

DUE DILIGENCE QUESTIONNAIRE

SALT LAKE COUNTY, UTAH SALES TAX REVENUE REFUNDING BONDS SERIES 2020A

FEDERALLY TAXABLE SALES TAX REVENUE AND REFUNDING BONDS SERIES 2020B

PRELIMINARY OFFICIAL STATEMENT

1. Please identify County officers, staff, and/or representatives who have reviewed the current draft of Preliminary Official Statement (“POS”).

2. Based on such review, is the information contained in the POS true and correct in all material respects, including the operational and financial data presented therein?

3. Does the POS fail to include any information necessary to make the information contained therein accurate in all material respects? Are there any issues or information not discussed in the POS that you feel should be discussed in order to make sure there are no material omissions?

OPERATIONS AND REVENUES

4. Does the discussion under the caption “DEBT STRUCTURE OF SALT LAKE COUNTY, UTAH” presented in the POS include any privately placed obligations, capital leases, or other debt not publicly offered?

5. Has the County ever defaulted on or failed to make punctual payment of principal or interest on any of its material indebtedness or other obligation?

6. Is the discussion under the caption “FINANCIAL INFORMATION REGARDING SALT LAKE COUNTY, UTAH” presented in the POS a fair, accurate and complete presentation of the County’s finances?

7. Please comment on the County's fiscal year 2019 financial results. Did the results raise any concerns or reflect any material deterioration of the County's financial condition as compared to fiscal year 2018 results? Are there any material changes from fiscal year 2018 expected in fiscal year 2019 results?

8. Describe financial results for the fiscal year 2020 to date. Are there any material changes currently expected for fiscal year 2020?

9. Please describe any recent events or factors, including from the COVID-19 virus and the responses thereto, affecting the County's economy that might affect the County revenues or the County's operations or financial condition.

10. Please discuss general trends in revenues received from the Pledged Taxed.

11. Does the County prepare any forecasts of Pledged Taxes revenues? If yes, please discuss such forecasts and how they are developed. Have there been any recent revisions to such forecasts in light of the responses to the COVID-19 virus? If so, how are such forecasts being developed?

12. Discuss the dependence of the County on federal grants and other moneys. What plans does the County have in place in case of major funding reductions?

ACCOUNTING PRACTICES AND FINANCIAL STATEMENTS

13. Within the last five years, have there been any material changes to the County's accounting and/or financial reporting policies or practices?

14. Within the last five years, have there been any major findings, significant irregularities or material errors in the County's financial statements or accounting information or any prior period adjustments to its financial statements? If so, has this required the County to make any accounting restatements?

15. Has the County engaged in any extraordinary accounting transactions in the past five fiscal years to recognize additional revenue for purposes of calculating debt service coverage? If so, please describe. Were such extraordinary accounting transactions approved by an outside auditor as in accordance with GAAP?

16. Has the County projected any extraordinary accounting transactions in the current or next four fiscal years to recognize additional revenue for purposes of calculating debt service coverage? If so, please describe. Were such extraordinary accounting transactions approved by an outside auditor as in accordance with GAAP?

17. Has the County restated its audited financial statement for any of the last five fiscal years? If yes, is such restatement reflected in the historic operating results presented in the offering document?

18. Has the County made any prior period adjustments to its financial statements for any of the past five fiscal years? If yes, were the financial statements for the affected fiscal year restated to reflect such prior period adjustments? If not, was the County advised by its outside auditor that such restatement was not required under GAAP? Regardless of whether a restatement was required under GAAP, do the historic operating results for such prior fiscal year presented in the offering documents reflect such prior period adjustment?

19. How long has Squire & Company, PC, served as the County's independent auditors? Has the same person or team led its efforts?

DEBT AND RISK MANAGEMENT

20. What plans does the County have for the issuance of additional debt over the next three to five years?

21. Does the County believe it has sufficient liability reserves and property insurance coverage?

OPEB AND PENSION LIABILITY

22. Does the draft of the POS, including the audited financial statements of the County for Fiscal Year 2018 to be included in the POS, fairly and accurately describe the County's pension plan and OPEB and their funded status?

23. Please comment on the OPEB liability and the County's progress in funding it.

24. Please discuss the County's current debt rating and the potential for any change in such ratings. Please review any major issues or concerns raised by any rating agency in any recent meetings with County officials.

LEGAL AND LEGISLATIVE

25. Does the discussion under the caption "LEGAL MATTERS" in the POS accurately describe the status of any material litigation to which the County may be a party?

26. Were there any legislative measures proposed or passed in the 2020 general session that materially affected County revenues?

27. Is there any controversy or litigation of any nature pending or threatened to restrain or enjoin the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any of the proceedings taken with respect to the issuance and sale thereof or the application of monies to the payment of the Bonds?

CONTINUING DISCLOSURE

28. Does the POS fairly and accurately describe the County's continuing disclosure history for the last five years?

29. Please briefly discuss the procedures followed by the County to ensure compliance with continuing disclosure requirements, including filing of event notices. Have appropriate officials of the County received disclosure training or otherwise been advised of the County's responsibilities under the federal securities laws? Does the County have policies in place to ensure that it meets its continuing disclosure obligations with respect to bonds issued by the County?

30. Who at the County has the primary responsibility of ensuring compliance with prior and current continuing disclosure undertakings? Does the County handle the required filings internally or do you outsource this function? If the County outsources any part of the continuing disclosure function, who is the disclosure agent that serves this function? Regardless of whether the County outsources any of the continuing disclosure functions, does the County have policies and procedures in place to confirm that the filings are made in the time periods required?

31. In connection with prior security offerings subject to Rule 15c2-12 (the "Rule"), have any of the following 16 events occurred in the past five years with respect to the County and/or another "obligated person", and if so was notice of such event timely posted on EMMA:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) substitution of credit or liquidity providers, or their failure to perform;
- (vi) adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
- (vii) modifications to rights of security holders, if material;
- (viii) bond calls, if material, and tender offers;
- (ix) defeasances;
- (x) release, substitution, or sale of property securing repayment of the security, if material
- (xi) rating changes;
- (xii) bankruptcy, insolvency, receivership, or similar event of the County or another obligated person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving the County or another obligated person or the sale of all or

substantially all of its assets, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

- (xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) incurrence of a financial obligation of the County, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the County, any of which affect security holders, if material; and
- (xvi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the County, any of which reflect financial difficulties.

32. As you know, a recent amendment to the Rule added the event (xv) and (xvi) to the list of “listed events” above for which the County will be required in the future to file notices for.

- (i) Has the County established criteria to determine the materiality of a financial obligation or term, or modified term of a financial obligation affecting security holders or when it has incurred financial difficulties? If not, how will the County make that determination?
- (ii) Has the County identified specific staff members responsible for determining the occurrence of such reportable events? Has the County established a process by which such staff members will receive notice of such events?
- (iii) Has the County adopted written policies and procedures reflecting the process to determine whether a financial obligation, term, or modified term affecting security holders is material and when it has incurred financial difficulties; and its process for determining the occurrence of a reportable event and filing the required notice with EMMA?

33. Was each filing of any of these events timely, and did each filing contain all information required by each of the County’s continuing disclosure undertakings?

34. To the extent the County has not substantially complied with its prior undertakings, what are the procedures now in place to ensure compliance going forward?

35. Has the County been notified by any of its underwriters that a prior County transaction was reported to the SEC pursuant to the SEC's MCDC Initiative? Did the County self-report any transactions pursuant to the SEC's MCDC Initiative?

36. Has the County entered into a settlement with the SEC pursuant to the MCDC Initiative? If yes, has the County complied with the undertakings in such settlement? If the County has not yet complied with such undertakings, does the County expect to comply by the deadline?

37. To the extent that the County failed to file annual financial information in the past five years in violation of its continuing disclosure undertakings under the Rule, did the County file a notice of failure to file such information in a timely manner?

38. Have all filings pursuant to continuing disclosure undertakings under the Rule in the past five years been linked to all appropriate CUSIP numbers?

POLICIES AND PROCEDURES

39. Has the County adopted post-issuance compliance procedures for both tax-exemptions and securities law compliance? Please provide a copy of any such procedures to the Underwriter.

40. What are the County's rules and regulations related to political corruption and bribery?

41. How does the County oversee and encourage ethical behavior on the part of its officials and employees?

42. To your knowledge, in the last five years have any of the County's officials or employees been the subject of any investigations or enforcement actions against them related to bribery or political corruption?

43. To your knowledge, are any of the County's officials or employees personally benefiting from the offering of the Bonds in a manner in violation of applicable conflict of interest laws?

44. Are any fees being paid to or proceeds going to third parties for brokering the offering of the Bonds?

45. To your knowledge, does the County buy, sell, or otherwise deal in financing products, merchandise, commodities or services in any manner inconsistent with applicable U.S. Treasury OFAC regulations with any of the following sanctioned countries: Cuba, Iran, Syria, Sudan and North Korea? Please describe the steps the County has taken to prevent the occurrence of such actions.

46. Are the proceeds of the offering of the Bonds expected to be used in any way to benefit a person or entity in any of these countries in a manner prohibited by laws applicable to the County?

47. Does the County have in place any formal procedures for an employee or outside third party to report to the County any concerns or suspicions regarding potential money laundering or terrorist financing or other financial crimes involving County official or other employees?

48. To your knowledge, have any County officials or employees been the subject of investigations, prosecutions, or enforcement actions related to money laundering or terrorist financing (as defined in Executive Order 13224 on Terrorist Financing and the Patriot Act) or other financial crimes in the last five years?

OTHER

49. Are there any concerns with maintaining the County's current ratings on its general obligation bonds or any other debt? Has the County had any discussions with or received any input from any rating agency concerning any possible downgrade or negative watch designation with respect to outstanding indebtedness?

50. Are any of the County's bond issues being audited by the IRS? Has the IRS requested any documents relating to County bonds for purposes of review?

51. Is the County the subject of an investigation by the SEC or any other administrative body?

52. What are the County's top three challenges for the next five years?

53. Please describe any other material facts relating to the County and its issuance of the sales tax bonds which should be discussed and/or described in the POS whether or not specifically requested herein.