

LOAN AGREEMENT

by and between

**COPPER RIDGE METROPOLITAN DISTRICT
(IN THE CITY OF COLORADO SPRINGS)
EL PASO COUNTY, COLORADO**

as District

and

NBH BANK

as Lender

Dated _____, 2023

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LOAN AGREEMENT

THIS LOAN AGREEMENT (this “**Agreement**”) is made and entered into on _____, 2023, by and between **COPPER RIDGE METROPOLITAN DISTRICT** (the “**District**”), a quasi-municipal corporation and political subdivision of the State of Colorado, and **NBH BANK**, in its capacity as lender (the “**Lender**”).

RECITALS

WHEREAS, capitalized terms used and not defined in these Recitals shall have the meaning assigned to them in Article I hereof; and

WHEREAS, the District is a quasi-municipal corporation and political subdivision of the State of Colorado, duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado (all capitalized terms used and not otherwise defined herein shall have the respective meanings assigned in Article I hereof); and

WHEREAS, the District was created for the purpose of providing certain public improvements and services to and for the benefit of the properties within the District in accordance with Article 1 of the Special District Act; and

WHEREAS, pursuant to Section 32-1-1101(1), C.R.S., the District is authorized to incur indebtedness for the acquisition, construction, relocation, installation or completion of improvements and facilities to carry out the purposes of the District; and

WHEREAS, the District is governed by a Service Plan for Copper Ridge Metropolitan District approved by the City Council for the City of Colorado Springs, Colorado (the “**City**”) on March 11, 2008 (as it may be amended from time to time, the “**Service Plan**”); and

WHEREAS, at an Election of the eligible electors of the District, duly called and held on November 5, 2019 (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 indebtedness and the imposition of taxes for the payment thereof, for the purpose of providing certain improvements and facilities (as more particularly defined herein, the “**Public Improvements**”); and

WHEREAS, prior to the District’s availability of funding therefor, Copper Ridge Development Inc. (the “**Developer**”) funded on behalf of, or advanced to, the District, moneys for the purpose of paying the costs of Public Improvements, and the District and the Developer entered into a Reimbursement Agreement dated effective October 29, 2013 (the “**Reimbursement Agreement**”), for the purpose of evidencing the District’s repayment obligations with respect thereto; and

WHEREAS, for the purpose of refunding certain indebtedness of the District and providing for the reimbursement of amounts outstanding under the Reimbursement Agreement, or otherwise to directly fund capital costs of Public Improvements, the District and the Lender previously entered into a Loan Agreement dated July 15, 2016, as amended by the First Amendment to Loan Agreement dated September 18, 2017, by the Second Amendment to Loan

Agreement dated February 20, 2018, and by the Third Amendment to Loan Agreement dated as of March 4, 2021 (as it may be further amended from time to time, the “**2016 Loan Agreement**”), pursuant to which the Lender advanced to the District a term loan in the principal amount of \$11,250,000 (the “**2016 Loan**”), currently outstanding in the principal amount of \$8,615,000; and

WHEREAS, for the purpose of funding additional costs of Public Improvements, the District and the Lender previously entered into a Loan Agreement dated as of February 20, 2018, as amended by the First Amendment to Loan Agreement dated as of March 4, 2021 (as it may be further amended from time to time, the “**2018 Loan Agreement**”), pursuant to which the Lender advanced to the District a term loan in the principal amount of \$6,000,000 (the “**2018 Loan**”), currently outstanding in the principal amount of \$5,005,000; and

WHEREAS, the Developer and the District entered into the Reimbursement Agreement dated January 26, 2021 (the “**2021 Reimbursement Agreement**”), pursuant to which, among other things, the District agreed to reimburse the Developer for advances made or to be made to the District for purposes of constructing the Public Improvements and for costs of Public Improvements constructed by the Developer and accepted by the District, subject to the terms and conditions of the 2021 Reimbursement Agreement; and

WHEREAS, for the purpose of financing the costs of certain Public Improvements, the District and the Lender previously entered into a Loan Agreement dated March 4, 2021 (as it may be further amended from time to time, the “**2021 Loan Agreement**”), pursuant to which the Lender advanced to the District a draw down loan in the maximum principal amount of \$6,000,000 (the “**2021 Loan**”), currently outstanding in the principal amount of \$5,875,000; and

WHEREAS, the Board of Directors of the District (the “**Board**”) has determined that it is in the best interests of the District, its inhabitants and taxpayers, to fund a portion of the costs of the Project and, for such purpose, the District has requested that the Lender make a term loan to the District, which shall be secured by and payable from the Parity Pledged Revenue on a parity basis with the 2016 Loan, the 2018 Loan and the 2021 Loan (collectively, the “**Prior Loans**”) and any other Parity Debt of the District, and additionally secured by the PPRTA Tax Revenue received by the District pursuant to the PPRTA Agreement which PPRTA Tax Revenue shall not secure the Prior Loans, but may be pledged to secure future Parity Debt; and

WHEREAS, the Lender has agreed, subject to the terms and conditions of this Agreement and the other Financing Documents, to make such additional loan to the District in the principal amount of \$[] (the “**Loan**”) for the purposes of funding: (i) the Project; (ii) capitalized interest on the Loan; (iii) the 2023 Reserve Fund for the Loan to the 2023 Reserve Requirement, and (iv) the costs of issuance relating to the incurrence of the Loan; and

WHEREAS, the Loan will be evidenced by the issuance of the Note; and

WHEREAS, the transactions contemplated by this Agreement, including the execution and delivery by the District of the Note, are intended to be loans for commercial purposes and are not intended to be investments in a business enterprise; and

WHEREAS, the principal amount of the Loan shall be allocated to the District’s electoral authorization in accordance with the use of net proceeds of the Loan, as indicated in project requisitions submitted in accordance with this Agreement (which shall be subject to the limitations of the Election), with that portion of the principal amount of the Loan that funded capitalized interest, the 2023 Reserve Fund and costs of issuance to be allocated to infrastructure categories provided in the Election in accordance with the percentage of total net proceeds allocated to each such category, and taking into account the prior allocation of the principal amounts of the 2016 Loan, the 2018 Loan, the 2019 Bonds and the 2021 Loan as set forth below, after issuance of the Bonds the District will have the following remaining authorized but unissued indebtedness from the Election; and

Commented [A1]: Need to add references to the other elections b/c their electoral authorization was used below too

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| <u>Purpose</u> | <u>Authorized Principal Amount</u> | <u>Amounts Allocated to the 2019 Bonds</u> | <u>Amounts Allocated to the Loan</u> | <u>Remaining Authorization</u> |
|---------------------------------------|------------------------------------|--|--------------------------------------|--------------------------------|
| Water | | | | |
| Sanitation | | | | |
| Streets | | | | |
| Traffic and Safety | | | | |
| Parks and Recreation | | | | |
| Transportation | | | | |
| Television Relay and Translation | | | | |
| Mosquito Control | | | | |
| Security | | | | |
| Fire Protection and Emergency Medical | | | | |
| Refunding | | | | |

WHEREAS, the Service Plan limits the principal amount of Debt (as defined in the Service Plan) that may be issued by the District to \$85,000,000 (excepting therefrom Debt issued for the purpose of refunding or refinancing lawfully issued Debt); and

WHEREAS, the aggregate principal amount of the Bonds allocated to funding or reimbursing an additional portion of the Project, when combined with the aggregate principal amount of the Series 2019A Senior Bonds, the Series 2019B Subordinate Bonds and the Series 2019C Junior Lien Bonds, will not exceed \$45,000,000; and

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WHEREAS, all of the property located within the boundaries of the District is located within the boundaries of an area (the “**Urban Renewal Area**”) that is described by, and subject to, the Copper Ridge at Northgate Urban Renewal Plan approved by the City on May 11, 2010, and recorded on May 19, 2010 at reception number 21004077 of the El Paso County, Colorado records (the “**Urban Renewal Plan**”) and, as a result, during the TIF Period, a portion of the Parity Pledged Revenue comprised of the Debt Service Tax Increment Revenue (resulting from the imposition of ad valorem property taxes by the District) is payable to The Colorado Springs Urban Renewal Authority (the “**Authority**”) in accordance with the Urban Renewal Law; and

WHEREAS, notwithstanding the foregoing, the District, the Authority, and the Developer have entered into an Urban Renewal Agreement for Redevelopment of Copper Ridge at Northgate Property dated September 25, 2013, as amended by the First Amendment dated as of February 25, 2015 and the Second Amendment dated as of February 27, 2019 (as further

amended or supplemented from time to time referred to herein as the “**Redevelopment Agreement**”), pursuant to which the Authority has agreed to cause such Debt Service Tax Increment Revenue to be paid to the District, in accordance with the provisions thereof; and

WHEREAS, after the TIF Period, all of the moneys generated from the Limited Mill Levy (net of costs of collection) will be remitted to the District; and

WHEREAS, in connection with the execution and delivery of this Agreement, and in satisfaction of a condition to the funding by the Lender of the Loan, the District has determined to pledge to the payment of the Loan, on a parity basis with the Prior Loans and any other Parity Debt, the Parity Pledged Revenue; and

WHEREAS, the Loan, evidenced by the Note, shall be incurred by the District pursuant to the provisions of Title 32, Article 1, Part 11, C.R.S., the Service Plan, and all other laws thereunto enabling; and

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

WHEREAS, the incurrence of the Loan and the issuance of the Note evidencing the same shall not involve a public offering, and shall be made exclusively with the Lender or other “accredited investors,” as that term is defined under sections 3(b) and 4(2) of the Securities Act of 1933, as amended, by regulation adopted thereunder by the U.S. Securities and Exchange Commission, and as a result the Loan will be exempt from registration under the Colorado Municipal Bond Supervision Act, being Title 11, Article 59, C.R.S.; and

WHEREAS, the Loan is being issued only to “financial institutions or institutional investors” as such terms are defined in Section 32-1-103(6.5), C.R.S., and, therefore, the debt represented by the Loan is permitted pursuant to the provisions of Section 32-1-1101(6)(a)(IV), C.R.S.; and

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the parties hereto agree as follows.

ARTICLE I

DEFINITIONS

In this Agreement, except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below. These definitions shall be equally applicable to both the singular and the plural forms of the terms so defined.

“*2016 Loan*” has the meaning assigned to it in the Recitals.

“*2016 Loan Agreement*” has the meaning assigned to it in the Recitals.

“*2016 Note*” means the Tax-Exempt Promissory Note issued by the District to the Lender

on July 15, 2016, which evidences the 2016 Loan.

“2018 Loan” has the meaning assigned to it in the Recitals.

“2018 Loan Agreement” has the meaning assigned to it in the Recitals.

“2018 Note” means the Copper Ridge Metropolitan District Promissory Note issued by the District to the Lender on February 20, 2018, which evidences the 2016 Loan.

“2021 Loan” has the meaning assigned to it in the Recitals.

“2021 Loan Agreement” has the meaning assigned to it in the Recitals.

“2021 Note” means Copper Ridge Metropolitan District Promissory Note issued by the District to the Lender on March 4, 2021, which evidences the 2021 Loan.

“2023 Project Account” means the account by that name established pursuant to the provisions of Section 3.01 hereof within the Project Fund.

“Annual Historical Pledged PIF Revenue” means the total amount of all Pledged PIF Revenue received by or on behalf of the District in the immediately preceding twelve (12) full calendar months.

“Annual Historical PPRTA Tax Revenue” means the total amount of all PPRTA Tax Revenue received by or on behalf of the District in the immediately preceding twelve (12) full calendar months.

“Annual Projected Pledged PIF Revenue” means, with respect to any Mill Levy Certification Date, the amount of Pledged PIF Revenue projected to be received in the immediately succeeding calendar year for purposes of determining the Limited Mill Levy to be imposed on such Mill Levy Certification Date, as set forth in a certificate of the District executed by the Authorized Person on such date, provided that such amount shall not exceed an amount equal to 85% of the Annual Historical Pledged PIF Revenue for such Mill Levy Certification Date. It is acknowledged that the Annual Projected Pledged PIF Revenue may be less than the amount of Pledged PIF Revenue actually anticipated to be received in such calendar year by the District, and the full amount of Pledged PIF Revenue actually received is pledged hereunder to the payment of the Loan (on parity with the Prior Loans any other Parity Debt) until released from such lien in accordance with the provisions hereof.

“Annual Projected PPRTA Tax Revenue” means, (i) with respect to the Mill Levy Certification Date occurring in December of 2024, 25% of the amount of PPRTA Tax Revenue reasonably projected by the Board to be received by the District in 2025 and (ii) with respect to any subsequent Mill Levy Certification Date, the amount of PPRTA Tax Revenue projected to be received in the immediately succeeding calendar year for purposes of determining the Limited Mill Levy to be imposed on such Mill Levy Certification Date, as set forth in a certificate of the District executed by the Authorized Person on such date, provided that such amount shall not exceed 50% of the Annual Historical PPRTA Tax Revenue for such Mill Levy Certification Date.

“*Authorized Denominations*” means \$100,000 and any integral multiple in excess thereof.

“*Authorized Person*” means the President of the Board or any designee thereof, and also means any other individual authorized by the Board to act as an Authorized Person hereunder, provided that the District has provided specimen signatures for such Authorized Person(s) to the Lender.

“*Authorizing Resolution*” means the resolution adopted by the Board on _____, 2023, authorizing the District to, among other things, incur the indebtedness of the Loan and execute and deliver the Note and this Agreement.

“*Base Rate*” means an interest rate of _____% per annum.

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

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

“*Capitalized Interest Account*” means the account by that name established pursuant to the provisions of Section 3.01 hereof within the Project Fund.

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

“*Closing*” means the concurrent execution and delivery of the Note, the Agreement, and the other Financing Documents by the respective parties thereto and the issuance and disbursement of the Loan and application of the proceeds thereof in accordance with Section 2.02(a) hereof.

“*Closing Date*” means the date on which the Closing occurs, _____, 2023.

“*Closing Memorandum*” means the closing memorandum, dated as of the Closing Date, setting forth the disbursement of the proceeds of the Loan, including the application of such funds to payment of [a portion of the Project Costs], funding capitalized interest, Reserve Fund deposit and the costs, expenses and fees incurred in connection with the issuance of the Loan.

“*Code*” means the Internal Revenue Code of 1986, as amended, and the rules and regulations promulgated thereunder.

“*Community Banks of Colorado*” means Community Banks of Colorado, a division of NBH Bank, a Colorado state-chartered bank.

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

“*County Assessor*” means the assessor of El Paso County, Colorado.

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

“*Debt*” means multiple fiscal year obligations of the District secured by a pledge of ad valorem property taxes of the District (including tax increment revenues payable to the District under the Redevelopment Agreement in accordance with the provisions thereof) or any part of the Parity Pledged Revenue or any part of the PPRTA Tax Revenue.

“*Debt Service Base Property Tax Revenue*” the ad valorem property taxes produced by the Limited Mill Levy required to be imposed by the District in accordance with the provisions hereof upon all taxable property within the District, net of costs of collection, but excluding Debt Service Tax Increment Revenue.

“*Debt Service Tax Increment Revenue*” the ad valorem property taxes produced by the Limited Mill Levy required to be imposed by the District in accordance with the provisions hereof upon that portion of the valuation for assessment of all taxable property of the District which is in excess of the Property Tax Base Amount, net of costs of collection and any administrative fee due to the Authority in accordance with the Redevelopment Agreement.

“*Default*” means an event, act or occurrence which, with the giving of notice or the lapse of time (or both), would become an Event of Default.

“*Default Rate*” means a rate per annum equal to the sum of the Base Rate plus 4.00%.

“*Developer*” means Copper Ridge Development, Inc., a Colorado corporation, and its successors and assigns.

“*District*” means Copper Ridge Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado duly organized and existing as metropolitan district under the laws of the State of Colorado, and any successor or assign thereof.

“*District Accountant*” means CliftonLarsonAllen or such other firm with recognized expertise in providing accounting services to special metropolitan districts as may be selected by the District, provided that the District has provided written notice to the Lender of selection of a new District Accountant.

“*Election*” means the authorizing debt election held within the District on November 5, 2019.

“*Engineer*” means an engineering firm selected by the District which is qualified and licensed in the State of Colorado and which has experience in the design, construction and certification of public improvements of similar type and function as those authorized to be financed by the District.

“*Estimated Loan Requirements*” means, with respect to any calendar year an amount equal to the sum of the following with respect to such calendar year:

(a) With respect to the Loan, the interest coming due on the Loan less the amount on deposit in the Capitalized Interest Account (at the time of certification of the Limited Mill Levy), it being the intent that such amounts shall be applied to pay interest on the Loan before application of any Pledged Revenue;

(b) With respect to the Prior Loans, the Loan, and any Parity Debt, the principal and interest coming due on the Prior Loans, the Loan and Parity Debt, less (1) amounts then on deposit in the Loan Payment Fund (at the time of certification of the Limited Mill Levy, except the amount on deposit in the Capitalized Interest Account), (2) the Annual Projected Pledged PIF Revenue (with respect to the Mill Levy Certification Date for which the Limited Mill Levy is then being determined), provided, however, that

(i) With respect to the Loan, the principal and interest coming due on the Loan shall be further reduced by the amounts on deposit in the Reserve Fund to the extent permitted by subsection (d) of Section 3.05 hereof; and

(ii) With respect to the Prior Loans, the principal and interest coming due on the Prior Loans shall be further reduced by the amounts on deposit in the Prior Loans Reserve Fund to the extent permitted by subsection (d) of Section 3.05 of the 2021 Loan Agreement; and

(c) amount (if any) necessary to replenish the Prior Loans Reserve Fund to the Prior Loans Reserve Requirement and the Prior Loans Reserve Fund to the Reserve Requirement.

“*Event of Default*” has the meaning set forth in Section 7.01 hereof.

“*Excess PIF Revenue*” means that portion of the Pledged PIF Revenue that is not needed to pay principal of and interest on the Prior Loans and the Loan in any Loan Year and is released from the lien of this Agreement and the Prior Loan Agreements in accordance with the provisions hereof and thereof.

“*Financing Documents*” means this Agreement, the Note, the Authorizing Resolution, the Urban Renewal Plan, the Redevelopment Agreement, the PIF Collection Agreement, the PIF Covenant and the PPRTA Agreement.

“*Fiscal Year*” means the twelve (12) months commencing on the first day of January of any calendar year and ending on the last day of December of the same calendar year.

“*Lender*” means NBH Bank, in its capacity as lender of the Loan.

“*Limited Mill Levy*” means 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 Limited Mill Levy Revenue sufficient to pay the Estimated Loan Requirements in the immediately succeeding calendar year, but not in excess of 50 mills; provided however, that:

(i) in the event the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement is or was changed after January 1,

2008, the mill levy maximum provided herein will be increased or decreased to reflect such changes, such increases or decreases to be determined by the District 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

(ii) notwithstanding anything herein to the contrary, in no event may the Limited Mill Levy be established at a mill levy rate 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 Limited 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 Limited Mill Levy shall be reduced to the point that such maximum tax increase is not exceeded.

"Limited Mill Levy Revenue" means, (a) during the TIF Period, all Debt Service Tax Increment Revenue and all Debt Service Base Property Tax Revenue, and (b) after the TIF Period, all moneys derived by the District from the Limited Mill Levy, net of any costs of collection.

"Loan" means the loan made by the Lender to the District hereunder in the principal amount \$_____.

"Loan Balance" means, as of any relevant date, the sum of the Loan less any payments of principal received by the Lender for application to the Loan as of such date.

"Loan Payment Fund" means the fund by that name established by the provisions of the 2016 Loan Agreement to be administered and maintained by the District, on behalf of the Lender, in the manner and for the purposes set forth in Section 3.04 hereof.

"Loan Year" means the period commencing on December 2 of the applicable year through and including December 1 of the immediately succeeding year.

"Maturity Date" means December 1, 2027.

"Maximum Rate" means 18.00%, the maximum Net Effective Interest Rate permitted by the Election.

"Mill Levy Certification Date" means the date each year on which the Limited Mill Levy is required to be certified in accordance with the provisions hereof.

"Net Effective Interest Rate" means, as of any Payment Date, the total amount of interest accrued hereunder on the Loan from the Closing Date through such Payment Date, divided by the sum of the products derived by multiplying the principal amount of the Loan outstanding by the number of years from the date of this Agreement to the Payment Date (or the date on which such principal amount was actually paid, if earlier); provided that in the event of a conflict between the above calculations and the calculations of net effective interest rate required by law

or by the terms of the District's electoral authorization, the net effective interest rate required by law or by the terms of the District's electoral authorization shall control.

"*Northgate Properties*" means Northgate Properties, LLC, a Colorado limited liability company.

"*Note*" means the Copper Ridge Metropolitan District Promissory Note, Series 2023 evidencing the Loan, issued by the District, as maker, to the Lender, as payee, dated as of the date of issuance, and in substantially the form set forth in Exhibit A attached hereto.

"*Participant*" means one or more commercial banks or other Persons not affiliates of the District.

"*Payment Date*" means June 1 and December 1 of each calendar year, commencing December 1, 2023, and the Maturity Date.

"*Parity Debt*" means obligations of the District secured by all or a portion of the Pledged Revenue on a parity lien basis with the Loan. For purposes of this definition, the Prior Loans shall constitute the Parity Debt hereunder.

"*Parity Pledged Revenue*" means the following:

- (a) the Limited Mill Levy Revenue;
- (b) the portion of the Specific Ownership Taxes allocable to the amount of the Limited Mill Levy;
- (c) all Pledged PIF Revenue; and
- (d) all amounts held in the Loan Payment Fund (including legally available moneys which the District determines, in its sole discretion, to deposit therein) together with investment earnings thereon.

"*Permitted Investments*" means any investment or deposit the Authority is permitted to make under then applicable law.

"*PIF*" means the public improvement fee in the amount of 1.00% as set forth in the PIF Covenant.

"*PIF Collection Agreement*" means a PIF Collection Agreement between the District and CliftonLarsonAllen LLP, as collecting agent, dated as of March 4, 2021, as it may be amended or supplemented from time to time.

"*PIF Covenant*" means, collectively, (a) the Declaration of Covenants Imposing and Implementing Public Improvement Fee recorded September 19, 2012, in the real property records of El Paso County, Colorado at Reception Number 212109234, as supplemented by the Supplement to Declaration of Covenants Imposing and Implementing a Public Improvement Fee recorded April 3, 2018 in the real property records of El Paso County, Colorado at Reception

Number 218037636 and amended by the Correction to Supplement to Declaration of Covenants Imposing and Implementing a Public Improvement Fee recorded March 3, 2021 in the real property records of El Paso County, Colorado at Reception Number 221041357, and (b) the Declaration of Covenants Imposing and Implementing a Public Improvement Fee recorded November 13, 2018, in the real property records of El Paso County, Colorado at Reception Number 218131694.

“*PIF Eligible Costs*” means any cost or expense permitted to be funded from the PIF, in accordance with the PIF Covenant.

“*Person*” means an individual, a corporation, a partnership, an association, a joint venture, a trust, an unincorporated organization or any other entity or organization, including a government or political subdivision or any agency or instrumentality thereof.

“*Pledged PIF Revenue*” means all revenues resulting from the PIF, including all late fees and penalties payable in accordance with the PIF Covenant.

“*Pledged Revenue*” means the following:

- (a) the Parity Pledged Revenue; and
- (b) the PPRTA Tax Revenue.

“*PPRTA Agreement*” means the Powers Boulevard Extension Reimbursement Agreement dated as of ____, 2023 among the Pikes Peak Rural Transportation Authority, the City, the County and the District, as it may be amended or supplemented from time to time.

“*PPRTA Tax Revenue*” means the PPRTA Tax (as defined in the PPRTA Agreement) received by the District or the Lender, as designee of the District, pursuant to the PPRTA Agreement.

“*PPRTA Tax Revenue Fund*” means the fund by that name established by the provisions of Section 3.01 hereof to be administered and maintained by the [Lender- confirm] in the manner and for the purposes set forth in Section 3.06 hereof.

“*Prior Loans*” has the meaning assigned to it in the Recitals.

“*Prior Loans Reserve Fund*” means the fund by that name established pursuant to the provisions of Section 3.01 of the 2021 Loan Agreement, which secures the payment of the Prior Loans and does not secure the Loan.

“*Prior Loans Reserve Requirement*” means the amount required to be maintained on deposit in the Prior Loans Reserve Fund pursuant to the terms of the 2021 Loan Agreement.

“*Project*” means the design, construction and improvement of North Powers Boulevard from Highway 83 to Interstate 25, together with any and all related and ancillary public regional transportation improvements.

“Project Costs” means the District’s costs properly attributable to the construction, acquisition, or other provision of the Project or any part thereof, including without limitation:

- (a) the costs of labor and materials, of machinery, furnishings, and equipment, and of the restoration of property damaged or destroyed in connection with construction work;
- (b) the costs of insurance premiums, indemnity and fidelity bonds, financing charges, bank fees, taxes, or other municipal or governmental charges lawfully levied or assessed;
- (c) administrative and general overhead costs;
- (d) the costs of reimbursing funds advanced by the District in anticipation of reimbursement from Loan proceeds, including any intrafund or interfund loan, and amounts due under any reimbursement agreement or other arrangement with third parties pertaining to the Project;
- (e) the costs of surveys, appraisals, plans, designs, specifications, and estimates;
- (f) the costs, fees, and expenses of printers, engineers, architects, financial consultants, legal advisors, or other agents or employees;
- (g) the costs of publishing, reproducing, posting, mailing, or recording documents;
- (h) the costs of contingencies or reserves;
- (i) the costs of incurring the Loan;
- (j) the costs of amending this Agreement, any resolution or other instrument relating to the Loan or the Project;
- (k) the costs of repaying any short-term financing, construction loans, and other temporary loans, and of the incidental expenses incurred in connection with such loans;
- (l) the costs of acquiring any property, rights, easements, licenses, privileges, agreements, and franchises;
- (m) the costs of demolition, removal, and relocation; and
- (n) all other lawful costs as determined by the Board.

“Project Fund” means the fund by that name established by the provisions of Section 3.01 hereof to be administered and maintained by the Lender in the manner and for the purposes set forth in Section 3.03 hereof.

“*Property Tax Base Amount*” means the amount certified by the Assessor as the valuation for assessment of all taxable property within the Urban Renewal Area last certified by the Assessor prior to the adoption of the Urban Renewal Plan or any modification thereof (\$1,569,080); and provided, however, that in the event of a general reassessment of taxable property in the Urban Renewal Area, the valuation for assessment of taxable property within the Urban Renewal Area shall be proportionately adjusted in accordance with such general reassessment in the manner required by the Colorado Urban Renewal Law, constituting Sections 31-25-101 *et. seq.* of Colorado Revised Statutes, as amended.

“*Public Deposit Protection Act*” means Article 10.5 of Title 11, Colorado Revised Statutes, as amended from time to time.

“*Public Improvements*” means the public improvements and facilities the debt for which was approved at the Election and are authorized by the Service Plan, including without limitation necessary or appropriate equipment.

“*Redevelopment Agreement*” means the Urban Renewal Agreement for Redevelopment of Copper Ridge at Northgate Property dated September 25, 2013, among the District, the Authority, and the Developer, as amended by the First Amendment to the Urban Renewal Agreement for Redevelopment of Copper Ridge at Northgate Property dated February 25, 2015, and the Second Amendment to the Urban Renewal Agreement for Redevelopment of Copper Ridge at Northgate Property dated as of February 27, 2019, as the same may be further amended or supplemented from time to time.

“*Reserve Fund*” means the fund by that name established by the provisions of Section 3.01 hereof to be administered and maintained by the Lender in the manner and for the purposes set forth in Section 3.05 hereof.

“*Reserve Requirement*” means \$100,000.

“*Special Counsel*” means Ballard Spahr LLP, Denver, Colorado, or such other attorneys selected by the District with nationally recognized expertise in the issuance of tax-exempt debt.

“*Special District Act*” means Title 32, Section 32-1-101 *et seq.* Colorado Revised Statutes, as amended.

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

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

“*TIF Period*” means a period of time during which the Authority is entitled to receive, pursuant to the Urban Renewal Law and the Urban Renewal Plan, the ad valorem property taxes produced by the Limited Mill Levy from that portion of the valuation for assessment of all taxable property of the District which is in excess of the Property Tax Base Amount.

“*Urban Renewal Law*” means Section 31-25-101 *et seq.*, C.R.S.

“Urban Renewal Plan” has the meaning assigned to it in the Recitals.

Section 1.01. Interpretation. In this Agreement, unless the context otherwise requires:

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

(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 Agreement, 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 Agreement;

(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.

ARTICLE II

LOAN TERMS, FEES, APPLICATION OF PROCEEDS

Section 2.01. Loan in General.

(a) **Agreement to Make a Loan.** Subject to the satisfaction of all conditions precedent set forth in Section 4.01 hereof, the Lender hereby agrees to fund on the Closing Date the Loan to the District in the original principal amount of \$[] subject to the terms and conditions of this Agreement. The Loan shall be evidenced by the Note, which shall be issued to the Lender. The Note shall be issued in Authorized Denominations and delivered via physical delivery to the Lender on the Closing Date.

(b) **Application of Loan Proceeds.** On the Closing Date, the Lender will make available the proceeds of the Loan and such moneys shall be applied as follows:

(i) the amount of \$ _____ shall be credited to the 2023 Account of the Project Fund;

(ii) the amount of \$ _____ shall be credited to the Capitalized Interest Account of the Project Fund; and

(iii) the amount of \$_____ shall be disbursed to the District to be applied by the District to the payment of fees, costs, and expenses incurred in connection with the issuance of the Loan in the amounts set forth in the Closing Memorandum.

Section 2.02. Interest Rate; Interest Payments; Principal Payments.

(a) ***Interest Rates.*** The Loan Balance will bear interest at the Base Rate unless the Default Rate applies pursuant to the terms of this Section. All interest due and payable under this Agreement shall be calculated on the basis of a 360-day year of twelve 30-day months. Upon the occurrence of an Event of Default and for so long as such Event of Default continues and remains uncured to the satisfaction of the Lender, at the sole election of the Lender, the Loan Balance shall bear interest at the Default Rate. Any such Default Rate will apply as of the date of the Default, or as of any later date determined by the Lender in the written notice provided by the Lender to the District.

(b) ***Interest Payments.*** On each Payment Date there shall be due and payable interest accrued on the Loan Balance for the period commencing with the immediately preceding Payment Date (or, if none, the Closing Date) to but not including the next Payment Date, but solely to the extent of the Pledged Revenue available for such purpose in accordance with Article III hereof. Any interest not paid when due (including, without limitation, on the Maturity Date) shall continue to accrue until paid in full, and shall compound semi-annually to the extent not paid on each Payment Date.

(c) ***Principal Payments.*** Principal payments shall be made on the Maturity Date. Any principal on the Loan remaining unpaid on the Maturity Date shall continue to remain owing, shall accrue interest at the Default Rate, and shall continue to be payable to the extent of Pledged Revenue until paid in full.

(d) ***Limitations of Electoral Authorization.*** It is acknowledged by the Lender that the obligations of the District under this Agreement are limited by the District's voted debt authorization and the Service Plan with respect to principal amount, Maximum Rate, maximum repayment cost, and maximum annual tax increases, and that, notwithstanding anything herein to the contrary, the District is not authorized and is not obligating itself with respect to the foregoing obligations in excess of that which is permitted under the terms of the District's voted debt authorization and the Service Plan. Notwithstanding anything else 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 District's obligations hereunder, including all payments of principal, interest and all of the District's obligations hereunder and under the Note will be deemed defeased and no longer outstanding upon the payment by the District of such amount.

Section 2.03. Optional Prepayment.

(a) ***[Optional Prepayment Prior to Maturity Date.*** The Loan is subject to prepayment on any date prior to the Maturity Date, at the option of the District, in whole or in part, at a prepayment price equal to the principal amount thereof being prepaid, plus

a Prepayment Fee (calculated by the Lender pursuant to the definition below), plus accrued interest to the date of prepayment. A “**Prepayment Fee**” shall be due as a condition of any prepayment of the Loan prior to the Maturity Date, which Prepayment Fee shall be equal to present value of the difference between (i) the total amount of interest based on the Original Interest Rate Swap Rate which would have accrued on the prepaid amount had such event not occurred and (ii) the amount of interest based on the Current Interest Rate Swap Rate which would have accrued on the prepaid amount had such event not occurred, both (i) and (ii) discounted at the then “Current Interest Rate Swap Rate”, as determined by the Lender. The “**Original Interest Rate Swap Rate**” is the quotation in effect at the time of issuance maturing on the stated Maturity Date of this Loan. The “Current Interest Rate Swap Rate” is the quotation in effect at the time of the prepayment maturing on the stated Maturity Date. Should the present value have no value or a negative value, the Loan may be optionally prepaid with no make-whole fee. The make-whole fee shall apply in the event of any prepayment, whether by acceleration, prepayment, or otherwise. All calculations and determinations by the Lender of the amounts payable pursuant to the preceding provisions or of any element thereof, if made in accordance with its then standard procedures for so calculating or determining such amounts, shall be conclusive absent manifest arithmetic error. Any partial prepayment of the Loan shall be applied in inverse order of maturity. Any partial prepayment shall not postpone the due dates of, or relieve the amounts of, any scheduled sinking fund installments described in Section 2.03(c). Any amounts paid hereunder may not be re-borrowed from the Lender. Notwithstanding the foregoing or anything else herein to the contrary, in the event any such Prepayment Fee exceeds the amount permitted by law, the Loan shall be deemed to not be subject to prepayment to that extent. **Confirm]**

(b) **Optional Prepayment On or After _____.**

(A) *Prepayment In Whole.* The Loan is subject to prepayment, in whole, on any Payment Date after _____, at the option of the District, at a prepayment price equal to the outstanding Loan Balance plus accrued interest to the date of prepayment without payment of a premium or the Prepayment Fee.

(B) *Prepayment in Part or not on Payment Date.* The Loan is subject to prepayment, in whole or in part in the minimum amount of \$500,000 on any date on or after _____ (with the exception of any redemption of the Loan in whole on any Payment Date after _____, which is subject to paragraph (A) above), at the option of the District, at a prepayment price equal to the principal amount thereof being prepaid, plus a Prepayment Fee (calculated by the Lender pursuant paragraph (a) above), plus accrued interest to the date of prepayment. Any partial prepayment of the Loan shall be applied in inverse order of maturity. Any partial prepayment shall not postpone the due dates of, or relieve the amounts of, any scheduled sinking fund installments described in Section 2.03(c). Any amounts paid hereunder may not be re-borrowed from the Lender. Notwithstanding the foregoing or anything else herein to the contrary, in the event any such Prepayment Fee exceeds the amount permitted by law, the portion of the Loan being redeemed shall be deemed to not be subject to redemption to that extent. **Add/confirm if the District elects optional prepayment at a higher rate]**

(c) The District must provide written notice to the Lender by 8:00 a.m. Denver time at least two (2) Business Days prior to the prepayment of the Loan pursuant to this Section.

Section 2.04. Expenses and Attorneys' Fees. In the event that a claim by the Lender is brought against the District relating to this Agreement or any of the other Financing Documents and the Lender prevails in such claim, the District will reimburse the Lender for all reasonable attorneys' and all other consultants' fees and all other costs, fees and out-of-pocket disbursements incurred by the Lender in connection with the preparation, execution, delivery, administration, defense and enforcement of this Agreement or any of the other Financing Documents, including reasonable attorneys' and all other consultants' fees and all other costs and fees (a) incurred before or after commencement of litigation or at trial, on appeal or in any other proceeding; (b) incurred in any bankruptcy proceeding and (c) related to any waivers or amendments with respect thereto (examples of costs and fees include but are not limited to fees and costs for confirming the priority of the Lender's claim on the Pledged Revenue or the funds and accounts established hereunder). The District will also reimburse the Lender for all costs of collection of the Pledged Revenue, including all reasonable attorneys' and all other consultants' fees, before and after judgment. The Lender hereby acknowledges and agrees that due to the limitations of the District's electoral authorization and the PPRTA Agreement, amounts payable under this Section shall be paid solely from the Pledged PIF Revenue and any such amounts shall be payable as soon as is feasible given the limitations of the timing of receipt of the Pledged PIF Revenue.

Section 2.05. Manner of Payments; Presentation of the Note for Payments. All payments to be made hereunder by or on behalf of the District to the Lender shall be made, and shall not be considered made until received, in lawful money of the United States of America in immediately available funds. The District shall make each payment hereunder in the manner and at the time necessary so that each such payment is received not later than 12:00 p.m., Denver time, on the day when due. Any payment received after 12:00 p.m., Denver time, shall be deemed made on the next succeeding Business Day. All payments made hereunder by or on behalf of the District to the Lender may be applied to amounts due hereunder in such order of priority as the Lender shall elect. Notwithstanding any provisions to the contrary contained herein, the Lender shall not be required to present the Note to the District to receive any principal or interest payments, except in connection with the payment of the final principal payment upon maturity, prepayment or payment in full of the Loan.

Section 2.06. Pledge. The Loan as evidenced by the Note shall be a limited tax and special revenue obligation of the District and shall be payable from and secured solely by a pledge of the Pledged Revenue and the other sources provided therefor in this Agreement.

The District hereby assigns, transfers, pledges, hypothecates, delivers and grants to the Lender a first priority security interest in and to the Pledged Revenue and moneys on deposit in the Project Fund, the Loan Payment Fund, the PPRTA Tax Revenue Fund, and the Reserve Fund to secure the payment of the principal of and interest on the Loan; provided that (i) the pledge and security interest with respect to the Parity Pledged Revenue and amounts on deposit in the Loan Payment Fund and the 2023 Project Account is on a parity with the lien thereon securing payment of the Prior Loans and any other Parity Debt, and (ii) the pledge and security interest

with respect to the PPRTA Tax Revenue and amounts on deposit in the Capitalized Interest Account and the Reserve Fund is made only with respect to the Loan and not the Prior Loans or any future Parity Debt. The Loan shall constitute an irrevocable lien upon the Pledged Revenue, but not necessarily an exclusive such lien and such pledge and lien with respect to a portion of the Pledged Revenue consisting of Parity Pledged Revenue is provided on a parity with the lien thereon securing payment of the Prior Loans and any other Parity Debt. The Pledged Revenue shall be subject to no other liens, the District shall incur no other Debt (other than the Loan, the Prior Loans and other Parity Debt incurred in accordance with this Agreement), without the prior written consent of the Lender.

ARTICLE III

PLEDGED REVENUE AND LOAN PAYMENT FUND

Section 3.01. Acknowledgment of Funds. There are hereby created and established the following funds, which shall be held and administered by the Lender or the District in accordance with the provisions hereof:

- (a) the Project Fund and therein the 2023 Project Account and the Capitalized Interest Account;
- (b) the Reserve Fund; and
- (c) the PPRTA Tax Revenue Fund.

Section 3.02. Flow of Funds.

(a) PPRTA Pledged Revenue. The District shall deposit, or cause to be deposited, all PPRTA Tax Revenue into the PPRTA Tax Revenue Fund as soon as practicable upon receipt thereof. The Lender shall make transfers from the PPRTA Tax Revenue Fund to the following funds and in the following order of priority **prior to each Payment Date**. Any amounts not needed to fund the following funds shall remain in the PPRTA Tax Revenue Fund and be applied in accordance with Section 3.06 hereof.

FIRST: To the credit of the Loan Payment Fund, the amounts required by the Section hereof entitled "Loan Payment Fund," to pay interest and principal due on the Loan, taking into account the amount available in the Capitalized Interest Account to make interest payment on the Loan on the next Payment Date; and

SECOND: To the credit of the Reserve Fund, the amounts required Section 3.05 of this Agreement.

(b) Parity Pledged Revenue. Following the disbursements of the PPRTA Tax Revenue pursuant to Section 3.02(a) above, the District shall deposit or, with respect to the Prior Loans Reserve Fund and the Reserve Fund, cause the Lender to deposit, from amounts transferred to the Lender by the District, all amounts comprising the Parity Pledged Revenue as soon as practicable upon receipt thereof to the following funds and

in the following order of priority [discuss timing of transfers]. For purposes of the following, 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.

- FIRST: To the credit of the Loan Payment Fund, the amounts required by the Section hereof entitled “Loan Payment Fund” to pay interest and principal on the Prior Loans and, to the extent of any deficiency therein after transfer pursuant to “FIRST” of Section 3.02(a), to pay interest and principal due on the Loan, and to the credit of any similar fund or account created with respect any other Parity Debt, the amount required pursuant to the documents governing such Parity Debt;
- SECOND: To the credit of the Prior Loans Reserve Fund and, to the extent of any deficiency therein after transfer pursuant to “SECOND” of Section 3.02(a), to the Reserve Fund, the amounts required by Section 3.05 of the 2021 Loan Agreement and Section 3.05 of this Agreement, and to the credit of any other similar fund or account created with respect to any Parity Debt, the amount required pursuant to the documents governing such Parity Debt; and
- THIRD: So long as no Event of Default shall have occurred and be continuing, to the credit of any other fund or account as may be designated by the District, any Parity Pledged Revenue remaining after the payments and accumulations set forth above and upon credit to such fund or account of the District, any Parity Pledged Revenue so credited shall be released from the lien of this Agreement. Such released Parity Pledged Revenue may be used by the District for any lawful purpose, provided that any Excess PIF Revenue shall be used only in accordance with Section 5.15 hereof.

For purposes of accounting the Parity Pledged Revenue and identifying the priority of the application of Parity Pledged Revenue, as well as for purposes of compliance with Section 5.15 hereof, the District shall determine, prior to the transfers described in the “FIRST” clause above, the amount of each type of Parity Pledged Revenue (meaning, the Limited Mill Levy Revenue, the Specific Ownership Taxes and the Pledged PIF Revenue) deposited into the Loan Payment Fund and the Prior Loans Reserve Fund in the applicable Loan Year and shall assume that deposits made during such Loan Year to the Loan Payment Fund, and the Prior Loans Reserve Fund pursuant to clauses “FIRST” and “SECOND” above were made from the following Pledged Revenue in the following order of priority: the Limited Mill Levy Revenue, the Specific Ownership Taxes and the Pledged PIF Revenue.

Section 3.03. Project Fund.

- (a) **General.** The Project Fund shall be held and maintained by the Lender in accordance with the provisions hereof; provided that, notwithstanding anything herein to

the contrary, the Lender may in its discretion choose to have any moneys to be held by the Lender in the Project Fund held, invested, disbursed, and otherwise administered on behalf of the Lender by Community Banks of Colorado. Upon the receipt by the Lender of a resolution of the District determining that all Project Costs have been paid, any balance remaining in the 2023 Project Account shall be credited to the Loan Payment Fund. In addition, upon the District's determination that the funds in the 2023 Project Account exceed the amount necessary to pay all Project Costs, such excess amount shall be credited to the Loan Payment Fund in the amounts determined by the District and communicated to the Lender in writing. The Project Fund shall terminate when no further moneys remain therein.

(b) **Capitalized Interest Account.** The Lender shall apply moneys deposited in the Capitalized Interest Account to pay interest on the Loan prior to application of any Pledged Revenue for such purpose. Amounts on deposit in the Capitalized Interest Account shall not be used to make debt service payments on Prior Loans or any Parity Debt.

(c) **Draws From the 2023 Project Account.** Except as otherwise provided in this Section, amounts in the 2023 Project Account shall be released by the Lender to the District in accordance with requisitions in substantially the form set forth herein set forth herein as Exhibit C, signed by the Authorized Person and the District Accountant. A copy of each requisition shall be submitted to the Lender at its request.

(d) **Insufficiency of Pledged Revenue.** In the event the moneys in the Loan Payment Fund are ever insufficient to pay the principal of or interest on the Loan on any Payment Date and there are moneys in the 2023 Project Account, the Lender shall transfer from the 2023 Project Account such amounts as may be necessary to remedy such insufficiency, or such lesser amount as may be in the 2023 Project Account. Notwithstanding anything herein to the contrary, any such transfer shall be made before any use of moneys in the Prior Loans Reserve Fund or the Reserve Fund.

Section 3.04. Loan Payment Fund.

(a) **General.** There was established pursuant to the 2016 Loan Agreement the Loan Payment Fund which is administered by the District, on behalf of the Lender, in accordance with the 2016 Loan Agreement. The Loan Payment Fund shall secure the Prior Loans, the Loan and any future Parity Debt. The District hereby agrees to maintain the Loan Payment Fund for as long as the Loan Balance is outstanding or any other amounts due hereunder remain unpaid. Subject to the receipt of sufficient Pledged Revenue, there shall be credited to the Loan Payment Fund each Loan Year an amount of Pledged Revenue which, when combined with other legally available moneys in the Loan Payment Fund (not including moneys deposited thereto from the 2023 Project Account, the Prior Reserve Fund or the Reserve Fund pursuant to the terms of the Prior Loan Agreements or the terms hereof, but including moneys deposited in the Capitalized Interest Account), will be sufficient to pay the principal of and interest on the Loan, the Prior Loans and any other Parity Debt which has or will become due in the Loan Year in which the credit is made. The District shall also credit to the Loan Payment Fund any

proceeds of the Loan disbursed to it in accordance with Section 2.02(a) hereof which the District has not applied to costs of issuance as of ___, 2023.

(b) ***Application of Moneys in Loan Payment Fund.***

Moneys in the Loan Payment Fund (including any interest earnings thereon) shall be used by the District solely to pay principal and interest on the Loan, the Prior Loans and any other Parity Debt, as set forth herein, in Prior Loan Agreements and the documents pursuant to which the Parity Debt is issued. On or prior to each Payment Date, the District shall transfer amounts on deposit in the Loan Payment Fund as follows:

(i) FIRST, to the Lender, in the amount of all interest due on the Loan (taking into account the amount available in the Capitalized Interest Account to make interest payment on the Loan on such Payment Date), the Prior Loans and any other Parity Debt as of such Payment Date and all previously due and unpaid interest (including, without limitation current interest, accrued and unpaid interest, if any, and compounded interest, if any), or such lesser amount as is then on deposit in the Loan Payment Fund; and

(ii) SECOND, after the payment of all amounts then due in accordance with clause (i), to the Lender, in the amount of all principal due on the Loan, the Prior Loan and any other Parity Debt as of such Payment Date and all previously due and unpaid principal, or such lesser amount as is then on deposit in the Loan Payment Fund.

In the event that available moneys in the Loan Payment Fund (including any moneys transferred thereto from other funds pursuant to the terms hereof and the terms of the Prior Loan Agreements) are insufficient for the payment of the principal of, premium if any, and interest due on the Loan, the Prior Loans or any other Parity Debt on any due date, the District shall apply such amounts on such due date as follows:

(i) FIRST: the District shall pay such amounts as are available, proportionally in accordance with the amount of interest due on each of the Loan, the Prior Loans and any other Parity Debt; and

(ii) SECOND: the District shall apply any remaining amounts to the payment of the principal proportionally in accordance with the amount of principal due on each of the Loan, each Prior Loan and any other Parity Debt.

(c) ***Moneys Held In Loan Payment Fund.*** Moneys to be held in the Loan Payment Fund shall be held in a depository account under the control of the District and satisfying the requirements of the Public Deposit Protection Act and shall not be invested, but shall earn interest at the rate provided by the applicable depository institution.

Section 3.05. Reserve Fund.

(a) ***General.*** There was established pursuant to the 2021 Loan Agreement the Prior Loans Reserve Fund which secures the Prior Loans on a parity lien basis and does

not secure the Loan. The Reserve Fund established pursuant to this Agreement shall secure only the Loan. The Lender shall hold, disburse, and administer the Reserve Fund in accordance with the provisions of this Section; provided that, notwithstanding anything herein to the contrary, the Lender may in its discretion choose to have any moneys held by the Lender in the Reserve Fund held, invested, disbursed, and otherwise administered on behalf of the Lender by Community Banks of Colorado.

(b) ***Application of Moneys in the Reserve Fund.*** Moneys in the Reserve Fund shall be used by the Lender, if necessary, only to prevent a default in the payment of the principal of, and interest on, the Loan, and the Reserve Fund is hereby pledged to the payment of the foregoing in the manner and priority set forth in this Section. Notwithstanding anything herein to the contrary, moneys in the 2023 Project Account shall be used prior to any use of moneys in the Reserve Fund to pay principal and interest on the Loan, but not the Prior Loans. In the event that by the fifth (5th) Business Day prior to any Payment Date the Lender has not received amounts from the District, which together with amounts available in the Capitalized Interest Account for payment of interest on the Loan, are sufficient to pay the principal of and interest on the Loan, on such Payment Date, and the Lender shall send a written notice thereof to the Authorized Person and the District Accountant and if the Lender does not receive sufficient funds to make such payments by 12:00 pm (noon) Denver time on the third (3rd) Business Day prior to any Payment Date, the Lender shall transfer from the Reserve Fund an amount which, when combined with moneys received by the Lender on the fifth (5th) day prior to such Payment Date from the District, amounts available in the Capitalized Interest Account for payment of interest on the Loan, and after application of the amounts on deposit in the 2023 Project Account and in the Prior Loans Reserve Fund to pay the principal and interest on the Loan and the Prior Loans, will be sufficient to make such payments on the Loan in full. In the event that moneys received from the District on any Payment Date and the Reserve Fund are together insufficient to make such payments on such Payment Date (after application of moneys in the Capitalized Interest Account to pay interest on the Loan), the Lender will nonetheless transfer all moneys in the Reserve Fund for the purpose of making partial payments on the Loan.

(c) ***Maintenance of the Reserve Requirement.*** Subject to the receipt of sufficient Pledged Revenue, the Reserve Fund shall be maintained in the amount of the Reserve Requirement for so long as the Loan is outstanding. Notwithstanding the foregoing, amounts in the Reserve Fund may be used in whole and not in part to fund the payment or defeasance of the entire Loan, if such defeasance or payment will result in payment in full of the Loan. If at any time the Reserve Fund is drawn upon so that the amount of the Reserve Fund is less than the Reserve Requirement, then the District shall transfer to the Lender for deposit to the Reserve Fund amounts sufficient to bring the amount credited to the Reserve Fund to the Reserve Requirement. Such deposits and payments shall be made at the earliest practicable time, but in accordance with and subject to the limitations of the Sections hereof titled "Flow of Funds", and nothing herein shall be construed as requiring the District to impose an ad valorem mill levy in excess of the Limited Mill Levy. The amount credited to the Reserve Fund shall never exceed the amount of the Reserve Requirement, and at the request of the Authorized

Person made not more frequently than semi-annually the Lender shall transfer any such excess moneys to the District for deposit in the Loan Payment Fund.

(d) ***Application of the Reserve Fund on the Maturity Date.*** On the Maturity Date, amounts on deposit in the Reserve Fund, if any, shall be immediately applied to the payment of the Loan. The availability of such amount, if any, shall be taken into account in calculating the Limited Mill Levy certified in the year prior to the year in which the Maturity Date occurs.

Section 3.06. PPRTA Tax Revenue Fund.

(a) ***General.*** The PPRTA Tax Revenue Fund shall be held and maintained by the Lender in accordance with the provisions hereof; provided that, notwithstanding anything herein to the contrary, the Lender may in its discretion choose to have any moneys to be held by the Lender in the PPRTA Tax Revenue Fund held, invested, disbursed, and otherwise administered on behalf of the Lender by Community Banks of Colorado. The District shall deposit or cause to be deposited all PPRTA Tax Revenue into the PPRTA Tax Revenue Fund promptly upon receipt thereof.

(b) ***Application of the PPRTA Tax Revenue Fund.*** Moneys on deposit in the PPRTA Tax Revenue Fund (including any interest earnings thereon) shall be used solely to pay principal, interest and redemption principal on the Loan and shall be applied by the Lender in accordance with Section 3.02(a) hereof after the application of the Capitalized Interest Account to the payment of interest on the Loan, and prior to the application of any other Pledged Revenue to the payment of the Loan.

Section 3.07. Investments of Funds.

(a) At the direction of the District the Lender shall invest amounts held by the Lender pursuant to this Agreement only in Permitted Investments. All such investments shall be on deposit with or in the possession of the Lender, provided that the Lender may in its discretion choose to have any moneys to be held by the Lender hereunder held, invested, disbursed, and otherwise administered on behalf of the Lender by Community Banks of Colorado. The Lender shall have no liability or responsibility for any loss or for failure to maximize earnings resulting from any investment made in accordance with the provisions of this Section. The Lender shall be entitled to assume, absent receipt by the Lender of written notice to the contrary, that any investment that at the time of purchase is a Permitted Investment remains a Permitted Investment thereafter.

(b) 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 Lender 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 remitted to the District and shall be credited to the Loan Payment 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.

(c) In computing the amount of any fund or account, Permitted Investments purchased as an investment of moneys therein shall be valued at the then market value of such obligations, excluding any accrued interest, as determined by the District. If the market value of such obligations is not readily available, the District shall determine the value of such obligations in any reasonable manner.

(d) The Lender may make any and all investments permitted by the provisions of this Section through its own investment department or that of its affiliates, including Community Banks of Colorado. As and when any amount invested pursuant to this Section may be needed for disbursement, the Lender may cause a sufficient amount of such investments to be sold and reduced to cash to the credit of such funds.

(e) Unless there shall be delivered to the Lender and the District an opinion of Special Counsel that such deposit shall not cause interest on the Note to be includable in gross income under the Internal Revenue Code of 1986, as amended, amounts held in the Project Fund following the third anniversary of the Closing Date shall not be invested at a yield in excess of the yield on the Loan.

ARTICLE IV

CONDITIONS TO FUNDING THE INITIAL FUNDED AMOUNT AND ADVANCES

Section 4.01. Conditions to Funding the Loan. The funding by the Lender of the Loan is conditioned upon the satisfaction of each of the following on or prior to the Closing Date. Funding of the Loan amount by the Lender shall be deemed satisfaction of the conditions set forth in this Section 4.01.

(a) ***The Financing Documents.*** The Financing Documents shall have been duly executed and delivered by each of the respective parties thereto and shall not have been modified, amended or rescinded, shall be in full force and effect on and as of the Closing Date and executed original or certified copies of each thereof have been delivered to the Lender; provided, however, that with respect to the Note, the Lender shall be in receipt of the executed original of the Note.

(b) ***District Proceedings and Certificate.*** The Lender shall have received a certified copy of all resolutions and proceedings taken by the District authorizing the execution, delivery and performance of this Agreement, the Note, and the other Financing Documents to which the District is a party, and the transactions contemplated hereunder and thereunder, together with such other certifications as to the specimen signatures of the officers of the District authorized to sign this Agreement, the Note, and the other Financing Documents to be delivered by the District hereunder and as to other matters of fact as shall reasonably be requested by the Lender.

(c) **Representations and Warranties True; No Default.** The Lender shall be satisfied that on the Closing Date each representation and warranty on the part of the District contained in this Agreement and any other Financing Document to which the District is a party are true and correct in all material respects and no Default or Event of Default has occurred and is continuing hereunder and no Default or Event of Default (as defined in the Prior Loan Agreements has occurred and is continuing thereunder), and the Lender shall be entitled to receive certificates, signed by authorized officers of the District, to such effect.

(d) **Approval of the City.** The incurrence of the Loan and execution and delivery of this Agreement by the District has been approved by at least a two-thirds vote of the City Council of the City, as required by the Service Plan.

(e) **Special Counsel's Legal Opinions.** The Lender shall have received an opinion of Special Counsel, dated the Closing Date and addressed to the Lender and the District, with respect to such matters as the Lender may require, including opinions to the effect that the obligations of the District under this Agreement constitute a limited tax special revenue obligation of the District, that such obligation is binding and enforceable against the District in accordance with the terms of this Agreement; and otherwise in form and substance satisfactory to the Lender and its counsel.

(f) **Opinion of General Counsel.** The Lender shall have received an opinion of counsel to the District dated as of the Closing Date and addressed to the Lender, with respect to such matters as the Lender may require, including opinions as to the validity of the District's organization and existence; to the effect that all governmental approvals, if any, necessary for the District to execute, deliver and perform its obligations under this Agreement and the other Financing Documents to which the District is a party have been duly obtained; that the Authorizing Resolution was duly and properly adopted, is in full force and effect, and has not been rescinded as of the Closing Date; that neither the execution and delivery of this Agreement, nor the fulfillment of or compliance with the terms and conditions of this Agreement conflicts with or results in a breach, or would result in a breach, of any of the terms, conditions or provisions of any agreement or instrument to which the District is a party or by which it or any of its property are bound; that this Agreement and the other Financing Documents to which the District is a party have been duly authorized, executed, and delivered by the District; and otherwise in form and substance acceptable to the Lender and its counsel.

(g) **Certificate of Northgate Properties.** The Lender shall have received a certificate executed by authorized representatives of Northgate Properties to the effect that the PIF Covenant was duly authorized, executed and recorded against the property contemplated therein, and has not been rescinded, revoked or amended since such recordation and remains in full force and effect, and otherwise in form and substance satisfactory to the Lender and its counsel.

(h) **Certificate of the Authority.** The Lender shall have received a certificate executed by authorized representatives of the Authority to the effect that the Redevelopment Agreement was duly authorized and executed and constitutes an

enforceable agreement of the Authority and otherwise in form and substance satisfactory to the Lender and its counsel.

(i) **Certificates of Certain Parties to the PPRTA.** The Lender shall have received a certificate executed by authorized representatives of the City, the County and PPRTA to the effect that the PPRTA Agreement was duly authorized and executed and constitutes an enforceable agreement of such party and otherwise in form and substance

(j) **Certificates of the Developer.** The Lender shall have received a certificate of authorized representatives of the Developer in form and substance satisfactory to the Lender and its counsel.

(k) **No Change in Law.** No law, regulation, ruling or other action of the United States, the State of Colorado or any political subdivision or authority therein or thereof shall be in effect or shall have occurred, the effect of which would be to prevent the District from fulfilling its obligations under this Agreement.

(l) **District Due Diligence.** The Lender and its counsel shall have been provided with the opportunity to review all agreements, documents, and other material information relating to the District, the Pledged Revenue, and the District's ability to perform its obligations under this Agreement and the other Financing Documents to which the District is a party.

(m) **Approval of Financing Documents.** The Lender and its counsel shall have had sufficient time to review the Financing Documents and the substantially final versions of such documents shall be in form and content satisfactory to the Lender and its counsel.

(n) **Other Requirements.** The Lender shall be in receipt of such other certificates, approvals, filings, opinions and documents as shall be reasonably requested by the Lender.

(o) **Other Matters.** All other legal matters pertaining to the execution and delivery of this Agreement, the Note, and the other Financing Documents, and the issuance of the Loan shall be reasonably satisfactory to the Lender and its counsel.

ARTICLE V

REPRESENTATIONS, WARRANTIES AND COVENANTS OF DISTRICT

While any Loan Balance is outstanding or any obligations hereunder are unpaid or outstanding, the District continuously warrants, covenants and agrees as follows:

Section 5.01. Accuracy of Information. All information, certificates or statements given to the Lender by the District pursuant to this Agreement and the other Financing Documents will be true and complete when given.

Section 5.02. Organization; Litigation. The District is validly existing and in good standing under the laws of its state of organization, has all requisite power and authority and possesses all licenses, permits and approvals necessary to conduct its business. There is no litigation or administrative proceeding threatened or pending against the District which could, if adversely determined, have a material adverse effect on the District's financial condition.

Section 5.03. 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 Authorizing Resolution, this Agreement, the Note, and all proceedings pertaining thereto. 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 execute and deliver the Note, this Agreement, and the other Financing Documents to which it is a party, and that all action on its part for the execution and delivery of the Note, this Agreement, and the other Financing Documents to which it is a party have been duly and effectively taken and will be duly taken as provided therein and herein, and that the Loan, the Note, this Agreement, and the other Financing Documents to which the District is a party are and will be valid and enforceable obligations of the District according to the terms thereof and hereof.

Section 5.04. Laws, Permits and Obligations. The District will comply in all material respects with all applicable laws, rules, regulations, orders and directions of any governmental authority and all agreements and obligations binding on the District, noncompliance with which would have a material adverse effect on the District, its financial condition, assets or ability to perform its obligations under this Agreement and/or the other Financing Documents to which it is a party; provided that the District may in good faith contest such laws, rules, regulations, orders and directions and the applicability thereof to the District to the extent that such action would not be likely to have a material adverse effect on the District's ability to perform its obligations hereunder.

Section 5.05. Proper Books and Records. The District shall keep or cause to be kept adequate and proper records and books of account in which complete and correct entries shall be made with respect to the District, the Pledged Revenue, and all of the funds and accounts established or maintained pursuant to any of the Financing Documents. The District shall (a) maintain accounting records in accordance with generally recognized and accepted principles of accounting consistently applied throughout the accounting periods involved; (b) provide the Lender with such information concerning the business affairs and financial condition (including insurance coverage) of District as the Lender may reasonably request; and (c) without request, provide the Lender with the information set forth in Section 5.06 hereof.

Section 5.06. Reporting Requirements. The District will provide the following to the Lender at the times and in the manner provided below:

- (i) as soon as available, but not later than the February 28th of each year, (A) a copy of the certification of values issued by the County Assessor for the prior Fiscal Year containing the final certified "actual value" and final assessed valuation of the District for that year and (B) a copy of the District's certification of the Limited Mill Levy for the prior Fiscal Year;

(ii) as soon as available, but not later than the February 28th of each year, a copy of the annual budget of the District for such Fiscal Year;

(iii) on the earlier of (A) two weeks following its completion or (B) 270 calendar days after the end of the prior Fiscal Year, a copy of unqualified audited financial statements prepared in accordance with generally accepted accounting principles consistently applied, in reasonable detail and audited by a firm of independent certified public accountants selected by the District, which financial statements shall include, without limitation, a balance sheet of the District as of the end of the immediately preceding Fiscal Year and the related statements of revenues, expenditures and changes in fund balance for the immediately preceding Fiscal Year (which covenant shall apply notwithstanding any State law audit exemptions that may exist or any different time requirements for the completion of such audit under State law);

(iv) as soon as available, but no later than forty-five (45) calendar days from the end of each calendar quarter, beginning with the calendar quarter ending on September 30, 2023, quarterly unaudited financial statements which shall include statements of revenues, expenditures and changes in fund balances for the relevant quarter;

(v) promptly upon request of the Lender, the District shall furnish to the Lender such other reports or information regarding the Pledged Revenue or the assets, financial condition, business or operations of the District as the Lender may reasonably request, to the extent legally permissible for the District to provide.

Section 5.07. Inspection of Books and Records. The Lender shall have the right to examine any of the books and records of the District, but solely to the extent such books and records relate to the Pledged Revenue and/or repayment of the Loan, at any reasonable time and as often as the Lender may reasonably desire. Without limiting the generality of the foregoing, the Lender agrees that it shall use commercially reasonable efforts to maintain as confidential any non-public or proprietary information obtained by the Lender in exercising its rights under this Section 5.08.

Section 5.08. 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 agreements supplemental hereto and such further acts, instruments, and transfers as the Lender may reasonably require for the better assuring, transferring, and pledging unto the Lender the Pledged Revenue; provided, however, that the District shall not be obligated to incur in excess of nominal expenses in complying with this covenant.

Section 5.09. Covenant To Impose Limited Mill Levy. The District hereby covenants as follows:

(a) For the purposes of funding the Annual Loan Requirement, 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 2023 to 2027 inclusive (and, to the extent necessary to make up any overdue payments on the Loan, in each year subsequent to 2027) in the amount of the Limited Mill Levy; **provided, however, that in no event may the District impose an ad valorem property tax for the payment of this Loan after December 2053 (for collection in calendar year 2054).** Nothing herein shall be construed to require the District to levy an ad valorem property tax for the aforementioned purposes in excess of the Limited Mill Levy.

(b) The foregoing provisions of this Agreement are hereby declared to be the certificate of the Board to the Board 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 of paying the principal and interest on the Loan and other amounts due hereunder in accordance with this Agreement.

(c) The amounts necessary to pay all costs and expenses incidental to effecting the transactions contemplated under the Financing Documents and paying the principal and interest on the Loan and other amounts due hereunder in accordance with this Agreement are hereby appropriated for said purposes, and such amounts as appropriated for each year shall also be included in the annual budget and the appropriation bills to be adopted and passed by the Board in each year, respectively, until the Loan has been fully paid, satisfied, and discharged and the Note and this Agreement are no longer in effect.

(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 to the District as provided by law. The Board shall take all necessary and proper steps to enforce promptly the payment of taxes levied pursuant to this Agreement.

(f) 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.

Section 5.10. Additional Debt. The District shall not be permitted to issue any Debt without the written consent of the Lender.

Section 5.11. Continued Existence. The District will maintain its existence and shall not merge or otherwise alter its corporate structure in any manner or to any extent as might reduce the security provided for the payment of the Loan.

Section 5.12. Operation and Management. The District will continue to operate in accordance with all applicable laws, rules, regulations, and intergovernmental agreements, and

keep and maintain separate accounts of the receipts and expenses thereof in such manner that the Pledged Revenue may at all times be readily and accurately determined.

Section 5.13. No Exclusion of Property. The District shall take no action nor consent to any action that could have the effect of excluding property from its boundaries if the District determines in good faith that such action or actual exclusion would have a materially adverse effect on the amount of Pledged Revenue that would otherwise be collected by the District.

Section 5.14. Amendments to Financing Documents Require Prior Lender Consent. The District shall not terminate, amend or consent (to the extent the District's consent is required) to any termination or amendment to any Financing Document or any provision of the Urban Renewal Plan with respect to Pledged Revenue or waive any provision of any of the foregoing, including but not limited to providing any consent with respect to a change in the amount of the PIF, without the prior written consent of the Lender.

Section 5.15. Application of Excess PIF Revenue. Any Excess PIF Revenue released to the District pursuant to clause "THIRD" of Section 3.02 hereof may be applied by the District only to pay due and payable PIF Eligible Cost and any other costs permitted by the PIF Covenant. The District shall retain records of the PIF Eligible Costs and other costs permitted by the PIF Covenant to which any such Excess PIF Revenue are applied.

Section 5.16. Tax Covenants.

(a) The District covenants that it will not take any action or omit to take any action with respect to the Loan, any funds of the District, or any facilities financed or refinanced with the proceeds of the Loan, if such action or omission (1) would cause the interest on the Note to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code, (2) would cause interest on the Note 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 (3) would cause interest on the Note to lose its exclusion from Colorado taxable income or Colorado alternative minimum taxable income under present Colorado law.

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

(c) 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 Note from time to time. The payment of such rebate amounts as required by this paragraph supersedes all other provisions of this Agreement 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 Lender. This covenant shall survive the payment in full or the defeasance of the Note.

(d) The covenants contained in this Section 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 Note.

Section 5.17. Indemnification. The District agrees, to the extent permitted by law, to indemnify and hold harmless the Lender and its agents, employees, officers, directors, and controlling Persons, together with any Participant and its agents, employees, officers, directors, and controlling Persons (hereinafter collectively referred to in this Section as the “**Indemnitees**”) from and against any and all claims, damages, liabilities, settlements, judgments, losses, legal fees, and costs or expenses incurred (including all reasonable fees and disbursements of the Indemnitees’ legal counsel and allocated cost of in house counsel and staff and all of the Indemnitees’ reasonable travel and other out of pocket expenses incurred in connection with the investigation of and preparation for any such pending or threatened claims and any litigation and other proceedings arising therefrom) arising out of or based upon (a) the Loan; or (b) the holding or owning by the Lender, the Participant, or their respective nominees of any Pledged Revenue; or (c) any matters for which neither the Lender nor any Participant has any liability as set forth under the Section hereof entitled “No Liability”; provided however, that the District shall not be required to indemnify the Indemnitees for any claims, damages, losses, liabilities, settlements, judgments, legal fees, or costs or expenses to the extent proven to be caused by the Lender’s willful or negligent failure to make lawful payment under the Loan. Nothing in this Section is intended to limit the District’s obligations contained in Article II hereof.

If any action, lawsuit, or claim shall be brought or asserted against the Indemnitees in respect of which indemnity may be sought by the Indemnitees from the District under this Section, the Indemnitees shall promptly notify the District in writing, and the District shall promptly assume the defense thereof, including, but not limited to, the employment of counsel (the selection of which has been approved by the Indemnitees and such approval shall not be unreasonably withheld), the payment of all legal fees and expenses and the right to negotiate and consent to settlement; provided however, that the District shall not settle any such action which may adversely affect the Lender without the Lender’s written consent, which consent shall not be unreasonably withheld.

In the event that the Indemnitees shall be advised by counsel experienced in matters of banking or securities laws that the Indemnitees have defenses or causes of action separate from those of the District, or that there is otherwise a conflict of interest, the Indemnitees has the right to employ their own counsel (“**Independent Counsel**”) to defend the Indemnitees against such action at the expense of the District, who shall pay all legal fees and expenses incurred by such Independent Counsel. The Indemnitees’ selection of Independent Counsel shall be approved by the District, and such approval shall not be unreasonably withheld. With respect to claims against the Indemnitees defended by Independent Counsel, the Indemnitees has the right to negotiate settlement of any such claims; provided however, that the District shall not be liable for any such settlement effected by the Indemnitees without the written consent of the District, which consent shall not be unreasonably withheld.

The obligations of the District under this Section shall be in addition to any rights that any Indemnitee may have at common law or otherwise and shall survive the payment in full of

all amounts owing to the Lender hereunder. If indemnification pursuant to this Section shall be found to be unlawful or invalid for any reason, then the District and each Indemnitee shall, to the extent permitted by law, make contributions in payment of any liabilities incurred pursuant to the above referenced issuance, sale, and distributions, and statements or omissions in accordance with the respective fault of the District and each Indemnitee.

Nothing in this Section 5.17 shall be considered a waiver, express or implied, to any protections afforded to the District pursuant to Title 24, Article 10, C.R.S., the Colorado Constitution, or under other current law, and the District expresses no opinion or certification as to the validity of this Section 5.17.

Without prejudice to the survival of any other agreement of the District hereunder, the agreements and obligations contained in this Section shall survive the payment in full of all amounts owing to the Lender hereunder or the termination of this Agreement.

ARTICLE VI

LENDER'S REPRESENTATIONS

Section 6.01. Accredited Investor. The Lender is an organization that qualifies as an “accredited investor,” as defined in Section 11-59-110(1)(g), C.R.S., and the Lender will not assign or transfer the Loan, this Agreement or the Note to any person or entity except in compliance with Section 8.02 hereof.

Section 6.02. Financial Institution or Institutional Investor. The Lender is an organization that qualifies as a “financial institution or institutional investor” as defined in § 32-1-103(6.5), C.R.S.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.01. 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 Agreement (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); provided that except for Events of Default occurring under (a) or (b) of this Section 7.01, which will be deemed to have occurred as of the date of the Default, no Event of Default will be deemed to have occurred hereunder unless and until the Lender provides written notice of the same to the District:

- (a) The District fails or refuses to impose the Limited Mill Levy as required herein; or
- (b) The District fails to deposit the Pledged Revenue as required herein or fails to transfer the Pledged Revenue to the Lender as required herein; or

(c) The District defaults in the performance or observance of any other of the material covenants, agreements, or conditions on the part of the District in this Agreement, or the Note, and fails to remedy the same to the satisfaction of the Lender within forty-five (45) calendar days after the Lender has provided the District with notice thereof; provided however, that there shall be no Event of Default for failure to observe or perform any of the covenants, agreements, or conditions on the part of the District in the Financing Documents which are qualified by the phrase “to the extent permitted by law” or by phrases of similar import, if a court or other tribunal of competent jurisdiction has determined in a final, non-appealable judgment that such covenants, agreements, or conditions are not permitted by law; or

(d) An Event of Default (as defined in the Prior Loan Agreements) has occurred and is continuing thereunder.

It is acknowledged that due to the limited nature of the Pledged Revenue, the failure to pay the principal of or interest on the Loan when due shall not, of itself, constitute an Event of Default hereunder.

It is further acknowledged that the District shall not be required to impose the Limited Mill Levy for payment of the Loan after December 2053 (for collection in calendar year 2054).

Section 7.02. Remedies on Occurrence of Event of Default.

(a) ***Lender’s Rights and Remedies.*** Upon the occurrence and continuance of an Event of Default, the Lender 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 Lender hereunder, the Lender shall be entitled as a matter of right to the appointment of a receiver or receivers of the Pledged Revenue, 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 Lender shall be entitled to the possession and control of any cash, securities, or other instruments constituting Pledged Revenue at the time held by, or payable or deliverable under the provisions of this Agreement to, the Lender.

(ii) ***Suit for Judgment.*** The Lender may proceed to protect and enforce its rights under this Agreement and any provision of law by such suit, action, or special proceedings as the Lender shall deem appropriate.

(iii) ***Mandamus or Other Suit.*** The Lender may proceed by mandamus or any other suit, action, or proceeding at law or in equity, to enforce its rights hereunder.

(b) **Judgment.** No recovery of any judgment by the Lender shall in any manner or to any extent affect the lien of this Agreement on the Pledged Revenue or any rights, powers, or remedies of the Lender hereunder, but such lien, rights, powers, and remedies of the Lender shall continue unimpaired as before.

(c) **Application of Default Rate.** Upon occurrence and during the continuation of an Event of Default, the Lender may impose the Default Rate in accordance with Section 2.02(a) hereof.

Upon the District's failure to pay principal of, or interest on, the Loan when due, the Lender may impose the Default Rate on the Loan until the District becomes current on such payments of debt service, provided however, that application of such Default Rate to the Loan shall not make such non-payment, in and of itself, an Event of Default hereunder and the Lender will not exercise any other remedy, that may lie at law or in equity, for such non-payment.

(d) **No Acceleration.** Notwithstanding the foregoing or anything else herein to the contrary, acceleration shall not be an available remedy for an Event of Default.

Section 7.03. Notice to Lender of Default. Notwithstanding any cure period described above, the District will immediately notify the Lender in writing when it obtains knowledge of the occurrence of any Default or Event of Default.

Section 7.04. Delay or Omission No Waiver. No delay or omission of the Lender 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 Agreement may be exercised from time to time and as often as may be deemed expedient.

Section 7.05. No Waiver of One Default to Affect Another; All Remedies Cumulative. No waiver of any Event of Default hereunder shall extend to or affect any subsequent or any other then existing Event of Default or shall impair any rights or remedies consequent thereon. All rights and remedies of the Lender 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.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Agreement and Relationship to Other Documents. The warranties, covenants and other obligations of the District (and the rights and remedies of the Lender) that are outlined in this Agreement and the other Financing Documents are intended to supplement each other. In the event of any inconsistencies in any of the terms in the Financing Documents, all terms will be cumulative so as to give the Lender the most favorable rights set forth in the conflicting documents, except that if there is a direct conflict between any preprinted terms and

specifically negotiated terms (whether included in an addendum or otherwise), the specifically negotiated terms will control.

Section 8.02. Assignment; Participation.

(a) The Loan and this Agreement shall not be assignable by either party without the prior written consent of the other party hereto. Notwithstanding the foregoing, the Lender's right to receive payments hereunder and the Note may be sold, transferred or conveyed only in whole and not in part and only to "Qualified Institutional Buyers" within the meaning of Rule 144A promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "1933 Act") or "accredited investors" within the meaning of Rule 501(A) of Regulation D promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended, a securitization who, in each case, have executed a lender letter in the form attached as Exhibit B hereto; provided, however, the Lender may sell, transfer or convey its right to receive payments hereunder and the Note only if simultaneously herewith it also sells, transfers or conveys all of its right to receive payments under the 2016 Loan Agreement and the 2016 Note, the 2018 Loan Agreement and the 2018 Note and any other outstanding Parity Debt owned by the Lender. The Lender agrees that any assignment or transfer in violation of the foregoing shall be null and void and of no force or effect, at the election of the District.

(b) The rights, options, powers, and remedies granted in the Financing Documents will extend to the Lender and to its successors and assigns, will be binding upon the District and its successors and assigns, and will be applicable hereto and to all renewals and extensions hereof.

(c) The Lender may collaterally assign and pledge, without the consent of the District, all or any portion of the obligations owing to it to any Federal Reserve Bank or the United States Treasury as collateral security pursuant to Regulation A of the Board of Governors of the Federal Reserve System and any Operating Circular issued by such Federal Reserve Bank; provided that any payment in respect of such assigned obligations made by the District to the Lender in accordance with the terms of this Agreement shall satisfy the District's obligations hereunder in respect of such assigned obligation to the extent of such payment. No such collateral assignment shall release the Lender from its obligations hereunder.

(d) The Lender may at any time, without the consent of the District, sell to Participants participating interests in its rights and obligations under this Agreement; provided however, that (i) the Lender's obligations hereunder shall remain unchanged, (ii) the Lender shall remain solely responsible for the performance of such obligations, and (iii) the participation of one or more participants shall not reduce or alter the Lender's obligations hereunder or affect in any way the rights or obligations of the District hereunder, and the District has the right to continue to deal solely with the Lender. The Lender will give notice of the sale of such participation and the name of the participant to the District within thirty (30) calendar days of the date of such sale. In the case of any such participation, the participant shall be entitled to the benefit of the

Section hereof entitled “Indemnification” as though it were also the Lender hereunder, and if amounts outstanding under this Agreement are due and unpaid, or have been declared or have become due and payable, each participant shall be deemed to have the right of setoff in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as the Lender under this Agreement. Furthermore, any participation of the Loan shall be subject to the limitations set forth in subsection (a) of this Section, including execution of a lender letter by the participant in substantially the form attached as Exhibit B hereto.

Section 8.03. Notice of Claims Against Lender; Limitation of Certain Damages. In order to allow the Lender to mitigate any damages to the District from the Lender’s alleged breach of its duties under the Financing Documents or any other duty, if any, to the District, the District agree to give the Lender written notice no later than twenty (20) calendar days after the District knows of any claim or defense it has against the Lender, whether in tort or contract, relating to any action or inaction by the Lender under the Financing Documents, or the transactions related thereto, or of any defense to payment of the Note for any reason. The requirement of providing timely notice to the Lender represents the parties’ agreed-to standard of performance regarding the duty of the Lender to mitigate damages related to claims against the Lender. Notwithstanding any claim that the District may have against the Lender, and regardless of any notice the District may have given the Lender, the Lender will not be liable to the District for consequential and/or special damages arising therefrom, except those damages arising from the Lender’s willful misconduct, gross negligence or bad faith. Failure by the District to give notice to the Lender shall not waive any claims of the District but such failure shall relieve the Lender of any duty to mitigate damages prior to receiving notice.

Section 8.04. Notices. Notice of any record shall be deemed delivered when the record has been (a) deposited in the United States Mail, postage pre-paid; (b) received by overnight delivery service; (c) received by telecopy; (d) received through the internet; or (e) when personally delivered at the following addresses:

If to the District:

Gary Erickson, Secretary
Copper Ridge Metropolitan District
13540 Meadowgrass Court, Suite 200
Colorado Springs, CO 80921
(719) 531-0101 office
Gary@executive-company.com

With a copy to:

Megan Becher
McGeady Becher, P.C.
450 East 17th Avenue, Suite 400
Denver, Colorado 80203

(303)592-4380
mbecher@specialdistrictlaw.com

To Lender:

Rob Stuart
NBH Bank
7800 E. Orchard Rd., Suite 300
Greenwood Village, CO 80111
(303) 784-5942
rob.stuart@nbhbank.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.

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.

Where this Agreement 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.

Section 8.05. Applicable Law and Jurisdiction; Interpretation; Severability. This Agreement will be governed by and interpreted in accordance with the internal laws of the State of Colorado, except to the extent superseded by Federal law. Invalidity of any provisions of this Agreement will not affect any other provision. THE DISTRICT AND THE LENDER HEREBY CONSENT TO THE EXCLUSIVE JURISDICTION OF ANY STATE OR FEDERAL COURT SITUATED IN EL PASO COUNTY, COLORADO, AND WAIVE ANY OBJECTIONS BASED ON *FORUM NON CONVENIENS*, WITH REGARD TO ANY ACTIONS, CLAIMS, DISPUTES OR PROCEEDINGS RELATING TO THIS AGREEMENT, THE NOTE, OR THE PLEDGED REVENUE OR ANY TRANSACTIONS ARISING THEREFROM, OR ENFORCEMENT AND/OR INTERPRETATION OF ANY OF THE FOREGOING. Nothing in this Agreement will affect the Lender's rights to serve process in any manner permitted by law. This Agreement, the other Financing Documents and any amendments hereto (regardless of when executed) will be deemed effective and accepted only at the Lender's offices, and only upon the Lender's receipt of the executed originals thereof. Invalidity of any provision of this Agreement shall not affect the validity of any other provision.

Section 8.06. Copies; Entire Agreement; Modification. Each party hereby acknowledges the receipt of a copy of this Agreement and all other Financing Documents.

IMPORTANT: READ BEFORE SIGNING. THE TERMS OF THIS AGREEMENT SHOULD BE READ CAREFULLY BECAUSE ONLY THOSE TERMS IN WRITING, EXPRESSING CONSIDERATION AND SIGNED BY THE PARTIES ARE ENFORCEABLE. NO OTHER TERMS OR PROMISES NOT CONTAINED IN THIS WRITTEN CONTRACT MAY BE LEGALLY ENFORCED. THE TERMS OF THIS AGREEMENT MAY ONLY BE CHANGED BY ANOTHER WRITTEN AGREEMENT. THIS NOTICE SHALL ALSO BE EFFECTIVE WITH RESPECT TO ALL OTHER CREDIT AGREEMENTS NOW IN EFFECT BETWEEN THE DISTRICT AND THE LENDER. A MODIFICATION OF ANY OTHER CREDIT AGREEMENT NOW IN EFFECT BETWEEN THE DISTRICT AND THE LENDER, WHICH OCCURS AFTER RECEIPT BY THE DISTRICT OF THIS NOTICE, MAY BE MADE ONLY BY ANOTHER WRITTEN INSTRUMENT. ORAL OR IMPLIED MODIFICATIONS TO ANY SUCH CREDIT AGREEMENT ARE NOT ENFORCEABLE AND SHOULD NOT BE RELIED UPON.

Section 8.07. Waiver of Jury Trial. THE DISTRICT AND THE LENDER HEREBY JOINTLY AND SEVERALLY WAIVE, TO THE EXTENT PERMITTED BY LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING RELATING TO ANY OF THE FINANCING DOCUMENTS, THE OBLIGATIONS THEREUNDER, ANY COLLATERAL SECURING THE OBLIGATIONS, OR ANY TRANSACTION ARISING THEREFROM OR CONNECTED THERETO. EACH OF THE DISTRICT AND THE LENDER REPRESENTS TO THE OTHER THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY GIVEN.

Section 8.08. Attachments. All documents attached hereto, including any appendices, schedules, riders, and exhibits to this Agreement, are hereby expressly incorporated by reference.

Section 8.09. No Recourse Against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Public Securities Act, if a member of the Board of the District, or any officer or agent of the District, acts in good faith in the performance of his duties as a member, officer, or agent of the Board or the District and in no other capacity, no civil recourse shall be available against such member, officer or agent for payment of the principal of and interest on the Loan or the Note. Such recourse shall not be available either directly or indirectly through the Board of the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the delivery of the Note evidencing the Loan and as a part of the consideration for such transfers, the Lender and any person purchasing or accepting the transfer of the obligations representing the Loan specifically waives any such recourse.

Section 8.10. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Public Securities Act, this Agreement is entered into and the Note is issued pursuant to certain provisions of the Supplemental Public Securities Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Note and the Loan Agreement after delivery for value.

Section 8.11. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Public Securities Act, no legal or equitable action brought with respect to any

legislative acts or proceedings in connection with the authorization or issuance of the Note or the Loan Agreement shall be commenced more than thirty (30) calendar days after the authorization of the Note and the Loan Agreement.

Section 8.12. Pledge of Revenue. The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Loan provided herein shall be governed by Section 11-57-208 of the Supplemental Public Securities Act, this Agreement, the Note, and the Authorizing Resolution. The amounts pledged to the payment of the Note and the Loan Agreement shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge shall have a first priority and be perfected without any additional action required to be taken by the District. 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. THE LOAN SHALL NOT CONSTITUTE A DEBT OR OBLIGATION OF THE CITY, AND THE FAITH AND CREDIT OF THE CITY IS NOT PLEDGED TO THE PAYMENT OF THE LOAN.

Section 8.13. No Third Party Beneficiaries. The parties intend that there shall be no third party beneficiaries to this Agreement.

Section 8.14. Payment on Non-Business Days. Except as provided herein, whenever any payment hereunder shall be stated to be due on a day which is not a Business Day, such payment may be made on the next succeeding Business Day, and such extension of time shall not in such case be included in the computation of the amount due.

Section 8.15. Document Imaging. The parties shall be entitled, in their sole discretion, to image all or any selection of the Financing Documents, other instruments, documents, items and records governing, arising from or relating to the Loan, and may destroy or archive the paper originals. The parties hereby waive any right to insist that the other party produce paper originals; agrees that such images shall be accorded the same force and effect as the paper originals; and further agrees that the parties are entitled to use such images in lieu of destroyed or archived originals for any purpose, including as admissible evidence in any demand, presentment or proceedings.

Section 8.16. Execution in Counterparts. This Agreement may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which counterparts, taken together, shall constitute but one and the same Agreement.

Section 8.17. Integration. This Agreement is intended to be the final agreement between the parties hereto relating to the subject matter hereof and this Agreement and any agreement, document, or instrument attached hereto or referred to herein shall supersede all oral negotiations and prior writings with respect to the subject matter hereof.

Section 8.18. Patriot Act Notice. The Lender hereby notifies the District that pursuant to the requirements of the Patriot Act, it is required to obtain, verify, and record information that identifies the District, which information includes the name and address of the District and other information that will allow the Lender to identify the District in accordance with the Patriot Act.

The District hereby agrees that it shall promptly provide such information upon request by the Lender.

Section 8.19. Termination. This Agreement shall terminate at such time as no amounts are due and owing to the Lender hereunder.

Section 8.20. No Registration; No Securities Depository; No CUSIP; No Continuing Disclosure The District and the Lender hereby agree as follows: (i) the Note is not being registered under the Securities Act of 1933; (ii) the Note is not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state; (iii) the Lender will hold the Note as a debt instrument; (iv) no CUSIP number will be obtained for the Note; (v) no official statement or other offering document has been or will be prepared in connection with the private placement of the Loan with the Lender; (iv) the Loan will not close through the Depository Trust Company or any other securities depository and the Note will not be in book entry form; (v) the Loan is not listed on any stock or other securities exchange; (vi) the Loan shall not be assigned a rating by any rating agency; and (vii) the Loan shall not be subject to the continuing disclosure requirements set forth in Rule 15c2-12 of the Securities and Exchange Commission.

Section 8.21. Electronic Signatures. The District and the Lender consent to the use of electronic signatures pursuant to the Uniform Electronic Transactions Act, Sections 24-71.3-101, *et seq.*, Colorado Revised Statutes, as may be amended from time to time. This Agreement, and any other documents requiring a signature hereunder, may be signed electronically by the District and the Lender. The parties agree not to deny the legal effect or enforceability of this Agreement solely because it is in electronic form or because an electronic record was used in its formation. The parties agree not to object to the admissibility of this Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

Section 8.22. District’s Notice Filings Relating to the Note for SEC Rule 15c2-12. In connection with the District’s compliance with any continuing disclosure undertakings (each, a “**Continuing Disclosure Undertaking**”) entered into by the District on and after February 27, 2019 pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of 1934, as amended (the “**Rule**”), the Lender acknowledges that the District may be required to file with EMMA notice that the District has incurred obligations under the Note and notice of certain subsequent events relating to the Note. The District agrees that it shall not file or submit, or permit to be filed or submitted, with EMMA any documentation that includes the following unredacted sensitive or confidential information about the Lender or its affiliates: address and account information of the Lender or its affiliate; e-mail addresses; telephone numbers; fax numbers; names and signatures of officers; employees and signatories of the Lender or its affiliates; or any account information for any related escrow agreement, unless otherwise required for compliance with the Rule or otherwise required by law. The District acknowledges that the Lender is not responsible for the District’s compliance or noncompliance with the Rule or any Continuing Disclosure Undertaking.

[The remainder of this page intentionally left blank]

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date set forth above.

LENDER

NBH BANK

By _____
Name: _____
Title: Authorized Officer

DISTRICT

COPPER RIDGE METROPOLITAN DISTRICT

By _____
President

Attest:

By _____
Secretary or Assistant Secretary

EXHIBIT A
FORM OF NOTE

THIS NOTE MAY BE SOLD, TRANSFERRED OR CONVEYED ONLY IN WHOLE AND NOT IN PART AND ONLY TO “QUALIFIED INSTITUTIONAL BUYERS” WITHIN THE MEANING OF RULE 144A PROMULGATED BY THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “1933 ACT”), “ACCREDITED INVESTORS” WITHIN THE MEANING OF RULE 501(A) OF REGULATION D PROMULGATED BY THE SECURITIES AND EXCHANGE COMMISSION UNDER THE 1933 ACT, AND WHO, IN EACH CASE, HAVE EXECUTED A LENDER LETTER IN THE FORM ATTACHED AS EXHIBIT A TO THE LOAN AGREEMENT.

UNITED STATES OF AMERICA
STATE OF COLORADO
COUNTY OF EL PASO
COPPER RIDGE METROPOLITAN DISTRICT

PROMISSORY NOTE

US \$ _____, 2023

FOR VALUE RECEIVED, COPPER RIDGE METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado, duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado (hereinafter referred to as “**Maker**”), promises to pay to the order of NBH BANK, its successors and assigns (hereinafter referred to as “**Payee**”), at the office of Payee or its agent, designee, or assignee, or such place as Payee or its agent, designee, or assignee may from time to time designate in writing, the principal amount due under that certain Loan Agreement dated _____, 2023 by and between Maker and Payee (as amended or supplemented from time to time, the “**Loan Agreement**”), in lawful money of the United States of America, but solely to the extent of Pledged Revenue available therefor in accordance with the Loan Agreement. Unless and until otherwise designated in writing by Payee to Maker, all payments hereunder shall be made to Payee in accordance with the Loan Agreement. Notwithstanding any provisions to the contrary contained herein, the Payee shall not be required to present this Note to the District to receive any principal or interest payments, except in connection with the payment of the final principal payment upon maturity, prepayment or payment in full of the Loan.

Amounts received by Payee under this Promissory Note (this “**Note**”) shall be applied in the manner provided by the Loan Agreement. This Note shall be issued in Authorized Denominations, bear interest, be payable, mature and be enforceable pursuant to the terms and provisions of the Loan Agreement. All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed in the Loan Agreement.

BY ACCEPTANCE OF THIS INSTRUMENT, THE OWNER OF THIS NOTE AGREES AND CONSENTS TO ALL LIMITATIONS IN RESPECT OF PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS LOAN CONTAINED HEREIN, IN THE LOAN AGREEMENT, IN THE RESOLUTION OF THE DISTRICT AUTHORIZING ISSUANCE OF THIS NOTE AND IN THE SERVICE PLAN OF THE DISTRICT.

Except as expressly provided in the Loan Agreement, the Loan Agreement and this Note are limited tax and special revenue obligations of the District, payable solely from and to the extent of, and secured solely by, the Pledged Revenue. A portion of the Pledged Revenue constituting the Parity Pledged Revenue secure the Loan on parity with the lien thereon of the 2016 Note, 2018 Note, 2021 Note, and any other Parity Debt. Except as expressly provided in the Loan Agreement, no recourse shall be available against the District or any moneys or other property of the District for the payment of the Loan Agreement or Note, except the Pledged Revenue. In no event may the District impose an ad valorem property tax for the payment of this Note after December 2053 (for collection in calendar year 2054).

This Note is governed by and interpreted in accordance with the internal laws of the State of Colorado, except to the extent superseded by Federal law. Invalidity of any provisions of this Note will not affect any other provision.

Pursuant to Section 11-57-210 of the Colorado Revised Statutes, as amended, this Note is entered into pursuant to certain provisions of the Supplemental Public Securities Act, being Title 11, Article 57, of the Colorado Revised Statutes, as amended. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of this Note after delivery for value.

SPECIFICALLY, BUT NOT BY WAY OF LIMITATION, THE OWNER OF THIS NOTE REPRESENTS AND AFFIRMS THAT IT IS AN “ACCREDITED INVESTOR” AS THAT TERM IS DEFINED UNDER SECTIONS 3(B) AND (4)(2) OF THE FEDERAL “SECURITIES ACT OF 1933” BY REGULATION ADOPTED THEREUNDER BY THE SECURITIES AND EXCHANGE COMMISSION.

THE PROVISIONS OF THIS NOTE MAY BE AMENDED OR REVISED ONLY BY AN INSTRUMENT IN WRITING SIGNED BY MAKER AND PAYEE. THERE ARE NO ORAL AGREEMENTS BETWEEN MAKER AND PAYEE WITH RESPECT TO THE SUBJECT MATTER HEREOF.

IN WITNESS WHEREOF, an authorized representative of Copper Ridge Metropolitan District, as Maker, has executed this Promissory Note as of the day and year first above written.

COPPER RIDGE METROPOLITAN DISTRICT

By: _____
President

[SEAL]

Attest:

By _____
Secretary or Assistant Secretary

EXHIBIT B

FORM OF LENDER LETTER

(NBH Bank Letterhead)

_____, 2023

Copper Ridge Metropolitan District
13540 Meadowgrass Court, Suite 200
Colorado Springs, CO 80921

**Re: COPPER RIDGE METROPOLITAN DISTRICT (IN THE CITY OF COLORADO
SPRINGS) EL PASO COUNTY, COLORADO
PROMISSORY NOTE (THE “NOTE”) IN THE PRINCIPAL AMOUNT OF
\$ _____**

The undersigned hereby certifies for and on behalf of NBH Bank (the “**Purchaser**”):

1. The Purchaser has sufficient knowledge and experience in financial and business matters, including purchase and ownership of tax-exempt and taxable obligations of a nature similar to the Note to be able to evaluate the risks and merits of the investment represented by the purchase of the Note.
2. The Purchaser is acquiring the Note for its account and not with a view to, or for sale in connection with, any distribution of the Note or any part thereof. The Purchaser is acquiring the Note with the present intent to hold the Note to maturity or earlier redemption or mandatory tender. The Purchaser has not offered to sell, solicited offers to buy, or agreed to sell the Note or any part thereof, and is not purchasing the Note with a view to distributing the Note; however, the Purchaser reserves the right to resell or redistribute the Note subject to any limitations set forth herein.
3. As a sophisticated investor, and represented by counsel, the Purchaser has made its own credit inquiry and analysis with respect to Copper Ridge Metropolitan District (the “**District**”) and the Note and the security therefor, and has made an independent credit decision based upon such inquiry and analysis. The District has furnished all the information requested of the District in making the investment decision with respect to the Note, and the Purchaser and its counsel had the opportunity to ask questions of and receive answers from knowledgeable individuals

concerning the District and the Note. The Purchaser is able and willing to bear the economic risk of the purchase and ownership of the Note.

4. The Purchaser is acting solely as purchaser for its account and not as a fiduciary for the District or in the capacity of broker, dealer, municipal securities underwriter or municipal advisor. The Purchaser has not provided, and will not provide, financial, legal, tax, accounting or other advice to or on behalf of the District with respect to the Note. District has sought and obtained financial, legal, tax, accounting and other advice (including as it relates to structure, timing, terms and similar matters) with respect to the Note from its financial, legal and other advisors to the extent that District desired to obtain such advice.

5. The Purchaser understands that the Note has not been registered with any federal or state securities agency or commission.

6. The Purchaser acknowledges that the Note is transferable provided that:

- (i) the transferring holder thereof shall first have complied with all applicable state and federal securities laws and regulations;
- (ii) the transferring holder thereof can transfer the Note only to a transferee who executes and delivers to the District a letter of the transferee substantially to the effect of this letter and only to:
 - (a) a transferee who qualifies as an “accredited investor” within the meaning of Rule 501(A) of Regulation D promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended; or
 - (b) a transferee who qualifies as a “qualified institutional buyer” within the meaning of Rule 144A promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended; or
 - (c) a securitization Special Purpose Vehicle (“SPV”) the interests in which SPV are sold only to accredited investors or qualified institutional buyers;
- (iii) the transferring holder thereof will not prepare or furnish, or cause to be prepared or furnished, any disclosure regarding the District's finances without the prior review and written consent of the District, in the District's sole discretion; and
- (iv) the transferring holder thereof, simultaneously with such transfer, also sells, transfers or conveys all of its right (if any) to receive payments under (i) the 2016 Loan Agreement and the 2016 Note, (ii) the 2018 Loan Agreement and the 2018 Note, (iii) the 2021 Loan Agreement and the 2021 Note and (iv) any Parity Debt owned by the Lender.

[Signature appears on following pages]

IN WITNESS WHEREOF, I have hereunto subscribed my name on behalf of NBH Bank,
as of the __ day of _____, 2023.

NBH BANK:

By: _____
Name: _____
Title: _____

EXHIBIT C

to

LOAN AGREEMENT

[Form of Project Fund Requisition]

Requisition No. _____

COPPER RIDGE METROPOLITAN DISTRICT

LOAN AGREEMENT

DATED _____, 2023

The undersigned Authorized Officer (capitalized terms used herein shall have the meanings ascribed thereto by the above referenced Loan Agreement) hereby makes a requisition from the Project Fund held by NBH Bank, as lender under the Loan Agreement dated _____, 2023 between the District and NBH Bank 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 Lender as follows (wire transfer or other transmission instructions):

5. The above payment obligations have been or will be properly incurred, are or will be a proper charge against the Project Fund.

6. The costs for which the disbursement is requested herein are authorized by the Service Plan, constitute Project Costs and also constitute PIF Eligible Costs.

7. The above payment obligations have not been the basis of any previous withdrawal from the Project Fund.

8. To the extent that the amount to be paid pursuant to this requisition will be used to acquire improvements from the Developer pursuant to an agreement between the District and the Developer, the Engineer has provided to the District a written certificate regarding the reasonableness of the costs of such improvements as required by such agreement and stating that such improvements have been constructed and are authorized under the Service Plan.

9. The disbursement requested herein will be used solely for the payment of Project Costs.

10. No Event of Default has occurred and is continuing under the Loan Agreement.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 20__.

Authorized Officer

Acknowledged and agreed to with respect to Section 7 above:

District Accountant

Acknowledged and agreed to with respect to Section 8 above:

Engineer