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REMARKETING AGREEMENT

Dated as of September 1, 2014

Between

CITY OF COLORADO SPRINGS, COLORADO,  
for and on behalf of Colorado Springs Utilities, an enterprise of the City

and

BARCLAYS CAPITAL INC.,  
as Remarketing Agent

Relating to

City of Colorado Springs, Colorado  
Variable Rate Demand Utilities System  
Improvement Revenue Bonds  
Series 2007A

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## REMARKETING AGREEMENT

REMARKETING AGREEMENT (this "Remarketing Agreement") dated as of September 1, 2014 between the CITY OF COLORADO SPRINGS, COLORADO, a Colorado political subdivision (the "City"), for and on behalf of Colorado Springs Utilities, an enterprise of the City and BARCLAYS CAPITAL INC., a Connecticut corporation (the "Remarketing Agent").

### WITNESSETH:

WHEREAS, the City has issued its City of Colorado Springs, Colorado Variable Rate Demand Utilities System Improvement Revenue Bonds, Series 2007A in the aggregate principal amount of \$75,000,000 (the "Bonds") pursuant to the 2007A Utilities Bond Ordinance adopted by the City Council of the City on August 28, 2007 (the "Bond Ordinance"); and

WHEREAS, the Bonds and the Bond Ordinance provide, among other things, that the owners of the Bonds (the "Owners") may elect (or may be required) in certain instances to tender their Bonds for purchase upon the terms and conditions contained in the Bonds and the Bond Ordinance; and

WHEREAS, the Bond Ordinance provides for the appointment of a remarketing agent to perform certain duties, including the use of its best efforts to remarket any Bonds tendered for purchase by the Owners; and

WHEREAS, the City has heretofore appointed George K. Baum & Company to act as remarketing agent under the Bond Ordinance; and

WHEREAS, George K. Baum & Company has resigned as remarketing agent effective September 23, 2014 and the City, pursuant to the provisions of the Bond Ordinance, has appointed Barclays Capital Inc. to act as successor remarketing agent, effective September 23, 2014; and

WHEREAS, the Remarketing Agent has agreed to accept the duties and responsibilities of the remarketing agent under the Bond Ordinance and this Remarketing Agreement.

NOW, THEREFORE, for in and in consideration of the mutual covenants made herein and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. The Bonds, Terms, Definitions. The Bonds have been issued under the terms and conditions, and have the form, tenor, terms and specifications set forth in the Bond Ordinance. Capitalized terms used herein, but not otherwise defined herein, shall have the meanings assigned to them in the Bond Ordinance.

In addition, as used herein, "Rule G-34 Documents" shall mean: (i) the Credit Facility; (ii) the Bond Ordinance; (iii) any amendments, extensions, renewals, replacements or terminations thereof; and (iv) any other document required to comply with Municipal Securities

Rulemaking Board (“MSRB”) Rule G-34(c), as it may be amended from time to time; and, in each case where required to be delivered, such delivery shall be by electronic means in a word-searchable PDF file (or in such other form as the Remarketing Agent shall notify the City in writing) labeled with the following information: (a) CUSIP number; (b) full name of the City; (c) title of the Bonds; (d) name of document; and (e) whether the document is an execution version or a redacted version.

Section 2. Appointment of the Remarketing Agent. Pursuant to the Bond Ordinance, the City has appointed Barclays Capital Inc. as successor Remarketing Agent, and Barclays Capital Inc. hereby accepts such appointment to act as successor Remarketing Agent in connection with the remarketing of the Bonds in accordance with and subject to the terms and conditions contained herein and in the Bond Ordinance. The Remarketing Agent hereby agrees to perform all obligations contemplated by the Bond Ordinance to be performed by it, as well as those to be performed by it hereunder.

Section 3. Obligations of the Remarketing Agent. The Remarketing Agent shall comply with all provisions of the Bond Ordinance relating to the remarketing of the Bonds. Specifically, the Remarketing Agent agrees as follows:

(a) To determine the rates of interest applicable to the Bonds pursuant to and in accordance with the Bond Ordinance at interest rates up to the Maximum Rate without regard to the interest rate applicable to any Bonds purchased pursuant to the Liquidity Facility and to give the notices provided for or otherwise required by the Bond Ordinance;

(b) Unless an Event of Default or a Default has occurred and is continuing under the Bond Ordinance or the Liquidity Facility, respectively, and subject to the other provisions of this Remarketing Agreement, the Remarketing Agent will use its best efforts to arrange for the remarketing of Bonds tendered for purchase by the Owners thereof (other than pursuant to Sections 503 and 505 of the Bond Ordinance, unless otherwise required by the Bond Ordinance) at a price equal to 100% of the principal amount thereof plus accrued interest, if any and to otherwise remarket the Bonds in accordance with the provisions of the Bond Ordinance. The City agrees that, while this Remarketing Agreement is in effect, the Remarketing Agent shall be the exclusive agent for such purpose;

(c) To keep such records with respect to all actions taken and all funds and securities received, held and delivered hereunder as shall be consistent with prudent industry practice and to make such records available for inspection by the City, the Paying Agent, the Bank and the Tender Agent during regular business hours of the Remarketing Agent;

(d) To (i) solicit purchases of Bonds by investors able to purchase tax exempt securities, (ii) effect and process such purchases, including billing and causing the proceeds from the secondary sale of the Bonds to be transferred to the Tender Agent for deposit in the Remarketing Reimbursement Fund, (iii) perform its obligations as provided in Sections 1201, 1202, 1203 and 1204 of the Bond Ordinance, and (iv) perform such other related functions as may be requested by the City and agreed to in writing by the Remarketing Agent; and

(e) To estimate the interest rate on the Bonds when required by the Bond Ordinance and the Parity Bond Ordinances, in accordance with the definition of “Average Annual Principal and Interest Requirements” in such Bond Ordinances and as otherwise required in such Bond Ordinances.

Section 4. Certain Agreements of the City.

(a) The City, recognizing that the Remarketing Agent will be remarketing Bonds from time to time on an ongoing basis pursuant to the terms hereof, agrees with the Remarketing Agent that:

(i) The City agrees to furnish the Remarketing Agent with such copies of the Official Statement, dated September 7, 2007 relating to the Bonds (as supplemented or amended, the “Official Statement”) and such other information associated with the City and the Bonds as the Remarketing Agent shall reasonably request from time to time, including, without limitation, information deemed necessary by the Remarketing Agent to amend or supplement the Official Statement or other offering document for the Bonds. The City hereby authorizes the Official Statement and the information contained therein to be used in connection with the remarketing of the Bonds by the Remarketing Agent; provided that the Remarketing Agent acknowledges the information contained within the Official Statement is applicable only as of its date and the City makes no representation regarding the accuracy of the information therein after the date thereof. The City shall not amend or supplement the Official Statement or other offering document for the Bonds prior to notifying the Remarketing Agent in writing of the proposed amendment or supplement;

(ii) The City shall promptly make available to the Remarketing Agent each of its annual financial statements with respect to the System for the fiscal year ended December 31, 2013 and for each fiscal year thereafter presented in conformity with such generally accepted accounting principles applicable to governmental utilities and audited in accordance with generally accepted auditing standards. If the financial statements are not prepared in conformity with generally accepted accounting principles, the relevant differences between the basis upon which they are prepared and those of such generally accepted accounting principles shall be discussed and the effects of such differences shall be quantified. In addition, the City agrees to provide the Remarketing Agent with each final official statement of the City with respect to securities payable from the same source of revenues as the Bonds issued subsequent to the date of this Remarketing Agreement;

(iii) The City shall promptly after becoming aware of the same notify the Remarketing Agent by telephone (which shall be promptly confirmed in writing) of (A) any material adverse change in the general affairs (financial or otherwise), management or operation of the System, or (B) any litigation involving the System which could cause a material adverse change as contemplated in (A) above, or (C) any reduction or any announcement or notice by Moody’s, Standard & Poor’s or Fitch that it is considering a possible reduction in the ratings of the Bonds, or (D) any announcement by Moody’s, Standard & Poor’s or Fitch that the Bonds are being placed on “Credit Watch,” or that some comparable action is being taken by any of such rating agencies;

(iv) The City shall deliver to the Remarketing Agent such additional information concerning the business and financial condition of the System as the Remarketing Agent may from time to time reasonably request;

(v) If, in the opinion of the Remarketing Agent, any information received by it pursuant to (i), (ii), (iii) or (iv) above or any information concerning the City otherwise received by the Remarketing Agent requires the preparation and distribution to the public of such information, the City shall cooperate and assist in the preparation and distribution to the public of such information in such form and substance as shall be mutually agreed upon by the City and the Remarketing Agent and its counsel (which may include amending the Official Statement); and

(vi) The City will pay the reasonable out of pocket expenses of the Remarketing Agent incurred in connection with the preparation and distribution of information to the public as contemplated by this Section 4(a).

(b) The City agrees to cooperate with the Remarketing Agent in the qualification of the eligibility of the Bonds for investment under the laws of such jurisdictions as the Remarketing Agent shall designate and the City will use its best efforts to continue any such qualification in effect so long as required for the resale of the Bonds by the Remarketing Agent, provided that the City shall not be required to qualify to do business in any jurisdiction where it is not now so qualified or to take any action which would subject it to general service of process in any jurisdiction where it is not now so subject. It is understood and agreed that the City shall not be responsible for compliance with or the consequences of failure to comply with applicable “Blue Sky” laws; provided, however, that the inability of the Remarketing Agent to remarket the Bonds because of the failure of the City to cooperate with the Remarketing Agent with respect to “Blue Sky” qualification matters shall not be a default hereunder by the Remarketing Agent;

(c) The City agrees to cooperate with the Remarketing Agent in order to comply with any disclosure requirement with respect to remarketing of the Bonds necessitated by any federal, state or regulatory agency rule, regulation or law, including, without limitation, Rule 15c2-12 under the Securities Exchange Act of 1934, as amended;

(d) The City agrees to provide written notification to the Remarketing Agent of any redemption of the Bonds; and

(e) (i) To assist the Remarketing Agent in complying with its obligations under MSRB Rule G-34(c), the City shall provide, or cause to be provided, the following to the Remarketing Agent:

(A) on the effective date of this Remarketing Agreement, a copy of each executed and currently effective Rule G-34 Document;

(B) no later than ten (10) Business Days prior to the proposed date of any amendment, extension or renewal, replacement or termination of any of the then current Rule G-34 Documents, written notice that such document is proposed to be amended, extended, renewed, replaced or terminated, as the case may be, and the expected date of execution and

delivery of such amendment, extension, renewal, replacement or termination, as the case may be; and

(C) promptly, but in any event not more than three (3) Business Days, after the execution and delivery of any amendment, extension, renewal, replacement or termination, as the case may be, of any of the then current Rule G-34 Documents, a copy thereof;

(ii) In each instance that Rule G-34 Documents are delivered to the Remarketing Agent pursuant to this Section 4(e), the City shall provide: (A) a clean final execution copy of each relevant document; and (B) in any such document where any redactions are made, a redacted final execution copy of document. It shall be the sole responsibility of the City to obtain any consents of the Bank that may be required when providing a copy of the Credit Facility to the Remarketing Agent as required pursuant to this Section 4(e);

(iii) If the City determines that any information in the Rule G-34 Documents is confidential or proprietary, the City shall discuss such information and the potential redaction thereof with the Remarketing Agent and its counsel to ensure compliance with Rule G-34(c); and

(iv) In the event that the City does not provide the Remarketing Agent with a copy of a document described in subsection (i) above, the Remarketing Agent may file a notice with the SHORT System that such document will not be provided at such times as specified by the MSRB and in the SHORT System Users Manual.

Section 5. Conditions to the Remarketing Agent's Obligations. The obligations of the Remarketing Agent under this Remarketing Agreement are subject to the following conditions:

(a) The Bond Ordinance, this Remarketing Agreement and the Liquidity Facility shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the parties thereto or except as otherwise permitted pursuant to Section 1212 of the Bond Ordinance;

(b) No Event of Default or Default, as appropriate, under the Bond Ordinance or the Liquidity Facility shall have occurred and be continuing and no event shall have occurred and be continuing which, with the passage of time or the giving of notice, or both, would constitute such an Event of Default or Default;

(c) No event shall have occurred which, in the opinion of nationally recognized bond counsel satisfactory to the City, has the effect of adversely affecting the exclusion from gross income of interest on the Bonds for Federal income tax purposes; and

(d) No event shall have occurred which, in the opinion of securities counsel satisfactory to the Remarketing Agent, requires registration or qualification of the Bonds or the Bond Ordinance under any Federal or state securities laws.

Section 6. Representations.

(a) The City represents and warrants that:

(i) The City is duly created and existing under Article XX, Section 6 of the Colorado Constitution and the Charter of the City;

(ii) The City has full power and authority to take all actions required or permitted to be taken by it by or under, and to perform and observe the covenants and agreements on its part contained in, the Bond Ordinance, this Agreement and the Liquidity Facility;

(iii) The Bonds have been duly authorized, executed, issued and delivered and, assuming due authentication by the Paying Agent, constitute valid and binding obligations of the City in accordance with their terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law) and are entitled to the benefits of the Bond Ordinance;

(iv) The Liquidity Facility has been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery by the other parties thereto, constitutes a valid and binding obligation of the City enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law);

(v) This Remarketing Agreement has been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery by the Remarketing Agent, constitutes the valid and binding obligation of the City enforceable in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law); and

(vi) The acceptance of this Remarketing Agreement, the adoption of the Bond Ordinance and the execution and delivery of the Bonds and the Liquidity Facility and compliance with the provisions thereof do not and shall not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, court decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is subject, or by which it is bound, nor shall any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever or under the terms of any such law, regulation or instrument, except, in all such cases, as provided by the Bonds and the Bond Ordinance.

(b) The Remarketing Agent represents and warrants to the City as follows:



(i) The Remarketing Agent has been duly organized and is validly existing and in good standing under the laws of the state of its organization and is qualified and in good standing in all states and has all licenses necessary for it to perform its obligations hereunder and is a member of the National Association of Securities Dealers, Inc.;

(ii) The Remarketing Agent has full power and authority to take all action required to be taken by it by or under, and to perform and observe the covenants and agreements on its part contained in, this Remarketing Agreement and the Bond Ordinance;

(iii) The Remarketing Agent has, on or before the date hereof, duly taken all action necessary to be taken by it prior to such date for the execution, delivery and performance of this Remarketing Agreement and the carrying out, giving effect to and the consummation and performance of the transactions and obligations contemplated hereby and by the Bond Ordinance;

(iv) This Remarketing Agreement has been duly authorized, executed and delivered by the Remarketing Agent and, assuming due authorization, execution and delivery by the City, constitutes a valid and binding obligation of the Remarketing Agent enforceable against the Remarketing Agent in accordance with its terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law); and

(v) The execution and delivery of this Remarketing Agreement, the compliance with the terms, conditions and provisions hereof, and the consummation of the transactions herein contemplated do not violate any law, regulation, order, writ, injunction or decree of any court or governmental instrumentality applicable to the Remarketing Agent.

Section 7. Dealing in Bonds by the Remarketing Agent. The Remarketing Agent, in its individual capacity, either as principal or agent, may in good faith buy, sell, own, hold and deal in any of the Bonds, and may join in any action which any Owner of Bonds tendered for purchase may be entitled to take with like effect as if it did not act in any capacity hereunder. The Remarketing Agent, in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with the City and may act as depository, trustee or agent for any committee or body of holders of Bonds or other obligations of the City as freely as if it did not act in any capacity hereunder.

Section 8. Depository Procedures Control. While a book-entry system with a Depository is in place, the procedures of the Depository governing the optional tender of the Bonds during the Weekly Interest Rate Mode shall apply.

Section 9. Fees and Expenses. For so long as the Bonds bear interest at a Weekly Interest Rate, the City shall pay the Remarketing Agent an ongoing remarketing fee of 0.06% of the then Outstanding principal amount of Bonds multiplied by a fraction the numerator of which is the actual number of days elapsed since the last payment date, or with respect to the first payment date, the date of issuance of the Bonds, and the denominator of which is 365, or

366, as applicable, payable in arrears on each February 1, May 1, August 1 and November 1, and, without duplication, the date of termination of this Remarketing Agreement, with the first such payment being made on November 1, 2014. When Bonds are remarketed in connection with the conversion of the interest rate to a rate other than the Weekly Interest Rate, the City and the Remarketing Agent will agree on a fee. The fees payable under this Section shall be payable in immediately available funds at the Remarketing Agent's office at Barclays Capital, 745 7th Avenue, 2<sup>nd</sup> Floor, New York, NY 10019, Attention: Peter Joyce, or at such other address as the Remarketing Agent may provide in writing. Any fees due from the City hereunder which are not paid when due shall continue to accrue and be an obligation of the City until paid.

Section 10. Responsibilities of Remarketing Agent. The duties of the Remarketing Agent hereunder shall be solely as provided herein and in the Bond Ordinance, and no implied covenant or obligation shall be read into this Remarketing Agreement against it. Unless otherwise agreed to in writing, the Remarketing Agent's obligations hereunder to remarket the Bonds shall be on a best-efforts basis, and the Remarketing Agent shall not be obligated to underwrite the Bonds tendered for repurchase as provided in the Bond Ordinance, and nothing contained herein shall be construed so as to make the Remarketing Agent an underwriter of the Bonds. The Remarketing Agent may consult with counsel of its choice, including in-house counsel, and shall not be liable for any action taken in good faith and reliance upon advice of such counsel, except for liabilities, losses, damages, costs, expenses and fees arising out of the gross negligence or willful misconduct of the Remarketing Agent or any of its employees or agents. Except as otherwise provided herein, the Remarketing Agent may act or refrain from acting in reliance upon any resolution or other document transmitted to it on behalf of the City, the Paying Agent or the Tender Agent, if executed on behalf of such entity by any duly authorized representative thereof.

Notwithstanding the foregoing or any other provisions of this Remarketing Agreement, the Bond Ordinance or the Liquidity Facility, the Remarketing Agent exercises its own independent judgment in connection with its rights and duties as Remarketing Agent, which include but are not limited to: (i) the duty to set the interest rates applicable to the Bonds pursuant to the terms and provisions of this Remarketing Agreement and the Bond Ordinance, and (ii) the duty to utilize its best efforts to remarket tendered Bonds under the terms and provisions of this Remarketing Agreement and the Bond Ordinance. The Remarketing Agent has the right to purchase and sell bonds for its own account and may in its own discretion, but is not obligated to, tender any Bonds it has purchased for its own account to the Tender Agent. While exercising these rights and duties, the Remarketing Agent does not act at the direction of any of the City, the Paying Agent, the Tender Agent or the Bank except as otherwise expressly provided in this Remarketing Agreement and the Bond Ordinance.

Section 11. Resignation; Removal of Remarketing Agent; Successor Remarketing Agent. The Remarketing Agent may at any time resign and be discharged of the duties and obligations created by this Remarketing Agreement by giving at least 30 days' notice of such resignation to the City, the Tender Agent, the Bank and the Paying Agent. Notwithstanding the foregoing, the Remarketing Agent shall remain the Remarketing Agent hereunder until a successor is named, so long as the City is not in default in the payment of any fees or expenses of the Remarketing Agent under this Remarketing Agreement, or the Remarketing Agent is not prohibited by law or regulation from performing the duties of

Remarketing Agent hereunder. The Remarketing Agent may be removed at any time by the City with the written consent of the Bank, which consent shall not be unreasonably withheld. To effect such removal, the City shall give at least 30 days' notice of such removal to the Remarketing Agent, the Tender Agent, the Bank and the Paying Agent.

In addition to the provisions set forth above, the Remarketing Agent may terminate its obligations under this Remarketing Agreement at any time by notifying the Paying Agent, the Tender Agent, the Bank and the City in writing or by telegram, telecopy or other electronic communication of its election to do so, upon the occurrence of any of the following events:

(a) Legislation shall be enacted or a decision by a court established under Article III of the Constitution of the United States, or the Tax Court of the United States, shall be rendered or a ruling, regulation or order of the Treasury Department of the United States or the Internal Revenue Service shall be made having the purpose or effect of imposing Federal income taxation, or any other event shall have occurred which results in the imposition of Federal income taxation, upon interest received on the Bonds, provided that collateral tax consequences of owning the Bonds shall not be considered as an imposition of Federal income taxation upon the interest on the Bonds;

(b) Legislation shall be enacted or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of the United States Securities and Exchange Commission or other governmental agency having jurisdiction of the subject matter shall be made, to the effect that the remarketing of obligations of the general character of the Bonds, as contemplated hereby, is or would be in violation of any provision of the Securities Act of 1933, as amended and as then in effect or the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect, or with the purpose or effect of otherwise prohibiting the remarketing of obligations of the general character of the Bonds, or the Bonds, as contemplated hereby;

(c) Any information shall have become known, which, in the Remarketing Agent's reasonable opinion, makes untrue, incorrect or misleading in any material respect any material statement or information contained in the Official Statement or causes the Official Statement to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading and upon receipt of notice of the same, the City fails to promptly amend or supplement the Official Statement in a manner which is reasonably acceptable to the Remarketing Agent;

(d) Except as provided in subsections (a) or (b) of this Section, any legislation, resolution, ordinance, rule or regulation shall be enacted by any federal governmental body, department or agency of the United States, or a decision by any court of competent jurisdiction within the United States or the State of Colorado shall be rendered, which, in the Remarketing Agent's reasonable opinion, materially adversely affects the marketability of the Bonds;

(e) A general suspension of trading in securities on the New York Stock Exchange or any other national securities exchange, the establishment of minimum or maximum prices on any such national securities exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any national securities exchange, or any material increase of restrictions now in force (including, with respect to the extension of credit by, or the charge to the net capital requirements of, the Remarketing Agent);

(f) A general banking moratorium shall have been established by federal, New York or Colorado authorities;

(g) A war involving the United States shall have been declared, or any existing conflict involving the armed forces of the United States shall have escalated, or any other national emergency or other calamity or crisis the effect of which on financial markets or to the effective operation of government is such as to make it, in the Remarketing Agent's reasonable opinion, impracticable or inadvisable to proceed with the remarketing of the Bonds;

(h) The short-term rating of the Bonds or the rating of the Bank shall be reduced so that the Bonds are not "Eligible Securities" as defined under Rule 2a-7 of the Investment Company Act of 1940, as amended; or

(i) A material disruption in securities settlement, payment or clearance services shall have occurred.

Upon any resignation or removal of the Remarketing Agent, the Remarketing Agent shall pay over, assign and deliver any moneys and Bonds held by it in such capacity to its successor or, if there is no successor, to the Paying Agent.

In case at any time the Remarketing Agent shall resign and no appointment of a successor Remarketing Agent shall be made pursuant to the foregoing provisions of this Section and the Bond Ordinance prior to the date specified in the notice of resignation as the date when such resignation is to take effect, the Remarketing Agent may forthwith apply to a court of competent jurisdiction for the appointment of a successor Remarketing Agent.

The Remarketing Agent will not be entitled to any compensation from the City or the Paying Agent other than pursuant to Section 9 hereof or shall not have any claim or rights with respect to any property, rights or interests held under this Remarketing Agreement.

Section 12. No Reissuance. It is the express intention of the parties hereto that no purchase, sale or transfer of any Bonds remarketed pursuant to this Remarketing Agreement, and as provided in the Bond Ordinance, shall constitute or be construed to be the extinguishment of any Bonds or the indebtedness represented thereby or the reissuance of any Bonds or the refunding of any indebtedness represented thereby.

Section 13. Remarketing Agent Not Acting as Underwriter. It is understood and agreed by the parties hereto that the Remarketing Agent is only obligated hereunder to use its best efforts to solicit indications of interest on the part of purchasers of any tendered Bonds and is not acting as an underwriter of the Bonds.

Section 14. No Advisory Role. The City acknowledges and agrees that (i) the transactions contemplated by this Remarketing Agreement are an arm's-length commercial transaction between the City and the Remarketing Agent, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Remarketing Agent is not acting as a municipal advisor (as defined in Section 15B(e)(4) of the Securities Exchange Act of 1934, as amended), or an advisor to the City, (iii) the Remarketing Agent has not assumed an advisory responsibility in favor of the City with respect to the transactions contemplated by this Remarketing Agreement or the discussions, undertakings and procedures leading thereto (irrespective of whether the Remarketing Agent, or any affiliates of the Remarketing Agent, has provided other services or is currently providing other services to the City on other matters) and the Remarketing Agent has no obligation to the City except the obligations expressly set forth in this Remarketing Agreement, (iv) the City has consulted with its own legal, financial and other advisors to the extent it deemed appropriate in connection with the transactions contemplated by this Remarketing Agreement, and (v) the Remarketing Agent has financial and other interests that differ from those of the City.

Section 15. Notices. Unless otherwise provided herein, all notices, requests, certificates or other communications hereunder shall be sufficiently given if the same shall be duly mailed by registered or certified mail, return receipt requested, postage prepaid, or delivered by special courier or sent by an electronic method capable of creating written documents, in any case addressed as follows:

If to the City to:

City of Colorado Springs, Colorado  
121 South Tejon Street  
Colorado Springs, Colorado 80903  
Attention: William J. Cherrier, Chief Planning and Finance Officer

With a copy to:

City of Colorado Springs, Colorado  
30 S. Nevada Avenue  
Colorado Springs, Colorado 80903  
Attention: Wynetta Massey, City Attorney

If to the Tender Agent to:

Wells Fargo Bank, National Association  
MAC C7300-107  
1740 Broadway  
Denver, Colorado 80274  
Attention: Corporate Trust and Escrow Services

If to the Paying Agent to:  
Wells Fargo Bank, National Association  
MAC C7300-107  
1740 Broadway  
Denver, Colorado 80274  
Attention: Corporate Trust and Escrow Services

If to the Remarketing Agent to:  
Barclays Capital  
745 7th Avenue, 2<sup>nd</sup> Floor  
New York, New York 10019  
Attention: Peter Joyce

With a copy to:  
Barclays Capital  
745 7th Avenue, 19<sup>th</sup> Floor  
New York, New York 10019  
Attention: Patrick Boyer

If to the Bank to:  
Wells Fargo Bank, National Association  
707 Wilshire Boulevard, 11<sup>th</sup> Floor  
Los Angeles, California 90017  
Attention: Ray Juman

Section 16. Miscellaneous.

(a) This Remarketing Agreement shall be governed by and construed in accordance with the laws of the State of Colorado.

(b) The Remarketing Agent's duties and obligations as Remarketing Agent for the Bonds shall be governed solely by the terms of this Remarketing Agreement and the Bond Ordinance. Any conflict between the terms of the Bond Ordinance and this Remarketing Agreement will be resolved in favor of the Bond Ordinance.

(c) Anything in this Remarketing Agreement or in the Bond Ordinance to the contrary notwithstanding, except as provided herein, the Remarketing Agent shall not be required to advance any of its own funds or otherwise incur financial liabilities in carrying out its duties hereunder.

(d) Any certificate signed by any officer or agent of the City or the Utilities of the City and delivered to the Remarketing Agent shall be deemed a representation by the City to the Remarketing Agent as to the statements made therein.

(e) This Remarketing Agreement may be amended only by written agreement signed by the City and the Remarketing Agent.

(f) This Remarketing Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall constitute an original, but such counterparts together shall constitute but one and the same agreement.

(g) References in this Remarketing Agreement to the Bank shall be effective only so long as the Bank has not defaulted under its obligations with respect to the Liquidity Facility and a Liquidity Facility is required to be in effect pursuant to the provisions of the Bond Ordinance.

Section 17. Term of Remarketing Agreement. Subject to earlier termination in accordance with the terms hereof, this Remarketing Agreement shall terminate on the earlier of (i) the date of payment in full of the Bonds or (ii) or the date the Bonds have been remarketed for a term ending on the last maturity date of the Bonds; provided that the City and the Remarketing Agent shall have fulfilled their obligations hereunder prior to such termination.

Section 18. Parties in Interest; Assignment. This Remarketing Agreement shall be binding upon, and inure to the benefit of, the City and the Remarketing Agent and their respective successors and assigns and will not confer rights upon any other person. This Remarketing Agreement shall not be assignable by either party hereto without the prior written consent of the other party.

Section 19. Limitations on Source of Payment. The Remarketing Agent agrees that any payment made by the City under this Remarketing Agreement shall be payable and collectible solely out of the Gross Pledged Revenues and that the Remarketing Agent may not look to any general or other fund of the City for the payment of such amounts. The obligations of the City hereunder shall not constitute an indebtedness or a debt within the meaning of any constitutional or statutory provision or limitation and the City's obligations hereunder shall not be considered or held to be general obligations of the City but shall constitute its special obligations. None of the covenants, agreements, representations or warranties contained herein, nor the breach thereof, shall ever impose or shall be construed as imposing any liability, obligation or charge against the City (except for Gross Pledged Revenues), or against its general credit, or as payable out of its general fund or out of any funds derived from taxation or out of any other revenue source (except for Gross Pledged Revenues). The full faith and credit of the City is not pledged for the payment of the amounts due under this Remarketing Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Remarketing Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written. Signature of this Remarketing Agreement by the Mayor is undertaken by him in his capacity as head of the City government and as a ministerial function pursuant to Section 4-10 of the Charter of the City.

BARCLAYS CAPITAL INC.,  
as Remarketing Agent

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

CITY OF COLORADO SPRINGS, COLORADO,  
a Colorado political subdivision, for and on behalf  
of Colorado Springs Utilities, an enterprise of the  
City

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
Utilities Chief Executive Officer

By \_\_\_\_\_  
Chair, Board of Directors for Utilities

(SEAL)

Attest:

\_\_\_\_\_  
City Clerk

Approved as to form:

By \_\_\_\_\_  
City Attorney