

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate is executed and delivered by the City of Colorado Springs, Colorado (the “City”) in connection with the issuance of \$_____ aggregate principal amount of the Utilities System Refunding Revenue Bonds, Series 2018A-1, \$_____ aggregate principal amount of the Utilities System Refunding Revenue Bonds, Series 2018A-2; \$_____ aggregate principal amount of the Utilities System Refunding Revenue Bonds, Series 2018A-3, and \$_____ aggregate principal amount of the Utilities System Improvement Revenue Bonds, Series 2018A-4 (collectively the “Bonds”) being issued pursuant to an ordinance (the “Ordinance”) adopted by the City Council of the City on May 22, 2018. The City covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the holders and beneficial owners of the Bonds and in order to assist the Participating Underwriter (as defined in Section 2 hereof) in complying with Rule 15c2-12(b)(5), as amended, of the Securities and Exchange Commission.

Section 2. Definitions. In addition to the definitions set forth in the Ordinance, or parenthetically defined herein, which apply to any capitalized terms used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms will have the following meanings:

“Annual Financial Information” means the financial information or operating data with respect to the City and the Utilities of the type contained in the Official Statement in the following portions: under (i) “COLORADO SPRINGS UTILITIES” the sections entitled “Nature of the Utilities,” “Summary of Operations,” “Outstanding Utilities Revenue Bonds and Other Obligations,” “Interest Rate Swap Agreements—Summary of Current Swap Agreements” and “Debt Service Coverage”; (ii) “THE ELECTRIC SYSTEM,” the sections entitled “Electric Rates,” “Electric System Sales and Revenues” and “System Capability”; (iii) “THE WATER SYSTEM,” the sections entitled “Water Rates and Development Charges,” “Water Sales and Revenues” and “Water Supply and Raw Water Delivery”; (iv) “THE WASTEWATER SYSTEM,” the sections entitled “Wastewater Rates” and “Wastewater Revenues”; and (v) “THE GAS SYSTEM,” the sections entitled “Gas Rates,” “Gas Sales and Revenues” and “Gas Price Hedge Program.”

“Audited Financial Statements” means the Utilities’ annual financial statements, prepared in accordance with Sections 827 and 828 of the Ordinance.

“Dissemination Agent” means, initially, the City, or any successor Dissemination Agent designated in writing by the City and which has filed with the City a written acceptance of such designation.

“Listed Events” means any of the events listed in Section 4 of this Disclosure Certificate.

“MSRB” shall mean the Municipal Securities Rulemaking Board. As of the date hereof, the MSRB’s required method of filing is electronically via its Electronic Municipal Market Access (EMMA) system available on the Internet at <http://emma.msrb.org>.

“Official Statement” means the Final Official Statement dated _____, 2018 relating to the Bonds.

“Participating Underwriter” means the original underwriters of the Bonds required to comply with the Rule in connection with an offering of the Bonds.

“Rule” means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

Section 3. Provision of Annual Financial Information and Audited Financial Statements.

(a) Commencing with respect to the fiscal year ended December 31, 2018 and annually thereafter, the City will, or will cause the Dissemination Agent to, provide the Annual Financial Information and the Audited Financial Statements to the MSRB. Such Annual Financial Information will be provided to the MSRB on or before May 1 of each year or, in the event of a change in the fiscal year of the City, on or before 120 days after the end of the fiscal year, and such Audited Financial Statements will be provided to the MSRB annually reasonably promptly after receipt by the City. Not later than five (5) business days prior to said dates, the City will provide the Annual Financial Information or Audited Financial Statements, as the case may be, to the Dissemination Agent (if other than the City).

(b) The City may provide Annual Financial Information and Audited Financial Statements by specific reference to documents which are available to the public on the MSRB’s Internet Web Site or filed with the Securities and Exchange Commission.

(c) If the City is unable to provide to the MSRB the Annual Financial Information and Audited Financial Statements by the dates required in subsection (a) of this Section, the City will send a notice to the MSRB, in substantially the form attached as Exhibit A.

(d) The Dissemination Agent will:

(1) determine each year, prior to the dates for providing the Annual Financial Information and Audited Financial Statements, the electronic format prescribed by the MSRB;

(2) if the Dissemination Agent is other than the City, send written notice to the City at least 45 days prior to the dates the Annual Financial Information or the Audited Financial Statements, as the case may be, are due stating that the Annual Financial Information or the Audited Financial Statements, as the case may be, are due as provided in Section 3(a) hereof; and

(3) if the Dissemination Agent is other than the City, file a report with the City certifying the Annual Financial Information and Audited Financial Statements have been provided pursuant to this Disclosure Certificate, stating the dates they were provided and listing all the entities to which they were provided.

Section 4. Reporting of Significant Events. The City will provide or cause to be provided notice of any of the following events with respect to the Bonds in a timely manner to the MSRB not in excess of ten business days after the occurrence of the event:

(a) Principal and interest payment delinquencies;

(b) Non-payment related defaults, if material;

(c) Unscheduled draws on debt service reserves reflecting financial difficulties;

(d) Unscheduled draws on credit enhancements reflecting financial difficulties;

(e) Substitution of credit or liquidity providers, or their failure to perform;

(f) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701- TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(g) Modifications to rights of Bondholders, if material;

(h) Bond calls (other than mandatory sinking fund redemptions), if material, and tender offers;

(i) Defeasances;

(j) Release, substitution or sale of property securing repayment of the Bonds, if material;

(k) Rating changes;

(l) Bankruptcy, insolvency, receivership or similar event of the City;*

(m) The consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; or

(n) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

Section 5. Electronic Format and Identifying Information. All documents provided to the MSRB pursuant to this Disclosure Certificate shall be in an electronic format as prescribed by the MSRB and shall be accompanied by identifying information as prescribed by the MSRB.

Section 6. Termination of Reporting Obligation. The City's obligations under this Disclosure Certificate will terminate upon the earliest of: (i) the date of legal defeasance, prior redemption or payment in full of all of the Bonds; (ii) the date that the City will no longer constitute an "obligated person" within the meaning of the Rule; or (iii) the date on which those portions of the Rule which require this written undertaking are held to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Bonds.

Section 7. Dissemination Agent. The City may, from time to time, appoint or engage a Dissemination Agent to assist the City in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure

* For purposes of the event identified in Section 4(l), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

Certificate may be waived, without the consent of the holders of the Bonds, if such amendment or waiver does not, in and of itself, cause the undertakings herein (or action of any Participating Underwriter in reliance on the undertakings herein), in the opinion of the Utilities' bond counsel, to violate the Rule, but taking into account any subsequent change in or official interpretation of the Rule. The City will provide notice of such amendment or waiver to the MSRB.

Section 9. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate, any holder or beneficial owner of the Bonds may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate will not be deemed an event of default under the Ordinance, and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate will be an action to compel performance.

Section 10. Beneficiaries. This Disclosure Certificate will inure solely to the benefit of the City, the Dissemination Agent, the Participating Underwriter and the holders and beneficial owners from time to time of the Bonds, and will create no rights in any other person or entity.

Dated as of _____, 2018.

CITY OF COLORADO SPRINGS, COLORADO

By _____
Chief Planning and Finance Officer,
Colorado Springs Utilities

EXHIBIT A

**NOTICE TO MUNICIPAL SECURITIES RULEMAKING BOARD OF FAILURE TO FILE
ANNUAL FINANCIAL INFORMATION OR AUDITED FINANCIAL STATEMENTS**

Name of Issuer: City of Colorado Springs, Colorado

Name of Issue: Utilities System Refunding Revenue Bonds, Series 2018A-1 in the aggregate principal amount of \$_____ ; Utilities System Refunding Revenue Bonds, Series 2018A-2 in the aggregate principal amount of \$_____ ; Utilities System Refunding Revenue Bonds, Series 2018A-3 in the aggregate principal amount of \$_____ ; and Utilities System Improvement Revenue Bonds, Series 2018A-4 in the aggregate principal amount of \$_____ .

Date of Issuance: _____ , 2018.

NOTICE IS HEREBY GIVEN that the City has not provided the [Annual Financial Information/Audited Financial Statements] with respect to the above Bonds as required by Section 831 of the ordinance of the City authorizing the issuance of the above Bonds and the Continuing Disclosure Certificate dated _____ , 2018 of the City. The City anticipates that the [Annual Financial Information/Audited Financial Statements] will be filed by _____ .

Dated: _____ , _____

CITY OF COLORADO SPRINGS, COLORADO

By _____
Chief Planning and Finance Officer,
Colorado Springs Utilities