

FORM OF BOND

THIS BOND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF EXCEPT IN MINIMUM DENOMINATIONS OF \$500,000 OF (I) PRIOR TO THE CURRENT INTEREST CONVERSION DATE, THE THEN CURRENT ACCRETED VALUE THEREOF, AND (II) ON AND AFTER THE CURRENT INTEREST CONVERSION DATE, THE PRINCIPAL AMOUNT THEN OUTSTANDING.

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), 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 in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

RA-__

Principal at Issuance: \$[1,010,051.40]

Principal at Current Interest Conversion Date: \$[1,140,000.00]

**UNITED STATES OF AMERICA
STATE OF COLORADO
EL PASO COUNTY
CITY OF COLORADO SPRINGS**

**TUSCAN FOOTHILLS VILLAGE METROPOLITAN DISTRICT
CAPITAL APPRECIATION (CONVERTIBLE TO CURRENT INTEREST)
LIMITED TAX GENERAL OBLIGATION BONDS
SERIES 2019**

Accretion Rate/ Interest Rate	Maturity Date	Original Issue Date	CUSIP
[_.____]%	December 1, 20[49]	November [____], 2019	[____ _]

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT AT ISSUANCE: [ONE MILLION TEN THOUSAND FIFTY-ONE AND 40/100 DOLLARS]

PRINCIPAL AMOUNT AT CURRENT

INTEREST CONVERSION DATE: [ONE MILLION ONE HUNDRED FORTY THOUSAND AND 00/100 DOLLARS]

Tuscan Foothills Village Metropolitan District, in the City of Colorado Springs, County of El Paso, Colorado, a metropolitan district duly organized and operating under the constitution and laws of the State of Colorado (the “**District**”), for value received, hereby acknowledges itself indebted and promises to pay, solely from and to the extent of the Pledged Revenue (as defined in the Indenture, defined below), to the registered owner named above, or registered assigns, on the maturity date specified above or on the date of prior redemption: (i) if prior to December 1, 20[21] (the “**Current Interest Conversion Date**”), the then current Accreted Value of this Bond, as determined pursuant to the Accretion Table (defined below), and (ii) if on and after the Current Interest Conversion Date, the principal amount of this Bond plus the accrued and unpaid interest thereon, all as more particularly provided in the Indenture (defined below); **provided, however, that, there shall be no default or Event of Default (as defined in the Indenture) under the Indenture except as set forth therein; provided further, however, that due to the limited nature of the Pledged Revenue, the failure to pay the principal of or interest on the Bonds when due shall not, of itself, constitute an Event of Default (as defined in the Indenture) under the Indenture.**

This Bond does not constitute a debt, financial obligation or liability of the City of Colorado Springs, Colorado (the "City") and the City is not liable for payment of the principal of, premium if any, and interest on this Bond or the Bonds of the series of which this Bond is a part.

The Bonds are issued pursuant to that certain Indenture of Trust (the “**Indenture**”) dated as of November [___], 2019 between the District and UMB Bank, n.a., Denver, Colorado, as trustee (the “**Trustee**”). All capitalized terms used and not otherwise defined herein shall have the respective meanings assigned in the Indenture.

From and including the date of issuance to (but not including) the Current Interest Conversion Date, the Bonds shall constitute capital appreciation bonds. Prior to the Current Interest Conversion Date, the Bonds shall pay no current interest and shall accrete in value in accordance with the Accretion Table appended to the Indenture as Exhibit B thereto (the “**Accretion Table**”), compounding semi-annually on each June 1 and December 1, commencing December 1, 20[19], from their date of delivery until the Current Interest Conversion Date.

On the Current Interest Conversion Date, the Bonds shall, without any action necessitated on the part of the Trustee, the District, or any Owner, cease to be capital appreciation bonds and automatically convert to current interest bonds. On and after the Current Interest Conversion Date and until maturity or prior redemption, the Bonds shall bear interest at the rate of [_.____]% per annum, calculated on the basis of a 360-day year of twelve 30-day months, payable to the extent of Pledged Revenue available therefor semi-annually on each June 1 and December 1, commencing on [June 1], 20[22]. On and after the Current Interest Conversion Date: (a) to the extent principal of any Bond is not paid when due, such principal shall remain outstanding until paid and (b) to the extent interest on any Bond is not paid when due, such unpaid interest shall compound semi-annually on each June 1 and December 1, at the rate specified above, until paid.

The District shall not be obligated to pay more than the amount permitted by law, the Service Plan, and its electoral authorization in repayment of the Bonds, including all payments of Accreted Value, principal, and interest, and all Bonds will be deemed defeased and no longer outstanding upon the payment by the District of such amount.

Prior to the Current Interest Conversion Date, all references herein (i) to “interest” on any Bond shall, unless the context clearly indicates otherwise, refer to the excess of the Accreted Value over the Original Principal Amount of such Bond, as of any relevant date; (ii) to principal of Bonds, shall be construed to mean the Original Principal Amount thereof; and (iii) to principal of and accrued interest on Bonds, or words of similar import, shall be construed to mean the Accreted Value of the Bonds as of the relevant date.

The Accreted Value or principal amount of, as applicable depending on whether or not the Current Interest Conversion Date has occurred, and premium, if any, and interest on this Bond are payable in lawful money of the United States of America to the registered owner hereof upon maturity or prior redemption and presentation at the principal office of the Trustee pursuant to Indenture. Payment of each installment of interest shall be made to the registered owner hereof whose name shall appear on the registration books of the District maintained by or on behalf of the District by the Trustee, or its successor, at the close of business on the fifteenth day of the month (whether or not a Business Day) immediately preceding the month in which an Interest Payment Date occurs (the “**Record Date**”), and shall be paid by check or draft of the Trustee mailed on or before the Interest Payment Date to such registered owner at his address as it appears on such registration books. The Trustee may make payments of such interest on any Bond by such alternative means as may be mutually agreed to between the registered owner of such Bond and the Trustee as provided in the Indenture, pursuant to which this Bond is issued. Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner hereof at the close of business on the Record Date and shall be payable to the person who is the registered owner hereof at the close of business on a Special Record Date (the “**Special Record Date**”) established for the payment of any past due interest. Notice of the Special Record Date and the date fixed for the payment of past due interest shall be given by first-class mail to the registered owner hereof as shown on the registration books on a date selected by the Trustee.

This Bond represents the sole bond in the series aggregating \$[1,010,051.40] in original principal amount, as of the date of issuance of this Bond, and \$[1,140,000.00] in aggregate principal amount on the Current Interest Conversion Date, all of like date, tenor, and effect, issued by the Board of Directors of the District, for the purposes of paying or reimbursing the costs of providing certain public improvements for the District, by virtue of and in full conformity with the Constitution of the State of Colorado; Title 32, Article 1, Part 11, C.R.S.; Title 11, Article 57, Part 2, C.R.S. (the “**Supplemental Public Securities Act**”); and all other laws of the State of Colorado thereunto enabling, and pursuant to the duly adopted Bond Resolution and the Indenture. Pursuant to Section 11-57-210, C.R.S., the above recital that the Bonds are issued pursuant to the Supplemental Public Securities Act shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value.

THE INDENTURE CONSTITUTES THE CONTRACT BETWEEN THE REGISTERED OWNER OF THIS BOND AND THE DISTRICT. THIS BOND IS ONLY EVIDENCE OF SUCH CONTRACT AND, AS SUCH, IS SUBJECT IN ALL RESPECTS TO THE TERMS OF

THE INDENTURE, WHICH SUPERSEDES ANY INCONSISTENT STATEMENT IN THIS BOND.

It is hereby recited, certified, and warranted that all of the requirements of law have been fully complied with by the proper officers in issuing this Bond. It is hereby further recited, certified, and warranted that the total indebtedness of the District, including that of this Bond, does not exceed any limit prescribed by the constitution or laws of the State of Colorado; that at the election lawfully held within the District on November 8, 2016, the incurrence of the indebtedness represented by this Bond was duly authorized by a majority of the electors of the District qualified to vote and voting at said election; and that provision has been made for the levy and collection of an ad valorem tax on all of the taxable property of the District in the amount of the Required Mill Levy (as defined in the Indenture) for the purpose of paying this Bond.

The Bonds shall be payable solely from and to the extent of the Pledged Revenue and moneys on deposit in the funds and accounts held by the Trustee pursuant to the Indenture. The Bonds constitute an irrevocable first lien upon the Pledged Revenue, but not necessarily an exclusive such lien. Subject to expressed conditions, obligations in addition to the Bonds of this issue may be issued and made payable from the Pledged Revenue, in accordance with the provisions of the Indenture.

Reference is hereby made to the Indenture for an additional description of the nature and extent of the security for the Bonds, the funds, accounts, and revenues pledged to the payment thereof, the rights and remedies of the registered owners of the Bonds, the manner in which the Indenture may be amended, and the other terms and conditions upon which the Bonds are issued, copies of which are on file for public inspection at the office of the Secretary of the District.

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and the premium, if any, and interest on this Bond contained herein, in the Bond Resolution of the District authorizing the issuance of this Bond and the Bonds of the series of which it is a part, and in the Service Plan for creation of the District.

The Bonds are subject to redemption prior to maturity as provided in the Indenture.

The District and Trustee shall not be required to issue or transfer any Bonds: (a) during a period beginning at the close of business on the Record Date and ending at the opening of business on the first Business Day following the ensuing interest payment date; or (b) during the period beginning at the opening of business on a date forty-five (45) days prior to the date of any redemption of Bonds and ending at the opening of business on the first Business Day following the day on which the applicable notice of redemption is mailed. The Trustee shall not be required to transfer any Bonds selected or called for redemption, in whole or in part.

The District and the Trustee may deem and treat the registered owner of this Bond as the absolute owner hereof for all purposes (whether or not this Bond shall be overdue), and any notice to the contrary shall not be binding upon the District and the Trustee.

This Bond may be exchanged at the principal office of the Trustee for a like aggregate principal amount of Bonds (or, prior to the Current Interest Conversion Date, for a like aggregate

Accreted Value of Bonds) of the same maturity of other authorized denominations. Subject to the foregoing, this Bond is transferable by the registered owner hereof in person or by his attorney-in-fact or legal representative duly authorized in writing, at the principal office of the Trustee, 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. This Bond may be transferred upon the registration books upon delivery to the Trustee of this Bond, accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Trustee, duly executed by the owner of this Bond or his attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of the Bond, along with the social security number or federal employer identification number of such transferee. In the event of the transfer of this Bond, the Trustee shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of authorized denominations of the same maturity and interest rate for the aggregate principal amount or, if prior to the Current Interest Conversion Date, the same maturity and aggregate Accreted Value, which the registered owner is entitled to receive at the earliest practicable time. The Trustee shall charge the owner of this Bond for every such transfer or exchange an amount sufficient to reimburse it for its reasonable fees and for any tax or other governmental charge required to be paid with respect to such transfer or exchange.

If the date for making any payment under the Indenture or the last day for performance of any act or the exercising of any right as provided in the Indenture is not a Business Day, such payment may be made or act performed or right exercised on the next succeeding day which is a Business Day, with the same force and effect as if done on the nominal date provided in the Indenture.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the authorizing Indenture until the certificate of authentication hereon shall have been signed by the Trustee.

IN TESTIMONY WHEREOF, the Board of Directors of the Tuscan Foothills Village Metropolitan District has caused this Bond to be signed by the manual or facsimile signature of the President of the District, sealed with a manual impression or a facsimile of the seal of the District, and attested by the manual or facsimile signature of the Secretary or Assistant Secretary thereof, all as of November [___], 2019.

(S E A L)

**TUSCAN FOOTHILLS VILLAGE
METROPOLITAN DISTRICT,
In the City of Colorado Springs, County of
El Paso, Colorado**

President

ATTEST:

Secretary or Assistant Secretary

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue described in the within mentioned Indenture.

Date of Registration and Authentication: **UMB BANK, N.A.**, Denver, Colorado, as
Trustee

Authorized Signatory

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns, and transfers unto

Name and address of Assignee:

Social Security or Federal Employer
Identification Number of Assignee:

the within Bond and does hereby irrevocably constitute and appoint _____,
attorney, to transfer said Bond on the books kept for registration thereof with full power of
substitution in the premises.

Dated: _____

Signature of Registered Owner:

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

Signature guaranteed:

(Bank, Trust Company, or Firm)

[End of Form of Bond]