

MIDCITIES METROPOLITAN DISTRICT NO. 2

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
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NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Douglas McCormick	President	May 2023/2023
Greg Patrick	Vice President	May 2022/2022
George Turtle	Treasurer	May 2023/2023
Charles Tash	Assistant Secretary	May 2022/2022
Kael T. Russell	Assistant Secretary	May 2022/2022
David Solin	Secretary	

DATE: April 4, 2022 (Monday)

TIME: 1:00 p.m.

PLACE: **TO ATTEND THIS MEETING DIAL THE PHONE NUMBER BELOW,
AND ENTER THE INDICATED MEETING ID NUMBER AND
PASSCODE WHEN PROMPTED:**

Phone: 1-669-900-6833
Meeting ID Number: 5469119353
Passcode: 912873

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Approve Agenda, confirm location of the meeting and posting of meeting Notice.

II. PUBLIC COMMENTS

A. _____

III. LEGAL MATTERS

A. Public Hearing on Lock at Flatiron, LLC Petition for Exclusion of Lot 2, MidCities Filing No. 1 and action by Board of Directors to approve/deny the Petition (enclosure-Petition).

- B. Consider adoption of a Resolution authorizing the issuance of general obligation indebtedness, specifically the District's Special Revenue Refunding Bonds, Series 2022A, in the aggregate principal amount of \$48,805,000, and authorizing the execution and delivery of all documents, agreements and certificates in connection therewith (enclosures).
-

IV. OTHER MATTERS

- A. _____

- V. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR JUNE 21, 2022.**

PETITION FOR EXCLUSION OF LAND

IN THE MATTER OF MIDCITIES METROPOLITAN DISTRICT NO. 2

TO THE BOARD OF DIRECTORS OF THE DISTRICT:

The undersigned Petitioner, being the fee owner of one hundred percent (100%) of the real property hereinafter described ("Property"), hereby petitions that such Property be excluded from the MidCities Metropolitan District No. 2 ("District"), as provided by law, and for cause, states that:

1. Assent to the exclusion of such Property from the District is hereby given by the undersigned, who is the fee owner of such Property.

2. Petitioner understands that there shall be no withdrawal from this Petition after submittal to the District, without the consent of the Board of Directors of the District ("Board").

3. The exclusion of such Property from the District shall be subject to any statutory condition of exclusion, as well as all terms and conditions established by the Board and accepted by Petitioner, including that (i) such Property shall remain obligated to retire its proportionate share of (a) all outstanding bonded indebtedness of the District and interest thereon existing as of the date of a Court Order of Exclusion, as required pursuant to the provisions of §32-1-503(1), C.R.S. and (b) any property tax levy of the District that may be required pursuant to the provisions of Section 5.01(a) and (e) of the Amended and Restated Master Intergovernmental Agreement dated November 30, 2004, between the District and MidCities Metropolitan District No. 1, and (ii) the Property shall be subject to all terms and conditions as set forth in Sections 1.4-1.8 of the General Warranty Deed by and between Premier Hospitality VIII, LLC, a Colorado limited liability company and Lock at Flatirons, LLC, a New Mexico limited liability company, a copy of which is attached hereto as Exhibit A and incorporated herein.

4. This Petition is accompanied by a deposit of \$800, which is sufficient to pay all costs of the exclusion proceedings, as required by statute.

5. The Property is accurately described as follows:

Lot 2, MidCities Filing No. 1, City and County of
Broomfield, State of Colorado

6. It is in the best interests of the Property that the Property be excluded from the District.

7. It is in the best interests of the District that the Property be excluded from the District.

8. It is in the best interests of the county or counties within which the District is located that the Property be excluded from the District.

9. The relative costs and benefits to the Property justify the exclusion.

10. The District will still be able to provide economical and sufficient service to all of the properties within the District's boundaries following exclusion of the Property.

11. Neither granting nor denying the Petition will have any effect on employment and other economic conditions in the District and surrounding area.

12. Neither granting nor denying the Petition will have any economic impact on the region, the District, the surrounding area, or the state as a whole.

13. There are economically feasible alternative services available from the City and County of Broomfield or another special district in the area of the Property, if needed.

14. The additional costs to be levied on other property within the District if exclusion is granted will be negligible.

WHEREFORE, Petitioner requests that the Board of Directors of the District:

A. Set a public meeting for hearing on this Petition and publish notice thereof in accordance with Section 32-1-501(2), C.R.S.,

B. Approve the Exclusion Agreement, and

C. Order that this Petition be granted in accordance with Section 32-1-501(4)(a)(I), C.R.S.

PETITIONER:

Lock at Flatirons, LLC, a
New Mexico limited liability company

By: 

Name: BEN F. SPENCER

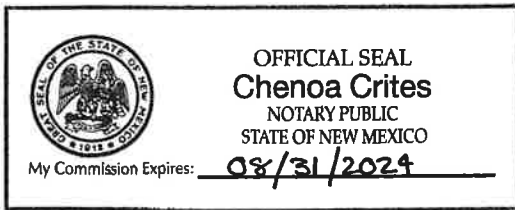
Title: MANAGER

STATE OF NEW MEXICO)
) ss.
COUNTY OF BERNALILLO)

The foregoing instrument was acknowledged before me this 24 day of JUNE, 2021 by BEN F. SPENCER as MANAGER of Lock at Flatirons, a New Mexico limited liability company.

Witness my hand and official seal.

My commission expires: 08/31/2024



Chenoa Crites
Notary Public

EXHIBIT A
GENERAL WARRANTY DEED
[SEE ATTACHED]

CERTIFIED RECORD
OF
PROCEEDINGS OF
THE BOARD OF DIRECTORS
OF
MIDCITIES METROPOLITAN DISTRICT NO. 2
(IN THE CITY AND COUNTY OF BROOMFIELD, COLORADO)

Relating to a resolution authorizing the issuance, execution and delivery of

Up to \$[_____]
SPECIAL REVENUE REFUNDING BONDS
SERIES 2022

Adopted on April 4, 2022

This cover page is not a part of the following resolution and is included solely for the convenience of the reader.

STATE OF COLORADO)
 CITY AND COUNTY OF BROOMFIELD) ss
 MIDCITIES METROPOLITAN DISTRICT NO. 2)

I, Secretary of the MidCities Metropolitan District No. 2, in the City and County of Broomfield, Colorado (the “District”), do hereby certify that:

1. Attached hereto is a true and correct copy of a resolution (the “Resolution”) adopted by the Board of Directors (the “Board”) of the District at a special meeting held at 1:00 p.m. on April 4, 2022, at the offices of the District, 141 Union Boulevard, Suite 150, Lakewood, Colorado.

2. Notice of such meeting was posted in three public places within the District, and at the office of the Clerk and Recorder of Broomfield County, Colorado, respectively, at least seventy-two hours prior to the meeting, in accordance with law.

3. Upon roll call, the members of the Board not marked absent below, were present, constituting a quorum, and the Resolution was duly introduced, moved, seconded and adopted at such meeting by the affirmative vote of a majority of the members of the Board as follows:

Board Member	Yes	No	Absent	Abstaining
Douglas McCormick	_____	_____	_____	_____
Greg Patrick	_____	_____	_____	_____
Kael Russell	_____	_____	_____	_____
Charles Tash	_____	_____	_____	_____
George Turtle	_____	_____	_____	_____

4. The Resolution was duly approved by the Board, signed by the President of the District, sealed with the District’s seal, attested by an Assistant Secretary of the District and recorded in the minutes of the Board.

5. The meeting at which the Resolution was adopted was noticed, and all proceedings relating to the adoption of the Resolution were conducted in accordance with all applicable bylaws, rules, regulations and resolutions of the District, in accordance with the normal procedures of the District relating to such matters, and in accordance with applicable constitutional provisions and statutes of the State of Colorado.

WITNESS my hand and the seal of the District this ____ day of _____, 2022.

[SEAL]

By _____
 Secretary

[Attach copy of meeting notice]

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RESOLUTION

A RESOLUTION AUTHORIZING THE ISSUANCE BY MIDCITIES METROPOLITAN DISTRICT NO. 2, IN THE CITY AND COUNTY OF BROOMFIELD, COLORADO, OF ITS SPECIAL REVENUE REFUNDING BONDS, SERIES 2022, FOR THE PURPOSE OF REFUNDING CERTAIN INDEBTEDNESS OF THE DISTRICT, FUNDING CERTAIN OF THE FUNDS CREATED BY THE INDENTURE INCLUDING PURCHASE OF A BOND INSURANCE POLICY AND THE 2022 RESERVE POLICY, AND PAYING THE COSTS OF ISSUANCE OF THE BONDS; AUTHORIZING THE EXECUTION OF AN INDENTURE OF TRUST (SERIES 2022), A BOND PURCHASE AGREEMENT, A CONTINUING DISCLOSURE CERTIFICATE AND APPROVING OTHER RELATED DOCUMENTS RELATING TO THE BONDS; AND APPOINTING A SALE DELEGATE TO MAKE CERTAIN DETERMINATIONS RELATING TO THE BONDS.

WHEREAS, MidCities Metropolitan District No. 2 (the “District” or “District No. 2”), in the City and County of Broomfield, Colorado (the “City”) is a quasi-municipal corporation duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado (the “State”), including particularly Title 32, Article 1 of the Colorado Revised Statutes, as amended (“C.R.S.”); and

WHEREAS, MidCities Metropolitan District No. 1 (“District No. 1” and together with District No. 2, the “Districts”) was a quasi-municipal corporation, that was duly organized and existed as a metropolitan district in the City (as defined below) under and pursuant to the constitution and laws of the State of Colorado; and

WHEREAS, the District is authorized by Title 32, Article 1, C.R.S. (the “Act”), to furnish certain public facilities and services, including, but not limited to, streets, parks and recreation, water, sewer, transportation, television relay, mosquito control, and fire protection improvements in accordance with the respective Service Plan for the District approved by the City Council of Broomfield, Colorado on August 25, 1998, as amended on December 12, 2000, October 9, 2001, June 27, 2006, August 9, 2016, and August 23, 2016 by the City Council of Broomfield, Colorado (as further amended and restated from time to time, the “Service Plan”); and

WHEREAS, at elections held within the Districts on November 3, 1998, November 2, 1999 and November 7, 2000 (collectively, the “Elections”), in accordance with law and pursuant to due notice, a majority of those eligible to vote and voting at the Elections voted in favor of, inter alia, the issuance of District indebtedness and the imposition of taxes for the payment thereof, for the purpose of providing certain improvements and facilities; and

WHEREAS, the returns of the Elections were duly canvassed and the results thereof duly declared; and

WHEREAS, the results of the Elections were certified by the District by certified mail to the board of county commissioners in which the District is located or to the governing body of a municipality that has adopted a resolution of approval of the special district pursuant to

Section 32-1-204.5, C.R.S., within forty five days after the Elections, and with the division of securities created by Section 11-51-701, C.R.S.; and

WHEREAS, pursuant to the Elections, the Districts issued certain obligations and pledged to the payment thereof certain sales and use taxes and ad valorem property taxes including but not limited to:

(a) District No. 1 issued its Special Revenue Variable Rate Refunding and Improvement Bonds, Series 2004A (the “2004A Bonds”) and Special Revenue Variable Rate Refunding Bonds, Series 2004B (the “2004B Bonds” and together with the 2004A Bonds, the “2004 Bonds”);

(b) District No. 2 issued its General Obligation Refunding and Improvement Bonds, Series 2006 (the “2006 Bonds” and together with the 2004 Bonds, the “Prior Bonds”);

WHEREAS, District No. 2 pledged its ad valorem taxes to District No. 1 to assist in the repayment of the 2004 Bonds; and

WHEREAS, the Districts, to achieve interest rate savings, agreed that District No. 2 should issue its Special Revenue Refunding and Improvement Bonds, Series 2016A (the “Series 2016A Bonds”), pursuant to an Indenture of Trust, dated as of October 1, 2016 (the “Series 2016A Senior Indenture”), to refund a portion of the Prior Bonds and fund public improvements in the District; and

WHEREAS, in addition, the Districts and the City authorized District No. 2 to issue its Subordinate Special Revenue Refunding Bonds, Series 2016B (the “Series 2016B Bonds” and together with the Series 2016A Bonds, the “Series 2016 Bonds”), pursuant to an Indenture of Trust, dated as of October 1, 2016 (the “Series 2016B Subordinate Indenture”), for the purposes of refunding the remaining portion of the Prior Bonds; and

WHEREAS, pursuant to an Order dated on December 18, 2017, the District Court for the City and County of Broomfield dissolved District No. 1 and all remaining obligations of District No. 1 were transferred to District No. 2; and

WHEREAS, to achieve the refunding of the Prior Bonds, the obligation of the City to remit sales and use taxes was extended from July 10, 2031 through July 9, 2041 (the “Extended Reimbursement Obligation”); provided, however, District No. 2 agreed to impose a debt service mill levy to repay the City for the Extended Reimbursement Obligation; and

WHEREAS, the Series 2016A Bonds and the Series 2016B Bonds remain outstanding in the aggregate principal amounts of \$[_____] and \$[_____], respectively (collectively, the “Refunded Bonds”); and

WHEREAS, the Board has determined that it is in the best interests of the District, and the residents and taxpayers thereof to achieve interest rate savings by the refunding of the outstanding Series 2016 Bonds, the District shall issue as special revenue refunding bonds (as more particularly

defined hereafter, the “Bonds”) to pay for costs of issuance of the Bonds and refund in their entirety the Refunded Bonds with the net proceeds of the Bonds; and

WHEREAS, the Refunded Bonds will be paid and cancelled on the date of issuance of the Bonds pursuant to the terms of the Series 2016A Senior Indenture and the Series 2016B Subordinate Indenture, respectively; and

WHEREAS, the Bonds shall be issued pursuant to the provisions of Title 32, Article 1, Part 11 and 13, C.R.S., the Service Plan and all other laws thereunto enabling; and

WHEREAS, the Board of Directors of the District (the “Board”) specifically elects to apply all of the provisions of Title 11, Article 57, Part 2, C.R.S., to the Bonds; and

WHEREAS, the Bonds shall be special revenue obligations of the District, and shall be payable solely from the Pledged Revenue (as defined in the Indenture); and

WHEREAS, the Bonds shall be issued in denominations in the amount of \$5,000 or any integral multiple of \$1,000 in excess thereof; and

WHEREAS, the District has obtained a rating for the Bonds in one of the four highest rating categories by one or more nationally recognized organizations which regularly rate such obligations to fit into exceptions to the statutory debt limitation permitted by Section 32-1-1101(6)(a)(I), C.R.S.; and

WHEREAS, there has been presented to this meeting of the Board a proposal from Wells Fargo Bank, N.A., Denver, Colorado (the “Underwriter”), to purchase the Bonds in accordance with the terms and conditions set forth in a Bond Purchase Agreement (the “Bond Purchase Agreement”) in a form to be reviewed and approved by the Sale Delegate (as defined herein); and

WHEREAS, in connection with the issuance of the Bonds, there has been presented to this meeting of the Board a substantially final form of the Continuing Disclosure Certificate by and between the District and the Underwriter (the “Continuing Disclosure Certificate”); and

WHEREAS, in connection with the issuance of the Bonds, there has been presented to this meeting of the Board a substantially final form of the Bond Insurance Policy (as defined herein) issued by Assured Guaranty Municipal Corp., a New York corporation, or any successor thereto or assignee thereof (the “Bond Insurer”), insuring the payment when due of the principal of and interest on the Bonds; and

WHEREAS, in connection with the issuance of the Bonds, there has been presented to this meeting of the Board a substantially final form of the 2022 Reserve Policy (as defined herein) issued by the Bond Insurer constituting a Reserve Fund Contract (as defined herein) for purposes of the Indenture; and

WHEREAS, after consideration, the Board has determined that the sale of the Bonds to the Underwriter upon the terms and conditions presented to the Board and in the Bond Purchase Agreement (subject to the limitations of the authority delegated to the Sale Delegate set forth

herein) are in the best interests of the District, the taxpayers and future residents thereof, and the citizens of the City and the State; and

WHEREAS, there has been presented to this meeting of the Board substantially final forms of the following (all as defined herein): the Indenture, the Preliminary Official Statement, the Continuing Disclosure Certificate, the Bond Insurance Policy, the 2022 Reserve Policy, and the Bond Purchase Agreement; and

WHEREAS, the Board has the authority, as provided in the Supplemental Act (as defined herein), to delegate to one or more officers of the District the authority to determine certain provisions of the Bonds in accordance with the provisions of this Resolution; and

WHEREAS, the Board desires to authorize the issuance and sale of the Bonds and the execution of the foregoing documents; and delegate the authority to the Sale Delegate pursuant to Section 11-57-205(1), C.R.S., to execute and deliver the Bond Purchase Agreement and make other determinations regarding the Bonds; and authorize the execution, completion, and delivery of such certificates and other documents as may be necessary to effect the intent of this Resolution, the Indenture, as such delegation of authority is more specifically delineated by, and subject to the limitations set forth in, this Resolution; and

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF MIDCITIES METROPOLITAN DISTRICT NO. 2, IN THE CITY AND COUNTY OF BROOMFIELD, COLORADO:

Section 1. Definitions. Unless the context indicates otherwise, as used herein, capitalized terms shall have the meanings ascribed by the preambles hereto and the Indenture, and the following capitalized terms shall have the respective meanings set forth below:

“*2022 Reserve Policy*” means the debt service reserve insurance policy issued by the Bond Insurer. The 2022 Reserve Policy shall constitute a Reserve Fund Contract for purposes of the Indenture.

“*Act*” means the “Special District Act,” being Title 32, Article 1, Colorado Revised Statutes.

“*Bond Counsel*” means Kutak Rock LLP.

“*Bond Insurance Policy*” means, if the Bonds are issued with bond insurance, the municipal bond insurance policy issued by the Bond Insurer insuring the payment when due of the principal of and interest on the Bonds.

“*Bond Insurer*” has the meaning set forth in the recitals hereof.

“*Bonds*” or “*Series 2022 Bonds*” means the Special Revenue Refunding Bonds, Series 2022, dated their date of delivery, in the total principal amount of up to \$[_____].

“*Bond Purchase Agreement*” means the Bond Purchase Agreement between the District and the Underwriter, in its capacity as the original purchaser of the Bonds.

“City” means the City of Broomfield, Colorado.

“*Continuing Disclosure Certificate*” means the Continuing Disclosure Certificate to be entered into upon issuance of the Bonds, by and between the District and the Trustee in substantially the form appended to the Preliminary Official Statement.

“*District*” means, MidCities Metropolitan District No. 2 a quasi-municipal corporation duly organized and existing as a metropolitan district and its successors and assigns.

“*Elections*” has the meaning set forth in the recitals hereof.

“*Extended Reimbursement Obligation*” has the meaning set forth in the recitals hereof.

“*Financing Documents*” means, collectively, this Resolution, the Indenture, the Continuing Disclosure Certificate, the Bond Insurance Policy, the 2022 Reserve Policy, and the Bond Purchase Agreement.

“*Limited Official Statement*” means the final Limited Official Statement relating to the offer and sale of the Bonds.

“*Prior Bonds*” means, collectively, the 2004 Bonds and the 2006 Bonds.

“*Refunded Bonds*” is defined in the recitals hereof.

“*Reserve Fund Contract*” means a surety bond, insurance policy, letter of credit, investment agreement, investment contract or similar instrument.

“*Resolution*” means this Resolution which authorizes the issuance of the Bonds.

“*Sale Certificate*” means the certificate executed by the Sale Delegate under the authority delegated pursuant to this Resolution which sets forth, among other things, the total aggregate principal amount of the Bonds, the interest rate or rates for the Bonds, the price or prices at which the Bonds will be sold, and the dates and amounts in which the Bonds are subject to optional and mandatory redemption (including the specification of any optional redemption premium).

“*Sale Delegate*” means the President of the Board, or in the absence of the President, any member of the Board.

“*Series 2016A Bonds*” means the District’s Special Revenue Refunding and Improvement Bonds, Series 2016A, dated their date of delivery, in the original principal of \$51,975,000.

“*Series 2016B Bonds*” means the District’s Subordinate Special Revenue Refunding Bonds, Series 2016B, dated their date of delivery, in the original principal amount of \$9,725,000.

“*Series 2016 Bonds*” means, collectively, the Series 2016A Bonds and the Series 2016B Bonds.

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

“*Tax Compliance Certificate*” means the Tax Compliance Certificate of the District in a form approved by Bond Counsel governing issues relating to the Bonds under the Internal Revenue Code of 1986.

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

“*Underwriter*” means Wells Fargo Bank, N.A., Denver, Colorado.

Section 2. Approval and Authorization of Financing Documents. The Financing Documents are incorporated herein by reference and are hereby approved. The District shall enter into and perform its obligations under the Financing Documents in the forms of such documents presented at or prior to this meeting, with such changes as are made pursuant to this Section 2 and are not inconsistent herewith (including specifically the provisions of Section 5 hereof). The President or Treasurer of the District and Secretary of the District are hereby authorized and directed to execute and attest the Financing Documents and to affix the seal of the District thereto, and the President or Treasurer of the District and an Assistant Secretary of the District, and other appropriate officers of the District are further authorized to execute and authenticate such other documents, instruments, or certificates as are deemed necessary or desirable in order to issue, secure, sell, deliver and administer the Bonds, and to accomplish the refunding of the Refunded Bonds, including to authorize the payment of net proceeds of the Bonds after payment of the Underwriter’s discount for the Bonds, for costs of issuance of the Bonds, in addition to the other uses contemplated by the Indenture. The Financing Documents and such other documents are to be executed in substantially the forms presented at or prior to this meeting of the Board, provided that such documents may be completed, corrected, or revised as deemed necessary and approved by the officer of the District executing the same in order to carry out the purposes of this Resolution, subject to the limitations of Section 5 hereof, such approval to be evidenced by their execution thereof. To the extent any Financing Document has been executed prior to the date hereof, said execution is hereby ratified and affirmed. Copies of all of the Financing Documents shall be delivered, filed, and recorded as provided therein.

Upon execution of the Financing Documents, the covenants, agreements, recitals, and representations of the District therein shall be effective with the same force and effect as if specifically set forth herein, and such covenants, agreements, recitals, and representations are hereby adopted and incorporated herein by reference.

The appropriate officers of the District are hereby authorized and directed to prepare and furnish to any interested person certified copies of all proceedings and records of the District relating to the Bonds and such other affidavits and certificates as may be required to show the facts relating to the authorization and issuance thereof.

The execution of any instrument by the President of the District, an Assistant Secretary of the District or other appropriate officer of the District in connection with the issuance, sale, delivery or administration of the Bonds not inconsistent herewith shall be conclusive evidence of the approval by the District of such instrument in accordance with the terms thereof and hereof.

Section 3. Authorization of Bonds. In accordance with the Constitution of the State; the Act; the Supplemental Act; the Elections; and all other laws of the State thereunto enabling, there shall be issued the Bonds for the purpose of defeasing the Refunded Bonds, funding certain of the funds created by the Indenture including purchase of the Bond Insurance Policy and the 2022 Reserve Policy, and paying costs incurred in connection with the issuance of the Bonds, all as further provided in the Indenture. The Bonds shall constitute special revenue obligations of the District as provided in the Indenture, secured by the respective Trust Estates as defined and more particularly provided therein.

Section 4. Bond Details. The Bonds shall be issued only as fully registered bonds in the aggregate principal amount of up to \$[_____] and dated the date of delivery of the Bonds. The Bonds shall mature and shall be subject to optional and mandatory redemption prior to maturity, and shall bear interest, as provided in the Sale Certificate and the Indenture, as applicable. The Bonds shall be issued in Authorized Denominations (as defined in the Indenture), and be payable, shall be registered, numbered and subject to transfer and exchange, and shall otherwise be subject to the terms and conditions as provided in the Indenture.

Section 5. Delegation and Parameters.

(a) Pursuant to Section 11-57-205, C.R.S., the Board hereby delegates to the Sale Delegate the authority to determine and set forth in the Sale Certificate: (i) the matters set forth in subsection (b) of this Section, subject to the applicable parameters set forth in subsection (c) of this Section; and (ii) any other matters that, in the judgment of the Sale Delegate, are necessary or convenient to be set forth in the Sale Certificate and are not inconsistent with the Act and the Supplemental Act or the parameters set forth in subsection (c) of this Section. The Board hereby authorizes and directs the Sale Delegate to prepare and execute the Bond Purchase Agreement and the Sale Certificate, in accordance with such determinations. Upon the execution of the Sale Certificate, the matters set forth in the Sale Certificate shall be incorporated into this Resolution with the same force and effect as if they had been set forth herein when this Resolution was adopted.

(b) The Sale Certificate shall set forth the following matters and other matters permitted to be set forth therein pursuant to subsection (a) of this Section, but each such matter must fall within the applicable parameters set forth in subsection (c) of this Section:

- (i) the rate or rates of interest on the Bonds;
- (ii) the terms on which and the prices at which the Bonds may be redeemed prior to maturity, including, without limitation, the principal amounts of the Bonds subject to mandatory sinking fund redemption and the years in which such Bonds will be subject to such redemption;
- (iii) the price or prices at which the Bonds will be sold;
- (iv) the principal amounts of the Bonds;
- (v) the dates on which principal and interest shall be paid;

- (vi) the amount of principal maturing in any particular year;
- (vii) the date of issuance and delivery of the Bonds;
- (viii) the dated date of the Bonds; and
- (ix) the Record Date of the Bonds;

(c) The authority delegated to the Sale Delegate by this Section shall be subject to the following parameters:

(i) in no event shall the Sale Delegate be authorized to execute the Sale Certificate after the date that is 180 days after the date of adoption of this Resolution and in no event may the Bonds be issued after such date, absent further authorization by the Board;

(ii) the final maturity date of the Bonds shall not exceed December 1, 20[53];

(iii) the aggregate principal amount of the Bonds shall not exceed \$[_____];

(iv) the net effective interest rate borne by the Bonds shall not exceed [6.0]%;

(v) the sale price of the Bonds shall be an amount not less than 97% of the aggregate principal amount of the Bonds;

(vi) the total repayment cost of the Bonds and the maximum annual repayment cost thereof shall not exceed the limitations of the District's voted authorization as set forth in the Indenture; and

(vii) any redemption premium shall not be in excess of 3.00% of the principal amount so redeemed.

Section 6. Permitted Amendments to Bond Resolution. Except as otherwise provided herein, the District may amend this Resolution (i) with respect to the Bonds in the same manner, and subject to the same terms and conditions, as apply to an amendment or supplement to the Indenture, as provided in the Indenture.

Section 7. Appointment of District Representatives. The President of the Board is hereby appointed as a District Representative, as defined in the Indenture. A different District Representative may be appointed by resolution adopted by the Board and a certificate filed with the Trustee.

Section 8. Disposition and Investment of Proceeds; Tax Covenants. The Bonds shall be issued and sold for the purposes aforesaid. The Underwriter nor any subsequent Owners of the

Bonds shall be responsible for the application or disposal by the District or any of its officers of the funds derived from the sale thereof.

All or any portion of the Bond proceeds may be temporarily invested or reinvested, pending such use, in securities or obligations which are both lawful investments and which are Permitted Investments (as defined in the Indenture). It is hereby covenanted and agreed by the District that it will not make, or permit to be made, any use of the original proceeds of the Bonds within the meaning of the Code and applicable regulations, rulings, and decisions, or take, permit to be taken, or fail to take any action, which would adversely affect the exclusion from gross income of the interest on the Bonds under Section 103 of the Code and applicable regulations, rulings, and decisions.

Section 9. Call of Refunded Bonds. The Board does hereby declare and ratify its intent to exercise on behalf of and in the name of the District its option to redeem all of the Refunded Bonds on the earliest possible call dates. Contingent solely upon the execution and delivery of the Bonds in amounts sufficient to defease the Refunded Bonds.

Section 10. Tax Compliance Certificate. The President, Treasurer, Secretary and Assistant Secretary of the District shall, and they are each hereby authorized and directed, to take all actions necessary or appropriate to effectuate the provisions of this Resolution, including, but not limited to, the execution and delivery of the Tax Compliance Certificate, a Form IRS 8038-G and any other documents relating to the exemption from taxation of interest to accrue on the Bonds.

Section 11. Costs and Expenses. All costs and expenses incurred in connection with the issuance and payment of the Bonds shall be paid either from the proceeds of the Bonds or from legally available moneys of the District, or from a combination thereof, and such moneys are hereby appropriated for that purpose.

Section 12. Preliminary Official Statement. The Preliminary Official Statement and its use and distribution in connection with the sale of the Bonds is hereby ratified and approved. The Board hereby authorizes the preparation and distribution of a supplement to the Preliminary Official Statement if deemed necessary by the Underwriter in connection with its marketing of the Bonds. The Board hereby authorizes the preparation and distribution of a final Official Statement. The Official Statement shall contain such corrections and additional or updated information so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The President of the District is hereby authorized to execute copies of the Limited Official Statement on behalf of the District.

Section 13. Pledge of Revenues. The creation, perfection, enforcement, and priority of the revenues pledged to secure or pay the Bonds as provided herein and in the Indenture, respectively, shall be governed by Section 11-57-208 of the Supplemental Act, this Resolution and the Indenture. The revenues pledged for the payment of the Bonds, as received by or otherwise credited to the District or the Trustee, shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge on the revenues of the District and the obligation to perform the contractual provisions made herein and in the Indenture shall have priority over any or all other obligations and liabilities of 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.

Section 14. No Recourse Against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Board, or any officer or agent of the District acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal, interest or prior redemption premiums on the Bonds. Such recourse shall not be available either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Bonds and as a part of the consideration of their sale or purchase, any person purchasing or selling such Bond specifically waives any such recourse.

Section 15. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Act, the Bonds shall contain a recital that they are issued pursuant to certain provisions of the Supplemental Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value.

Section 16. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Act, no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or issuance of the Bonds shall be commenced more than thirty (30) days after the authorization of such securities.

Section 17. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the District and the members of the Board, not inconsistent with the provisions of this Resolution, relating to the authorization, sale, issuance, and delivery of the Bonds, or the execution of any documents in connection with the Bonds, are hereby ratified, approved, and confirmed.

Section 18. Resolution Irrepealable. After any of the Bonds have been issued, this Resolution shall constitute a contract between the Owners and the District and shall be and remain irrepealable until the Bonds and the interest accruing thereon shall have been fully paid, satisfied, and discharged, as herein provided and as provided in the Indenture.

Section 19. Repealer. All orders, bylaws, and resolutions of the District, or parts thereof, inconsistent or in conflict with this Resolution, are hereby repealed to the extent only of such inconsistency or conflict.

Section 20. Severability. If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution, the intent being that the same are severable.

Section 21. Effective Date. This Resolution shall take effect immediately upon its adoption and approval.

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ADOPTED AND APPROVED this 4th day of April, 2022.

(S E A L)

MIDCITIES METROPOLITAN DISTRICT NO. 2,
IN THE CITY AND COUNTY OF
BROOMFIELD, COLORADO

President

ATTESTED:

Secretary

INDENTURE OF TRUST
DATED AS OF APRIL[1], 2022
BETWEEN
MIDCITIES METROPOLITAN DISTRICT NO. 2
IN THE CITY AND COUNTY OF BROOMFIELD, COLORADO
AND
UMB BANK, N.A.
DENVER, COLORADO
AS TRUSTEE
RELATING TO

SPECIAL REVENUE REFUNDING BONDS
SERIES 2022

IN THE AGGREGATE PRINCIPAL AMOUNT OF

[\$48,805,000]

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EXHIBIT A FORM OF BOND

EXHIBIT B BALLOT QUESTIONS FROM ELECTION

INDENTURE OF TRUST (the “Indenture”) dated as of April [1], 2022, between **MIDCITIES METROPOLITAN DISTRICT NO. 2, IN THE CITY AND COUNTY OF BROOMFIELD, COLORADO**, a quasi-municipal corporation and political subdivision duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado (the “District”), and **UMB BANK, N.A.**, a banking institution authorized to accept and execute trusts of the character herein set out, having corporate trust offices in Denver, Colorado, as Trustee (the “Trustee”).

RECITALS

WHEREAS, the District is a quasi-municipal corporation, duly organized and existing as a metropolitan district in the City and County of Broomfield (the “City”) under and pursuant to the constitution and laws of the State of Colorado; and

WHEREAS, MidCities Metropolitan District No. 1 (“District No. 1” and together with District No. 2, the “Districts”) is a quasi-municipal corporation, duly organized and existing as a metropolitan district in the City under and pursuant to the constitution and laws of the State of Colorado; and

WHEREAS, pursuant to elections of the qualified electors of each of the Districts, the Districts issued certain obligations and pledged to the payment thereof certain sales and use taxes and ad valorem property taxes including but not limited to:

(a) District No. 1 issued its Special Revenue Variable Rate Refunding and Improvement Bonds, Series 2004A (the “2004A Bonds”) and Special Revenue Variable Rate Refunding Bonds, Series 2004B (the “2004B Bonds” and together with the 2004A Bonds, the “2004 Bonds”);

(b) District No. 2 issued its General Obligation Refunding and Improvement Bonds, Series 2006 (the “2006 Bonds” and together with the 2004 Bonds, the “Prior Bonds”);

WHEREAS, District No. 2 pledged its ad valorem taxes to District No. 1 to assist in the repayment of the 2004 Bonds; and

WHEREAS, the Districts, to achieve interest rate savings agreed that District No. 2 should issue its Special Revenue Refunding and Improvement Bonds, Series 2016A (the “Series 2016A Bonds”) to refund a portion of the Prior Bonds and fund public improvements in the District; and

WHEREAS, in addition, the Districts and the City authorized District No. 2 to issue its Subordinate Special Revenue Refunding Bonds, Series 2016B (the “Series 2016B Bonds” and together with the Series 2016A Bonds, the “Series 2016 Bonds”) for the purposes of refunding the remaining portion of the Prior Bonds; and

WHEREAS, pursuant to an Order dated on December 18, 2017, the District Court for the City and County of Broomfield dissolved District No. 1 and all remaining obligations of District No. 1 were transferred to District No. 2; and

WHEREAS, to achieve the refunding of the Prior Bonds, the obligation of the City to remit sales and use taxes was extended from July 10, 2031 through July 9, 2041 (the “Extended Reimbursement Obligation”); provided, however, District No. 2 agreed to impose a debt service mill levy to repay the City for the Extended Reimbursement Obligation; and

WHEREAS, the Series 2016A Senior Bonds and the Series 2016B Bonds remain outstanding in the aggregate principal amounts of \$46,125,000 and \$9,587,000, respectively (collectively, the “Refunded Bonds”); and

WHEREAS, the Board of Directors of the District (the “Board”) has determined that it is in the best interests of the District, and the residents and taxpayers thereof to achieve interest rate savings by the refunding of the Series 2016 Bonds, the District shall issue as special revenue refunding bonds in the original aggregate principal amount of \$[48,805,000] (as more particularly defined hereafter, the “Bonds”) to pay for costs of issuance of the Bonds and refund in their entirety the Refunded Bonds with the net proceeds of the Bonds; and

WHEREAS, the Refunded Bonds will be paid and cancelled on the date of issuance of the Bonds pursuant to the terms of the 2016A Senior Indenture and the 2016B Subordinate Indenture; and

WHEREAS, the Bonds shall be issued 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 Bonds; and

WHEREAS, the Bonds shall be special revenue obligations of the District, and shall be payable solely from the Pledged Revenue (as defined herein); and

WHEREAS, the Bonds shall be issued in denominations in the amount of \$5,000 or any integral multiple of \$1,000 in excess thereof; and

WHEREAS, the District has obtained a rating for the Bonds in one of the four highest rating categories by one or more nationally recognized organizations which regularly rate such obligations to fit into exceptions to the statutory debt limitation permitted by Section 32-1-1101(6)(a)(I), C.R.S.; and

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

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

NOW, THEREFORE, THIS INDENTURE OF TRUST WITNESSETH:

GRANTING CLAUSES

The District, in consideration of the premises and of the mutual covenants herein contained, the acceptance by the Trustee of the trusts hereby created, and of the purchase and acceptance of the Bonds by the Owners thereof and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium if any, and interest on the Bonds at any time Outstanding under this Indenture, according to their tenor and effect, and to secure the performance and observance of all the covenants and conditions in the Bonds, the Bond Resolution, and this Indenture of Trust, and to declare the terms and conditions upon and subject to which the Bonds are issued and secured, does hereby grant to the Trustee, and to its successors in trust, and to them and their assigns forever, the following (as more particularly defined hereafter, the “**Trust Estate**”):

GRANTING CLAUSE FIRST:

The Pledged Revenue, the Bond Fund, the Reserve Fund, and all other moneys, securities, revenues, receipts, and funds from time to time held by the Trustee under the terms of this Indenture, and a security interest therein; and

GRANTING CLAUSE SECOND:

All right, title, and interest of the District in any and all other property of every name and nature from time to time hereafter by delivery or by writing of any kind, given, granted, assigned, pledged, conveyed, mortgaged, or transferred by the District or by anyone on its behalf as and for additional security hereunder, and the Trustee is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof;

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

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

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

PROVIDED, HOWEVER, that if the District, its successors, or assigns, shall well and truly pay, or cause to be paid, the principal of, premium if any, and interest on the Bonds at the times and in the manner provided in the Bonds, according to the true intent and meaning thereof; or shall

provide, as permitted hereby and in accordance herewith, for the payment thereof by depositing with the Trustee or placing in escrow and in trust the entire amount due or to become due thereon, or certain securities as herein permitted, and shall well and truly keep, perform, and observe all the covenants and conditions pursuant to the terms of this Indenture to be kept, performed, and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Indenture and the rights hereby granted shall cease, terminate, and be void; otherwise this Indenture shall be and remain in full force and effect;

THIS INDENTURE FURTHER WITNESSETH and it is expressly declared, that all Bonds issued and secured hereunder are to be issued, authenticated, and delivered, and all said moneys, securities, revenues, receipts, and funds hereby pledged and assigned are to be dealt with and disposed of under, upon, and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses, and purposes as hereinafter expressed, and the District has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the Bonds as follows:

ARTICLE I

DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

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

“*Act*” means the “Special District Act,” Title 32, Article 1, C.R.S.

“*Additional Bonds*” means (1) all obligations of the District for borrowed money and reimbursement obligations, (2) all obligations of the District payable from or constituting a lien or encumbrance upon any ad valorem tax revenues of the District or any part of the Pledged Revenue, (3) all obligations of the District evidenced by bonds, debentures, notes, or other similar instruments, including Parity Bonds and Subordinate Bonds, (4) all obligations of the District to pay the deferred purchase price of property or services, (5) all obligations of the District as lessee under capital leases, but excluding such obligations outstanding from time to time with respect to which the aggregate maximum repayment costs for all terms thereof do not exceed \$100,000 and (6) all obligations of others guaranteed by the District; provided that notwithstanding the foregoing, the term “Additional Bonds” does not include:

(a) obligations the repayment of which is contingent upon the District’s annual determination to appropriate moneys therefor, other than capital leases as set forth in (5) above, which obligations do not constitute a multiple-fiscal year financial obligation and do not obligate the District to impose any tax, fee, or other governmental charge;

(b) obligations that are subject to termination by the District as least annually;

(c) obligations which are payable solely from the proceeds of Additional Bonds, when and if issued;

(d) obligations payable solely from periodic, recurring service charges imposed by the District for the use of any District facility or service, which obligations do not constitute a debt or indebtedness of the District or an obligation required to be approved at an election under Colorado law;

(e) obligations to reimburse any person in respect of surety bonds, financial guaranties, letters of credit, or similar credit enhancements so long as (i) such surety bonds, financial guaranties, letters of credit, or similar credit enhancements are issued as security for any Parity Bonds or Subordinate Bonds, and (ii) such reimbursement obligations are payable from the same or fewer revenue sources, with the same or a subordinate lien priority, as the obligations secured by the surety bonds, financial guaranties, letters of credit, or similar credit enhancements; and

(f) any operating leases, payroll obligations, accounts payable, or taxes incurred or payable in the ordinary course of business of the District; and

(g) obligations with respect to which the District has irrevocably committed funds (not constituting Pledged Revenue hereunder) equal to the full amount due or to become due thereunder.

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

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

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

“*Bond Fund*” means the “MidCities Metropolitan District No. 2 Special Revenue Refunding Bonds, Series 2022 Bond Fund,” established by the provisions hereof for the purposes set forth herein.

“*Bond Insurance Policy*” or “*Insurance Policy*” means, if the Bonds are issued with bond insurance, the municipal bond insurance policy issued by the Bond Insurer insuring the payment when due of the principal of and interest on the Bonds provided therein.

“*Bond Insurer*” or “*Insurer*” means Assured Guaranty Municipal Corp., a New York corporation, or any successor thereto or assignee thereof.

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

“*Bonds*” means the Special Revenue Refunding Bonds, Series 2022, in the aggregate principal amount of \$[48,805,000], issued by the District pursuant to this Indenture and the Bond Resolution.

“*Bond Year*” means the period commencing December 2 of any calendar year and ending December 1 of the following calendar year.

“*Business Day*” means any day other than a Saturday, a Sunday or a day on which banks in New York, New York or Denver, Colorado are authorized by law to remain closed.

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

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

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

“*City Agreement*” means the Amended and Restated Sales and Use Tax Reimbursement Agreement by and between the Districts and the City dated October 3, 2016, as amended and supplemented.

“*City Bond*” shall mean the Bond held by the City memorializing the amount of the Reimbursement Obligation under the City Agreement. [To be discussed]

“*City Note*” is the Note held by the City memorializing the amount of the Extended Reimbursement Obligation under the City Agreement.

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

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

“*Continuing Disclosure Agreement*” means the continuing disclosure agreement entered into as of [April __], 2022, by and between the District and the Trustee.

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

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

“*Debt to Assessed Ratio*” means the ratio derived by dividing the then-outstanding principal amount of all debt of the District to which property taxes or fee revenues of the District are pledged (including the Excluded Properties and the Greystar Property) by the assessed valuation of the taxable property of the District, as such assessed valuation is certified from time to time by the appropriate county assessor.

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

“*District*” or “*District No. 2*” means MidCities Metropolitan District No. 2, in the City and County of Broomfield, Colorado, and its successors and assigns.

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

“*DTC*” means The Depository Trust Company, New York, New York, and its successors and assigns. References herein to DTC shall include any nominee of DTC in whose name any Bonds are then registered.

“*Election*” means the elections held within the District on November 3, 1998, November 2, 1999 and November 7, 2000.

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

“*Excluded Properties*” means that property formerly in the District subject to the Order of Exclusion.

“*Fiscal Year*” means the District’s then-current fiscal year, which begins on January 1 of each year and ends on December 31 of such year.

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

“*Greystar Property*” means that property formerly in the District subject to the Greystar Order of Exclusion.

“*Greystar Order of Exclusion*” means an exclusion order of the District Court for the City and County of Broomfield dated _____.

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

“*Letter of Representations*” means the letter of representations from the District to DTC to induce DTC to accept the Bonds as eligible for deposit at DTC.

“*Order of Exclusion*” means an exclusion order of the District Court for the City and County of Broomfield dated _____.

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

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

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

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

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

“*Parity Bonds*” means the Bonds and any Additional Bonds having a lien upon the Pledged Revenue or any part thereof on a parity with the lien thereon of the Bonds, and superior to the lien of any Subordinate Bonds, payable in whole or in part from moneys described in SECOND through THIRD of the Section hereof entitled “Flow of Funds.” For purposes of this definition, Additional Bonds payable in whole or in part from, or having a lien upon, the District’s ad valorem tax revenues shall be considered obligations having a lien upon the Pledged Revenue or any part thereof. Any Parity Bonds hereafter issued may be issued pursuant to such resolutions, indentures, or other documents as may be determined by the District and shall be designated in such resolutions, indentures, or other documents as constituting Parity Bonds hereunder.

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

“*Permitted Investments*” means any investment or deposit the District is permitted to make under then applicable law.

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

(a) Such refunding obligations are issued solely for the purpose of paying the costs of refunding all or any part of any obligation of the District which constitutes a lien upon the ad valorem tax revenues of the District or the Pledged Revenue or any part thereof, which costs may include amounts sufficient to pay all expenses in connection with such refunding or refinancing, to fund reserve funds, sinking funds, and similar funds, and to pay the costs of letters of credit, credit facilities, interest rate exchange agreements, bond insurance, or other financial products pertaining to such refunding or refinancing.

(b) Such refunding obligations do not increase the District’s scheduled debt service in any year from that which appertained prior to the issuance of such refunding obligations. For purposes of the foregoing, obligations issued for refunding purposes

which have any scheduled payment dates in any year which is after the maturity of the obligations being refunded shall be deemed to increase the District's debt service in any year.

(c) If any additional reserve funds, surplus funds, sinking funds, or other similar funds or accounts are created for the additional security of such refunding obligations, the Bonds shall also be secured thereby on a *pari passu* basis. It is the intent hereof that the refunding obligations may be secured by the Reserve Fund in the same fashion as the Bonds, as provided in the Section hereof entitled "Reserve Fund."

(d) Such refunding obligations are payable on the same day or days of the calendar year as the Bonds and are not subject to acceleration.

(e) The ad valorem mill levy pledged to the payment of the refunding obligations is not higher than and is subject to the same deductions and adjustments as the ad valorem mill levy pledged to the payment of the Bonds.

(f) The remedies for defaults under such refunding obligations are substantially the same as the remedies applicable to the Bonds.

"*Pledged Revenue*" means the moneys derived by the District from the following sources, net of any costs of collection of the City and any property tax refunds or abatements authorized by or on behalf of the City:

- (a) the Required Mill Levy;
- (b) all amounts received from the City pursuant to the City Agreement; and
- (c) any other legally available moneys which the District determines, in its absolute discretion, to transfer to the Trustee for application as Pledged Revenue.

"*Projected City Payments*" means amounts received from the City pursuant to the City Agreement and deposited with the Trustee in the most recent 12-month period running from October 1st through September 30.

"*Property*" means the taxable real property which is contained within the boundaries of the District or otherwise subject to the Required Mill Levy.

"*Record Date*" means the fifteenth (15th) day of the calendar month next preceding each interest payment date.

"*Refunded Bonds*" shall have the meaning given to such term in the Whereas clauses hereof.

"*Required 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 accordance with the following:

(a) Subject to paragraph (d) below, an ad valorem mill levy (a mill being equal to 1/10 of 1 cent) imposed upon all taxable property of the District each year in an amount sufficient, after taking into account the Projected City Payments and any amounts then on deposit in the Bond Fund, to pay the principal of, premium, if any, and interest on the Series Bonds as the same become due and payable, to replenish the Reserve Fund up to the Reserve Requirement but not in excess of 50 mills shall be not less than [33.231 mills] (such debt levies to be subject to adjustment as provided in clause (ii) hereof); and (ii) in the event that the method of calculating assessed valuation is changed after January 1, 2016, such minimum mill levy of [33.231 mills] and maximum mill levy of 50 mills will each be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation;

(b) For the Excluded Properties (other than the Greystar Property), the minimum mill levy described in (a) above shall be limited to no less than [32.466 (instead of 33.231 mills)], subject to adjustment as described in paragraph (a) above; provided, however, such Excluded Properties (other than the Greystar Property) which secure approximately 97.7% of the Refunded Bonds, shall be subject to upward adjustment as described in paragraph (a) above, and the maximum mill levy shall be 50 mills, with the exact amount of the mill levy attributable to the Excluded Properties (other than the Greystar Property) being determined by the Board annually within such parameters and in accordance with the Order of Exclusion.

(c) For the Greystar Property, the minimum mill levy described in (a) above shall be limited to no less than [27 mills (instead of 33.231 mills)] subject to adjustment as described in paragraph (a) above; provided, however, the Greystar Property, which secures approximately 81.25% of the Refunded Bonds, shall be subject to upward adjustment as described in paragraph (a) above, and the maximum mill levy shall be 50 mills (not subject to upward adjustment as described in paragraph (a) above), with the exact amount of the mill levy attributable to the Greystar Property being determined by the Board annually within such parameters and in accordance with the Greystar Order of Exclusion .

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

“*Reserve Fund*” means a special fund of the District designated as the “MidCities Metropolitan District No. 2 Special Revenue Refunding Bonds, Series 2022 Reserve Fund,” created by the provisions hereof for the purposes set forth herein.

“*Reserve Fund Contract*” means a surety bond, insurance policy, letter of credit, investment agreement, investment contract or similar instrument.

“*Reserve Fund Contract Provider*” means the Bond Insurer.

“*Reserve Fund Requirement*” means: (a) upon issuance of the Bonds, an amount equal to \$_____ and (b) upon issuance of any series of Additional Bonds, as of the date of such issuance, the least of (i) 10% of the stated principal amount of such Additional Bonds, (ii) the maximum debt service due on such Additional Bonds in any Fiscal Year, and (iii) 125% of the average Fiscal Year debt service due on such Additional Bonds.

“*Service Plan*” means the service plan for the District approved by the City on September 13, 1998, as amended on December 29, 2000, October 9, 2001, June 27, 2006, August 9, 2016 and August 23, 2016, pursuant to the Act.

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

“*Special Redemption Fund*” means the “MidCities Metropolitan District No. 2 Special Revenue Refunding Bonds, Series 2022 Special Redemption Fund,” established by the provisions hereof for the purposes set forth herein.

“*State*” means the State of Colorado.

“*Subordinate Bonds*” means bonds, notes, debentures, or other multiple fiscal year financial obligations having a lien upon the Pledged Revenue or any portion thereof junior and subordinate to the lien thereon of the Bonds which satisfy the requirements of Section 4.04 hereof. Any Subordinate Bonds hereafter issued may be issued pursuant to such resolutions, indentures, or other documents as may be determined by the District and will not be issued under this Indenture.

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

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

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

“*Trustee Fees*” means the amount of the fees and expenses of the Trustee charged or incurred in connection with the performance of its ordinary services and duties rendered hereunder (and under any other indenture entered into by the District in connection with the issuance of Additional Bonds), as the same become due and payable as described in Section 9.02(a) hereof but not in excess of \$4,000 annually per bond issue; provided, however, that this definition does not include expenses incurred by the Trustee in connection with the performance of extraordinary

services and duties as described in Section 9.02(b) hereof, which expenses shall be payable by the District in accordance with the provisions thereof.

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

“*2022 Reserve Policy*” means the debt service reserve insurance policy issued by the Bond Insurer and deposited in the Reserve Fund. The 2022 Reserve Policy shall constitute a Reserve Fund Contract for purposes of this Indenture.

“*Underwriter*” means Wells Fargo Bank, N.A., Denver, Colorado.

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

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

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

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

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

(e) in no event shall the term “available” when used to modify moneys on deposit in the Bond Fund be interpreted to mean that the Trustee or the District has any discretion to determine that only a portion of such revenue shall be applied as provided herein; and

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

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

Section 1.04. Exclusion of Bonds Held by the District. In determining whether the Consent Parties with respect to the requisite principal amount of the Outstanding Bonds have given any request, demand, authorization, direction, notice, consent, or waiver hereunder, Bonds for

which the District is the Consent Party or the entity entitled to direct the actions of the Consent Party shall be disregarded and deemed not to be Outstanding.

Section 1.05. Certificates and Opinions.

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

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

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

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

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

Section 1.06. Acts of Consent Parties.

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

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

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

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

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

ARTICLE II

THE BONDS

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

(a) In accordance with the Constitution of the State; the Election; the Supplemental Act; Part 11 of the Act; and all other laws of the State thereunto enabling, there shall be issued the Bonds for the purposes hereinafter stated. The aggregate principal amount of the Bonds that may be authenticated and delivered under this Indenture is limited to and shall not exceed \$[48,805,000], except as provided in Section 2.06 and Section 2.09 hereof.

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

(c) The Bonds shall be dated as of the date of issuance and shall bear interest at the rates shown below calculated on the basis of a 360-day year of twelve 30-day months, payable to the extent of Pledged Revenue available therefor semiannually on each June 1 and December 1, commencing on June 1, 2022, shall mature in the years shown below and shall be subject to mandatory sinking fund redemption to the extent of Pledged Revenue available therefor on December 1 of each year as provided in Section 5.01(b) hereof.

<u>Maturity Date</u> <u>(December 1)</u>	<u>Interest Rate</u>	<u>Maturity Date</u> <u>(December 1)</u>	<u>Interest Rate</u>
2022	%	2033	%
2023		2034	
2024		2035	
2025		2036	
2026		2037	
2027		2038	
2028		2039	
2029		2040	
2030		2041	
2031		2046	
2032			

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

(e) The principal of and premium, if any, on the Bonds are payable in lawful money of the United States of America to the Owner of each Bond upon maturity or prior redemption and presentation at the principal office of the Trustee. The interest on any Bond is payable to the person in whose name such Bond is registered, at his address as it appears on the registration books maintained by or on behalf of the District by the Trustee, at the close of business on the Record Date, irrespective of any transfer or exchange of such Bond subsequent to such Record Date and prior to such interest payment date; provided that any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the Owner thereof at the close of business on the Record Date

and shall be payable to the person who is the Owner thereof at the close of business on a Special Record Date for the payment of any such unpaid interest. Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the unpaid interest, and notice of the Special Record Date shall be given to the Owners of the Bonds not less than ten (10) days prior to the Special Record Date by first-class mail to each such Owner as shown on the registration books kept by the Trustee on a date selected by the Trustee. Such notice shall state the date of the Special Record Date and the date fixed for the payment of such unpaid interest.

(f) Interest payments shall be paid by check or draft of the Trustee mailed on or before the interest payment date to the Owners. The Trustee may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the Owner of such Bond and the Trustee; provided that the District shall not be required to incur any expenses in connection with such alternative means of payment.

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

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

Section 2.02. Purpose of Issuance of Bonds. The Bonds are being issued for the purpose of: (a) defeasing the Refunded Bonds, (b) funding certain of the funds created hereby to the extent provided in Section 3.03 hereof including purchase of the Bond Insurance Policy and the 2022 Reserve Policy, and (c) paying costs incurred in connection with the issuance of the Bonds. The Owners of the Bonds shall not be responsible for the application or disposal by the District or any of its officers of the funds derived from the sale thereof.

Section 2.03. Trustee as Paying Agent and Bond Registrar.

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

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

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

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

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

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

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

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

Section 2.06. Lost, Stolen, Destroyed, or Mutilated Bonds. Any Bond that is lost, stolen, destroyed, or mutilated may be replaced (or paid if the Bond has matured or come due by reason of prior redemption) by the Trustee in accordance with and subject to the limitations of applicable law. The applicant for any such replacement Bond shall post such security, pay such costs, and present such proof of ownership and loss as may be required by applicable law, or in the absence of specific requirements, as may be required by the Trustee. In the event any such lost, stolen, destroyed, or mutilated Bond shall have become due for payment, instead of issuing a replacement Bond as provided above, the Trustee may pay the same, and may charge the Owner the reasonable fees and expenses of the Trustee in connection therewith.

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

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

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

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

(b) Bonds may be exchanged at the principal office of the Trustee for a like aggregate principal amount of Bonds of the same maturity of other Authorized Denominations. Bonds may be transferred upon the registration books upon delivery of the Bonds to the Trustee, accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Trustee, duly executed by the Owner of the Bonds to be transferred or his attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of such Bonds, along with the social security number or federal employer identification number of such transferee. No transfer of any Bond shall be effective until entered on the registration books. In all cases of the transfer of a Bond, the Trustee shall enter the transfer of ownership in the registration books, and shall authenticate and deliver in the name of the transferee or

transferees a new fully registered Bond or Bonds of Authorized Denominations of the same maturity and interest rate for the aggregate principal amount which the Owner is entitled to receive at the earliest practicable time in accordance with the provisions hereof.

(c) The Trustee shall charge the Owner of such Bond for every such transfer or exchange of a Bond an amount sufficient to reimburse it for its reasonable fees and for any tax or other governmental charge required to be paid with respect to such transfer or exchange.

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

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

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

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

to the unclaimed funds or the Trustee providing other requirements for the disposition of unclaimed property.

Section 2.12. Book-Entry System.

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

(b) With respect to Bonds registered in the name of Cede or held by a Depository, neither the District nor the Trustee shall have any responsibility or obligation to any Participant or Beneficial Owner including, without limitation, any responsibility or obligation with respect to: (i) the accuracy of the records of the Depository or any Participant concerning any ownership interest in the Bonds; (ii) the delivery to any Participant, Beneficial Owner, or person other than the Owner, of any notice concerning the Bonds, including notice of redemption; or (iii) the payment to any Participant, Beneficial Owner, or person other than the Owner, of the principal of, premium if any, and interest on the Bonds. The District and the Trustee may treat the Owner of any Bond as the absolute owner of such Bond for the purpose of payment of the principal of, premium if any, and interest on such Bond, for purposes of giving notices of redemption and other matters with respect to such Bond, and for all other purposes whatsoever. The Trustee shall pay all principal of, premium if any, and interest on or in connection with the Bonds only to or upon the order of the Owners, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to the payment of the same. No person, other than an Owner, shall receive a certificated Bond evidencing the obligations of the District pursuant to this Indenture.

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

ARTICLE III

REVENUES AND FUNDS

Section 3.01. Source of Payment of Bonds. The Bonds shall constitute revenue obligations of the District, as provided herein, payable from the Pledged Revenue as provided herein. Principal of the Bonds, together with the interest thereon and any premium due in

connection therewith, shall be payable solely from and to the extent of the Pledged Revenue, including all moneys and earnings thereon held in the funds and accounts herein created, and the Pledged Revenue is hereby pledged to the payment of the Bonds. The Bonds shall constitute an irrevocable lien upon the Pledged Revenue and the moneys and earnings thereon held in the funds and accounts herein created, but not necessarily an exclusive such lien. The Bonds are secured by a lien on the Pledged Revenue on parity with the lien thereon of any other Parity Bonds issued hereafter.

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

- (a) the Bond Fund, and therein, Extraordinary Redemption Account;
- (b) the Costs of Issuance Fund
- (c) the Reserve Fund; and
- (d) the Special Redemption Fund.

Moneys deposited into such funds shall be invested as provided in Section 6.01 hereof and, in accordance with Section 6.03 hereof, interest income earned on such investments shall be credited to the fund from which the moneys invested were derived except as provided for investments of the Reserve Fund.

Section 3.03. Initial Credits. Immediately upon issuance of the Bonds and from the proceeds thereof and reserve and surplus funds associated with the Refunded Bonds, the Trustee shall apply the proceeds of the Bonds equal to \$_____ (such amount being equal to the par amount of the Bonds plus net original issue premium of \$_____ and less the Underwriter's discount of \$_____) as follows:

- (a) to the refunding of the Series 2016 Bonds, \$_____;
- (b) to the Costs of Issuance Fund, the amount of \$_____;
- (c) \$_____ shall be used to purchase Bond Insurance Policy from the Bond Insurer;
- (d) to the Bond Fund, the amount of \$_____; and
- (e) \$_____ shall be used to purchase the 2022 Reserve Policy from the Reserve Fund Contract Provider.

Section 3.04. Reserved.

Section 3.05. Flow of Funds. The District shall transfer all amounts comprising Pledged Revenue to the Trustee as soon as may be practicable after the receipt thereof and in no event later than the 15th day of the calendar month immediately succeeding the calendar month in which such

revenue is received by the District. IN NO EVENT IS THE DISTRICT PERMITTED TO APPLY ANY PORTION OF THE PLEDGED REVENUE TO ANY OTHER PURPOSE OR TO WITHHOLD ANY PORTION OF THE PLEDGED REVENUE. In addition, in order to assure the proper application of moneys constituting Pledged Revenue, on and after the date of issuance of any other Parity Bonds or Subordinate Bonds, the District shall also transfer to the Trustee all Pledged Revenue and any such moneys shall constitute part of the Trust Estate. The Trustee shall apply the Pledged Revenue and such other moneys in the following order of priority. For purposes of the following: (a) when credits to more than one fund, account, or purpose are required at any single priority level, such credits shall rank *pari passu* with each other and, in the event that Pledged Revenue is not sufficient to fully fund all amounts required at any single priority level, credits shall be made *pro rata*, in accordance with the relative amounts required to be deposited to such funds or accounts, and (b) when credits are required to go to funds or accounts which are not held by the Trustee under this Indenture, the Trustee may rely upon the written instructions of the District with respect to the appropriate funds or accounts to which such credits are to be made.

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

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

THIRD: To the credit of the Reserve Fund, the amounts required by the Section hereof entitled "Reserve Fund," and to the credit of any reserve fund or similar fund or account established in connection with any other Parity Bonds to secure the payment of the principal of, and premium if any, and interest on such Parity Bonds and fully funded as of the date of issuance of such Parity Bonds, the amounts required by the documents pursuant to which such other Parity Bonds are issued;

FOURTH: To the credit of the Special Redemption Fund.

In the event that any Pledged Revenue is available to be disbursed in accordance with clause FOURTH above, the District will, in making its determination as to the application of such amounts, take into account that State law places certain restrictions upon the use of any moneys representing ad valorem property tax revenue from a debt service mill levy, and any then existing pledge or encumbrance on such revenues.

Section 3.06. Bond Fund.

(a) For so long as the Bonds are the only Senior Bonds then outstanding, all Pledged Revenue received by the Trustee shall be credited to the Bond Fund until the amount therein is sufficient to fully pay, satisfy, and discharge all of the Bonds. If any additional Senior Bonds other than the Bonds are issued, the District will so inform the Trustee in writing, and, thereafter, the Pledged Revenue shall be allocated between the

Bonds and such Senior Bonds on a pro rata basis in accordance with the relative outstanding principal amounts of such issues.

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

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

SECOND, to the extent any moneys are remaining in the Bond Fund after the payment of such interest, to the payment of the principal of and premium, if any, on the Bonds, whether due at maturity or upon prior redemption.

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

FIRST, the Trustee shall pay such amounts as are available, proportionally in accordance with the amount of interest due on each Bond; and

SECOND, the Trustee shall apply any remaining amounts to the payment of the principal of and premium, if any, then due on as many Bonds as can be paid with such remaining amounts, such principal payments to be in increments of \$1,000 or any integral multiple thereof, plus any premium. Bonds or portions thereof to be redeemed pursuant to such partial payment shall be selected by lot from the Bonds the principal of which is due and owing on the due date.

Section 3.07. Reserve Fund. Moneys in the Reserve Fund shall be used solely for the purpose of paying the principal of and interest on the Bonds to the extent the moneys in the Bond Fund are insufficient for such purpose. The Trustee shall transfer moneys from the Reserve Fund to the Bond Fund to pay the principal of or interest on the Bonds to the extent moneys on deposit in the Bond Fund are insufficient therefor when due.

(a) Upon issuance of the Bonds, there shall be deposited to the Reserve Fund the 2022 Reserve Policy. Thereafter, the Reserve Fund shall be funded and maintained with the 2022 Reserve Policy, cash or Permitted Investments.

(b) Moneys credited to the Reserve Fund may be invested or deposited by the Trustee at the direction of the District in Permitted Investments only and in accordance with the laws of the State of Colorado. Investments in the Reserve Fund shall be valued by the Trustee at market value at least quarterly. Income from the investment or reinvestment of moneys credited to the Reserve Fund shall (i) be credited to the Bond Fund if the amount of the Reserve Fund is not less than the Reserve Requirement, or (ii) remain in and become part of the Reserve Fund if the Reserve Fund balance is less than the Reserve

Requirement. At any time that the Trustee determines that the Reserve Fund balance exceeds the Reserve Requirement, such excess amounts shall be transferred by the Trustee to the Bond Fund.

(c) If at any time the Reserve Fund is less than the Reserve Fund Requirement, the Trustee shall apply Pledged Revenue to the credit of the Reserve Fund in amounts sufficient to bring the amount credited to the Reserve Fund to the Reserve Fund Requirement. Such credits shall be made at the earliest practicable time, but in accordance with and subject to the limitations of the Section hereof entitled "Flow of Funds." Nothing herein shall be construed as requiring the District to impose an ad valorem mill levy in excess of the Required Mill Levy for the purpose of funding the Reserve Fund. For purposes of this Section, investments credited to the Reserve Fund shall be valued on the basis of their current market value, as reasonably determined by the District, which value shall be determined at least annually, and any deficiency resulting from such evaluation shall be replenished as aforesaid. The amount credited to the Reserve Fund shall never exceed the amount of the Reserve Fund Requirement.

(d) Notwithstanding anything to the contrary in this Indenture, the following provisions shall govern with respect to the 2022 Reserve Policy:

(i) The District shall repay any draws under the 2022 Reserve Policy and pay all related reasonable expenses incurred by the Bond Insurer and shall pay interest thereon from the date of payment by the Bond Insurer at the Late Payment Rate. "Late Payment Rate" means the lesser of (x) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank) plus 5%, and (ii) the then applicable highest rate of interest on the Bonds and (y) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such national bank as the Bond Insurer shall specify. If the interest provisions of this subparagraph (i) shall result in an effective rate of interest which, for any period, exceeds the limit of the usury or any other laws applicable to the indebtedness created herein, then all sums in excess of those lawfully collectible as interest for the period in question shall, without further agreement or notice between or by any party hereto, be applied as additional interest for any later periods of time when amounts are outstanding hereunder to the extent that interest otherwise due hereunder for such periods plus such additional interest would not exceed the limit of the usury or such other laws, and any excess shall be applied upon principal immediately upon receipt of such moneys by the Bond Insurer, with the same force and effect as if the District had specifically designated such extra sums to be so applied and the Bond Insurer had agreed to accept such extra payment(s) as additional interest for such later periods. In no event shall any agreed-to or actual exaction as consideration for the indebtedness

created herein exceed the limits imposed or provided by the law applicable to this transaction for the use or detention of money or for forbearance in seeking its collection.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Bond Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Bond Insurer on account of principal due, the coverage under the 2022 Reserve Policy will be increased by a like amount, subject to the terms of the 2022 Reserve Policy. The obligation to pay Policy Costs shall be secured by a valid lien on all revenues and other collateral pledged as security for the Bonds (subject only to the priority of payment provisions set forth under this Indenture).

All cash and investments in the Reserve Fund shall be transferred to the debt service fund for payment of debt service on Bonds before any drawing may be made on the 2022 Reserve Policy or any other credit facility credited to the Reserve Fund in lieu of cash ("Credit Facility"). Payment of any Policy Costs shall be made prior to replenishment of any such cash amounts. Draws on all Credit Facilities (including the 2022 Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Reserve Fund. Payment of Policy Costs and reimbursement of amounts with respect to other Credit Facilities shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Reserve Fund. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

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

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

(iv) The District shall include any Policy Costs then due and owing the Bond Insurer in the calculation of the additional bonds test and the rate covenant in the Indenture.

(v) The Indenture shall require the Trustee to ascertain the necessity for a claim upon the 2022 Reserve Policy in accordance with the provisions of subparagraph (i) above and to provide notice to the Bond Insurer in accordance with the terms of the 2022 Reserve Policy at least five Business Days prior to each date upon which interest or principal is due on the Bonds. Where deposits are required to be made by the District with the Trustee to the debt service fund for the Bonds more often than semi-annually, the Trustee shall be instructed to give notice to the Bond Insurer of any failure of the District to make timely payment in full of such deposits within two Business Days of the date due.

(e) Notwithstanding the foregoing, Permitted Refunding Bonds may be secured by the Reserve Fund in the same fashion as the Bonds remaining Outstanding after issuance of such Permitted Refunding Bonds, and if so secured, such Permitted Refunding Bonds shall have a claim upon the Reserve Fund which ranks *pari passu* with the claim of the Bonds remaining Outstanding after issuance of such Permitted Refunding Bonds.

Section 3.08. Costs of Issuance Fund. All moneys on deposit in the Costs of Issuance Fund shall be applied by the Trustee at the direction of the District in accordance with a closing memorandum prepared by the Underwriter which includes a summary of approved costs for payment in connection with the issuance of the Bonds, including, without limitation, printing costs, CUSIP fees, regulatory fees, the fees and expenses of bond Counsel, general Counsel, Underwriter's Counsel and other Counsel, the fees and expenses of the District's accountant, manager, special consultants and other professionals, the costs of the Trustee, and other costs and expenses of the District relating to the issuance of the Bonds. The Trustee may rely conclusively on the directions contained in the closing memorandum and shall not be required to make any independent investigation in connection therewith. Any amounts remaining in the Costs of Issuance Fund on the date that is 90 days after the date of issuance of the Bonds shall be transferred by the Trustee into the Bond Fund.

Section 3.09. Special Redemption Fund; Extraordinary Mandatory Redemption. On each October 15, commencing October 15, 2022, if after application of Pledged Revenue to the amounts due in said Bond Year in Section 3.05 above FIRST through THIRD and provided further that the balance of the Reserve Fund is at the Reserve Fund Requirement, the Trustee determines there are amounts in the Special Redemption Fund, then to the extent the amount therein is in excess of the amount required to pay scheduled principal and interest on the Bonds due on the next December 1 (including current interest, accrued but unpaid interest, and interest due as a result of compounding, if any), the Trustee shall promptly give notice of an "Extraordinary Mandatory Redemption" and take such other actions as necessary to redeem as many Bonds maturing in the years [_____ and _____,] as can be redeemed with such excess moneys. Such redemptions shall only apply to the Bonds maturing in the year(s) listed in the preceding sentence and shall be made by the Trustee on December 1 of such year, provided that amounts insufficient to redeem at least one Bond in the denomination of \$1,000 will be retained in the Bond Fund. The extraordinary

mandatory redemption provided in this Section shall be made by the Trustee without further instruction from the District and notwithstanding any instructions from the District to the contrary.

Section 3.10. Moneys to be Held in Trust. All moneys deposited with or paid to the Trustee under any provision of this Indenture shall be held by the Trustee in trust for the purposes specified in this Indenture, and except for moneys paid to Trustee for its fees and expenses, shall constitute part of the Trust Estate and be subject to the lien hereof. Except to the extent otherwise specifically provided in Article VII and Section 8.05 hereof, the District shall have no claim to or rights in any moneys deposited with or paid to the Trustee hereunder.

Section 3.11. Pledged Revenue. The creation, perfection, enforcement, and priority of the pledge of revenues to secure or pay the Bonds provided herein shall be governed by Section 11-57-208 of the Supplemental Act, this Indenture, and the Bond Resolution. The revenues pledged to the payment of the Bonds shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge and the obligation to perform the contractual provisions hereof and of the Bond Resolution shall have priority over any and all other obligations and liabilities of the District, except as may be otherwise provided in the Supplemental Act, in this Indenture, in the Bond Resolution, or in any other instrument, but subject to any prior pledges and liens. The lien of such pledge shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the District irrespective of whether such persons have notice of such liens.

ARTICLE IV

COVENANTS OF DISTRICT

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

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

Section 4.03. Covenant to Impose Required Mill Levy.

(a) For the purpose of paying the principal of, and premium if any, and interest on the Bonds and funding the Reserve Fund to the Reserve Fund Requirement as provided herein, the District covenants to cause to be levied on all of the taxable property of the

District, in addition to all other taxes, direct annual taxes in each of the years 2022 to 2045, inclusive (for tax collection in years 2023 through 2046, inclusive), in the amount of the Required Mill Levy. When collected, the taxes levied for the foregoing purposes shall be deposited with the Trustee in accordance with Section 3.05 hereof.

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

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

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

(e) Said taxes shall be levied, assessed, collected, and enforced at the time and in the form and manner and with like interest and penalties as other general taxes in the State, 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 Indenture.

Section 4.04. Additional Bonds.

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

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

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

(i) No Event of Default has occurred and is continuing and no amounts of principal or interest on the Bonds or any other Parity Bonds are due but unpaid; and

(ii) No Subordinate Bonds are outstanding; and

(iii) any prior to the issuance of any Additional Parity Bonds with a lien on the Pledged Revenue and payable from the Pledged Revenue which is on a parity with the lien of the Bonds and the Parity Bonds, unless the District certifies in writing that that (A) the Debt to Assessed Ratio is less than 50% and (B) that Pledged Revenue for any 12 consecutive months out of the 18 months preceding the month in which such additional Parity Obligations are to be issued is at least equal to the sum (a) of 150% of the maximum annual debt service of (i) the Bonds, (ii) all Parity Bonds outstanding during such 12 month period, and (iii) such proposed additional Parity Bonds to be issued.

(d) *District Certification.* A written certificate by the President or Vice President or Treasurer of the District and the Certified Public Accountant that the conditions for issuance of Additional Bonds set forth herein are met shall conclusively determine the right of the District to authorize, issue, sell, and deliver such Additional Bonds in accordance herewith.

(e) *Subordinate Bonds.* The District may issue Subordinate Bonds provided that such Subordinate Bonds pay interest and principal annually after all payment on the Bonds and any Parity Bonds are made in such calendar year.

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

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

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

(c) The District will carry general liability, public officials' liability, and such other forms of insurance coverage on insurable District property upon the terms and

conditions, and issued by recognized insurance companies, as in the judgment of the District would be in such amounts as will protect the District and its operations.

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

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

(f) The District shall enforce the provisions of the City Agreement.

ARTICLE V

PRIOR REDEMPTION

Section 5.01. Prior Redemption.

(a) *Optional Redemption.* The Bonds are subject to redemption prior to maturity, at the option of the District, as a whole or in part by lot in integral multiples of \$1,000, on December 1, 20[___], and on any date thereafter, upon payment of 100% of the principal amount of the Bonds to be redeemed, plus accrued interest to the redemption date, without redemption premium.

(b) *Mandatory Sinking Fund Redemption.* The Bonds maturing on December 1, [2036] also are subject to mandatory sinking fund redemption prior to maturity, in part, by lot, upon payment of 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the redemption date, without redemption premium, on December 1 in the years and in the amounts set forth below:

Year of Redemption	Redemption Amount
*	

*Final maturity, not a sinking fund redemption.

The Bonds maturing on December 1, [2041] also are subject to mandatory sinking fund redemption prior to maturity, in part, by lot, upon payment of 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the redemption date, without redemption premium, on December 1 in the years and in the amounts set forth below:

Year of Redemption	Redemption Amount
*	

*Final maturity, not a sinking fund redemption.

The Bonds maturing on December 1, [2046] also are subject to mandatory sinking fund redemption prior to maturity, in part, by lot, upon payment of 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the redemption date, without redemption premium, on December 1 in the years and in the amounts set forth below:

Year of Redemption	Redemption Amount
*	

*Final maturity, not a sinking fund redemption.

On or before forty-five (45) days prior to each sinking fund installment date as set forth above, the Trustee shall select for redemption, by lot in such manner as the Trustee may determine, from the Outstanding Bonds, a principal amount of such Bonds equal to the applicable sinking fund installment. The amount of the applicable sinking fund installment for any particular date shall be reduced by the principal amount of any Bonds which prior to said date have been redeemed (otherwise than through the operation of the sinking fund) and cancelled and not theretofore applied as a credit against a sinking fund installment. Such reductions, if any, shall be applied in such year or years as may be determined by the District.

Section 5.02. Redemption Procedure and Notice.

(a) If less than all of the Bonds are to be redeemed on any prior redemption date, the Bonds to be redeemed shall be selected by lot prior to the date fixed for redemption, in such manner as the Trustee shall determine. The Bonds shall be redeemed only in integral multiples of \$1,000. In the event a Bond is of a denomination larger than \$1,000, a portion of such Bond may be redeemed, but only in the principal amount of \$1,000 or any integral multiple thereof. Such Bond shall be treated for the purpose of redemption as that number of Bonds which results from dividing the principal amount of such Bond by \$1,000. In the event a portion of any Bond is redeemed, the Trustee shall, without charge to the Owner of such Bond, authenticate and deliver a replacement Bond or Bonds for the unredeemed portion thereof.

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

date, provided funds for their redemption are on deposit at the place of payment at that time.

ARTICLE VI

INVESTMENTS

Section 6.01. Investments.

(a) All moneys held by the Trustee in any of the funds or any accounts created hereby shall be promptly invested or reinvested by the Trustee, upon receipt by the Trustee of written direction of the District Representative, in Permitted Investments only. The Trustee shall have no obligation to determine whether any investment directed by the District constitutes a Permitted Investment.

(b) Such investments shall mature, or be redeemable at the option of the owner thereof, no later than the respective dates when moneys held for the credit of such fund or account will be required for the purposes intended. The District Representative may direct the Trustee to, or in the absence of direction the Trustee shall in accordance with this Section, invest and reinvest the moneys in any money market fund which is a Permitted Investment so that the maturity date, interest payment date, or date of redemption, at the option of the owner of such investment, shall coincide as nearly as practicable with the times at which money is needed to be so expended. Unless otherwise confirmed or directed in writing, an account statement delivered periodically by the Trustee to the District that the investment transactions identified therein accurately reflect the investment directions given to the Trustee by the District shall be sufficient, unless the District notifies the Trustee in writing to the contrary within 30 days of the date of such statement.

(c) The Trustee is not required to issue confirmations of Permitted Investments for any month in which a monthly statement is rendered by the Trustee.

(d) The Trustee may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including cash sweep account fees. The Trustee is specifically authorized to purchase or invest in shares of any investment company that (i) is registered under the Investment Company Act of 1940, as amended (including both corporations and Massachusetts business trusts, and including companies for which the Trustee may provide advisory, administrative, custodial, or other services for compensation), (ii) invests substantially all of its assets in short-term high-quality money-market instruments, limited to obligations issued or guaranteed by the United States, and (iii) maintains a constant asset value per share. The Trustee also is specifically authorized to implement its automated cash investments system to assure that cash on hand is invested and to charge reasonable cash management fees, which may be deducted from income earned on investments.

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

Section 6.02. Tax Matters.

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

(b) The District shall not use or permit the use of any proceeds of Bonds or any funds of the District, directly or indirectly, to acquire any securities or obligations, and shall not take or permit to be taken any other action or actions, which would cause any Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Code or “federally guaranteed” within the meaning of Section 149(b) of the Code and any such applicable requirements promulgated from time to time thereunder and under Section 103(b) of the Code, and the District shall observe and not violate the requirements of Section 148 of the Code and any such applicable regulations. The District shall comply with all requirements of Sections 148 and 149(d) of the Code to the extent applicable to the Bonds. In the event that at any time the District is of the opinion that for purposes of this Section it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee or held by the District under this Indenture, including but not limited to the Reserve Fund, the District shall so restrict or limit the yield on such investment or shall so instruct the Trustee in a detailed certificate, and the Trustee shall take such action as may be necessary in accordance with such instructions.

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

(d) The District further covenants to pay from time to time all amounts required to be rebated to the United States pursuant to Section 148(f) of the Code and any temporary, proposed, or final Treasury Regulations as may be applied to the Bonds from time to time. The payment of such rebate amounts as required by this paragraph supersedes all other provisions of this Indenture concerning the deposit and transfer of interest earnings to or from any other fund or account. Moneys set aside to pay such rebate amounts pursuant to this paragraph are not subject to any lien created hereunder for the benefit of the Owners. This covenant shall survive the payment in full or the defeasance of the Bonds.

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

Section 6.03. Use of Interest Income. Except as provided hereafter for investments of the Reserve Fund, the interest income derived from the investment and reinvestment of any moneys in any fund or account held by the Trustee hereunder shall be credited to the fund or

account from which the moneys invested were derived. With respect to the Reserve Fund, so long as the amount of the Reserve Fund is equal to the Reserve Fund Requirement, all interest income from the investment or reinvestment of moneys credited to the Reserve Fund shall be credited to the Bond Fund; provided that if the amount of the Reserve Fund is less than the Reserve Fund Requirement, then such interest income shall be credited to the Reserve Fund.

ARTICLE VII

DISCHARGE OF LIEN

Section 7.01. Discharge of the Lien of this Indenture.

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

(b) Any Bond shall, prior to the maturity or prior redemption thereof, be deemed to have been paid within the meaning and with the effect expressed in this Section 7.01 if, for the purpose of paying such Bond (i) there shall have been deposited with the Trustee an amount sufficient, without investment, to pay the principal of, and premium if any, and interest on such Bond as the same becomes due at maturity or upon one or more designated prior redemption dates, or (ii) there shall have been placed in escrow and in trust with a commercial bank exercising trust powers, an amount sufficient (including the known minimum yield from Federal Securities in which such amount may be invested) to pay the principal of, and premium if any, and interest on such Bond, as the same becomes due at maturity or upon one or more designated prior redemption dates. The Federal Securities in any such escrow shall not be subject to redemption or prepayment at the option of the issuer, and shall become due at or prior to the respective times on which the proceeds thereof shall be needed, in accordance with a schedule established and agreed upon between the District and such bank at the time of the creation of the escrow, or the Federal Securities shall be subject to redemption at the option of the holders thereof to assure such availability as so needed to meet such schedule. The sufficiency of any such escrow funded with Federal Securities shall be determined by a Certified Public Accountant.

(c) Neither the Federal Securities, nor moneys deposited with the Trustee or placed in escrow and in trust pursuant to this Section 7.01, nor principal or interest payments on any such Federal Securities shall be withdrawn or used for any purpose other

than, and shall be held in trust for, the payment of the principal of, and the premium if any, and interest on the Bonds; provided however, that any cash received from such principal or interest payments on such Federal Securities, if not then needed for such purpose, shall, to the extent practicable, be reinvested subject to the provisions of Article VI hereof in Federal Securities maturing at the times and in amounts sufficient to pay, when due, the principal of, and the premium if any, and interest on the Bonds.

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

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

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

ARTICLE VIII

DEFAULT AND REMEDIES

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

(a) The District fails or refuses to impose the Required Mill Levy or to apply the Pledged Revenue as required by this Indenture;

(b) The District defaults in the performance or observance of any of the other covenants, agreements, or conditions on the part of the District in this Indenture or the Bond Resolution, other than as described in Section 8.01(a) hereof, and fails to remedy the same after notice thereof pursuant to Section 8.12 hereof; or

(c) The District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Bonds.

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

WITHOUT LIMITING THE FOREGOING, AND NOTWITHSTANDING ANY OTHER PROVISION CONTAINED IN THIS INDENTURE, THE DISTRICT ACKNOWLEDGES AND AGREES THAT APPLICATION OF ANY PORTION OF THE PLEDGED REVENUE TO ANY PURPOSE OTHER THAN REMITTANCE TO THE TRUSTEE FOR APPLICATION AS REQUIRED BY THIS INDENTURE CONSTITUTES AN EVENT OF DEFAULT UNDER SECTION 8.01(a) HEREOF, AND IN NO EVENT SHALL THE DISTRICT BE PERMITTED TO WITHHOLD ANY PORTION OF PLEDGED REVENUE OR APPLY ANY PORTION THEREOF TO ANY PURPOSE OTHER THAN REMITTANCE TO THE TRUSTEE AS REQUIRED BY THIS INDENTURE.

Section 8.02. Remedies on Occurrence of Event of Default.

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

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

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

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

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

(c) If any Event of Default under Section 8.01(a) or 8.01(b) shall have occurred and if requested by the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding, the Trustee shall, subject to Section 8.03 hereof, be obligated to exercise such one or more of the rights and powers conferred by

this Section 8.02 as the Trustee, being advised by Counsel, shall deem most expedient in the interests of the Owners; provided that the Trustee at its option shall be indemnified as provided in Section 9.01(m) hereof.

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

Section 8.03. Control of Proceedings. The Owners of a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, at any time, to the extent permitted by law, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the time, method, and place of conducting all proceedings to be taken in connection with the enforcement of the terms and conditions of this Indenture, or for the appointment of a receiver, and any other proceedings hereunder; provided that such direction shall not be otherwise than in accordance with the provisions hereof; and provided further that at its option the Trustee shall be indemnified as provided in Section 9.01(m) hereof.

Section 8.04. Rights and Remedies of Owners. No Owner of any Bond shall have any right to institute any suit, action, or proceeding in equity or at law for the enforcement of this Indenture or for the execution of any trust hereof or for the appointment of a receiver or any other remedy hereunder, unless (a) a default has occurred of which the Trustee has been notified as provided in Section 9.01(h) hereof, or of which under that Section it is deemed to have notice, (b) such default shall have become an Event of Default, (c) the Owners of not less than twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding shall have made written request to the Trustee and offered reasonable opportunity to the Trustee and indemnity as provided in Section 9.01(m) hereof either to proceed to exercise the powers hereinabove granted or to institute such action, suit, or proceedings in its own name, and (d) the Trustee shall thereafter fail or refuse to exercise the powers hereinbefore granted, or to institute such action, suit, or proceeding in its own name; such notification, request, and offer of indemnity are declared in every case at the option of the Trustee to be conditions precedent to any action or cause of action for the enforcement of this Indenture, or for the appointment of a receiver or for any other remedy hereunder; it being understood and intended that no one or more Owners of Bonds shall have any right in any manner whatsoever to affect, disturb, or prejudice the lien of this Indenture by his, her, its, or their action, or to enforce any right hereunder except in the manner herein provided and that all proceedings at law or in equity shall be instituted, had, and maintained in the manner herein provided and for the equal benefit of the Owners of all Bonds then Outstanding.

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

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

Section 8.07. Trustee to File Proofs of Claim in Receivership, Etc. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition, or other judicial proceedings affecting the District, the Trustee shall, to the extent permitted by law, file such proofs of claims and other documents as may be necessary or advisable in order to have claims of the Trustee and of the Owners allowed in such proceedings, without prejudice, however, to the right of any Owner to file a claim in his own behalf.

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

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

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

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

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

(a) The Trustee shall give to the Owners of all Bonds notice, by mailing to the address shown on the registration books maintained by the Trustee or by electronic means to DTC or its successors, of all Events of Default of which the Trustee has notice or is deemed to have notice pursuant to Section 9.01(h) hereof, within ninety (90) days after the occurrence of such Event of Default unless such Event of Default shall have been cured before the giving of such notice; provided that, the Trustee shall be protected in withholding such notice if and so long as a committee of its corporate trust department in good faith determines that the withholding of such notice is not detrimental to the interests of the Owners.

(b) No default under subsection 8.01(c) hereof shall constitute an Event of Default until actual notice of such default by registered or certified mail shall be given by the Trustee or by the Owners of not less than twenty-five percent (25%) in aggregate principal amount of all Bonds Outstanding to the District, and the District shall have had thirty (30) days after receipt of such notice to correct said default or cause said default to be corrected, and shall not have corrected said default or caused said default to be corrected within the applicable period; provided however, if said default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted within the applicable period and diligently pursued thereafter until the default is corrected.

ARTICLE IX

CONCERNING TRUSTEE

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

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

(b) The Trustee may execute any of the trusts or powers hereof and perform any of its duties by or through attorneys, agents, receivers, or employees, but shall be answerable for the conduct of the same in accordance with the standards specified in Section 9.01(a) and (g) hereof, and shall be entitled to act upon the advice or an opinion of Counsel concerning all matters of trust hereof and the duties hereunder, and may in all cases pay (and be reimbursed as provided in Section 9.02 hereof) such compensation to all

such attorneys, agents, receivers, and employees as may reasonably be employed in connection with the trusts hereof. The Trustee shall not be responsible for any loss or damage resulting from any action taken or omitted to be taken in good faith in reliance upon the advice or opinion of such attorneys, agents, receivers, or employees chosen with due care.

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

(d) The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof, or as to the validity or sufficiency of this Indenture or of the Bonds, or for the recording or rerecording, filing or refiling of this Indenture or any security agreement in connection therewith (excluding the continuation of originally filed Uniform Commercial Code financing statements) and the Trustee shall not be bound to ascertain or inquire as to the performance or observance of any covenants, conditions, or agreements on the part of the District, except as herein set forth. The Trustee shall not be accountable for the use or application of any Bonds or the proceeds thereof (except for funds or investments held by the Trustee) or of any money paid to or upon the order of the District under any provision of this Indenture. The Trustee, in its individual or any other capacity, may become the Owner of the Bonds with the same rights which it would have if not the Trustee. The Trustee shall not be accountable for the use or application by the District of the proceeds of any of the Bonds or of any money paid to or upon the order of the District under any provision of this Indenture.

(e) The Trustee may conclusively rely and shall be protected in acting or refraining from acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram, or other paper or document believed to be genuine and correct and to have been signed or sent by the proper person or persons. The Trustee may rely conclusively on any such certificate or other paper or document and shall not be required to make any independent investigation in connection therewith. Any action taken by the Trustee pursuant to this Indenture upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Registered Owner of any Bonds shall be conclusive and binding upon all future owners of the same Bond and upon Bonds issued in place thereof.

(f) As to the existence or nonexistence of any fact or as to the sufficiency or validity of any instrument, paper, or proceedings, or whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering, or omitting any action hereunder, the Trustee shall be entitled to

conclusively rely upon a certificate signed on behalf of the District by the District Representative or the District's President or Vice President or such other person as may be designated for such purpose by a certified resolution of the District as sufficient evidence of the facts therein contained, and, prior to the occurrence of a default of which the Trustee has been notified as provided in Section 9.01(h) hereof or of which by said Section it is deemed to have notice, shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction, or action is necessary or expedient, but may at its discretion secure such further evidence deemed necessary or advisable, but shall in no case be bound to secure the same.

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

(h) The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder except failure to be made of any of the payments to the Trustee required to be made hereby, unless the Trustee shall be specifically notified in writing of such default by the District or by the Owners of at least twenty-five percent (25%) in aggregate principal amount of Bonds then Outstanding. All notices or other instruments required by this Indenture to be delivered to the Trustee must, in order to be effective, be delivered at the principal corporate trust office of the Trustee, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no default except as aforesaid.

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

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

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

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

(m) The Trustee shall not be required to advance its own funds, and before taking any action under this Indenture, the Trustee may require that indemnity satisfactory to it be furnished to it for the reimbursement of all costs and expenses which it may incur, including attorneys' fees and expenses, and to protect it against all liability, except liability which is adjudicated to have resulted from its negligence or willful misconduct, by reason of any action so taken. To the extent permitted by law, the District agrees to indemnify the Trustee against any claims arising out of the exercise and performance of its powers and duties hereunder in good faith and without negligence; provided that such agreement of the District shall not act as a waiver of immunity of the District under the Colorado Governmental Immunity Act. Title 29 Article 10, C.R.S..

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

(o) The Trustee shall have no responsibility with respect to any information, statement or recital in any offering memorandum, remarketing circular or other disclosure material prepared or distributed with respect to the Bonds.

Section 9.02. Fees and Expenses of the Trustee.

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

(b) In the event that it should become necessary for the Trustee to perform extraordinary services, the Trustee shall be entitled to reasonable additional compensation therefor and to reimbursement for reasonable and necessary extraordinary expenses in connection therewith; provided that if such extraordinary services or extraordinary expenses are occasioned by the negligence or willful misconduct of the Trustee it shall not be entitled to compensation or reimbursement therefor. The Trustee's right to compensation and indemnification shall survive the satisfaction and discharge of this Indenture or the Trustee's resignation or removal hereunder and payment in full of the Bonds.

Section 9.03. Resignation or Replacement of Trustee.

(a) The Trustee may resign, subject to the appointment of a successor, by giving thirty (30) days' notice of such resignation to the District and to all Owners of Bonds specifying the date when such resignation shall take effect. Such resignation shall take effect on the date specified in such notice unless a successor shall have been previously appointed as hereinafter provided, in which event such resignation shall take effect immediately on the appointment of such successor. The Trustee may petition the courts to

appoint a successor in the event no such successor shall have been previously appointed. The Trustee may be removed at any time by an instrument in writing, executed by a majority of the Owners in aggregate principal amount of the Bonds then Outstanding. Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective only upon acceptance of appointment by the successor Trustee.

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

(c) Every successor Trustee shall always be a commercial bank or trust company in good standing, qualified to act hereunder, and having a combined capital and surplus of not less than \$50,000,000, if there be such an institution willing, qualified, and able to accept the trust upon reasonable or customary terms. Any successor appointed hereunder shall execute, acknowledge, and deliver to the District an instrument accepting such appointment hereunder, and thereupon such successor shall, without any further act, deed, or conveyance, become vested with all estates, properties, rights, powers, and trusts of its predecessor in the trust hereunder with like effect as if originally named as the Trustee hereunder, and thereupon the duties and obligations of the predecessor shall cease and terminate; but the Trustee retiring shall, nevertheless, on the written demand of its successor and upon payment of the fees and expenses owed to the predecessor, execute and deliver an instrument conveying and transferring to such successor, upon the trusts herein expressed, all the estates, properties, rights, powers, and trusts of the predecessor, which shall duly assign, transfer, and deliver to the successor all properties and moneys held by it under this Indenture. If any instrument from the District is required by any successor for more fully and certainly vesting in and confirming to it the estates, properties, rights, powers, and trusts of the predecessor, those instruments shall be made, executed, acknowledged, and delivered by the District on request of such successor.

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

Section 9.04. Conversion, Consolidation, or Merger of Trustee. Anything herein to the contrary notwithstanding, any bank or trust company or other person into which the Trustee or its

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

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

ARTICLE X

SUPPLEMENTAL INDENTURES

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

- (a) To cure any ambiguity, to cure, correct, or supplement any formal defect or omission or inconsistent provision contained in this Indenture, to make any provision necessary or desirable due to a change in law, to make any provisions with respect to matters arising under this Indenture, or to make any provisions for any other purpose if such provisions are necessary or desirable and do not materially adversely affect the interests of the Owners of the Bonds;
- (b) To subject to this Indenture additional revenues, properties, or collateral;
- (c) To grant or confer upon the Trustee for the benefit of the Owners any additional rights, remedies, powers, or authority that may lawfully be granted to or conferred upon the Owners or the Trustee; and
- (d) To qualify this Indenture under the Trust Indenture Act of 1939.

Section 10.02. Supplemental Indentures Requiring Consent.

- (a) Except for supplemental indentures delivered pursuant to Section 10.01 hereof, and subject to the provisions of this Article, the Consent Parties with respect to not less than a majority (or for modifications of provisions hereof which require the consent of

a percentage of Consent Parties higher than a majority, such higher percentage) in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, to consent to and approve the execution by the District and the Trustee of such indenture or indentures supplemental hereto as shall be deemed necessary or desirable by the District for the purpose of modifying, altering, amending, adding to, or rescinding, in any particular, any of the terms or provisions contained in this Indenture; provided however, that without the consent of the Consent Parties with respect to all the Outstanding Bonds affected thereby, nothing herein contained shall permit, or be construed as permitting:

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

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

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

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

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

(c) If at any time the District shall request the Trustee to enter into such supplemental indenture for any of the purposes of this Section, the Trustee shall, upon being satisfactorily indemnified with respect to fees and expenses, cause notice of the proposed execution of such supplemental indenture to be given by certified or registered mail to each Owner of a Bond at the address shown on the registration books of the Trustee or by electronic means to DTC or its successors, prior to the proposed date of execution and delivery of any such supplemental indenture. Such notice shall briefly set forth the nature of the proposed supplemental indenture and shall state that copies thereof are on file at the principal corporate trust office of the Trustee for inspection by all Owners. If the Consent Parties with respect to not less than the required percentage in aggregate principal amount of the Bonds then Outstanding at the time of the execution of any such supplemental indenture consent to the execution thereof within the timeframe prescribed by the District following the giving of such notice, the District may execute and deliver such supplemental indenture and no Owner of any Bond shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or in any manner to question the propriety of the execution thereof, or to enjoin or restrain the

Trustee or the District from executing the same or from taking any action pursuant to the provisions thereof.

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

ARTICLE XI

MISCELLANEOUS

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

Section 11.02. Provisions Relating to Bond Insurance.

(a) So long as the Bond Insurer is not then in default under the Insurance Policy, in addition to the other rights of the Bond Insurer in this Indenture, the provisions of this Section 11.02 shall govern, notwithstanding anything to contrary in this Indenture.

(b) The Bond Insurer shall be deemed to be the sole Owner of the Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the holders of the Bonds insured by it are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies, (ii) the duties and obligations of the Trustee and (iii) exercising any rights that a Consent Party is entitled to exercise. In furtherance thereof and as a term of the Indenture and each Bond, the Trustee and each Owner appoint the Bond Insurer as their agent and attorney-in-fact and agree that the Bond Insurer may at any time during the continuation of any proceeding by or against the District under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedes or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of

adjustment. In addition, the Trustee and each Owner delegate and assign to the Bond Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. Remedies granted to the Owners shall expressly include mandamus.

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

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

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

Upon payment of a claim under the Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners of the Bonds referred to herein as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Insurance Policy in trust on behalf of Owners of the Bonds and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners of the Bonds in the same manner as principal and interest payments

are to be made with respect to the Bonds under the sections hereof regarding payment of the Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything herein to the contrary, the District agrees to pay to the Bond Insurer (i) a sum equal to the total of all amounts paid by the Bond Insurer under the Insurance Policy (the “Insurer Advances”); and (ii) interest on such Insurer Advances from the date paid by the Bond Insurer until payment thereof in full, payable to the Bond Insurer at the Late Payment Rate (defined below) per annum (collectively, the “Insurer Reimbursement Amounts”). “Late Payment Rate” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The District hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Trust Estate and payable from such Trust Estate on a parity with debt service due on the Bonds.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following a Bond payment date shall promptly be remitted to the Bond Insurer.

The Bond Insurer shall, to the extent it makes any payment of principal of or interest on the Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Insurance Policy. Each obligation of the District to the Bond Insurer under this Indenture shall survive discharge or termination hereof.

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

(e) All information furnished pursuant to the Continuing Disclosure Agreement shall also be provided to the Bond Insurer, simultaneously with the furnishing of such information. The Bond Insurer shall have the right to receive such additional information as it may reasonably request. The District will permit the Bond Insurer to discuss the affairs, finances and accounts of the District or any information the Bond Insurer may reasonably request regarding the security for the Bonds with appropriate officers of the

District and will use commercially reasonable efforts to enable the Bond Insurer to have access to the facilities, books and records of the District on any Business Day upon reasonable prior notice.

Section 11.03. Severability. In the event any provision of this Indenture shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, the intent being that such remaining provisions shall remain in full force and effect.

Section 11.04. Governing Law. This Indenture shall be governed and construed in accordance with the laws of the State.

Section 11.05. Execution in Counterparts. This Indenture may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11.06. Notices; Waiver.

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

District: MidCities Metropolitan District No. 2
[to come]

w/a copy to: Paul Cockrel.
Cockrel Ela Glesne Greher & Ruhland, P.C.
[Address to come]
_____, Colorado 80____
Email: pcockrel@cegrlaw.com.com
Telephone: (303) 218-7200

Trustee: UMB Bank, n.a.
1670 Broadway
Denver, Colorado 80202
Attention: Corporate Trust & Escrow Services
Email: patricia.peters@umb.com
Telephone: (303) 764-3604

(b) 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.

(c) 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.

(d) Where this Indenture provides for notice in any manner, such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Owners shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 11.07. Holidays. If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this Indenture, shall be a Saturday, Sunday, legal holiday or day on which banking institutions in the city in which the principal office of the Trustee is located are authorized or required by law to remain closed, such payment may be made or act performed or right exercised on the next succeeding day which is not a Saturday, Sunday, legal holiday or day on which such banking institutions are authorized or required by law to remain closed, with the same force and effect as if done on the nominal date provided in this Indenture.

Section 11.08. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the Board, or any officer or agent of the District acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal, interest or prior redemption premiums on the Bonds. Such recourse shall not be available either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Bonds and as a part of the consideration of their sale or purchase, any person purchasing or selling such Bond specifically waives any such recourse.

Section 11.09. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Act, the Bonds shall contain a recital that they are issued pursuant to certain provisions of the Supplemental Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value.

Section 11.10. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Act, no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the authorization or issuance of the Bonds shall be commenced more than thirty (30) days after the authorization of the Bonds.

Section 11.11. Electronic Execution and Storage. The parties hereto agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

(the remainder of this page is left blank intentionally)

IN WITNESS WHEREOF, MIDCITIES METROPOLITAN DISTRICT NO. 2, IN THE CITY AND COUNTY OF BROOMFIELD, COLORADO, has caused this Indenture to be executed on its behalf by its President or Vice President and attested by its Secretary or Assistant Secretary, and to evidence its acceptance of the trusts hereby created, UMB BANK, N.A., Denver, Colorado, as Trustee, has caused this Indenture to be executed on its behalf by one of its authorized officers, all as of the date first above written.

(S E A L)

MIDCITIES METROPOLITAN DISTRICT NO. 2

President

ATTESTED:

Secretary

UMB BANK, N.A., as Trustee

Authorized Officer

[Signature Page to Indenture of Trust]

EXHIBIT A
TO
INDENTURE OF TRUST
(Form of Bond)

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

No. R-_____

\$_____

UNITED STATES OF AMERICA
STATE OF COLORADO
MIDCITIES METROPOLITAN DISTRICT NO. 2
SPECIAL REVENUE REFUNDING BONDS, SERIES 2022

INTEREST RATE	MATURITY DATE	ORIGINAL ISSUE DATE	CUSIP
_____%	December 1, 20__	April __, 2022	

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ and 00/100 DOLLARS

MidCities Metropolitan District No. 2, a special district duly organized and operating under the constitution and laws of the State of Colorado (the “District”), for value received, hereby acknowledges itself indebted and promises to pay, solely from and to the extent of the Pledged Revenue (as defined in the Indenture defined below), to the registered owner named above, or registered assigns, on the maturity date specified above or on the date of prior redemption, the Principal Amount specified above. In like manner, the District promises to pay interest on such Principal Amount (computed on the basis of a 360-day year of twelve 30-day months) at the interest rate per annum specified above on each June 1 and December 1, commencing on June 1, 2022 (each an “Interest Payment Date”), until the principal amount is paid at maturity or upon prior redemption.

To the extent principal of this Bond is not paid when due, such principal shall remain outstanding and shall continue to bear interest at the rate then borne by this Bond. To the extent interest on this Bond is not paid when due, such interest shall compound semiannually on each Interest Payment Date at the rate borne by this Bond; provided however, that notwithstanding anything herein or in the Indenture 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 this Bond,

including all payments of principal, premium if any, and interest, and this Bond will be deemed defeased and no longer outstanding upon the payment by the District of such amount.

This Bond and all bonds of the series of which it is a part are issued pursuant to that certain Indenture of Trust (the “Indenture”) dated as of April__, 2022 between the District and UMB Bank, n.a., as trustee (the “Trustee”). All capitalized terms used and not otherwise defined herein shall have the respective meanings assigned in the Indenture.

The principal of this Bond and premium, if any, are payable in lawful money of the United States of America to the registered owner hereof upon maturity or prior redemption and presentation at the principal office of the Trustee. Payment of each installment of interest shall be made to the registered owner hereof whose name shall appear on the registration books of the District maintained by or on behalf of the District by the Trustee at the close of business on the fifteenth (15th) day of the calendar month next preceding each Interest Payment Date (the “Record Date”), and shall be paid by check or draft of the Trustee mailed on or before the Interest Payment Date to such registered owner at his address as it appears on such registration books. The Trustee may make payments of interest on any Bond by such alternative means as may be mutually agreed to between the registered owner of such Bond and the Trustee as provided in the Indenture. Any such interest not so timely paid or duly provided for shall cease to be payable to the person who is the registered owner hereof at the close of business on the Record Date and shall be payable to the person who is the registered owner hereof at the close of business on a Special Record Date (the “Special Record Date”) established for the payment of any unpaid interest. Notice of the Special Record Date and the date fixed for the payment of unpaid interest shall be given by first-class mail to the registered owner hereof as shown on the registration books on a date selected by the Trustee.

This Bond is one of a series aggregating \$[48,805,000] par value, all of like date, tenor, and effect, issued by the Board of Directors of MidCities Metropolitan District No. 2, in the County of Broomfield and State of Colorado, for the purpose of paying the costs of providing certain public improvements for, and defeasing existing debt of, the District, by virtue of and in full conformity with the Constitution of the State of Colorado; Title 32, Article 1, Part 11, C.R.S.; Title 11, Article 57, Part 2, C.R.S.; and all other laws of the State of Colorado thereunto enabling, and pursuant to the duly adopted Bond Resolution and the Indenture. Pursuant to Section 11-57-210, C.R.S., such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value.

It is hereby recited, certified, and warranted that all of the requirements of law have been fully complied with by the proper officers in issuing this Bond. It is hereby further recited, certified, and warranted that the total indebtedness of the District, including that of this Bond, does not exceed any limit prescribed by the Constitution or laws of the State of Colorado; that at the elections lawfully held within the District on November 3, 1998, November 2, 1999 and November 7, 2000, the incurrence of the indebtedness represented by this Bond was duly authorized by a majority of the electors of the District qualified to vote and voting at said election; and that provision has been made for the levy and collection of an ad valorem tax on all of the taxable property of the District in the amount of the Required Mill Levy for the purpose of paying the principal of and premium, if any, and interest on this Bond and all Bonds of the series of which it is a part as the same respectively become due.

This Bond and all Bonds of the series of which it is a part, together with the interest thereon and any premium due in connection therewith, are payable solely from and to the extent of the “Pledged Revenue” held under the Indenture. The Bonds constitute an irrevocable lien upon the Pledged Revenue, but not necessarily an exclusive such lien.

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

By acceptance of this instrument, the owner of this Bond agrees and consents to all of the limitations in respect of the payment of the principal of and the premium, if any, and interest on this Bond contained herein, in the Bond Resolution of the District authorizing the issuance of this Bond and the Bonds of the series of which it is a part, and in the Service Plan for creation of the District. This Bond does not constitute a debt, financial obligation or liability of the City or the State, and none of the City or the State is liable for payment of the principal of, premium if any, and interest on this Bond or the Bonds of the series of which this Bond is a part.

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

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

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

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

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

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

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

IN TESTIMONY WHEREOF, the Board of Directors of MidCities Metropolitan District No. 2 has caused this Bond to be signed by the manual or facsimile signature of the President or Vice President of the District, sealed with a manual impression or a facsimile of the seal of the District, and attested by the manual or facsimile signature of the Secretary or Assistant Secretary thereof, all as of the Original Issue Date specified above.

(S E A L)

MIDCITIES METROPOLITAN DISTRICT NO. 2

President or Vice President

ATTESTED:

Secretary or Assistant Secretary

CERTIFICATE OF AUTHENTICATION

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

Date of Registration and Authentication:

UMB BANK, N.A., as Trustee

Authorized Signatory

ASSIGNMENT

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

Name and address of Assignee:

Social Security or Federal Employer
Identification Number of Assignee:

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

Dated: _____

Signature of Registered Owner:

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

Signature guaranteed:

(Bank, Trust Company, or Firm)

(End of Form of Bond)

EXHIBIT B
TO
INDENTURE OF TRUST
(Ballot Questions from Election)