

---

**INDENTURE OF TRUST (SENIOR)**

**DATED AS OF \_\_\_\_\_, 1, 2022**

***BETWEEN***

**GOLD HILL MESA METROPOLITAN DISTRICT NO. 2**

**IN THE CITY OF COLORADO SPRINGS**

**EL PASO COUNTY, COLORADO**

***AND***

**UMB BANK, N.A.**

**DENVER, COLORADO**

**AS TRUSTEE**

***RELATING TO***

**LIMITED TAX GENERAL OBLIGATION AND SPECIAL REVENUE  
REFUNDING AND IMPROVEMENT SENIOR BONDS**

**SERIES 2022A**

**IN THE AGGREGATE PRINCIPAL AMOUNT OF**

**\$ \_\_\_\_\_**

Table of Contents  
(continued)

Page

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

Section 1.01. Definitions .....	3
Section 1.02. Interpretation.....	12
Section 1.03. Computations.....	13
Section 1.04. Exclusion of Bonds Held By The District .....	13
Section 1.05. Certificates and Opinions .....	13
Section 1.06. Acts of Consent Parties.....	14
Section 1.07. Notices for Bonds Held by a Depository.....	15
Section 1.08. Indenture to Constitute Contract.....	15

ARTICLE II

THE BONDS

Section 2.01. Authorization, Terms, Payment, and Form of Bonds.....	15
Section 2.02. Purpose of Issuance of Bonds.....	17
Section 2.03. Trustee as Paying Agent and Bond Registrar .....	17
Section 2.04. Execution of Bonds; Signatures .....	18
Section 2.05. Persons Treated as Owners.....	18
Section 2.06. Lost, Stolen, Destroyed, or Mutilated Bonds .....	18
Section 2.07. Delivery of Bonds.....	19
Section 2.08. Trustee's Authentication Certificate.....	19
Section 2.09. Registration, Exchange, and Transfer of Bonds .....	19
Section 2.10. Cancellation of Bonds .....	20
Section 2.11. Non-presentment of Bonds.....	20
Section 2.12. Book-Entry System.....	20

ARTICLE III

REVENUES AND FUNDS

Section 3.01. Source of Payment of Bonds .....	21
Section 3.02. Creation of Funds and Accounts .....	21
Section 3.03. Initial Credits .....	22
Section 3.04. Revenue Fund; Flow of Funds.....	22
Section 3.05. Bond Fund .....	24
Section 3.06. Reserve Fund .....	24
Section 3.07. Trustee's Fees, Charges and Expenses .....	26
Section 3.08. Project Fund.....	26
Section 3.09. Moneys to be Held in Trust .....	26
Section 3.10. Pledge of Revenues .....	27

Table of Contents  
(continued)

Page

ARTICLE IV

COVENANTS OF DISTRICT

Section 4.01. Performance of Covenants, Authority .....	27
Section 4.02. Instruments of Further Assurance.....	27
Section 4.03. Covenant to Impose Required Mill Levy .....	27
Section 4.04. Additional Bonds .....	28
Section 4.05. Additional Covenants and Agreements .....	30

ARTICLE V

PRIOR REDEMPTION

Section 5.01. Prior Redemption.....	31
Section 5.02. Redemption Procedure and Notice .....	33

ARTICLE VI

INVESTMENTS

Section 6.01. Investments .....	33
Section 6.02. Tax Matters .....	34
Section 6.03. Use of Interest Income.....	35

ARTICLE VII

DISCHARGE OF LIEN

Section 7.01. Discharge of the Lien of the Indenture .....	35
Section 7.02. Continuing Role as Bond Registrar and Paying Agent .....	36
Section 7.03. Discharge on December 2, 2048.....	37

ARTICLE VIII

DEFAULT AND REMEDIES

Section 8.01. Events of Default .....	37
Section 8.02. Remedies on Occurrence of Event of Default .....	38
Section 8.03. Control of Proceedings .....	39
Section 8.04. Rights and Remedies of Owners .....	39
Section 8.05. Application of Moneys .....	39
Section 8.06. Trustee May Enforce Rights Without Bonds.....	39
Section 8.07. Trustee to File Proofs of Claim in Receivership, Etc .....	40
Section 8.08. Delay or Omission No Waiver .....	40

Table of Contents  
(continued)

	Page
Section 8.09. No Waiver of One Default to Affect Another; Cumulative Remedies.....	40
Section 8.10. Discontinuance of Proceedings on Default; Position of Parties Restored .....	40
Section 8.11. Waivers of Events of Default .....	40
Section 8.12. Notice of Default; Opportunity to Cure Defaults .....	40

ARTICLE IX

CONCERNING TRUSTEE

Section 9.01. Acceptance of Trusts and Duties of Trustee.....	41
Section 9.02. Fees and Expenses of the Trustee.....	43
Section 9.03. Resignation or Replacement of Trustee.....	44
Section 9.04. Conversion, Consolidation, or Merger of Trustee .....	45
Section 9.05. Trustee Protected in Relying Upon Resolutions, Etc .....	45

ARTICLE X

SUPPLEMENTAL INDENTURES

Section 10.01. Supplemental Indentures Not Requiring Consent .....	45
Section 10.02. Supplemental Indentures Requiring Consent .....	46
Section 10.03. Execution of Indenture Amendment or Supplemental Indenture .....	47

ARTICLE XI

MISCELLANEOUS

Section 11.01. Parties Interested Herein.....	47
Section 11.02. Severability .....	48
Section 11.03. Governing Law .....	48
Section 11.04. Execution in Counterparts .....	48
Section 11.05. Notices; Waiver .....	48
Section 11.06. Holidays.....	49
Section 11.07. No Recourse against Officers and Agents .....	49
Section 11.08. Conclusive Recital.....	49
Section 11.09. Limitation of Actions.....	49
Section 11.10. Electronic Storage.....	49
Section 11.11. Provisions Regarding the Insurance Policy and Certain Rights of the Insurer .....	49
Section 11.12. Provisions Concerning the Reserve Fund Guaranty.....	54

EXHIBIT A FORM OF BOND

EXHIBIT B FORM OF PROJECT FUND REQUISITION

**INDENTURE OF TRUST (SENIOR)** (this “Indenture”) is entered into this 1st day of \_\_\_\_\_, 2022, between **GOLD HILL MESA METROPOLITAN DISTRICT NO. 2**, in the City of Colorado Springs, Colorado, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), and **UMB BANK, N.A.**, a banking institution authorized to accept and execute trusts of the character herein set out, having corporate trust offices in Denver, Colorado, as trustee (the “Trustee”). All capitalized terms used in and not otherwise defined in the recitals below shall have the respective meanings ascribed to such terms in Section 1.01 hereof.

## **RECITALS**

WHEREAS, the District is a quasi-municipal corporation and political subdivision of the State of Colorado (the “State”), duly and regularly created as a metropolitan district under the constitution and laws of the State, in particular Title 32, Article 1, Colorado Revised Statutes, as amended (the “Act”). The Amended Consolidated Service Plans for Gold Hill Mesa Metropolitan District No. 1, Gold Hill Mesa Metropolitan District No. 2 and Gold Hill Mesa Metropolitan District No. 3 dated April 23, 2006 was approved by the City Council (the “City Council”) of the City of Colorado Springs (the “City”) on \_\_\_\_\_, 2006 (the “Service Plan”); and

WHEREAS, the District is authorized by the Act and the Service Plan to borrow moneys and to issue general obligation bonds to evidence such borrowing; and

WHEREAS, at an election of the eligible electors of the District, duly called and held on November 2, 2004 ( the “Election”), in accordance with law and pursuant to due notice, a majority of those qualified to vote and voting at the Election voted in favor of certain ballot questions authorizing the issuance of general obligation indebtedness and the imposition of taxes for the payment thereof, for the purpose of providing certain public improvements and facilities ( the “Public Improvements”), which indebtedness includes contracts with one or more other political subdivisions of the State; and

WHEREAS, the Colorado Springs Urban Renewal Authority (the “Authority”) adopted the Gold Hill Mesa Urban Renewal Plan (the “Plan”) on May 25, 2004 for the geographic area as described in the Plan (the “Plan Area”), and under the Plan, the property tax revenues on the Plan Area’s assessed valuation in excess of the assessed valuation as of the effective date of the Plan are paid to the Authority, and allocated to, and when collected, paid into a special fund of the Authority to pay the principal of, interest on, and any redemption premium of indebtedness issued to finance urban renewal projects within the Plan Area; and

WHEREAS, the property within the District is located within the Plan Area; and

WHEREAS, the District and the Authority entered into that certain Intergovernmental Tax Sharing Agreement dated as of January 20, 2011, as such agreement may be amended or supplemented from time to time (the “URA Agreement”) pursuant to which the District agreed to finance public improvements for the benefit of the District and the Authority agreed to make certain tax increment moneys available to the District for payment of the costs of such public improvements; and

WHEREAS, (i) pursuant to an Indenture of Trust dated as of September 16, 2011 by and between the District and UMB Bank, n.a., the District has previously issued its Subordinate Tax-

Supported Revenue Bonds, Series 2011C (the “Series 2011C Bonds”) in an aggregate principal amount of \$2,160,000, (ii) pursuant to an Indenture of Trust dated as of September 16, 2011 by and between the District and UMB Bank, n.a., the District has previously issued its Second Subordinate Tax-Supported Revenue Bonds, Series 2011D (the “Series 2011D Bonds”) in the original aggregate principal amount of \$3,157,000, and (iii) pursuant to a Loan Agreement by and between the District and U.S. Bank National Association dated as of December 16, 2015, the District has previously incurred a loan in an aggregate principal amount of \$6,360,000 (the “2015 Loan” and together with the Series 2011C Bonds and the Series 2011D Bonds, the “Refunded Indebtedness”); and

WHEREAS, the Board has determined that it is in the best interests of the District, and the inhabitants and taxpayers thereof, that (i) the Refunded Indebtedness be refunded in full and defeased by payment of all outstanding principal of, accrued and unpaid interest on and any redemption premium in connection therewith (the “Refunding Project”), and (ii) a portion of the costs of the Public Improvements be financed (the “Improvement Project”), and that for such purposes there shall be issued a series of Limited Tax General Obligation and Special Revenue Refunding and Improvement Senior Bonds, Series 2022A in the total aggregate principal amount of \$ \_\_\_\_\_ (as more particularly defined hereafter, the “Bonds”); and

WHEREAS, concurrently with the issuance of the Bonds, \_\_\_\_\_ (the “Insurer”) is issuing (i) its Municipal Bond Insurance Policy (the “Insurance Policy”) guaranteeing the scheduled payment of principal of and interest on the Bonds when due and (ii) its Municipal Bond Debt Service Reserve Insurance Policy (the “Reserve Fund Surety Policy”) in order to satisfy the Reserve Requirement; and

WHEREAS, the Bonds have an underlying credit rating of [“Baa3”], by Moody’s Investors Service, Inc. (“Moody’s”), a nationally recognized credit rating agency, which is one of the four highest investment grade rating categories of Moody’s; and

WHEREAS, concurrently with the issuance of the Bonds, the District is issuing its Limited Tax General Obligation and Special Revenue Subordinate Bonds, Series 2022B(3), in the aggregate principal amount of \$ \_\_\_\_\_ (the “Series 2022B Subordinate Bonds”), for the purposes of paying costs of the Improvement Project and the Refunding Project not financed by the Bonds; and

WHEREAS, the Board specifically elects to apply the provisions of Title 11, Article 57, Part 2, C.R.S., to the Bonds; and

WHEREAS, the District has duly authorized the execution and delivery of this Indenture to provide for the issuance of the Bonds; and

WHEREAS, all things necessary to make the Bonds, when executed by the District and authenticated and delivered by the Trustee hereunder, the valid obligations of the District, and to make this Indenture a valid agreement of the District, in accordance with their and its terms, have been done.

**NOW, THEREFORE, THIS INDENTURE OF TRUST (SENIOR) WITNESSETH:**

**GRANTING CLAUSES**

The District, in consideration of the premises and of the mutual covenants herein contained, the acceptance by the Trustee of the trusts hereby created, the issuance by the Insurer of the Insurance Policy and the Reserve Fund Surety Policy, and of the purchase and acceptance of the Bonds by the Owners thereof and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium if any, and interest on the Bonds at any time Outstanding under this Indenture, according to their tenor and effect, and to secure the performance and observance of all the covenants and conditions in the Bonds, the Bond Resolution, and this Indenture, and to declare the terms and conditions upon and subject to which the Bonds are issued and secured, does hereby grant to the Trustee, and to its successors in trust, and to them and their assigns forever, the following (as more particularly defined hereafter, the "Trust Estate"): the Pledged Revenue, the Bond Fund, the Reserve Fund, the Project Fund and all other moneys, securities, revenues, receipts, and funds from time to time held by the Trustee under the terms of this Indenture, and a security interest therein, and all right, title and interest of the District in and to the URA Agreement; and

THE TRUSTEE SHALL HOLD the Trust Estate for the benefit of the Owners from time to time of the Bonds, as their respective interests may appear; and the property granted herein is also granted for the equal benefit, of all present and future Owners of the Bonds as if all the Bonds had been executed and delivered simultaneously with the execution and delivery of this Indenture;

TO HAVE AND TO HOLD the same with all privileges and appurtenances hereby conveyed and assigned, or agreed or intended to be, to the Trustee and its successors in said trust and assigns forever;

IN TRUST, NEVERTHELESS, upon the terms herein set forth for the equal and proportionate benefit, security, and protection of the Insurer and all Owners of the Bonds issued under and secured by this Indenture without privilege, priority, or distinction as to the lien or otherwise (except as herein expressly provided) of any of the Bonds over any other of the Bonds;

PROVIDED, HOWEVER, that if the District, its successors, or assigns, shall well and truly pay, or cause to be paid, the principal of, premium if any, and interest on the Bonds at the times and in the manner provided in the Bonds, according to the true intent and meaning thereof; or shall provide, as permitted hereby and in accordance herewith, for the payment thereof by depositing with the Trustee or placing in escrow and in trust the entire amount due or to become due thereon, or certain securities as herein permitted, and shall well and truly keep, perform, and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed, and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Indenture and the rights hereby granted shall cease, terminate, and be void; otherwise this Indenture shall be and remain in full force and effect;

THIS INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered, and all said

moneys, securities, revenues, receipts, and funds hereby pledged and assigned are to be dealt with and disposed of under, upon, and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and the District has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the Bonds as follows:

## ARTICLE I

### DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

**Section 1.01. Definitions.** In this Indenture, except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

“*Act*” has the meaning set forth in the recitals hereto.

“*Additional Bonds*” means: (a) all obligations of the District for borrowed money and reimbursement obligations; (b) all obligations of the District constituting a lien or encumbrance upon any ad valorem tax revenues of the District or any part of the Pledged Revenue; (c) all obligations of the District evidenced by bonds, debentures, notes, or other similar instruments; (d) all obligations of the District to pay the deferred purchase price of property or services; (e) all obligations of the District as lessee under leases, but excluding such obligations outstanding from time to time with respect to which the aggregate maximum repayment costs for all terms thereof do not exceed \$500,000, or consist of payroll obligations, accounts payable, or taxes incurred or payable in the ordinary course of business of the District; and (f) all obligations of others guaranteed by the District; provided that notwithstanding the foregoing, the term “Additional Bonds” does not include:

- (i) obligations the repayment of which is contingent upon the District’s annual determination to appropriate moneys therefor, other than capital leases as set forth in clause (e) above, which obligations do not constitute a multiple-fiscal year financial obligation and do not obligate the District to impose any tax, fee, or other governmental charge;
- (ii) obligations which are payable solely from the proceeds of additional District obligations, when and if issued;
- (iii) obligations payable solely from periodic, recurring service charges (*e.g.*, not including Capital Fees) imposed by the District for the use of any District facility or service, which obligations do not constitute a debt or indebtedness of the District or an obligation required to be approved at an election under Colorado law; and
- (iv) obligations to reimburse any person in respect of surety bonds, financial guaranties, letters of credit, or similar credit enhancements so long as (A) such surety bonds, financial guaranties, letters of credit, or similar credit enhancements are issued as security for any bonds, notes, or other obligations of the District permitted to be issued hereunder, and (B) such reimbursement obligations are payable from the same or fewer revenue sources, with the same or a subordinate



lien priority, as the obligations secured by the surety bonds, financial guaranties, letters of credit, or similar credit enhancements.

“*Authorized Denominations*” means the denomination of \$5,000 or any integral multiple of \$1,000 in excess thereof.

“*Beneficial Owner*” means any person for which a Participant acquires an interest in the Bonds.

“*Board*” means the Board of Directors of the District.

“*Bond Fund*” means the “Gold Hill Mesa Metropolitan District No. 2 Limited Tax General Obligation and Special Revenue Refunding and Improvement Senior Bonds, Series 2022A, Bond Fund” established by the provisions hereof for the purposes set forth herein.

“*Bond Requirements*” means, for any applicable period, the sum of the following: (a) with respect to the Bonds and all other Senior Bonds then outstanding (if any), the (i) current interest accruing on such obligations during the applicable twelve (12) consecutive month period and (ii) the regularly scheduled principal payments due and owing during the same period, including, without limitation, mandatory sinking fund redemption installments and principal due at maturity; *plus* (b) with respect to the Senior Bonds then proposed to be issued, the (i) interest expected to accrue on such obligations for the first twelve months occurring after the month in which such obligations are issued, computed at the per annum rate of interest reasonably expected to be borne by such obligations, and (ii) the regularly scheduled principal payments expected to be due and owing during the first twelve months occurring after the month in which such obligations are issued. For purposes of calculating the Bond Requirements for (x) any Senior Bonds then outstanding and bearing a variable, adjustable or other similar rate which is not fixed for the entire term thereof, it shall be assumed that any such obligations will bear interest during the applicable twelve (12) consecutive month period at a per annum rate of interest which is two-hundred basis points above the highest rate of per annum interest rate borne by such obligations since their issuance, and (y) and Senior Bonds then proposed to be issued which are to bear a variable rate, adjustable or similar rate which is not fixed for the entire term thereof, it shall be assumed that any such obligations will bear interest during the applicable twelve (12) consecutive month period at a per annum rate of interest equal to the initial variable interest rate thereon.

“*Bond Resolution*” means the resolution authorizing the issuance of the Bonds and the execution, delivery and performance of this Indenture, certified by the Secretary or an Assistant Secretary of the District to have been duly adopted by the District and to be in full force and effect on the date of such certification, including any amendments or supplements made thereto.

“*Bond Year*” means the period from December 2 of any calendar year through and including December 1 of the immediately succeeding calendar year.

“*Bonds*” means the Limited Tax General Obligation and Special Revenue Refunding and Improvement Senior Bonds, Series 2022A, in the aggregate principal amount of \$ \_\_\_\_\_, issued by the District pursuant to this Indenture and the Bond Resolution.

“*Business Day*” means a day on which the Trustee or banks or trust companies in Denver, Colorado, or in New York, New York, are not authorized or required to remain closed and on which the New York Stock Exchange is not closed.

“*Capital Fees*” means all fees, rates, tolls, penalties, and charges of a capital nature (excluding periodic, recurring service charges ) imposed by the District or any District-owned “enterprise” (within the meaning of Article X, Section 20 of the Colorado Constitution) for facilities furnished by the District (or any such enterprise), and also including the revenue derived from any action to enforce the collection of Capital Fees, and the revenue derived from the sale or other disposition of property acquired by the District from any action to enforce the collection of Capital Fees.

“*Cede*” means Cede & Co., the nominee of DTC as record owner of the Bonds, or any successor nominee of DTC with respect to the Bonds.

“*Certified Public Accountant*” means a certified public accountant within the meaning of Section 12-2-115, C.R.S., and any amendment thereto, licensed to practice in the State of Colorado.

“*City*” means the City of Colorado Springs, Colorado.

“*Code*” means the Internal Revenue Code of 1986, as amended and in effect as of the date of issuance of the Bonds.

“*Colorado Governmental Immunity Act*” means Title 24, Article 10, Part 1, C.R.S.

“*Consent Party*” means the Owner of a Bond or, if such Bond is held in the name of Cede, the Participant (as determined by a list provided by DTC) with respect to such Bond. The District may at its option determine whether the Owner or the Participant is the Consent Party with respect to any particular amendment or other matter hereunder.

“*Counsel*” means a person, or firm of which such a person is a member, authorized in any state in the United States of America to practice law.

“*County*” means El Paso County, Colorado.

“*County Treasurer*” means the Treasurer of the County.

“*C.R.S.*” means the Colorado Revised Statutes, as amended and supplemented as of the date hereof.

“*Debt to Assessed Ratio*” means the ratio derived by dividing the then-outstanding principal amount of Bonds and the principal amount of the Subordinate Bonds outstanding by the most recent Final Assessed Valuation of the District, which ratio calculation shall be set forth in a written certificate of the District Representative provided to the Trustee.

“*Depository*” means any securities depository as the District may provide and appoint, in accordance with the guidelines of the Securities and Exchange Commission, which shall act as securities depository for the Bonds.

“*District*” means Gold Hill Mesa Metropolitan District No. 2, in the City of Colorado Springs, El Paso County, Colorado, and its successors and assigns.

“*District Accountant*” means (a) as of the date hereof, CliftonLarsonAllen LLP, Colorado Springs, Colorado, and (b) as of any other date, the firm or individual then serving as the accountant for the District.

“*District Representative*” means the person or persons at the time designated to act on behalf of the District by the Bond Resolution or as designated by written certificate furnished to the Trustee containing the specimen signatures of such person or persons and signed on behalf of the District by its President and attested by its Secretary or an Assistant Secretary, and any alternate or alternates designated as such therein.

“*DTC*” means The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns. References herein to DTC shall include any nominee of DTC in whose name any Bonds are then registered.

“*Election*” has the meaning set forth in the recitals hereto.

“*Escrow Agent*” means UMB Bank, n.a., the escrow agent under the Escrow Agreement.

“*Escrow Agreement*” means the Escrow Agreement by and between the District and the Escrow Agent dated as of \_\_\_\_\_, 1, 2022 with respect to the Refunding Project.

“*Event of Default*” means any one or more of the events set forth in the Section 8.01 hereof.

“*Federal Securities*” means direct obligations of (including obligations issued or held in book entry form on the books of), or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

“*Final Assessed Valuation*” means the final certified assessed valuation of all taxable property of the District, as calculated and recorded by the County Assessor of the County on or about December 10 of each year, or on such other date as established by law for the annual final certification of assessed valuation.

“*Fiscal Year*” means the 12-month period commencing on January 1 of any applicable year and ending on December 31 of the same calendar year.

“*Improvement Project*” has the meaning set forth in the recitals hereto.

“*Indenture*” means this Indenture of Trust (Senior) as originally executed or as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof.

“*Insurance Policy*” means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Bonds when due.

“*Insurer*” means \_\_\_\_\_, a New York domiciled financial guaranty insurance company, or any successor thereto or assignee thereof.

“*Interest Payment Date*” means each regularly scheduled interest payment date on the Bonds, being June 1 and December 1 of each year, commencing June 1, 2022, and continuing for so long as the Bonds are Outstanding.

“*Maturity Date*” means December 1, 20\_\_.

“*Outstanding or Outstanding Bonds*” means, as of any particular time, all Bonds which have been duly authenticated and delivered by the Trustee under this Indenture, except:

(a) Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation because of payment at maturity or prior redemption;

(b) Bonds for the payment or redemption of which moneys or Federal Securities in an amount sufficient (as determined pursuant to Section 7.01(b) hereof) shall have been theretofore deposited with the Trustee, or Bonds for the payment or redemption of which moneys or Federal Securities in an amount sufficient (as determined pursuant to Section 7.01(b) hereof) shall have been placed in escrow and in trust; and

(c) Bonds in lieu of which other Bonds have been authenticated and delivered pursuant to Section 2.06 or Section 2.09 hereof.

“*Owner(s) or Owner(s) of Bonds*” means the registered owner(s) of any Bond(s) as shown on the registration books maintained by the Trustee.

“*Participants*” means any broker-dealer, bank, or other financial institution from time to time for which DTC or another Depository holds the Bonds.

“*Permitted Investments*” means any investment or deposit the District is permitted to make under then applicable law, including without limitation, Section 24-75-601.1, C.R.S.

“*Permitted Refunding Bonds*” means Senior Bonds issued for refunding or refinancing purposes, so long as each of the following conditions are met:

(a) Such refunding obligations are issued solely for the purpose of refunding all or any part of the Bonds or other Senior Bonds and paying costs in connection therewith, which costs may include amounts sufficient to pay all expenses in connection with such refunding or refinancing, and to pay the costs of letters of credit, credit facilities, interest rate exchange agreements, bond insurance, or other financial products pertaining to such refunding or refinancing.

- (b) Such refunding obligations do not increase the District’s scheduled debt service in *any* year from the scheduled debt service in effect prior to the issuance of such refunding obligations. For purposes of the foregoing, obligations issued for refunding purposes which have any scheduled payment dates in any year which is after the maturity of the obligations being refunded shall be deemed to increase the District’s debt service in any year.
- (c) Such refunding obligations are payable on the same day or days of the calendar year as the Bonds and any other Senior Bonds being refunded, and are not subject to acceleration.
- (d) The District’s ad valorem mill levy pledged to the payment of the refunding obligations is not higher than and is subject to the same deductions and adjustments as the ad valorem mill levy pledged to the payment of the Bonds and any other Senior Bonds, and no component of the other sources of revenue pledged to the payment of such refunding obligations exceeds the amount of the corresponding component of the revenue pledged to the Bonds and any other Senior Bonds being refunded.
- (e) The remedies for defaults under such refunding obligations are substantially the same as the remedies applicable to the Bonds and any other Senior Bonds being refunded.
- (f) The reserve fund, if any, securing such refunding obligations shall not be required or permitted to be funded in excess of an amount equal to 10% of the original par amount of such refunding obligations.

“*Pledged Revenue*” means, collectively:

- (a) the Property Tax Revenues;
- (b) the portion of the Specific Ownership Tax which is collected as a result of imposition of the Required Mill Levy;
- (c) the Pledged Tax Revenue;
- (d) all Capital Fees; and
- (e) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

“*Pledged Tax Revenue*” has the meaning set forth in the URA Agreement.

“*Project Fund*” means the “Gold Hill Mesa Metropolitan District No. 2 Limited Tax General Obligation and Special Revenue Bonds, Series 2022A Project Fund,” established by the provisions hereof for the purpose of paying certain costs of Public Improvements.

“*Property Tax Revenues*” means the ad valorem property taxes derived from the District’s imposition of the Required Mill Levy, net of the costs of collection of the County and any tax refunds or abatements authorized by or on behalf of the County.

“*Public Improvements*” has the meaning set forth in the recitals hereto.

“*Record Date*” means the fifteenth (15th) day of the calendar month next preceding each Interest Payment Date.

“*Refunding Project*” has the meaning set forth in the recitals hereto.

“*Required Mill Levy*” shall have the following meaning:

(a) Subject to paragraph (c) below, an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of the District each year in an amount necessary to generate Property Tax Revenues sufficient (i) to fund the Bond Fund for the relevant Bond Year and pay the Bonds as they come due, and (ii) if necessary, to replenish the Reserve Fund to the amount of the Reserve Requirement, but not in excess of 30.00 mills, subject to adjustment as provided in paragraph (b) below.

(b) In the event the method of calculating assessed valuation is or was changed after January 1, 2006, the levy cap of 30.00 mills will be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes; for purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation, and further provided that, in accordance with the Service Plan, the maximum mill levy of 30.00 mills (as adjusted) shall be reduced by the number of mills necessary to pay unlimited mill levy debt (the issuance of which is subject to the limitations hereof).

(c) Notwithstanding anything herein to the contrary, in no event may the Required Mill Levy be established at a mill levy which would cause the District to derive tax revenue in any year in excess of the maximum tax increases permitted by the District’s electoral authorization, and if the Required Mill Levy as calculated pursuant to the foregoing would cause the amount of taxes collected in any year to exceed the maximum tax increase permitted by the District’s electoral authorization, the Required Mill Levy shall be reduced to the point that such maximum tax increase is not exceeded.

“*Reserve Fund*” means a special fund of the District designated as the “Gold Hill Mesa Metropolitan District No. 2 Limited Tax General Obligation and Special Revenue Refunding and Improvement Senior Bonds, Series 2022A Reserve Fund” created by the provisions hereof for the purposes set forth herein.

“*Reserve Fund Surety Policy*” means the Municipal Bond Debt Service Reserve Insurance Policy issued by the Insurer providing for the funding of the Reserve Requirement as provided therein.

“*Reserve Requirement*” means the amount of \$ \_\_\_\_\_.

“*Revenue Fund*” means a special fund of the District designated as the “Gold Hill Mesa Metropolitan District No. 2 Limited Tax General Obligation and Special Revenue Refunding and Improvement Senior Bonds, Series 2022A, Revenue Fund,” created by the provisions hereof for the purposes set forth herein.

“*Scheduled Payment Date*” means (a) with respect to interest on the Bonds, each Interest Payment Date and (b) with respect to principal on the Bonds, each date on which a mandatory sinking fund installment is due pursuant to Section 5.01(b) hereof and each Bond maturity including, without limitation, the Maturity Date.

“*Senior Bonds*” means the Bonds and any Additional Bonds having a lien upon the ad valorem property taxes of the District or the Pledged Revenue or any part thereof on parity with the lien thereon of the Bonds and superior to the lien of the Subordinate Bonds, payable in whole or in part from moneys described in clauses FIRST and SECOND of Section 3.05(b) hereof. Any Senior Bonds hereafter issued may be issued pursuant to such resolutions, indentures, or other documents as may be determined by the District, and shall be designated in such resolutions, indentures or other documents as constituting Senior Bonds within the meaning of this Indenture.

“*Series 2021B Subordinate Bonds*” means the District’s Limited Tax General Obligation and Special Revenue Subordinate Bonds, Series 2021B(3) in the aggregate principal amount of \$ \_\_\_\_\_, to be issued by the District pursuant to the Series 2021B Subordinate Bond Indenture on or about the date of issuance of the Bonds.

“*Series 2021B Subordinate Bond Indenture*” means that certain Indenture of Trust (Subordinate) between the District and the Trustee in its role as trustee thereunder (and any successor thereto), pursuant to which the Series 2021B Subordinate Bonds are issued, including any supplements or amendments thereto adopted in accordance therewith and herewith.

“*Service Plan*” has the meaning set forth in the recitals hereto.

“*Special Record Date*” means the record date for determining Bond ownership for purposes of paying unpaid interest, as such date may be determined pursuant to this Indenture.

“*Specific Ownership Tax*” means the specific ownership taxes collected by the County and remitted to the District pursuant to Section 42-3-107, C.R.S., or any successor statute.

“*State*” means the State of Colorado.

“*Subordinate Bond Documents*” means the Series 2021B Subordinate Bond Indenture and any other indenture, resolution, loan agreement, custodial agreement, paying agent agreement or other instrument(s) pursuant to which Subordinate Bonds are issued and governed.

“*Subordinate Bond Trustee*” means UMB Bank, n.a., and any other trustee, custodian, paying agent or lender acting in a similar capacity under the applicable Subordinate Bond Documents relating to any Subordinate Bonds then outstanding.

“*Subordinate Bonds*” means the Series 2021B Subordinate Bonds and any Additional Bonds having a lien upon the District’s ad valorem property tax revenue or the Pledged Revenue or any part thereof junior and subordinate to the lien thereon of the Bonds, and payable in whole or in part from moneys described in clause FOURTH of Section 3.04(b) hereof (and *not* from moneys described in FIRST through THIRD of such Section 3.04(b)). Any Subordinate Bonds hereafter issued may be issued pursuant to Subordinate Bond Documents as may be determined by the District.

“*Supplemental Act*” means the “Supplemental Public Securities Act,” being Title 11, Article 57, Part 2, C.R.S.

“*Tax Certificate*” means the certificate to be signed by the District relating to the requirements of Sections 103 and 141-150 of the Code.

“*Trust Estate*” means the moneys, securities, revenues, receipts, and funds transferred, pledged, and assigned to the Trustee pursuant to the Granting Clauses hereof.

“*Trustee*” means UMB BANK, n.a., Denver, Colorado, in its capacity as trustee hereunder, or any successor trustee, appointed, qualified, and acting as trustee, paying agent, and bond registrar under the provisions of this Indenture.

“*Trustee Fees*” means the amount of the fees and expenses of the Trustee charged or incurred in connection with the performance of its ordinary services and duties rendered hereunder (and under any other indenture entered into by the District in connection with the issuance of Parity Bonds or Subordinate Bonds), as the same become due and payable as described in Section 9.02 (a) hereof, but not in excess of \$ \_\_\_\_\_ annually per bond issue; provided, however, that this definition does not include expenses incurred by the Trustee in connection with the performance of extraordinary services and duties as described in Section 9.02 (b) hereof, which expenses shall be payable by the District in accordance with the provisions thereof.

“*Underwriter*” means Piper Sandler & Co., Denver, Colorado, in its capacity as the original purchaser of the Bonds.

“*URA Agreement*” has the meaning set forth in the recitals hereto.

**Section 1.02. Interpretation.** In this Indenture, unless the context otherwise requires:

(a) the terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof,” and any similar term, refer to this Indenture as a whole and not to any particular article, section, or subdivision hereof; the term “heretofore” means before the date of execution of this Indenture, the term “now” means at the date of execution of this Indenture, and the term “hereafter” means after the date of execution of this Indenture;

(b) words of the masculine gender include correlative words of the feminine and neuter genders; words importing the singular number include the plural number and vice versa; and the word “person” or similar term includes, but is not limited to, natural persons, firms, associations, corporations, partnerships, and public bodies;



(c) the captions or headings of this Indenture, and the table of contents appended to copies hereof, are for convenience only and in no way define, limit, or describe the scope or intent of any provision, article, or section of this Indenture;

(d) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles; and

(e) all exhibits referred to herein are incorporated herein by reference.

**Section 1.03. Computations.** Unless the facts shall then be otherwise, all computations required for the purposes of this Indenture shall be made on the assumption that: (a) the principal of and interest on all Bonds shall be paid as and when the same become due as therein and herein provided; and (b) all credits required by this Indenture to be made to any fund shall be made in the amounts and at the times required.

**Section 1.04. Exclusion of Bonds Held By The District.** In determining whether the Consent Parties with respect to the requisite principal amount of the Outstanding Bonds have given any request, demand, authorization, direction, notice, consent, or waiver hereunder, Bonds for which the District is the Consent Party or the entity entitled to direct the actions of the Consent Party shall be disregarded and deemed not to be Outstanding.

**Section 1.05. Certificates and Opinions.**

(a) Except as otherwise specifically provided in this Indenture, each certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include: (i) a statement that the person making the certificate or opinion has read the covenant or condition and the definitions herein relating thereto; (ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based; (iii) a statement that, in the opinion of such person, he has made such examination and investigation as is necessary to enable him to express an informed opinion as to whether the covenant or condition has been complied with; (iv) a statement as to whether, in the opinion of such person, the condition or covenant has been complied with; and (v) an identification of any certificate or opinion relied on in such certificate or opinion.

(b) Any opinion of Counsel may be qualified by reference to the constitutional powers of the United States of America, the police and sovereign powers of the State, judicial discretion, bankruptcy, insolvency, reorganization, moratorium, and other laws affecting creditors' rights or municipal corporations or similar matters.

(c) In any case where several matters are required to be certified by, or covered by an opinion of, any specified person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such person, or that they be so certified or covered by only one document, but one such person may certify or give an opinion with respect to some matters and one or more other such persons as to other matters, and any such person may certify or give an opinion as to such matters in one or several documents.

(d) Any certificate or opinion of an officer of the District may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, Counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the District stating that the information with respect to such factual matters is in the possession of the District, unless such Counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

(e) When any person is required to make, give, or execute two or more applications, requests, consents, certificates, statements, opinions, or other instruments under this Indenture, such instruments may, but need not, be consolidated to form one instrument.

#### **Section 1.06. Acts of Consent Parties.**

(a) Any request, demand, authorization, direction, notice, consent, waiver, or other action provided by this Indenture to be given or taken by Consent Parties may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Consent Party in person or by agent duly appointed in writing; and, except as otherwise expressly provided herein, such action shall become effective when such instrument or instruments are delivered to the Trustee, and, where it is hereby expressly required, the District. Proof of execution of any such instrument or of a writing appointing any such agent made in the manner set forth in paragraph (b) hereof shall be sufficient for any purpose of this Indenture and (subject to Section 9.01 hereof) conclusive in favor of the Trustee and the District.

(b) The fact and date of the execution by any person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by the certificate of any notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by an officer of a corporation or a member of a partnership, on behalf of such corporation or partnership, such affidavit or certificate shall also constitute sufficient proof of his authority.

(c) Any request, demand, authorization, direction, notice, consent, waiver, or other action provided by this Indenture to be given or taken by the Consent Parties with respect to a specified percentage or portion of the Outstanding Bonds shall be conclusive and binding upon all present and future Owners and Consent Parties if the Consent Parties with respect to the specified percentage or portion of the Outstanding Bonds take such action in accordance herewith; and it shall not be necessary to make notation of such action on any Bond authenticated and delivered hereunder. In addition, any request, demand, authorization, direction, notice, consent, waiver, or other action by any Consent Party (notwithstanding whether such action was also taken by any other Owner or Consent Party) shall bind the Owner and the Consent Party, and the Owner of and Consent Party with

respect to every Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the District in reliance thereon; and it shall not be necessary to make notation of such action on any Bond authenticated and delivered hereunder.

**Section 1.07. Notices for Bonds Held by a Depository.** Notwithstanding the provisions hereof which provide for notices to Owners by mail, so long as the Bonds are held by DTC or any other Depository, such notices may be given by electronic means in lieu of mailed notice.

**Section 1.08. Indenture to Constitute Contract.** This Indenture shall constitute a contract among the District, the Trustee, and the Owners, and shall remain in full force and effect until the Bonds are no longer Outstanding hereunder.

## ARTICLE II

### THE BONDS

**Section 2.01. Authorization, Terms, Payment, and Form of Bonds.**

(a) In accordance with the Constitution of the State of Colorado; the Act; the Supplemental Act; and all other laws of the State of Colorado thereunto enabling, there shall be issued the Bonds for the purposes hereinafter stated. The aggregate principal amount of the Bonds that may be authenticated and delivered under this Indenture is limited to and shall not exceed \$\_\_\_\_\_, except as provided in Section 2.06 and Section 2.09 hereof.

(b) The Bonds shall be issued only as fully registered Bonds, without coupons, in Authorized Denominations. Unless the District directs otherwise, the Bonds shall be numbered separately from 1 upward, with the number of each Bond preceded by “RA-.”

(c) The Bonds shall be dated as of the date of issuance, and shall bear interest at the rates per annum set forth below, calculated on the basis of a 360-day year of twelve 30-day months, payable to the extent of Pledged Revenue available therefor on each June 1 and December 1, commencing on June 1, 2022, and shall mature on December 1 in the years and amounts as follows:

<b>Maturity</b>	<b>Principal Amount</b>	<b>Interest Rate</b>

(d) The maximum net effective interest rate authorized for this issue of Bonds is 18%, and the actual net effective interest rate of the Bonds does not exceed such maximum rate. The maximum repayment costs of the Bonds do not exceed the limitations of the Election. The maximum annual debt service on the Bonds does not exceed the maximum annual tax increases authorized by the Election.

(e) The principal of and premium, if any, on the Bonds are payable in lawful money of the United States of America to the Owner of each Bond upon maturity or prior redemption and presentation at the principal office of the Trustee. The interest on any Bond is payable to the person in whose name such Bond is registered, at his address as it appears on the registration books maintained by or on behalf of the District by the Trustee, at the close of business on the Record Date, irrespective of any transfer or exchange of such Bond subsequent to such Record Date and prior to such interest payment date; provided that any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the Owner thereof at the close of business on the Record Date and shall be payable to the person who is the Owner thereof at the close of business on a Special Record Date for the payment of any such unpaid interest. Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the unpaid interest, and notice of the Special Record Date shall be given to the Owners of the Bonds not less than ten (10) days prior to the Special Record Date by first-class mail to each such Owner as shown on the registration books kept by the Trustee on a date selected by the Trustee. Such notice shall state the date of the Special Record Date and the date fixed for the payment of such unpaid interest.

(f) Interest payments shall be paid by check or draft of the Trustee mailed on or before the interest payment date to the Owners. The Trustee may make payments of

interest on any Bond by such alternative means as may be mutually agreed to between the Owner of such Bond and the Trustee; provided that the District shall not be required to incur any expenses in connection with such alternative means of payment.

(g) To the extent principal of any Bond is not paid when due, such principal shall remain Outstanding until the earlier of its payment or December 2, 2057 and shall continue to bear interest at the rate then borne by the Bond. To the extent interest on any Bond is not paid when due, such interest shall compound on each interest payment date, at the rate then borne by the Bond; provided however, that notwithstanding anything herein to the contrary, the District shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Bonds, including all payments of principal, premium if any, and interest, and all Bonds will be deemed defeased and no longer Outstanding upon the payment by the District of such amount.

(h) Subject to the provisions of this Indenture, the Bonds shall be in substantially the form set forth in Exhibit A attached hereto, with such variations, omissions, and insertions as may be required by the circumstances, be required or permitted by this Indenture, or be consistent with this Indenture and necessary or appropriate to conform to the rules and requirements of any governmental authority or any usage or requirement of law with respect thereto. The District may cause a copy of the text of the opinion of nationally recognized municipal bond Counsel to be printed on the Bonds. Pursuant to the recommendations promulgated by the Committee on Uniform Security Identification Procedures, "CUSIP" numbers may be printed on the Bonds. The Bonds may bear such other endorsement or legend satisfactory to the Trustee as may be required to conform to usage or law with respect thereto.

**Section 2.02. Purpose of Issuance of Bonds.** The Bonds are being issued for the purposes of: (a) paying for the Refunding Project and the Improvement Project; (b) funding the Reserve Fund through the purchase of the Reserve Fund Surety Policy; and (c) paying costs incidental to the issuance of the Bonds [and the Series 2021B Subordinate Bonds]. The Owners of the Bonds shall not be responsible for the application or disposal by the District or any of its officers of the funds derived from the sale thereof.

**Section 2.03. Trustee as Paying Agent and Bond Registrar.**

(a) The Trustee shall perform the functions of paying agent and authenticating registrar with respect to the Bonds. The Trustee shall establish the registration books for the Bonds and thereafter maintain such books in accordance with the provisions hereof. The District shall cause the Underwriter to provide the Trustee with an initial registry of the Owners within a reasonable time prior to delivery of the Bonds. The District shall be permitted to review the registration books at any time during the regular business hours of the Trustee and, upon written request to the Trustee, shall be provided a copy of the list of Owners of the Bonds. Upon the termination of this Indenture, the Trustee shall promptly return such registration books to the District.

(b) The Trustee shall make payments of principal and interest on the Bonds on each date established herein for payment thereof, in the manner and from the sources set forth herein.

(c) The Trustee will register, exchange, or transfer (collectively “transfer”) the Bonds in the manner provided herein. The Trustee reserves the right to refuse to transfer any Bond until it is satisfied that the endorsement on the Bond is valid and genuine, and for that purpose it may require a guarantee of signature by a firm having membership in the Midwest, New York, or American Stock Exchange, or by a bank or trust company or firm approved by it. The Trustee also reserves the right to refuse to transfer any Bond until it is satisfied that the requested transfer is legally authorized, and it shall incur no liability for any refusal in good faith to make a transfer which it, in its judgment, deems improper or unauthorized.

(d) The District shall furnish the Trustee with a sufficient supply of blank Bonds for the sole purpose of effecting transfers in accordance herewith and from time to time shall renew such supply upon the request of the Trustee. Blank Bonds shall be signed and sealed by the District in the manner set forth herein.

(e) In the event the District receives any notice or order which limits or prohibits dealing in the Bonds, it will immediately notify the Trustee of such notice or order and give a copy thereof to the Trustee.

(f) In any circumstances concerning the payment or registration of the Bonds not covered specifically by this Indenture, the Trustee shall act in accordance with federal and state banking laws and its normal procedures in such matters.

**Section 2.04. Execution of Bonds; Signatures.** The Bonds shall be executed on behalf of the District by the manual or facsimile signature of the President of the District, sealed with a manual impression or facsimile of its corporate seal, and attested by the manual or facsimile signature of the Secretary or an Assistant Secretary of the District. In case any officer who shall have signed any of the Bonds shall cease to be such officer of the District before the Bonds have been authenticated by the Trustee or delivered or sold, such Bonds with the signatures thereto affixed may, nevertheless, be authenticated by the Trustee and delivered, and may be sold by the District, as though the person or persons who signed such Bonds had remained in office.

**Section 2.05. Persons Treated as Owners.** The District and the Trustee may treat the Owner of any Bond as the absolute owner of such Bond for the purpose of receiving payment thereof or on account thereof and for all other purposes, whether or not such Bond is overdue, and neither the District nor the Trustee shall be affected by notice to the contrary.

**Section 2.06. Lost, Stolen, Destroyed, or Mutilated Bonds.** Any Bond that is lost, stolen, destroyed, or mutilated may be replaced (or paid if the Bond has matured or come due by reason of prior redemption) by the Trustee in accordance with and subject to the limitations of applicable law. The applicant for any such replacement Bond shall post such security, pay such costs, and present such proof of ownership and loss as may be required by applicable law, or in the absence of specific requirements, as may be required by the Trustee. In the event any such

lost, stolen, destroyed, or mutilated Bond shall have become due for payment, instead of issuing a replacement Bond as provided above, the Trustee may pay the same, and may charge the Owner the reasonable fees and expenses of the Trustee in connection therewith.

**Section 2.07. Delivery of Bonds.** Upon the execution and delivery of this Indenture, the District shall execute the Bonds and deliver them to the Trustee, and the Trustee shall authenticate the Bonds and deliver them to or for the account of the purchasers thereof, as directed by the District and in accordance with a written certificate of the District.

**Section 2.08. Trustee's Authentication Certificate.** The Trustee's certificate of authentication upon the Bonds shall be substantially in the form and tenor set forth in Exhibit A attached hereto. No Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit hereunder unless and until a certificate of authentication on such Bond substantially in such form shall have been duly executed by the Trustee, and such executed certificate of the Trustee upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Indenture. The Trustee's certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer or signatory of the Trustee, but it shall not be necessary that the same officer or signatory sign the certificate of authentication on all of the Bonds issued hereunder.

**Section 2.09. Registration, Exchange, and Transfer of Bonds.**

(a) The Trustee shall act as bond registrar and maintain the books of the District for the registration of ownership of each Bond as provided herein.

(b) Bonds may be exchanged at the principal office of the Trustee for a like aggregate principal amount of Bonds of the same maturity of other Authorized Denominations. Bonds may be transferred upon the registration books upon delivery of the Bonds to the Trustee, 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 the Bonds to be transferred or his attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of such Bonds, along with the social security number or federal employer identification number of such transferee. No transfer of any Bond shall be effective until entered on the registration books. In all cases of the transfer of a 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 which the Owner is entitled to receive at the earliest practicable time in accordance with the provisions hereof.

(c) The Trustee shall charge the Owner of such Bond for every such transfer or exchange of a Bond 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.

(d) 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.

(e) New Bonds delivered upon any transfer or exchange shall be valid obligations of the District, evidencing the same debt as the Bonds surrendered, shall be secured by this Indenture, and shall be entitled to all of the security and benefits hereof to the same extent as the Bonds surrendered.

**Section 2.10. Cancellation of Bonds.** Whenever any Outstanding Bond shall be delivered to the Trustee for cancellation pursuant to this Indenture and upon payment of the principal amount, premium if any, and interest due thereon, or whenever any Outstanding Bond shall be delivered to the Trustee for transfer pursuant to the provisions hereof, such Bond shall be cancelled by the Trustee in accordance with the customary practices of the Trustee and applicable retention laws.

**Section 2.11. Non-presentment of Bonds.** In the event any Bonds, or portions thereof, shall not be presented for payment when the principal thereof becomes due, either at maturity, the date fixed for redemption thereof, or otherwise, if funds sufficient for the payment thereof, including accrued interest thereon, shall have been deposited into the Bond Fund or otherwise made available to the Trustee for deposit therein, then on and after the date said principal becomes due, all interest thereon shall cease to accrue and all liability of the District to the Owner or Owners thereof for the payment of such Bonds, shall forthwith cease, terminate, and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such fund or funds in a separate trust account for the benefit of the owner or owners of such Bonds, who shall thereafter be restricted exclusively to such fund or funds for any claim of whatever nature on his, her or their part under this Indenture with respect to said Bond or on, or with respect to, this Indenture. Such moneys shall not be required to be invested during such period by the Trustee. If any Bond shall not be presented for payment within the period of three years following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall return to the District the funds theretofore held by it for payment of such Bond and payment of such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the District. The obligations of the Trustee under this Section shall be subject, however, to any law applicable to the unclaimed funds or the Trustee providing other requirements for the disposition of unclaimed property.

**Section 2.12. Book-Entry System.**

(a) The Bonds shall be initially issued in the form of single, certificated, fully registered Bonds for each maturity. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Trustee in the name of Cede.

(b) With respect to Bonds registered in the name of Cede or held by a Depository, neither the District nor the Trustee shall have any responsibility or obligation



to any Participant or Beneficial Owner including, without limitation, any responsibility or obligation with respect to: (i) the accuracy of the records of the Depository or any Participant concerning any ownership interest in the Bonds; (ii) the delivery to any Participant, Beneficial Owner, or person other than the Owner, of any notice concerning the Bonds, including notice of redemption; or (iii) the payment to any Participant, Beneficial Owner, or person other than the Owner, of the principal of, premium if any, and interest on the Bonds. The District and the Trustee may treat the Owner of any Bond as the absolute owner of such Bond for the purpose of payment of the principal of, premium if any, and interest on such Bond, for purposes of giving notices of redemption and other matters with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal of, premium if any, and interest on or in connection with the Bonds only to or upon the order of the Owners, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to the payment of the same. No person, other than an Owner, shall receive a certificated Bond evidencing the obligations of the District pursuant to this Indenture.

(c) DTC may determine to discontinue providing its service as Depository with respect to the Bonds at any time by giving notice to the District and discharging its responsibilities with respect thereto under applicable law. Upon the termination of the services of DTC, a substitute Depository which is willing and able to undertake the system of book-entry transfers upon reasonable and customary terms may be engaged by the District or, if the District determines in its sole and absolute discretion that it is in the best interests of the Beneficial Owners or the District that the Beneficial Owners should be able to obtain certificated Bonds, the Bonds shall no longer be restricted to being registered in the name of Cede or other nominee of a Depository but shall be registered in whatever name or names the Beneficial Owners shall designate at that time, and fully registered Bond certificates shall be delivered to the Beneficial Owners.

### ARTICLE III

#### REVENUES AND FUNDS

**Section 3.01. Source of Payment of Bonds.** The Bonds shall constitute Limited Tax General Obligation and Special Revenues as provided herein. All of the Bonds, together with the interest thereon and any premium due in connection therewith, shall be payable solely from and to the extent of the Pledged Revenue, including all moneys and earnings thereon held in the funds and accounts herein created, and the Pledged Revenue is hereby pledged to the payment of the Bonds. The Bonds shall constitute an irrevocable lien upon the Pledged Revenue and the moneys and earnings thereon held in the funds and accounts herein created, but not necessarily an exclusive such lien.

**Section 3.02. Creation of Funds and Accounts.** There are hereby created the following funds and accounts, which shall be held and maintained by the Trustee in accordance with the provisions of this Indenture:

- (a) the Revenue Fund;

- (b) the Bond Fund;
- (c) the Reserve Fund; and
- (d) the Project Fund.

**Section 3.03. Initial Credits.** Immediately upon issuance of the Bonds and from the proceeds thereof and other legally available moneys of the District (including moneys in the reserve funds, surplus funds and bond funds with respect to the Refunded Indebtedness), and after payment of the Underwriter's discount, the amount of \$\_\_\_\_\_ for the aggregate premium due to the Insurer for issuance of the Insurance Policy and the Reserve Fund Surety Policy, and \$\_\_\_\_\_ for payment by the Insurer of the S&P Global Ratings insured rating fee, and the other costs of issuing the Bonds (which moneys may be retained by the Trustee in a cost of issuance account as it may determine, pursuant to any closing memorandum provided by the Underwriter which summarizes the approved costs of issuance, and paid by the Trustee at closing and for a period of 90 days after closing, after which any remaining moneys to be used for costs of issuance shall be credited to the Bond Fund), the District shall make the following payments or credits:

- (a) payment to the Escrow Agent, \$\_\_\_\_\_ for deposit in the Escrow Fund under the Escrow Agreement to pay for a portion of the Refunding Project; and
- (b) credit to the Project Fund, the amount of \$\_\_\_\_\_.

**Section 3.04. Revenue Fund; Flow of Funds.**

(a) ***Transfers and Credits of Pledged Revenue; Revenue Fund.*** The District shall transfer or cause to be transferred all amounts comprising Pledged Revenue to the Trustee as soon as may be practicable after the receipt thereof, and in no event later than the 15th day of the calendar month immediately succeeding the calendar month in which such revenue is received by the District; provided, however, that in the event that the total amount of Pledged Revenue received by the District in a calendar month is less than \$50,000, the Pledged Revenue received during such calendar month may instead be remitted to the Trustee no later than the 15th day of the calendar month immediately succeeding the calendar quarter in which such revenue is received by the District (i.e., no later than April 15th for Pledged Revenue received in January, February or March, no later than July 15th for Pledged Revenue received in April, May or June, no later than October 15th for Pledged Revenue received in July, August or September, and no later than January 15th for Pledged Revenue received in October, November or December). In addition, in order to assure the proper application of moneys constituting Pledged Revenue, on and after the date of issuance of any Additional Bonds, the District shall also transfer to the Trustee all moneys pledged to the payment of such Additional Bonds which are derived from ad valorem taxes of the District, or Specific Ownership Taxes, and any such moneys shall constitute part of the Trust Estate. IN NO EVENT IS THE DISTRICT PERMITTED TO APPLY ANY PORTION OF THE PLEDGED REVENUE TO ANY OTHER PURPOSE, OR TO WITHHOLD ANY PORTION OF THE PLEDGED REVENUE. The

Trustee shall credit all Pledged Revenue to the Revenue Fund promptly upon the receipt thereof.

(b) ***Application of Pledged Revenue; Flow of Funds.*** The Trustee shall, in each Bond Year, apply amounts credited to the Revenue Fund in the order of priority set forth in clauses FIRST through FIFTH below and, for purposes of such application: (i) the priorities established below are intended to create a structure in which no Pledged Revenue flows to a lower priority until all of the higher priorities have been fully funded as provided herein; (ii) when credits to more than one fund, account, or purpose are required at any single priority level, such credits shall rank *pari passu* with each other; and (iii) when credits are required to go to funds or accounts which are not held by the Trustee under this Indenture, the Trustee may rely upon the written instructions of the District with respect to the appropriate funds or accounts to which such credits are to be made.

FIRST: To the Trustee, in an amount sufficient to pay the Trustee Fees then due and payable;

SECOND: To the credit of the Bond Fund, the amounts required by Section 3.05(a) hereof, and to the credit of any other similar fund or account established for the current payment of the principal of, premium if any, and interest on any other Senior Bonds, the amounts required by the documents pursuant to which the Senior Bonds are issued for the then current Bond Year;

THIRD: To the credit of the Reserve Fund, the amounts required by Section 3.06(c) hereof, including any amounts required to fully pay amounts owed the provider of the Reserve Fund Surety Policy, and to the credit of any reserve fund or similar fund or account established in connection with any other Senior Bonds to secure the payment of the principal of, premium if any, and interest on any such Senior Bonds (which fund or account is fully funded as of the date of the issuance of such Senior Bonds), the amounts required by the documents pursuant to which such other Senior Bonds are issued for the then current Bond Year;

FOURTH: For so long as the Series 2021B Subordinate Bonds and any other Subordinate Bonds are outstanding, to the Subordinate Bond Trustee all amounts remaining in the then current Bond Year after the payments and accumulations set forth in clauses SECOND and THIRD above for application in the manner set forth in the applicable Subordinate Bond Documents; and

FIFTH: If no Subordinate Bonds are then outstanding (including, without limitation, the Series 2021 Subordinate Bonds), to or at the direction of the District, for credit to any other fund or account as may be designated by the District in writing to the Trustee, to be used for any lawful purpose, all amounts remaining in the then current Bond Year after the payments and accumulations set forth above.

### **Section 3.05. Bond Fund.**

(a) Subject to the receipt of sufficient Pledged Revenue, there shall be credited to the Bond Fund each Bond Year an amount of Pledged Revenue which, when combined with other legally available moneys in the Bond Fund (but *not* including moneys deposited thereto from other funds pursuant to the terms hereof), will be sufficient to pay the principal of, premium if any, and interest on the Bonds which has or will become due in the Bond Year in which the credit is made.

(b) Moneys in the Bond Fund (*including* any moneys transferred thereto from other funds pursuant to the terms hereof) shall be used by the Trustee solely to pay the principal of, premium if any, and interest on the Bonds, in the following order:

(i) First, to the payment of interest due in connection with the Bonds (including without limitation current interest, accrued but unpaid interest, and interest due as a result of compounding, if any); and

(ii) Second, to the extent any moneys are remaining in the Bond Fund after the payment of such interest: (A) to the payment of the principal of the Bonds then due on the applicable Scheduled Payment Date, or (B) to the payment of the principal of and premium, if any, on the Bonds, upon prior optional redemption pursuant to the provisions of Section 5.01(a) hereof.

(c) In the event that available moneys in the Bond Fund (*including* any moneys transferred thereto from other funds pursuant to the terms hereof) are insufficient for the payment of the principal of and interest due on the Bonds on any Scheduled Payment Date, the Trustee shall apply such amounts on such Scheduled Payment Date as follows:

(i) First, the Trustee shall pay, to the extent of the amount then available, to the payment of interest on each Bond, in proportion to the amount of interest then due on each Bond.

(ii) Second, the Trustee shall apply any remaining amounts to the payment of the principal of the Bonds then due on the applicable Scheduled Payment Date, such payments to be in increments of \$1,000 or any integral multiple thereof, plus any premium. Bonds or portions thereof to be redeemed pursuant to a partial mandatory sinking fund redemption payment shall be selected by lot from the Bonds the principal of which is due and owing on the Scheduled Payment Date.

### **Section 3.06. Reserve Fund.**

(a) At the time of issuance of the Bonds, the Reserve Fund Surety Policy shall be deposited in the Reserve Fund. Thereafter, subject to the receipt of sufficient Pledged Revenue, for so long as any Bond is Outstanding under this Indenture, the Reserve Fund is to be maintained in the amount of the Reserve Requirement. In the event the Reserve Fund is drawn upon and the amount therein is less than the Reserve Requirement, the Reserve Fund shall be replenished in the amount necessary to cause the amount therein to equal the Reserve Requirement, but solely from and to the extent of Pledged Revenue available for

such purpose pursuant to the provisions of Section 3.04(b), clause THIRD hereof. The Reserve Fund shall be funded and maintained with cash or Permitted Investments, or any combination thereof, if at any time there is not on deposit therein, the Reserve Fund Surety Policy.

(b) Moneys in the Reserve Fund shall be used by the Trustee, if necessary, only to prevent a default in the payment of the principal of, premium if any, or interest on the Bonds, and the Reserve Fund is hereby pledged to the payment of the Bonds. In the event the amounts credited to the Bond Fund are insufficient to pay the principal of, premium if any, or interest on the Bonds when due, the Trustee shall transfer from the Reserve Fund to the Bond Fund an amount which, when combined with moneys in the Bond Fund, will be sufficient to make such payments when due. In the event that moneys in the Bond Fund and the Reserve Fund are together insufficient to make such payments when due, the Trustee will nonetheless transfer all moneys in the Reserve Fund to the Bond Fund.

(c) If at any time the Reserve Fund is drawn upon or valued so that the amount of the Reserve Fund is less than the Reserve Requirement, then the Trustee shall apply Pledged Revenue to the credit of the Reserve Fund in amounts sufficient to bring the amount credited to the Reserve Fund to the Reserve Requirement and to pay all amounts owed to the provider of the Reserve Fund Surety Policy. Such credits shall be made at the earliest practicable time, but with the priority of payments made pursuant to Section 3.04(b) clause THIRD hereof. Nothing herein shall be construed as requiring the District to impose an ad valorem mill levy for the purpose of funding the Reserve Fund in excess of the Required Mill Levy. For purposes of this Section 3.06, investments credited to the Reserve Fund shall be valued on the basis of their current market value, as reasonably determined by the District, which value shall be determined at least annually, and any deficiency resulting from such evaluation shall be replenished as aforesaid. The amount credited to the Reserve Fund shall never exceed the amount of the Reserve Requirement and the amount owed the provider of the Reserve Fund Surety Policy, as the case may be.

(d) If at any time the amounts on deposit in the Reserve Fund are sufficient to pay, whether by redemption or at maturity, all principal, premium, if any, and interest on the Bonds that will accrue to the redemption date or final maturity date, all amounts on deposit in the Reserve Fund shall be transferred to the Bond Fund and used to pay the principal of, premium, if any, and interest on the Bonds at the times and in the amounts required for the payment of the principal of, premium, if any, and interest on the Bonds.

(e) The prior written consent of the Insurer shall be a condition precedent to the deposit of any credit facility (other than the Reserve Fund Surety Policy) provided in lieu of a cash deposit into the Reserve Fund. The Trustee shall provide the Insurer with notice of any draw upon the Reserve Fund within two Business Days after knowledge thereof other than (i) withdrawals of amounts in excess of the Reserve Requirement and (ii) withdrawals in connection with a refunding of Bonds.

(f) Notwithstanding anything in this Indenture to the contrary, so long as the Reserve Fund Surety Policy is in effect and the Insurer is not then in default thereunder,

the provisions in Section 11.12 shall govern with respect to the Reserve Fund and the Reserve Fund Surety Policy.

**Section 3.07. Trustee's Fees, Charges and Expenses.** The District shall pay the Trustee's fees for services rendered hereunder in accordance with its then-current schedule of fees and reimburse the Trustee for all advances, legal fees, and other expenses reasonably or necessarily made or incurred by, in, or about the execution of the trust created by this Indenture and in or about the exercise and performance of the powers and duties of the Trustee hereunder and for the reasonable and necessary costs and expenses incurred in defending any liability in the premises of any character whatsoever, unless such liabilities resulted from the negligence or willful misconduct of the Trustee.

**Section 3.08. Project Fund.**

(a) ***In General.*** The Project Fund shall be maintained by the Trustee in accordance with the terms of this Section 3.08. The Project Fund shall terminate at such time as no further moneys remain therein. Upon issuance of the Bonds, moneys shall be credited to the Project Fund as provided in Section 3.03 hereof.

(b) ***Draws from Project Fund.*** So long as no Event of Default shall have occurred and be continuing, amounts in the Project Fund shall be disbursed by the Trustee to the District in accordance with requisitions submitted to the Trustee in substantially the form set forth in Exhibit B hereto, signed by (i) the District Representative or the President of the District and (ii) the District Accountant, and certifying that all amounts drawn will be applied to the payment of costs of Public Improvements. The Trustee may rely conclusively on any such requisition as to the information and certifications contained therein, and shall not be required to make any independent investigation in connection therewith. The execution of any requisition by the District Representative (or the President of the District) and the District Accountant shall constitute, unto the Trustee, an irrevocable determination that all conditions precedent to the payments requested have been completed.

(c) ***Events of Default.*** Upon the occurrence and continuance of an Event of Default, the Trustee will cease disbursing moneys from the Project Fund, but instead shall apply such moneys in the manner provided by Article VIII hereof.

(d) ***Disposition of Unused Moneys.*** Upon the receipt by the Trustee of a resolution of the District determining that all costs of Public Improvements have been paid, or that the funds in the Project Fund exceed the amount necessary to pay all costs of Public Improvements which the District has determined to pay, any balance remaining in the Project Fund shall be credited to the Bond Fund.

**Section 3.09. Moneys to be Held in Trust.** All moneys deposited with or paid to the Trustee under any provision of this Indenture shall be held by the Trustee in trust for the purposes specified in this Indenture, and except for moneys paid to Trustee for its fees and expenses, shall constitute part of the Trust Estate and be subject to the lien hereof. Except to the extent otherwise

specifically provided in Article VII, and Section 8.05 hereof, the District shall have no claim to or rights in any moneys deposited with or paid to the Trustee hereunder.

**Section 3.10. Pledge of Revenues.** The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Bonds provided herein shall be governed by Section 11-57-208 of the Supplemental Act, this Indenture, and the Bond Resolution. The amounts pledged to the payment of the Bonds shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge and the obligation to perform the contractual provisions hereof and of the Bond Resolution shall have priority over any and all other obligations and liabilities of the District, except as may be otherwise provided in the Supplemental Act, in this Indenture, in the Bond Resolution, or in any other instrument, but subject to any prior pledges and liens. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the District irrespective of whether such persons have notice of such liens.

## ARTICLE IV

### COVENANTS OF DISTRICT

**Section 4.01. Performance of Covenants, Authority.** The District covenants that it will faithfully perform and observe at all times any and all covenants, undertakings, stipulations, and provisions contained in the Bond Resolution, this Indenture, the Bonds, and all its proceedings pertaining hereto. The District covenants that it is duly authorized under the constitution and laws of the State of Colorado, including, particularly and without limitation, the Act, to issue the Bonds and to execute this Indenture and that all action on its part for the issuance of the Bonds and the execution and delivery of this Indenture has been duly and effectively taken and will be duly taken as provided herein, and that the Bonds are and will be valid and enforceable obligations of the District according to the terms thereof.

**Section 4.02. Instruments of Further Assurance.** The District covenants that it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such indentures supplemental hereto and such further acts, instruments, and transfers as the Trustee may reasonably require for the better assuring, transferring, and pledging unto the Trustee all and singular the Trust Estate.

**Section 4.03. Covenant to Impose Required Mill Levy.**

(a) For the purposes of paying the principal of, premium if any, and interest on the Bonds and replenishing the Reserve Fund, as provided herein, the District covenants to cause to be levied on all of the taxable property of the District, in addition to all other taxes, direct annual taxes in each of the years 2022 through 204\_, inclusive (for tax collection in years 2023 through 204\_, inclusive), and in any year thereafter in which the Bonds remain Outstanding, in the amount of the Required Mill Levy. Nothing herein shall be construed to require the District to levy an ad valorem property tax for the foregoing purposes in an amount in excess of the Required Mill Levy.

(b) The foregoing provisions of this Indenture are hereby declared to be the certificate of the Board to the board or boards of county commissioners of each county in which taxable real or personal property of the District is located, showing the aggregate amount of taxes to be levied from time to time, as required by law, for the purposes aforesaid.

(c) The amounts necessary to pay all costs and expenses incidental to the issuance of the Bonds, to pay the principal of, premium if any, and interest on the Bonds when due, and to replenish the Reserve Fund to the Reserve Requirement, are hereby appropriated for said purposes, and such amounts as appropriate for each year shall also be included in the annual budget and the appropriation resolutions to be adopted and passed by the Board in each year, respectively, until the Bonds have been fully paid, satisfied, and discharged.

(d) It shall be the duty of the Board, annually, at the time and in the manner provided by law for levying other District taxes, to ratify and carry out the provisions hereof with reference to the levying and collection of taxes; and the Board shall levy, certify, and collect said taxes in the manner provided by law for the purposes aforesaid.

(e) Said taxes shall be levied, assessed, collected, and enforced at the time and in the form and manner and with like interest and penalties as other general taxes in the State of Colorado, and when collected said taxes shall be paid, as provided by law to the District. The Board shall take all necessary and proper steps to enforce promptly the payment of taxes levied pursuant to this Indenture.

#### **Section 4.04. Additional Bonds.**

(a) ***In General.*** After issuance of the Bonds, no Additional Bonds may be issued except in accordance with the provisions of this Section 4.04. Nothing herein shall affect or restrict the right of the District to issue or incur obligations which are not Additional Bonds hereunder; provided that notwithstanding the foregoing or anything herein to the contrary, the District shall not create, incur, assume, or suffer to exist any liens or encumbrances upon the ad valorem tax revenues of the District or the Pledged Revenue or any part thereof superior to the lien thereon of the Bonds.

(b) ***Series 2021B Subordinate Bonds.*** The District may issue the Series 2021B Subordinate Bonds in accordance with the Series 2021B Subordinate Bond Indenture without compliance with any of the other terms and conditions of this Section 4.04.

(c) The District may issue additional Subordinate Bonds only in accordance with this Section 4.04.

(d) ***Permitted Refunding Bonds.*** The District may issue Permitted Refunding Bonds at such time or times, in such amounts, and on such terms and conditions as may be determined by the District in its absolute discretion.

(e) ***Senior Bonds.*** The District may issue additional Senior Bonds if such issuance is consented to by the Consent Parties with respect to a majority in aggregate



principal amount of the Bonds then Outstanding, provided that, with or without such consent, the District may issue additional Senior Bonds if each of the following conditions is met as of the date of issuance of such additional Senior Bonds:

(i) No amount of principal of or interest on the Bonds or any other Senior Bonds then outstanding is due but unpaid.

(ii) The amount of the Reserve Fund is not less than the Reserve Requirement.

(iii) The Debt to Assessed Ratio is 50% or less.

(iv) A separate reserve fund is created for the security of the additional Senior Bonds in an amount equal to 10% of the issue price of such Senior Bonds or such lesser amount as may be permitted to be used for deposits of the proceeds of tax-exempt obligations to reasonably required reserve or replacement funds under then-existing federal income tax rules and regulations, such separate reserve fund to function in substantially the same fashion as the Reserve Fund for the Bonds, which separate reserve fund shall be fully funded as of the date of issuance of the Senior Bonds from the proceeds of the Senior Bonds or from any other source other than Pledged Revenue, and which may be replenished from Pledged Revenue in the manner set forth in Section 3.04(b), clause THIRD hereof.

(v) No Event of Default has occurred and is continuing.

(f) **Subordinate Bonds.** The District may issue additional Subordinate Bonds if such issuance is consented to by the Consent Parties with respect to a majority in aggregate principal amount of the Bonds then Outstanding, provided that, with or without such consent, the District may issue Subordinate Bonds if each of the following conditions are met as of the date of issuance of such Subordinate Bonds:

(i) The maximum mill levy which the District promises to impose for payment of the additional Subordinate Bonds is not higher than the maximum Required Mill Levy as defined in Section 1.01 hereof, less the mill levy required to be applied in connection with the Bonds and any other Senior Bonds, and subject to the same deductions and adjustments as the Required Mill Levy.

(ii) The sources of revenue pledged to the additional Subordinate Bonds shall be limited to the same or fewer revenue sources as those comprising the Pledged Revenue, and any lien thereon of the additional Subordinate Bonds shall be fully subordinate to the lien thereon of the Bonds and any other Senior Bonds.

(iii) The additional Subordinate Bonds are payable as to both principal and interest not more than once annually, on a date in any calendar year which is after the final principal or interest payment date due in that calendar year on the Bonds and any other Senior Bonds.

(g) ***District Certification.*** A written certificate by the President or Treasurer of the District that the conditions for issuance of Additional Bonds as set forth in this Section 4.04 are met shall conclusively determine the right of the District to authorize, issue, sell, and deliver such Additional Bonds in accordance herewith.

**Section 4.05. Additional Covenants and Agreements.** The District hereby further irrevocably covenants and agrees with each and every Owner that so long as any of the Bonds remain Outstanding:

(a) The District shall not dissolve, merge, or otherwise alter its corporate structure in any manner or to any extent as might materially adversely affect the security provided for the payment of the Bonds, and will continue to operate and manage the District and its facilities in an efficient and economical manner in accordance with all applicable laws, rules, and regulations; provided however, that the foregoing shall not prevent the District from dissolving pursuant to the provisions of the Act.

(b) At least once a year the District will cause an audit to be performed of the records relating to its revenues and expenditures, and the District shall use its reasonable efforts to have such audit report completed no later than September 30 of the calendar year immediately succeeding the calendar year which is the subject of such audit. The foregoing covenant shall apply notwithstanding any state law audit exemptions that may exist. In addition, at least once a year in the time and manner provided by law, the District will cause a budget to be prepared and adopted. Copies of the budget and audit will be filed and recorded in the places, time, and manner provided by law.

(c) The District will carry general liability, public officials' liability, and such other forms of insurance on insurable District property upon the terms and conditions, and issued by recognized insurance companies, as in the judgment of the District will protect the District and its operations.

(d) Each District official or other person having custody of any District funds or responsible for the handling of such funds, shall be bonded or insured against theft or defalcation at all times.

(e) In the event any ad valorem taxes are not paid when due, the District shall diligently cooperate with the appropriate County Treasurer to enforce the lien of such unpaid taxes against the property for which the taxes are owed.

(f) In the event the Pledged Revenue and other moneys available hereunder for payment of the Bonds is insufficient or is anticipated to be insufficient to pay the principal of, premium if any, and interest on the Bonds when due, the District shall use its reasonable efforts to refinance, refund, or otherwise restructure the Bonds so as to avoid such insufficiency.

(g) The District shall not impose any rates, tolls, fees, penalties, or other charges on vacant lots or other undeveloped property within its boundaries which exceed the rates, tolls, fees, penalties, or other charges applicable to developed residential lots, or engage in any other action or omission that may materially impair future development or

that could adversely affect the amount of Pledged Revenue or delay the timing of the District's transfer to the Trustee as soon as may be practicable after the receipt thereof, as described in the Section 3.04(a) hereof.

(h) In the event that any Pledged Revenue is released to the District as provided in clause FIFTH of Section 3.04 hereof, the District will, in making its determination as to which obligations will be paid with such amounts, take into account that State law places certain restrictions upon the use of any moneys representing ad valorem property tax revenue.

(i) The District will enforce the collection of Capital Fees at such time and in such manner as the District reasonably determines will be most efficacious in collecting the same, including without limitation the bringing of an action to foreclose any statutory or contractual lien which may exist in connection therewith.

(j) The District shall not amend, supplement or otherwise change any provisions of the URA Agreement which in any manner materially alters the amount and collection of the Pledged Tax Revenue.

**ARTICLE V**

**PRIOR REDEMPTION**

**Section 5.01. Prior Redemption.**

(a) **Optional Redemption.** The Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in integral multiples of \$1,000, in any order of maturity and in whole or partial maturities, on December 1, 20\_\_, and on any date thereafter, upon payment of par and accrued interest.

(b) **Mandatory Sinking Fund Redemption.** The Bonds maturing on December 1, 20\_\_ are subject to mandatory sinking fund redemption prior to the maturity date of such Bonds, in part, by lot, upon payment of par and accrued interest, without redemption premium, on December 1 in the years and amounts set forth below:

<b>Year of Redemption</b>	<b>Redemption Amount</b>

\*Maturity date, not a mandatory sinking fund redemption date.

(c) **Mandatory Sinking Fund Redemption.** The Bonds maturing on December 1, 20\_\_ are subject to mandatory sinking fund redemption prior to the maturity date of such Bonds, in part, by lot, upon payment of par and accrued interest, without redemption premium, on December 1 in the years and amounts set forth below:

Year of Redemption	Redemption Amount

(d) **Mandatory Sinking Fund Redemption.** The Bonds maturing on December 1, \_\_\_ are subject to mandatory sinking fund redemption prior to the maturity date of such Bonds, in part, by lot, upon payment of par and accrued interest, without redemption premium, on December 1 in the years and amounts set forth below:

Year of Redemption	Redemption Amount

\* Maturity date, not a mandatory sinking fund redemption date.

With respect to each maturity of the Bonds subject to mandatory sinking fund redemption, on or before forty-five (45) days prior to each sinking fund installment date for such maturity as set forth above, the Trustee shall select for redemption, by lot in such manner as the Trustee may determine, from the Outstanding Bonds of that maturity, a principal amount of such Bonds equal to the applicable sinking fund installment. The amount of the applicable sinking fund installment for any particular date and maturity may be reduced by the principal amount of any Bonds of that maturity which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and cancelled and not theretofore applied as a credit against a sinking fund installment. Such reductions, if any, shall be applied in such year or years as may be determined by the District. In the event that there are not sufficient moneys in the Bond Fund to pay the full amount due in accordance with the foregoing on any sinking fund installment date, the Trustee will redeem as many Bonds as possible on such date in integral multiples of \$1,000, and any redemption amount for which funds are not available to redeem Bonds will be added to the redemption amount for the immediately succeeding sinking fund installment date.

**Section 5.02. Redemption Procedure and Notice.**

(a) If less than all of the Bonds within a maturity are to be redeemed on any prior redemption date, the Bonds to be redeemed shall be selected by lot prior to the date fixed for redemption, in such manner as the Trustee shall determine. The Bonds shall be redeemed only in integral multiples of \$1,000. In the event a Bond is of a denomination larger than \$1,000, a portion of such Bond may be redeemed, but only in the principal amount of \$1,000 or any integral multiple thereof. Such Bond shall be treated for the

purpose of redemption as that number of Bonds which results from dividing the principal amount of such Bond by \$1,000. In the event a portion of any Bond is redeemed, the Trustee shall, without charge to the Owner of such Bond, authenticate and deliver a replacement Bond or Bonds for the unredeemed portion thereof.

(b) In the event any of the Bonds or portions thereof are called for redemption as aforesaid, notice thereof identifying the Bonds or portions thereof to be redeemed will be given by the Trustee by mailing a copy of the redemption notice by first class mail (postage prepaid), or by electronic means to DTC and its successors, not less than thirty (30) days prior to the date fixed for redemption, to the Owner of each Bond to be redeemed in whole or in part at the address shown on the registration books maintained by or on behalf of the District by the Trustee and the Insurer. Failure to give such notice by mailing to any Owner, or by electronic means to DTC or its successors, or any defect therein, shall not affect the validity of any proceeding for the redemption of other Bonds as to which no such failure or defect exists. The redemption of the Bonds may be contingent or subject to such conditions as may be specified in the notice, and if funds for the redemption are not irrevocably deposited with the Trustee or otherwise placed in escrow and in trust prior to the giving of notice of redemption, the notice shall be specifically subject to the deposit of funds by the District. All Bonds so called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time.

## ARTICLE VI

### INVESTMENTS

#### Section 6.01. Investments.

(a) All moneys held by the Trustee in any of the funds or accounts created hereby shall be promptly invested or reinvested by the Trustee, at the written direction of the District Representative, in Permitted Investments only. Absent such written direction, the Trustee shall invest moneys in a money market fund which qualifies as a Permitted Investment.

(b) Such investments shall mature or be redeemable at the option of the owner thereof no later than the respective dates when moneys held for the credit of such fund or account will be required for the purposes intended. The District Representative may direct the Trustee to, or in the absence of direction, the Trustee shall, in accordance with this paragraph, invest and reinvest the moneys in any money market fund which is a Permitted Investment so that the maturity date, interest payment date, or date of redemption, at the option of the owner of such investment, shall coincide as nearly as practicable with the times at which money is needed to be so expended. The Trustee shall have no obligation to determine whether any investment directed by the District constitutes a Permitted Investment. The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including cash sweep account fees, and it is specifically provided herein that the Trustee may purchase or invest in shares of any investment

company that (i) is registered under the Investment Company Act of 1940, as amended (including both corporations and Massachusetts business trusts, and including companies for which the Trustee may provide advisory, administrative, custodial, or other services for compensation), (ii) invests substantially all of its assets in short-term high-quality money-market instruments, limited to obligations issued or guaranteed by the United States, and (iii) maintains a constant asset value per share. The Trustee is specifically authorized to implement its automated cash investments system to assure that cash on hand is invested and to charge reasonable cash management fees, which may be deducted from income earned on investments. Unless otherwise confirmed or directed in writing, an account statement delivered periodically by the Trustee to the District that the investment transactions identified therein accurately reflect the investment directions given to the Trustee by the District shall be sufficient, unless the District notifies the Trustee in writing to the contrary within 30 days of the date of such statement.

(c) Any and all such investments shall be subject to full and complete compliance at all times with the covenants and provisions of Section 6.02 hereof.

#### **Section 6.02. Tax Matters.**

(a) The District covenants for the benefit of the Owners that it will not take any action or omit to take any action with respect to the Bonds, any funds of the District, or any facilities financed with the proceeds of the Bonds, if such action or omission (i) would cause the interest on the Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code; (ii) would cause interest on the Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Code except to the extent such interest is required to be included in the adjusted current earnings adjustments applicable to corporations under Section 56 of the Code in calculating corporate alternative minimum taxable income; or (iii) would cause interest on the Bonds to lose its exclusion from Colorado taxable income or Colorado alternative minimum taxable income under present Colorado law.

(b) In the event that at any time the District is of the opinion that for purposes of this Section 6.02 it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee under this Indenture or otherwise held by the District, the District shall so restrict or limit the yield on such investment and shall so instruct the Trustee in a detailed certificate, and the Trustee shall take such action as may be necessary in accordance with such instructions.

(c) The District specifically covenants to comply with the provisions and procedures of the Tax Certificate.

(d) The District further covenants to pay from time to time all amounts required to be rebated to the United States pursuant to Section 148(f) of the Code and any temporary, proposed, or final Treasury Regulations as may be applied to the Bonds from time to time. The payment of such rebate amounts as required by this paragraph supersedes all other provisions of this Indenture concerning the deposit and transfer of interest earnings to or from any other fund or account. Moneys set aside to pay such rebate amounts pursuant to

this paragraph are not subject to any lien created hereunder for the benefit of the Owners. This covenant shall survive the payment in full or the defeasance of the Bonds.

(e) The covenants contained in this Section 6.02 shall remain in full force and effect until the date on which all obligations of the District in fulfilling such covenants under the Code and Colorado law have been met, notwithstanding the payment in full or defeasance of the Bonds.

**Section 6.03. Use of Interest Income.** Except as provided hereafter for investments of the Reserve Fund, the interest income derived from the investment and reinvestment of any moneys in any fund or account held by the Trustee hereunder shall be credited to the fund or account from which the moneys invested were derived. With respect to the Reserve Fund, so long as the amount of the Reserve Fund is equal to the Reserve Requirement, all interest income from the investment or reinvestment of moneys credited to the Reserve Fund shall be credited to the Bond Fund; provided that if the amount of the Reserve Fund is less than the Reserve Requirement, then such interest income shall be credited to the Reserve Fund.

## ARTICLE VII

### DISCHARGE OF LIEN

#### **Section 7.01. Discharge of the Lien of the Indenture.**

(a) If the District shall pay or cause to be paid to the Trustee, for the Owners of the Bonds, the principal of, premium if any, and interest to become due thereon at the times and in the manner stipulated herein, and if the District shall keep, perform, and observe all and singular the covenants and promises in the Bonds and in this Indenture expressed to be kept, performed, and observed by it or on its part, and if all fees and expenses of the Trustee required by this Indenture to be paid shall have been paid, then these presents and the estate and rights hereby granted shall cease, determine, and be void, and thereupon the Trustee shall cancel and discharge the lien of this Indenture, and execute and deliver to the District such instruments in writing as shall be requisite to satisfy the lien hereof, and assign and deliver to the District any property at the time subject to the lien of this Indenture which may then be in its possession, and deliver any amounts required to be paid to the District under Section 8.05 hereof, except for moneys and Federal Securities held by the Trustee for the payment of the principal of, premium if any, and interest on the Bonds.

(b) Any Bond shall, prior to the maturity or prior redemption thereof, be deemed to have been paid within the meaning and with the effect expressed in this Section 7.01 if, for the purpose of paying such Bond (i) there shall have been deposited with the Trustee an amount sufficient, without investment, to pay the principal of, premium if any, and interest on such Bond as the same becomes due at maturity or upon one or more designated prior redemption dates, or (ii) there shall have been placed in escrow and in trust with a commercial bank exercising trust powers, an amount sufficient (including the known minimum yield from Federal Securities in which such amount may be invested) to pay the principal of, premium if any, and interest on such Bond, as the same becomes due at maturity or upon one or more designated prior redemption dates. The Federal Securities

in any such escrow shall not be subject to redemption or prepayment at the option of the issuer, and shall become due at or prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the District and such bank at the time of the creation of the escrow, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure such availability as so needed to meet such schedule. The sufficiency of any such escrow funded with Federal Securities shall be determined by a Certified Public Accountant.

(c) Neither the Federal Securities, nor moneys deposited with the Trustee or placed in escrow and in trust pursuant to this Section 7.01, nor principal or interest payments on any such Federal Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of, premium if any, and interest on the Bonds; provided however, that any cash received from such principal or interest payments on such Federal Securities, if not then needed for such purpose, shall, to the extent practicable, be reinvested subject to the provisions of Article Six hereof in Federal Securities maturing at the times and in amounts sufficient to pay, when due, the principal of, premium if any, and interest on the Bonds.

(d) Prior to the investment or reinvestment of such moneys or such Federal Securities as herein provided, the Trustee may require and may rely upon: (i) an opinion of nationally recognized municipal bond Counsel experienced in matters arising under Section 103 of the Code and acceptable to the Trustee, that the investment or reinvestment of such moneys or such Federal Securities complies with Section 6.02 hereof; and (ii) a report of a Certified Public Accountant that the moneys or Federal Securities will be sufficient to provide for the payment of the principal of, premium if any, and interest on the Bonds when due.

(e) The release of the obligations of the District under this Section shall be without prejudice to the rights of the Trustee to be paid reasonable compensation by the District for all services rendered by it hereunder and all its reasonable expenses, charges, and other disbursements incurred in the administration of the trust hereby created, the exercise of its powers, and the performance of its duties hereunder.

**Section 7.02. Continuing Role as Bond Registrar and Paying Agent.** Notwithstanding the defeasance of the Bonds prior to maturity and the discharge of this Indenture as provided in Section 7.01 hereof, the Trustee shall continue to fulfill its obligations under Section 2.03 hereof until the Bonds are fully paid, satisfied, and discharged.

**Section 7.03. Discharge on December 2, 2048.** Notwithstanding any other provision in this Indenture, in accordance with the Service Plan, in the event that any amount of principal of or interest on the Bonds remains unpaid after the application of all Pledged Revenue available therefor on December 2, 2048, the Bonds and the lien of this Indenture securing payment thereof shall be deemed discharged, the estate and rights hereby granted shall cease, terminate, and be void, and thereupon the Trustee shall cancel and discharge the lien of this Indenture, and execute and deliver to the District such instruments in writing as shall be required to evidence the same. Upon such discharge, the Owners will have no recourse to the District or any property of the District for the payment of any amount of principal of or interest on the Bonds remaining unpaid.



## ARTICLE VIII

### DEFAULT AND REMEDIES

**Section 8.01. Events of Default.** The occurrence of any one or more of the following events or the existence of any one or more of the following conditions shall constitute an Event of Default under this Indenture (whatever the reason for such event or condition and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree, rule, regulation, or order of any court or any administrative or governmental body), and there shall be no default or Event of Default hereunder except as provided in this Section:

- (a) The District fails or refuses to impose the Required Mill Levy;
- (b) The District fails or refuses to collect and apply the Pledged Revenue as required hereunder;
- (c) The District fails or refuses to comply with the provisions applicable to it in the URA Agreement, and such failure has a materially adverse effect on the collection by the District of the Pledged Tax Revenue;
- (d) The District defaults in the performance or observance of any of the other covenants, agreements, or conditions on the part of the District in this Indenture or the Bond Resolution, other than as described in Sections 8.01(a) or (b) hereof, and fails to remedy the same after notice thereof pursuant to Section 8.12 hereof; or
- (e) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Bonds.

It is acknowledged 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 hereunder. WITHOUT LIMITING THE FOREGOING, AND NOTWITHSTANDING ANY OTHER PROVISION CONTAINED HEREIN, THE DISTRICT ACKNOWLEDGES AND AGREES THAT THE APPLICATION OF ANY PORTION OF THE PLEDGED REVENUE TO ANY PURPOSE OTHER THAN DEPOSIT WITH THE TRUSTEE IN ACCORDANCE WITH THE PROVISIONS HEREOF CONSTITUTES A VIOLATION OF THE TERMS OF THIS INDENTURE AND A BREACH OF THE COVENANTS MADE HEREUNDER FOR THE BENEFIT OF THE OWNERS OF THE BONDS, WHICH SHALL ENTITLE THE TRUSTEE TO PURSUE, ON BEHALF OF THE OWNERS OF THE BONDS, ALL AVAILABLE ACTIONS AGAINST THE DISTRICT IN LAW OR IN EQUITY, AS MORE PARTICULARLY PROVIDED IN THIS ARTICLE EIGHT. THE DISTRICT FURTHER ACKNOWLEDGES AND AGREES THAT THE APPLICATION OF PLEDGED REVENUE IN VIOLATION OF THE COVENANTS HEREOF WILL RESULT IN IRREPARABLE HARM TO THE OWNERS OF THE BONDS. IN NO EVENT SHALL ANY PROVISION HEREOF BE INTERPRETED TO PERMIT THE DISTRICT TO RETAIN ANY PORTION OF THE PLEDGED REVENUE.

## **Section 8.02. Remedies on Occurrence of Event of Default.**

(a) Upon the occurrence and continuance of an Event of Default, the Trustee (subject to the rights of the Insurer under this Indenture) shall have the following rights and remedies which may be pursued:

(i) *Receivership.* Upon the filing of a bill in equity or other commencement of judicial proceedings to enforce the rights of the Trustee and of the Owners, the Trustee shall be entitled as a matter of right to the appointment of a receiver or receivers of the Trust Estate, and of the revenues, income, product, and profits thereof pending such proceedings, subject however, to constitutional limitations inherent in the sovereignty of the District; but notwithstanding the appointment of any receiver or other custodian, the Trustee shall be entitled to the possession and control of any cash, securities, or other instruments at the time held by, or payable or deliverable under the provisions of this Indenture to, the Trustee.

(ii) *Suit for Judgment.* The Trustee may proceed to protect and enforce its rights and the rights of the Owners under the Act, the Bonds, the Bond Resolution, this Indenture, and any provision of law by such suit, action, or special proceedings as the Trustee, being advised by Counsel, shall deem appropriate.

(iii) *Mandamus or Other Suit.* The Trustee may proceed by mandamus or any other suit, action, or proceeding at law or in equity, to enforce all rights of the Owners.

(b) No recovery of any judgment by the Trustee shall in any manner or to any extent affect the lien of this Indenture or any rights, powers, or remedies of the Trustee hereunder, or any lien, rights, powers, and remedies of the Owners of the Bonds, but such lien, rights, powers, and remedies of the Trustee and of the Owners shall continue unimpaired as before.

(c) If any Event of Default under Sections 8.01(a), (b) or (c) shall have occurred and if requested by the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding, the Trustee shall be obligated to exercise such one or more of the rights and powers conferred by this Section 8.02 as the Trustee, being advised by Counsel, shall deem most expedient in the interests of the Owners; provided that the Trustee at its option shall be indemnified as provided in Section 9.01(m) hereof.

(d) Notwithstanding anything herein to the contrary, acceleration of the Bonds shall not be an available remedy for an Event of Default.

**Section 8.03. Control of Proceedings.** Subject to the rights of the Insurer under this Indenture, the Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, at any time, to the extent permitted by law, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method, and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver, and any other proceedings hereunder; provided

that such direction shall not be otherwise than in accordance with the provisions hereof; and provided further that at its option the Trustee shall be indemnified as provided in Section 9.01(m) hereof.

**Section 8.04. Rights and Remedies of Owners.** No Owner of any Bond shall have any right to institute any suit, action, or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless a default has occurred of which the Trustee has been notified as provided in Section 9.01 hereof, or of which under that Section it is deemed to have notice, and unless such default shall have become an Event of Default and the Owners of not less than twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit, or proceedings in their own name, nor unless they have also offered to the Trustee indemnity as provided in Section 9.01(m) hereof, nor unless the Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name; and such notification, request, and offer of indemnity are declared in every case at the option of the Trustee to be conditions precedent to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the lien of this Indenture by his, her, its, or their action, or to enforce any right hereunder except in the manner herein provided and that all proceedings at law or in equity shall be instituted, had, and maintained in the manner herein provided and for the equal benefit of the Owners of all Bonds then Outstanding.

**Section 8.05. Application of Moneys.** All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article VIII, after payment of the costs and expenses of the proceedings resulting in the collection of such moneys and the fees (including attorneys' fees and any other professionals hired by the Trustee hereunder), expenses, liabilities, and advances incurred or made by the Trustee, shall be deposited in the appropriate accounts or accounts created hereunder in the same manner as is provided for deposits of other revenue and used for the purposes thereof, until the principal of, premium if any, and interest on all of the Bonds has been paid in full. Whenever all of the Bonds and interest thereon have been paid under the provisions of this Section all expenses and fees of the Trustee have been paid, and any amounts owing to the Insurer have been paid, any balance remaining in any of the funds held hereunder shall be paid to the District.

**Section 8.06. Trustee May Enforce Rights Without Bonds.** All rights of action and claims under this Indenture or any of the Bonds Outstanding hereunder may be enforced by the Trustee without the possession of any of the Bonds or the production thereof in any trial or proceedings relative thereto. Any suit or proceeding instituted by the Trustee shall be brought in its name as the Trustee, without the necessity of joining as plaintiffs or defendants any Owners of the Bonds, and any recovery of judgment shall be for the ratable benefit of the Owners of the Bonds, subject to the provisions of this Indenture.

**Section 8.07. Trustee to File Proofs of Claim in Receivership, Etc.** In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition, or

other judicial proceedings affecting the District, the Trustee shall, to the extent permitted by law, file such proofs of claims and other documents as may be necessary or advisable in order to have claims of the Trustee and of the Owners allowed in such proceedings, without prejudice, however, to the right of any Owner to file a claim in his own behalf.

**Section 8.08. Delay or Omission No Waiver.** No delay or omission of the Trustee or of any Owner to exercise any right or power accruing upon any default shall exhaust or impair any such right or power or shall be construed to be a waiver of any such default, or acquiescence therein; and every power and remedy given by this Indenture may be exercised from time to time and as often as may be deemed expedient.

**Section 8.09. No Waiver of One Default to Affect Another; Cumulative Remedies.** No waiver of any default hereunder, whether by the Trustee or the Owners, shall extend to or affect any subsequent or any other then existing default or shall impair any rights or remedies consequent thereon. All rights and remedies of the Trustee and the Owners provided herein shall be cumulative and the exercise of any such right or remedy shall not affect or impair the exercise of any other right or remedy.

**Section 8.10. Discontinuance of Proceedings on Default; Position of Parties Restored.** In case the Trustee shall have proceeded to enforce any right under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Trustee, then and in every such case the District and the Trustee shall be restored to their former positions and rights hereunder with respect to the Trust Estate, and all rights, remedies, and powers of the Trustee shall continue as if no such proceedings had been taken.

**Section 8.11. Waivers of Events of Default.** The Trustee may in its discretion waive any Event of Default hereunder and its consequences, and shall do so upon the written request of the Consent Parties with respect to not less than a majority in aggregate principal amount of all the Bonds then Outstanding; provided however, that there shall not be waived without the consent of the Consent Parties with respect to one hundred percent (100%) of the Bonds then Outstanding as to which the Event of Default exists any Event of Default under Sections 8.01(a), (b) or (c) hereof. In case of any such waiver, or in case any proceedings taken by the Trustee on account of any such default shall have been discontinued or abandoned or determined adversely to the Trustee, then in every such case the District, the Trustee, and the Owners shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to any subsequent or other default, or impair any right consequent thereon.

**Section 8.12. Notice of Default; Opportunity to Cure Defaults.**

(a) The Trustee shall give to the Owners of all Bonds notice by mailing to the address shown on the registration books maintained by the Trustee or by electronic means to DTC or its successors, of all Events of Default known to the Trustee (as determined pursuant to Section 9.01(h) hereof), within ninety (90) days after the occurrence of such Event of Default unless such Event of Default shall have been cured before the giving of such notice; provided that, the Trustee shall be protected in withholding such notice if and

so long as a committee of its corporate trust department in good faith determines that the withholding of such notice is not detrimental to the interests of the Owners.

(b) No default under Section 8.01(d) hereof shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given by the Trustee, the Insurer or by the Owners of not less than twenty-five percent (25%) in aggregate principal amount of all Bonds Outstanding to the District, and the District shall have had thirty (30) days after receipt of such notice to correct said default or cause said default to be corrected, and shall not have corrected said default or caused said default to be corrected within the applicable period; provided however, if said default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted within the applicable period and diligently pursued thereafter until the default is corrected, provided that, no grace period for such noticed default shall exceed thirty (30) days or be extended for more than sixty (60) days without the prior written consent of the Insurer.

## ARTICLE IX

### CONCERNING TRUSTEE

**Section 9.01. Acceptance of Trusts and Duties of Trustee.** The Trustee hereby accepts the trusts imposed upon it by this Indenture and agrees to perform said trusts, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations shall be read into this Indenture against the Trustee.

(a) The Trustee, prior to the occurrence of an Event of Default and after the curing or waiver of any Event of Default which may have occurred, shall undertake to perform such duties and only such duties as are specifically set forth in this Indenture. In case an Event of Default has occurred (which has not been cured or waived) the Trustee shall exercise such of the rights and powers vested in it by this Indenture and use the same degree of care and skill in their exercise as a reasonable and prudent trustee would exercise or use under the circumstances in the conduct of the affairs of another.

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers, or employees, but shall be answerable for the conduct of the same in accordance with the standards specified in Section 9.01(a) and (g) hereof, and shall be entitled to act upon the advice or an opinion of Counsel concerning all matters of trust hereof and the duties hereunder, and may in all cases pay (and be reimbursed as provided in Section 9.02 hereof) such compensation to all such attorneys, agents, receivers, and employees as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in good faith in reliance upon the advice or opinion of such attorneys, agents, receivers, or employees chosen with due care.

(c) The Trustee shall not be responsible for any recital herein or in the Bonds, or for the recording or filing of this Indenture, or for the validity of the execution by the

District of this Indenture or of any supplements hereto or instruments of further assurance, or for the sufficiency of the security for the Bonds, and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions, or agreements on the part of the District, except as expressly herein set forth; but the Trustee may require of the District full information and advice as to the performance of the covenants, conditions, and agreements aforesaid. The Trustee shall not be responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Article Six hereof.

(d) The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the validity or sufficiency of this Indenture or of the Bonds. The Trustee shall not be accountable for the use or application of any Bonds or the proceeds thereof (except for funds or investments held by the Trustee) or of any money paid to or upon the order of the District under any provision of this Indenture. The Trustee, in its individual or any other capacity, may become the Owner of the Bonds with the same rights which it would have if not the Trustee.

(e) The Trustee may rely and shall be protected in acting or refraining from acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram, or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper, or proceedings, or whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering, or omitting any action hereunder, the Trustee shall be entitled to rely upon a certificate signed on behalf of the District by the District Representative or the District's President or Vice President or such other person as may be designated for such purpose by a certified resolution of the District as sufficient evidence of the facts therein contained, and, prior to the occurrence of a default of which the Trustee has been notified as provided in Section 9.01(h) hereof or of which by said Section it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction, or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

(g) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or willful misconduct, and shall not be answerable for any negligent act of its attorneys, agents, or receivers which have been selected by the Trustee with due care.

(h) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder unless the Trustee shall be specifically notified in writing of such default by the District or by the Owners of at least twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding. All notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at

the principal corporate trust office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no default except as aforesaid.

(i) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust in the manner and for the purposes for which they were received but need not be segregated from other funds except to the extent required by this Indenture or by law.

(j) At any and all reasonable times the Trustee or its duly authorized agents, attorneys, experts, engineers, accountants, and representatives shall have the right, but shall not be required, to inspect any and all books, papers, and records of the District pertaining to the Bonds and the Pledged Revenue, and to take such memoranda from and in regard thereto as may be desired.

(k) Notwithstanding anything in this Indenture to the contrary, the Trustee shall have the right, but shall not be required, to demand, in respect of the authentication of any Bonds, or any action whatsoever within the purview of this Indenture, any showings, certificates, opinions, appraisals, or other information or corporate action or evidence thereof, in addition to that by the terms hereof required, as a condition of such action by the Trustee, as may be deemed desirable for the purpose of establishing the right of the District to the authentication of any Bonds, or the taking of any other action by the Trustee.

(l) All records of the Trustee pertaining to the Bonds shall be open during reasonable times for inspection by the District.

(m) The Trustee shall not be required to advance its own funds, and before taking any action under this Indenture, other than the payment of monies on deposit in any of the funds as provided for herein, the Trustee may require that indemnity satisfactory to it be furnished to it for the reimbursement of all costs and expenses which it may incur, including attorneys' fees, and to protect it against all liability, except liability which has been adjudicated to have resulted from its gross negligence or willful misconduct, by reason of any action so taken. To the extent permitted by law, the District agrees to indemnify the Trustee against any claims arising out of the exercise and performance of its powers and duties hereunder in good faith and without negligence; provided that such agreement of the District shall not act as a waiver of immunity of the District under the Colorado Governmental Immunity Act.

(n) The Trustee shall not be required to give any bond or surety in respect to the execution of its trusts and powers hereunder or otherwise with respect to the Bonds.

**Section 9.02. Fees and Expenses of the Trustee.** The Trustee shall be entitled to payment and reimbursement of its fees and expenses for ordinary services rendered hereunder (which compensation is not intended by the parties hereto to be limited by any provision of law in regard to the compensation of a trustee of an express trust) as and when the same become due, and all advances, agent, and counsel fees and other ordinary expenses reasonably and necessarily made or incurred by the Trustee in connection with such ordinary services. The Trustee reserves the right to renegotiate its current fees for ordinary services to correspond with changing economic

conditions, inflation and changing requirements relating to the Trustee's ordinary services. In the event that it should become necessary for the Trustee to perform extraordinary services, the Trustee shall be entitled to reasonable additional compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the negligence or willful misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefore.

### **Section 9.03. Resignation or Replacement of Trustee.**

(a) The Trustee may resign, subject to the appointment of a successor, by giving thirty (30) days' notice of such resignation to the District and to all Owners of Bonds specifying the date when such resignation shall take effect. Such resignation shall take effect on the date specified in such notice unless a successor shall have been previously appointed as hereinafter provided, in which event such resignation shall take effect immediately on the appointment of such successor. The Trustee may petition the courts to appoint a successor in the event no such successor shall have been previously appointed. The Trustee may be removed at any time by an instrument in writing, executed by a majority of the Owners in aggregate principal amount of the Bonds then Outstanding. Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee.

(b) In case the Trustee shall at any time resign or be removed or otherwise become incapable of acting, a successor may be appointed by the District so long as it is not in default hereunder; otherwise by the Owners of a majority in aggregate principal amount of the Bonds then Outstanding by an instrument or concurrent instruments signed by such Owners, or their attorneys-in-fact appointed; provided however, that even if the District is in default hereunder it may appoint a successor until a new successor shall be appointed by the District or the Owners as herein authorized. The District, upon making such appointment, shall forthwith give notice thereof to the Owners by mailing to the address shown on the registration books maintained by the Trustee, which notice may be given concurrently with the notice of resignation given by any resigning Trustee. Any successor so appointed by the District shall immediately and without further act be superseded by a successor appointed in the manner above provided by the District or the Owners of a majority in aggregate principal amount of the Bonds then Outstanding, as applicable.

(c) Every successor Trustee shall always be a commercial bank or trust company in good standing, qualified to act hereunder, and having a capital and surplus of not less than \$50,000,000, if there be such an institution willing, qualified, and able to accept the trust upon reasonable or customary terms. Any successor appointed hereunder shall execute, acknowledge, and deliver to the District an instrument accepting such appointment hereunder, and thereupon such successor shall, without any further act, deed, or conveyance, become vested with all estates, properties, rights, powers, and trusts of its predecessor in the trust hereunder with like effect as if originally named as the Trustee hereunder, and thereupon the duties and obligations of the predecessor shall cease and terminate; but the Trustee retiring shall, nevertheless, on the written demand of its successor and upon the payment of the fees and expenses owed to the predecessor, execute



and deliver an instrument conveying and transferring to such successor, upon the trusts herein expressed, all the estates, properties, rights, powers, and trusts of the predecessor, who shall duly assign, transfer, and deliver to the successor all properties and moneys held by it under this Indenture. If any instrument from the District is required by any successor for more fully and certainly vesting in and confirming to it the estates, properties, rights, powers, and trusts of the predecessor, those instruments shall be made, executed, acknowledged, and delivered by the District on request of such successor.

(d) The instruments evidencing the resignation or removal of the Trustee and the appointment of a successor hereunder, together with all other instruments provided for in this Section, shall be filed or recorded by the successor Trustee in each recording office, if any, where this Indenture shall have been filed or recorded.

**Section 9.04. Conversion, Consolidation, or Merger of Trustee.** Anything herein to the contrary notwithstanding, any bank or trust company or other person into which the Trustee or its successor may be converted or merged, or with which it may be consolidated, or to which it may sell or transfer its corporate trust business as a whole, shall be the successor of the Trustee under this Indenture with the same rights, powers, duties, and obligations, and subject to the same restrictions, limitations, and liabilities as its predecessor, all without the execution or filing of any papers or any further act on the part of any of the parties hereto, provided that such bank, trust company, or other person is legally empowered to accept such trust.

**Section 9.05. Trustee Protected in Relying Upon Resolutions, Etc.** The resolutions, opinions, certificates, and other instruments provided for in this Indenture may be accepted by the Trustee as conclusive evidence of the facts and conclusions stated therein, and the Trustee shall not be required to make any independent investigation in connection therewith. Such resolutions, opinions, certificates, and other instruments shall be full warrant, protection, and authority to the Trustee for the release of property and the withdrawal of cash hereunder. Except as provided herein, the Trustee shall not be under any responsibility to seek the approval of any expert for any of the purposes expressed in this Indenture; provided however, that nothing contained in this Section shall alter the Trustee's obligations or immunities provided by statutory, constitutional, or common law with respect to the approval of independent experts who may furnish opinions, certificates, or opinions of Counsel to the Trustee pursuant to any provisions of this Indenture.

## ARTICLE X

### SUPPLEMENTAL INDENTURES

**Section 10.01. Supplemental Indentures Not Requiring Consent.** Subject to the provisions of this Article X, the District and the Trustee may, without the consent of or notice to the Owners or Consent Parties, enter into such amendments to this Indenture and/or indentures supplemental hereto, which amendments and supplemental indentures shall thereafter form a part hereof, for any one or more of the following purposes:

(a) To cure any ambiguity, to cure, correct, or supplement any formal defect or omission or inconsistent provision contained in this Indenture, to make any provision necessary or desirable due to a change in law, to make any provisions with respect to

matters arising under this Indenture, or to make any provisions for any other purpose if such provisions are necessary or desirable and do not materially adversely affect the interests of the Owners of the Bonds;

(b) To subject to this Indenture additional revenues, properties, or collateral;

(c) To grant or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers, or authority that may lawfully be granted to or conferred upon the Owners or the Trustee; and

(d) To qualify this Indenture under the Trust Indenture Act of 1939.

#### **Section 10.02. Supplemental Indentures Requiring Consent.**

(a) Except for amendments and supplemental indentures delivered pursuant to Section 10.01 hereof, and subject to the provisions of this Article X, the Consent Parties with respect to not less than a majority (or for modifications of provisions hereof which require the consent of a percentage of Owners or Consent Parties higher than a majority, such higher percentage) in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, to consent to and approve the execution by the District and the Trustee of such amendments to this Indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the District for the purpose of modifying, altering, amending, adding to, or rescinding, in any particular, any of the terms or provisions contained in this Indenture; provided however, that without the consent of the Consent Parties with respect to all the Outstanding Bonds affected thereby, nothing herein contained shall permit, or be construed as permitting:

(i) a change in the terms of the maturity of any Outstanding Bond, in the principal amount of any Outstanding Bond, in the optional or mandatory redemption provisions applicable thereto, or the rate of interest thereon;

(ii) an impairment of the right of the Owners to institute suit for the enforcement of any payment of the principal of or interest on the Bonds when due;

(iii) a privilege or priority of any Bond or any interest payment over any other Bond or interest payment; or

(iv) a reduction in the percentage in principal amount of the Outstanding Bonds, the consent of whose Owners or Consent Parties is required for any such supplemental indenture.

(b) Upon the execution of any amendment or supplemental indenture pursuant to the provisions of this Section 10.02, this Indenture shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties, and obligations under this Indenture of the District, the Trustee, and all Owners of Bonds then Outstanding shall thereafter be determined, exercised, and enforced hereunder, subject in all respects to such modifications and amendments.

(c) If at any time the District shall request the Trustee to enter into such amendment or supplemental indenture for any of the purposes of this Section 10.02, the Trustee shall, upon being satisfactorily indemnified with respect to fees and expenses, cause notice of the proposed execution of such amendment or supplemental indenture to be given to each Owner of a Bond at the address shown on the registration books of the Trustee, prior to the proposed date of execution and delivery of any such amendment or supplemental indenture. If the Consent Parties with respect to not less than the required percentage in aggregate principal amount of the Bonds then Outstanding at the time of the execution of any such amendment or supplemental indenture consent to the execution thereof, no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the Trustee or the District from executing the same or from taking any action pursuant to the provisions thereof.

**Section 10.03. Execution of Indenture Amendment or Supplemental Indenture.** The Trustee is authorized to join with the District in the execution of any such amendment to this Indenture or supplemental indenture hereto and to make further agreements and stipulations which may be contained therein; provided that, prior to the execution of any such amendment or supplemental indenture (whether under Section 10.01 or 10.02 hereof) the Trustee and the District may require and shall be fully protected in relying upon an opinion of nationally recognized municipal bond Counsel experienced in matters arising under Section 103 of the Code and acceptable to the Trustee and the District, to the effect that: (i) the amendment or supplemental indenture will not adversely affect the exclusion from gross income for federal income tax purposes, of the interest on the Bonds; (ii) the District is permitted by the provisions hereof to enter into the amendment or supplemental indenture; and (iii) the amendment or supplemental indenture is a valid and binding obligation of the District, enforceable in accordance with its terms, subject to matters permitted by Section 1.05 hereof.

## ARTICLE XI

### MISCELLANEOUS

**Section 11.01. Parties Interested Herein.** Nothing in this Indenture expressed or implied is intended or shall be construed to confer upon, or to give to, any person other than the District, the Trustee, the Insurer, the Owners of the Bonds, and for Bonds held by a Depository, the Beneficial Owners and the Participants, any right, remedy, or claim under or by reason of this Indenture or any covenant, condition, or stipulation hereof; and all the covenants, stipulations, promises, and agreements in this Indenture by and on behalf of the District shall be for the sole and exclusive benefit of the District, the Trustee, the Insurer, the Owners of the Bonds, and for Bonds held by a Depository, the Beneficial Owners and the Participants.

**Section 11.02. Severability.** In the event any provision of this Indenture shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, the intent being that such remaining provisions shall remain in full force and effect.

**Section 11.03. Governing Law.** This Indenture shall be governed and construed in accordance with the laws of the State.

**Section 11.04. Execution in Counterparts.** This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 11.05. Notices; Waiver.**

(a) Except as otherwise provided herein, all notices, certificates, or other communications required to be given to any of the persons set forth below pursuant to any provision of this Indenture shall be in writing, shall be given either in person or by certified or registered mail, and if mailed, shall be deemed received three (3) days after having been deposited in a receptacle for United States mail, postage prepaid, addressed as follows:

District: Gold Hill Mesa Metropolitan District No. 2  
c/o \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

with a copy to: Susemihl, McDermott & Dowie, P.C.  
660 Southpointe Court, Suite 210  
Colorado Springs, Colorado 80906  
Attention: Pete Susemihl, Esq.  
Email: psusemihl@smmclaw.com

Trustee: UMB Bank, n.a.  
1670 Broadway  
Denver, Colorado 80202  
Attention: John Wahl  
Email: john.wahl@umb.com

In lieu of mailed notice to any person set forth above, the persons designated above may provide notice by email to any email address set forth above for any other person designated above, or by facsimile transmission to any facsimile number set forth above for such person, and any such notices shall be deemed received upon receipt by the sender of an email or facsimile transmission from such person confirming such receipt, or upon receipt by the sender of such other confirmation of receipt as may be reasonably reliable under the circumstances.

(b) The persons designated above may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, or other communications shall be sent.

(c) Where this Indenture provides for notice in any manner, such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Owners

shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

**Section 11.06. Holidays.** If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Indenture, shall be a legal holiday or a day on which banking institutions in the city in which the principal office of the Trustee are located are authorized or required by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day which is not a legal holiday or a day on which such banking institutions are authorized or required by law to remain closed, with the same force and effect as if done on the nominal date provided in this Indenture.

**Section 11.07. No Recourse against Officers and Agents.** Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Board, or any officer or agent of the District acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal, interest or prior redemption premiums on the Bonds. Such recourse shall not be available either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Bonds and as a part of the consideration of their sale or purchase, any person purchasing or selling such Bond specifically waives any such recourse.

**Section 11.08. Conclusive Recital.** Pursuant to Section 11-57-210 of the Supplemental Act, the Bonds shall contain a recital that they are issued pursuant to certain provisions of the Supplemental Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value.

**Section 11.09. Limitation of Actions.** Pursuant to Section 11-57-212 of the Supplemental Act, no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or issuance of the Bonds shall be commenced more than thirty days after the authorization of the Bonds.

**Section 11.10. Electronic Storage.** The parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

**Section 11.11. Provisions Regarding the Insurance Policy and Certain Rights of the Insurer.** So long as the Insurance Policy is in effect and the Insurer is not then in default thereunder, the following provisions shall govern, notwithstanding anything to the contrary in this Indenture.

(a) The Insurer shall be deemed to be the sole Owner of the Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the Owners of the Bonds insured by it are entitled to take pursuant to this Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of this Indenture and each Bond, each Owner appoints the Insurer as its agent and attorney-in-fact with respect to the

Bonds and agrees that the Insurer may at any time during the continuation of any proceeding by or against the District under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”) direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a “Claim”), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each Owner delegates and assigns to the Insurer, to the fullest extent permitted by law, the rights of each Owner with respect to the Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each Owner for the Insurer’s benefit, and agrees to cooperate with the Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the Owners shall expressly include mandamus.

(b) The Insurer is a third-party beneficiary of this Indenture.

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

(d) The rights granted to the Insurer under this Indenture or any other Related Document to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Insurance Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer’s contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the Owners and such action does not evidence any position of the Insurer, affirmative or negative, as to whether the consent of the Owners or any other person is required in addition to the consent of the Insurer.

(e) Only (1) cash, (2) non-callable direct obligations of the United States of America (“Treasuries”), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the Insurer, pre-refunded municipal obligations rated “AAA” and “Aaa” by S&P and Moody’s, respectively, or (5) subject to the prior written consent of the Insurer, securities eligible for “AAA” defeasance under then existing criteria of S&P or any combination thereof, shall be used to effect defeasance of the Bonds unless the Insurer otherwise approves.

(f) In addition to the requirements set forth in Section 7.01 of this Indenture, the District shall also cause to be delivered in connection with a defeasance of Bonds (i) a

report of an independent firm of Certified Public Account acceptable to the Insurer verifying the sufficiency of the escrow established to pay the Bonds in full on the maturity or redemption date (“Verification”), (ii) if applicable, an escrow deposit agreement (which shall be acceptable in form and substance to the Insurer), (iii) an opinion of nationally recognized bond counsel to the effect that the Bonds are no longer “Outstanding” under this Indenture and (iv) a certificate of discharge of the Trustee with respect to the Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the District, Trustee and Insurer. The Insurer shall be provided with final drafts of the above-referenced documentation not less than five Business days prior to the funding of the escrow.

(g) Bonds shall be deemed “Outstanding” under this Indenture unless and until they are in fact paid and retired or the above criteria and the requirements of Section 7.01 of this Indenture are met.

(h) Amounts paid by the Insurer under the Insurance Policy shall not be deemed paid for purposes of this Indenture and the Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the District in accordance with this Indenture. This Indenture shall not be discharged unless all amounts due or to become due to the Insurer have been paid in full or duly provided for.

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

(j) The Trustee shall designate any portion of payment of principal on Bonds paid by the Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Bonds registered to the then current Owner, whether DTC or its nominee or otherwise, and shall issue a replacement Bond to the Insurer, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee’s failure to so designate any payment or issue any replacement Bond shall have no effect on the amount of principal or interest payable by the District on any Bond or the subrogation rights of the Insurer

(k) The Trustee shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Bond. The Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

(l) Upon payment of a claim under the Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners referred to herein as the “Policy Payments Account” and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Insurance Policy in trust on behalf of Owners and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners in the same manner as principal and interest payments are to be made with respect to the Bonds under the sections hereof regarding payment of Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments.

(m) Notwithstanding anything herein to the contrary, the District agrees to pay to the Insurer (i) a sum equal to the total of all amounts paid by the Insurer under the Insurance Policy (the “Insurer Advances”); and (ii) interest on such Insurer Advances from the date paid by the Insurer until payment thereof in full, payable to the Insurer at the Late Payment Rate per annum (collectively, the “Insurer Reimbursement Amounts”). “Late Payment Rate” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JP Morgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JP Morgan Chase Bank) plus 3.00%, and (ii) the then applicable highest rate of interest on the Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The District hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by and payable from the Pledged Revenue on a parity with debt service due on the Bonds.

(n) Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following an Interest Payment Date shall promptly be remitted to the Insurer.

(o) The Insurer shall, to the extent it makes any payment of principal or interest on the Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the District to the Insurer under the Related Documents shall survive discharge or termination of such Related Documents.



(p) The District shall pay or reimburse the Insurer any and all charges, fees, costs and expenses that the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in any Related Document; (ii) the pursuit of any remedies under this Indenture or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Indenture or any other Related Document whether or not executed or completed, or (iv) any litigation or other dispute in connection with this Indenture or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the Insurer to honor its obligations under the Insurance Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Indenture or any other Related Document.

(q) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the District or rebate only after the payment of past due and current debt service on the Bonds.

(r) The Insurer shall be entitled to pay principal or interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Insurance Policy), whether or not the Insurer has received a Notice of Nonpayment (as such term is defined in the Insurance Policy) or a claim upon the Insurance Policy.

(s) The notice address of the Insurer is: \_\_\_\_\_, New York, New York 10019, Attention: \_\_\_\_\_ Re: Policy No. \_\_\_\_\_, Telephone: (212) \_\_\_\_\_; Email: \_\_\_\_\_. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(t) The Insurer shall be provided with the following information by the District or the Trustee, as the case may be:

(i) To the extent not otherwise filed with the MSRB's EMMA system, annual audited financial statements within 240 days after the end of the District's Fiscal Year (together with a certification of the District that it is not aware of any default or Event of Default under this Indenture), and upon request, the District's annual budget within 30 days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;

(ii) Notice of any default known to the Trustee or the District within five Business Days after knowledge thereof;

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

(iv) Notice of the resignation or removal of the Trustee and the appointment of, and acceptance of duties by, any successor thereto;

(v) Notice of the commencement of any Insolvency Proceedings.

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

(vii) A full original transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents; and

(viii) All reports, notices and correspondence to be delivered to Owners under the terms of the Related Documents. In addition, to the extent that the District has entered into a continuing disclosure agreement, covenant or undertaking with respect to the Bonds, all information furnished pursuant to such agreements shall also be provided to the Insurer, simultaneously with the furnishing of such information.

(u) The District will permit the Insurer to discuss the affairs, finances and accounts of the District or any information the Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the District and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the District on any Business Day upon reasonable prior notice.

(v) The Trustee shall notify the Insurer of any known failure of the District to provide notices, certificates and other information under the Related documents.

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

(x) The District shall not enter into any interest rate exchange agreement or any other interest rate maintenance agreement secured by and payable from the Pledged Revenue without the prior written consent of the Insurer.

#### **Section 11.12. Provisions Concerning the Reserve Fund Guaranty.**

(a) Subject to the priority of payment under Section 3.04(b), clause THIRD hereof, the District shall repay from Pledged Revenue any draws under the Reserve Fund Surety Policy and pay all related reasonable expenses incurred by the Insurer and shall pay interest thereon from the date of payment by the Insurer at the Late Payment Rate. "Late Payment Rate" means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank)

plus 5%, and (ii) the then applicable highest rate of interest on the Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the Insurer shall specify. If the interest provisions of this subparagraph (a) shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the Insurer, with the same force and effect as if the District had specifically designated such extra sums to be so applied and the Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, "Policy Costs") from Pledged Revenue shall commence in the first month following each draw, subject to the priority of payment under Section 3.04(b), clause THIRD hereof.

Amounts in respect of Policy Costs paid to the Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Insurer on account of principal due, the coverage under the Reserve Fund Surety Policy will be increased by a like amount, subject to the terms of the Reserve Fund Surety Policy. The obligation to pay Policy Costs shall be secured by a valid lien on all Pledged Revenue (subject only to the priority of payment provisions set forth under Section 3.04(b) of this Indenture). All Policy Costs shall be repaid in full prior to amounts being used to fund amounts payable pursuant to Section 3.04(b), clause Fourth thereof.

Before any drawing may be made on the Reserve Fund Surety Policy or any other credit facility on deposit to the credit of the Reserve Fund in lieu of cash (herein, a "Credit Facility"), the Trustee shall first transfer all cash and investments on deposit in the Reserve Fund to the Bond Fund for payment of debt service on Bonds. Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Credit Facilities (including the Reserve Fund Surety Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Reserve Fund. Payment of Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Fund. For the avoidance of doubt, "available coverage" means the coverage then available

for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

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

(c) This Indenture shall not be discharged until all Policy Costs owing to the Insurer shall have been paid in full. The District's obligation to pay such amounts shall expressly survive payment in full of the Bonds.

(d) The District shall include any Policy Costs then due and owing the Insurer in the calculation of the definition of "Bond Requirements" set forth in Section 1.01 hereof for purposes of the additional Senior Bonds test in Section 4.04 of this Indenture.

(e) The Trustee shall ascertain the necessity for a claim upon the Reserve Fund Surety Policy in accordance with the provisions of subparagraph (a) hereof and provide notice to the Insurer in accordance with the terms of the Reserve Fund Surety Policy at least five Business Days prior to each date upon which interest or principal is due on the Bonds. Where deposits are required to be made by the District with the Trustee to the Bond Fund for the Bonds more often than semi-annually, the Trustee shall give notice to the Insurer of any failure of the District to make timely payment in full of such deposits within two Business Days of the date due.

[Signature page Follows]

**IN WITNESS WHEREOF, GOLD HILL MESA METROPOLITAN DISTRICT NO. 2**, in the City of Colorado Springs, El Paso County, Colorado, has caused this Indenture to be executed on its behalf by its President and attested by its Secretary or Assistant Secretary, and to evidence its acceptance of the trusts hereby created **UMB BANK, N.A.**, Denver, Colorado, as Trustee, has caused this Indenture to be executed on its behalf by one of its authorized officers, all as of the date first above written.

(S E A L)

**GOLD HILL MESA METROPOLITAN  
DISTRICT NO. 2**

---

President

ATTEST:

---

Secretary or Assistant Secretary

UMB BANK, n.a., as Trustee

---

Authorized Officer

[Signature Page of Indenture of Trust (Senior)]

**EXHIBIT A  
TO  
INDENTURE OF TRUST (SENIOR)**

(Form of Bond)

Unless this certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation (“DTC”), to the District 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.

No. RA-\_\_\_\_\_

\$ \_\_\_\_\_

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

**GOLD HILL MESA METROPOLITAN DISTRICT NO. 2  
LIMITED TAX GENERAL OBLIGATION AND SPECIAL REVENUE REFUNDING  
AND IMPROVEMENT BOND  
SERIES 2022A**

**INTEREST RATE    MATURITY DATE    ORIGINAL ISSUE DATE    CUSIP**

**REGISTERED OWNER:**

**PRINCIPAL AMOUNT:**

Gold Hill Mesa Metropolitan District No. 2, a metropolitan district duly organized and operating under the constitution and laws of the State of Colorado, 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, the principal amount specified above. In like manner the District promises to pay interest on such principal amount (computed on the basis of a 360-day year of twelve 30-day months) from the original issue date specified above, at the interest rate per annum specified above, payable on June 1 and December 1 each year, commencing on June 1, 2022, until the principal amount is paid at maturity or upon prior redemption.

**Notwithstanding anything herein to the contrary, this Bond and interest hereon shall be deemed to be paid, satisfied, and discharged on December 2, 2048 after the application of**

**all Pledged Revenues available therefor, regardless of the amount of principal and interest paid on or before December 2, 2048.**

To the extent principal of this Bond is not paid when due, such principal shall remain outstanding and shall continue to bear interest at the rate then borne by this Bond. To the extent interest on this Bond is not paid when due, such interest shall compound on each interest payment date at the rate borne by this Bond; provided however, that notwithstanding anything herein to the contrary, the District shall not be obligated to pay more than the amount permitted by law and its electoral authorization in repayment of the Bonds, including all payments of principal, premium if any, and interest, and all Bonds will be deemed defeased and no longer outstanding upon the payment by the District of such amount.

The Bonds are issued pursuant to that certain Indenture of Trust (Senior) (the “Indenture”) between the District and UMB Bank, n.a. as trustee (the “Trustee”). All capitalized terms used and not otherwise defined in this Bond shall have the respective meanings assigned by the Indenture.

The principal of this Bond and premium, if any, 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. 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 at the close of business on the fifteenth (15th) day of the calendar month next preceding each interest payment date (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 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. 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 unpaid interest. Notice of the Special Record Date and the date fixed for the payment of unpaid 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 is one of a series aggregating \$ \_\_\_\_\_ par value, all of like date, tenor, and effect, issued by the Gold Hill Mesa Metropolitan District No. 2, in the City of Colorado Springs, County of El Paso and State of Colorado, for the purpose of paying 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, C.R.S.; Title 11, Article 57, Part 2, C.R.S.; and all other laws of the State of Colorado thereunto enabling, and pursuant to the duly adopted Bond Resolution (as defined in the Indenture) and the Indenture. Pursuant to Section 11-57-210, C.R.S., such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value.

THIS BOND IS SOLELY THE OBLIGATION OF THE DISTRICT. UNDER NO CIRCUMSTANCES SHALL THIS BOND BE CONSIDERED OR HELD TO BE AN INDEBTEDNESS, OBLIGATION OR LIABILITY OF THE CITY, THE COUNTY, THE

STATE OF COLORADO, OR ANY POLITICAL SUBDIVISION OF THE STATE OF COLORADO (OTHER THAN THE DISTRICT).

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; and that provision has been made for the levy and collection of an ad valorem tax on all of the taxable property within the District in the amount of the Required Mill Levy (as defined in the Indenture) for the purpose of paying, together with the other Pledged Revenue, the principal of and interest on this Bond.

The Bonds constitute Limited Tax General Obligation and Special Revenues of the District and are payable solely from and to the extent of the Pledged Revenue (as defined by the Indenture), and the Pledged Revenue is pledged to the payment of the Bonds. The Bonds constitute an irrevocable lien upon the Pledged Revenue, but not necessarily an exclusive such lien.

Reference is hereby made to the Indenture for an additional description of the nature and extent of the security for the Bonds, the 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 District Secretary.

Bonds of this issue are subject to redemption prior to maturity as provided in the Indenture. The Bonds will be redeemed only in integral multiples of \$1,000. In the event a Bond is of a denomination larger than \$1,000, a portion of such Bond may be redeemed, but only in the principal amount of \$1,000 or any integral multiple thereof. Such Bond will be treated for the purposes of redemption as that number of Bonds which results from dividing the principal amount of such Bond by \$1,000. In the event a portion of this Bond is redeemed, the Trustee shall, without charge to the registered owner of this Bond, authenticate and deliver a replacement Bond or Bonds for the unredeemed portion.

Notice of prior redemption shall be given to the registered owner of this Bond not less than thirty (30) days prior to the date fixed for redemption in the manner set forth in the Indenture. The redemption of the Bonds may be contingent or subject to such conditions as may be specified in the notice. All Bonds called for redemption will cease to bear interest after the specified redemption date, provided funds for their redemption are on deposit at the place of payment at that time.

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 or the Trustee.

This Bond may be exchanged at the principal office of the Trustee for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations. This Bond is transferable by the registered owner hereof in person or by his attorney 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 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 or performing any action shall be a legal holiday or a day on which the principal office of the Trustee is authorized or required by law to remain closed, such payment may be made or act performed on the next succeeding day which is not a legal holiday or a day on which the principal office of the Trustee is authorized or required by law to remain closed.

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

[Signature Page Follows]

**IN TESTIMONY WHEREOF**, the Board of Directors of Gold Hill Mesa Metropolitan District No. 2 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 the original issue date specified above.

(S E A L)

**GOLD HILL MESA METROPOLITAN  
DISTRICT NO. 2**

---

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., as Bond Registrar

\_\_\_\_\_

\_\_\_\_\_  
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)

## STATEMENT OF INSURANCE

\_\_\_\_\_ (“\_\_\_”), NEW YORK, NEW YORK, HAS DELIVERED ITS MUNICIPAL BOND INSURANCE POLICY (THE “POLICY”) WITH RESPECT TO THE SCHEDULED PAYMENTS DUE OF PRINCIPAL OF AND INTEREST ON THIS BOND TO UMB BANK, N.A. DENVER, COLORADO, OR ITS SUCCESSOR, AS PAYING AGENT FOR THE BONDS (THE “PAYING AGENT”). SAID POLICY IS ON FILE AND AVAILABLE FOR INSPECTION AT THE PRINCIPAL OFFICE OF THE PAYING AGENT AND A COPY THEREOF MAY BE OBTAINED FROM \_\_\_ OR THE PAYING AGENT. ALL PAYMENTS REQUIRED TO BE MADE UNDER THE POLICY SHALL BE MADE IN ACCORDANCE WITH THE PROVISIONS THEREOF. THE OWNER OF THIS BOND ACKNOWLEDGES AND CONSENTS TO THE SUBROGATION RIGHTS OF AGM AS MORE FULLY SET FORTH IN THE POLICY.

*(End of Form of Bond)*

**EXHIBIT B  
TO  
INDENTURE OF TRUST (SENIOR)**

(Form of Project Fund Requisition)

Requisition No. \_\_\_\_\_

**GOLD HILL MESA METROPOLITAN DISTRICT NO. 2  
INDENTURE OF TRUST (SUBORDINATE) DATED \_\_\_\_\_, 1, 2022  
LIMITED TAX GENERAL OBLIGATION AND SPECIAL REVENUE REFUNDING  
AND IMPROVEMENT BONDS  
SERIES 2022A**

The undersigned District Representative (capitalized terms used herein shall have the meanings ascribed thereto by the above Indenture) hereby makes a requisition from the Project Fund held by UMB Bank, n.a., as trustee under the Indenture, and in support thereof states:

1. The amount to be paid or reimbursed pursuant hereto is \$ \_\_\_\_\_.
2. The name and address of the person, firm, or corporation to whom payment is due or has been made is as follows: \_\_\_\_\_
3. Payment is due to the above person for (describe nature of the obligation) \_\_\_\_\_.
4. The amount to be paid or reimbursed pursuant hereto shall be transmitted by the Trustee as follows (wire transfer or other transmission instructions):  
\_\_\_\_\_

5. The above payment obligations have been or will be properly incurred, is or will be a proper charge against the Project Fund, and have not been the basis of any previous withdrawal. The disbursement requested herein will be used solely for the payment of costs of Public Improvements.

6. With respect to the disbursement of funds by the Trustee from the Project Fund pursuant to this Project Fund Requisition, on behalf of the District the undersigned District Representative hereby: (a) certifies that the District has reviewed the wire instructions set forth in this Project Fund Requisition (if any), and confirms that such wire instructions are accurate; (b) agrees that, to the extent permitted by law, and without waiving any rights under the Colorado Governmental Immunity Act, the District will indemnify and hold harmless the Trustee from and against any and all claims, demands, losses, liabilities, and expenses sustained, including, without limitation, attorney fees, arising directly or indirectly from the Trustee's disbursement of funds from the Project Fund in accordance with this Project Fund Requisition and the wiring instructions provided herein; and (c) agrees that the District will not seek recourse from the Trustee as a result of losses incurred by the District arising from the Trustee's disbursement of funds in accordance with this Project Fund Requisition, except for any losses occurring as a direct result of the Trustee's negligence.

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
District Representative

ACKNOWLEDGED BY DISTRICT ACCOUNTANT:

\_\_\_\_\_  
Name/Title: \_\_\_\_\_