  \_\_\_\_\_

UTAH DIVISION OF FINANCE

By:  \_\_\_\_\_

EXHIBIT A

**Amortization Schedule:**

<b>Date</b>	<b>Principal</b>	<b>Interest Current Period</b>	<b>Accumulated Interest</b>	<b>Total Pmt</b>	<b>Interest Pmt</b>	<b>Principal Pmt</b>	<b>Ending Loan Balance</b>
6/15/2026	1,600,000.00	50,080.00	50,080.00	0.00	0.00	0.00	1,650,080.00
6/15/2027	1,600,000.00	51,647.50	101,727.50	0.00	0.00	0.00	1,701,727.50
6/15/2028	1,600,000.00	53,264.07	154,991.57	0.00	0.00	0.00	1,754,991.57
6/15/2029	1,600,000.00	54,931.24	209,922.81	0.00	0.00	0.00	1,809,922.81
6/15/2030	1,600,000.00	56,650.58	266,573.39	0.00	0.00	0.00	1,866,573.39
6/15/2031	1,600,000.00	58,423.75	324,997.14	220,273.55	220,273.55	0.00	1,704,723.59
6/15/2032	1,600,000.00	53,357.85	158,081.44	220,273.55	158,081.44	62,192.11	1,537,807.89
6/15/2033	1,537,807.89	48,133.39	48,133.39	220,273.55	48,133.39	172,140.16	1,365,667.73
6/15/2034	1,365,667.73	42,745.40	42,745.40	220,273.55	42,745.40	177,528.15	1,188,139.58
6/15/2035	1,188,139.58	37,188.77	37,188.77	220,273.55	37,188.77	183,084.78	1,005,054.80
6/15/2036	1,005,054.80	31,458.22	31,458.22	220,273.55	31,458.22	188,815.33	816,239.47
6/15/2037	816,239.47	25,548.30	25,548.30	220,273.55	25,548.30	194,725.25	621,514.22
6/15/2038	621,514.22	19,453.40	19,453.40	220,273.55	19,453.40	200,820.15	420,694.07
6/15/2039	420,694.07	13,167.72	13,167.72	220,273.55	13,167.72	207,105.83	213,588.24
6/15/2040	213,588.24	6,685.31	6,685.31	220,273.55	6,685.31	213,588.24	0.00

EXHIBIT B  
Form of Note

NOTE

\$1,600,000.00

Salt Lake City, Utah

~~6/5/2026~~\_\_\_\_\_

FOR VALUE RECEIVED, on or before June 15, 2026, the undersigned, FAIRFIELD TOWN (the "Borrower"), promises to pay to the order of the UTAH DIVISION OF FINANCE (the "Division"), the principal sum of One million, six hundred thousand and no cents (\$1,600,000.00), or such lesser amount as is shown to be outstanding according to the records of the Division, which shall be conclusive absent manifest error, together with interest on the principal balance outstanding from time to time at such rates and payable at such times as set forth in the Loan Agreement referred to below.

Payments of both principal and interest are to be made as set forth in the Loan Agreement (as hereinafter defined) in immediately available funds in lawful currency of the United States of America at the office of the Division, 4315 South 2700 West, Taylorsville, Utah 84129 or at any other office of the Division designated by the Division.

This Note is the Note issued by the Borrower pursuant to that certain Loan Agreement dated as of June 15, 2026 (as amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"), by and between the Borrower and the Division.

This Note is secured by the Loan Agreement as amended from time to time.

Reference is made to the Loan Agreement for rights and obligations as to prepayment and acceleration of maturity.

**Presentment, demand, protest and notice of acceleration, nonpayment and dishonor are hereby expressly waived by Borrower. Upon the occurrence and the continuance of an Event of Default, the Division may exercise any rights and remedies provided to the Division under the Loan Documents, as defined in the Loan Agreement, or at law or in equity.**

The undersigned agrees to pay all costs of collection, including reasonable attorneys' fees.

This Note is being delivered in and shall be deemed to be a contract governed by the laws of the State of Utah and shall be interpreted, and the rights and obligations of the parties hereunder enforced, in accordance with the internal laws of that State without regard to the principles of conflicts of laws.

IN WITNESS WHEREOF, the undersigned has executed this Note as of the date first written above.

UTAH DIVISION OF FINANCE

FAIRFIELD TOWN

By: Ⓢ Van Christensen

By: Ⓢ Hollie McKinney

Name: Van Christensen

Name: Hollie McKinney

Title: Division Director

Title: Mayor