



SUN COUNTRY MEADOWS PUBLIC IMPROVEMENT DISTRICT

RESOLUTION NO. 18-20

A RESOLUTION AUTHORIZING THE ISSUANCE OF SUN COUNTRY MEADOWS PUBLIC IMPROVEMENT DISTRICT LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2018, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$1,800,000, FOR THE PURPOSE OF FINANCING THE COST OF STREET IMPROVEMENTS; PROVIDING FOR THE LEVY OF TAXES AND THE APPLICATION OF OTHER LEGALLY AVAILABLE FUNDS TO PAY THE PRINCIPAL OF AND INTEREST ON SUCH BONDS; AUTHORIZING THE ADOPTION OF ONE OR MORE SUPPLEMENTAL RESOLUTIONS OR FINAL TERMS CERTIFICATES IN CONNECTION WITH SUCH BONDS; AND PROVIDING OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, Sun Country Meadows Public Improvement District (the "District"), in Elbert County, Colorado (the "County"), duly organized as a public improvement district pursuant to Resolution No. 2017-24A, finally adopted by the Board of County Commissioners of the County on August 30, 2017, is a quasi-municipal subdivision of the State of Colorado and a body corporate with limited proprietary powers set forth in Part 6, Article 25, Title 31, Colorado Revised Statutes ("C.R.S."), as amended; and

WHEREAS, the Board of County Commissioners of Elbert County is the ex-officio Board of Directors of the District (the "Board"); the presiding officer of the Board of County Commissioners is the ex-officio presiding officer of the District; and the Clerk to the Board of County Commissioners is the ex-officio Secretary of the District; and

WHEREAS, the District was formed for the purpose of financing "Improvements" (defined below); and

WHEREAS, at an election of the qualified electors of the District, duly called and held on Tuesday, November 7, 2017 (the "2017 Election"), in accordance with law and pursuant to due notice, a majority of those qualified to vote voted in favor of the organization of the District and the issuance of limited tax general obligation indebtedness and the imposition of taxes for the payment thereof, for the purpose of paying, financing or reimbursing the costs of constructing within the boundaries of the District: paved road improvements, including but not limited to culverts, and drainage facilities, paving, grading, retaining walls, fencing, signage and striping, and all necessary equipment, land and easements (the "Improvements"); and

WHEREAS, the returns of the 2017 Election were duly canvassed and the results thereof duly declared; and

WHEREAS, the results of the 2017 Election were certified by the District; and

WHEREAS, the District has not previously issued any of the indebtedness authorized at the 2017 Election; and

WHEREAS, the County intends to loan the District \$900,000 for the purpose of undertaking a portion of the Improvements (the "County Loan"); and



WHEREAS, the County intends to loan the District \$900,000 for the purpose of undertaking a portion of the Improvements (the "County Loan"); and

WHEREAS, the Board has determined and hereby declares that it is in the best interests of the District, and the residents and taxpayers thereof, that for the purpose of financing a portion of the Improvements there shall be issued Limited Tax General Obligation Bonds, Series 2018, in an aggregate principal amount not to exceed \$1,800,000 (the "Series 2018 Bonds"); and

WHEREAS, the Board has determined and hereby declares that it is in the best interests of the District, and the residents and taxpayers thereof, that for the purpose financing a portion of the Improvements the District and the County shall enter into a loan in the amount of \$900,000, the terms and conditions of which shall be set forth by the District in a separate agreement and resolution; and

WHEREAS, the Board has previously solicited proposals from qualified financial institutions for the direct purchase of the Series 2018 Bonds; and

WHEREAS, after receipt of proposals from qualified financial institutions for the direct purchase of the Series 2018 Bonds, the Board has determined that the most advantageous proposal was submitted by NBH Bank and has determined and hereby determines to select NBH Bank for the direct purchase of the Series 2018 Bonds; and

WHEREAS, the Series 2018 Bonds shall be issued pursuant to the provisions of Title 31, Article 25, Part 6 C.R.S. (the "Act"), Title 11, Article 57, Part 2, C.R.S. (the "Supplemental Public Securities Act"), and all other applicable laws of the State; and

WHEREAS, the Series 2018 Bonds shall be a limited mill levy obligation of the District, payable solely from the Pledged Revenue (as defined herein); and

WHEREAS, the members of the Board have no known personal or private interests relating to the District or the issuance of the Series 2018 Bonds and have stated for the record immediately prior to the adoption of this Resolution the fact that they have no such conflicts of interest; and

WHEREAS, the Board desires to authorize the issuance and sale of the Series 2018 Bonds, the financing of the Improvements, and the execution of the foregoing documents.

NOW THEREFORE, BE IT ENACTED BY THE BOARD OF COUNTY COMMISSIONERS OF ELBERT COUNTY, COLORADO, AS THE EX-OFFICIO BOARD OF DIRECTORS OF SUN COUNTRY MEADOWS PUBLIC IMPROVEMENT DISTRICT:

Section 1. Definitions. The following terms shall have the following meanings as used in this Resolution:

"Acts" means Part 2 of Article 57 of Title 11, Colorado Revised Statutes, as amended, and Part 6 of Article 25 of Title 31, Colorado Revised Statutes, as amended.



“*Authorized Denominations*” means at least \$5,000 and any multiple of \$.01 in excess thereof determined by Final Terms Certificate up to and including the principal amount of the Series 2018.

“*Bank*” means NBH Bank, the Initial Purchaser of the Series 2018 Bonds.

“*Board*” means Board of County Commissioners of Elbert County, Colorado, acting as the ex-officio the Board of Directors of the District.

“*Bond Account*” means the account established by the provisions hereof to account for the moneys for which a separate tax levy is made to satisfy the obligations of the Series 2018 Bonds. The Bond Account shall be a subsidiary account of the appropriate fund or account of the District and separately accounted for by the District in accordance with the provisions hereof.

“*Bond Counsel*” means (a) as of the date of issuance of the Series 2018 Bonds, Kline Alvarado Veio, P.C., and (b) as of any other date, Kline Alvarado Veio, P.C. or other attorneys, selected by the District, having nationally recognized expertise in the issuance of municipal bonds.

“*Bond Obligation*” means, as of any date, the principal amount of the Series 2018 Bonds Outstanding as of such date.

“*Business Day*” means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State are authorized or obligated by law or executive order to be closed for business.

“*Closing Date*” means the date of issuance of the Series 2018 Bonds.

“*Code*” means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein shall be deemed to include the United States Treasury Regulations proposed or in effect thereunder and applicable to the Series 2018 Bonds or the use of proceeds thereof, unless the context clearly requires otherwise.

“*County*” means Elbert County, Colorado.

“*County Loan*” means the loan made by the County to the District in the aggregate principal amount of \$900,000.

“*County Loan Account*” means the account established by the provisions hereof to account for the excess moneys of the Pledge Revenue may be used to satisfy the obligations of the County Loan. The County Loan Account shall be a subsidiary account of the appropriate fund or account of the District and separately accounted for by the District in accordance with the provisions hereof.

“*Dated Date*” means the date of issuance of the Series 2018 Bonds.

“*Defeasance Securities*” means bills, certificates of indebtedness, notes, bonds or similar securities which are direct, non-callable obligations of the United States of America or which are



fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, to the extent such investments are Permitted Investments.

“*Determination of Taxability*” means a final decree or judgment of any federal court or a final action of the Internal Revenue Service determining that interest paid or payable on the Series 2018 Bonds then Outstanding, is or was includable in the gross income or alternative minimum tax of a registered owner of such Series 2018 Bonds for federal income tax purposes under the Code. However, no such decree or action will be considered final for this purpose unless the District shall have been given written notice and, if it is so desired and is legally allowed, have been afforded the opportunity to contest the same, either directly or in the name of any registered owners and until conclusion of any appellate review, if sought.

“*District*” or “*Public Improvement District*” means Sun Country Meadows Public Improvement District, in Elbert County, Colorado.

“*Event of Default*” means any of the events specified in the Section hereof titled “Events of Default.”

“*Final Terms Certificate*” means a certificate executed and delivered by the Treasurer of the County, the ex officio treasurer of the Board and the District, which establishes details of the Series 2018 Bonds in the manner provided in this Resolution.

“*Fiscal Year*” means the twelve (12) months commencing January 1 of any year and ending December 31 of said year.

“*Improvements*” means the capital improvements for which the District was authorized to borrow at the 2017 Election.

“*Initial Purchaser*” means the purchaser of the Series 2018 Bonds, selected by the Board after a competitive request for proposal process, at a sale price of 100% of their principal amount, plus accrued interest, if any, to the date of their delivery to such purchaser.

“*Interest Payment Date*” means each June 1 and December 1, commencing June 1, 2018 or any other convenient semiannual interval or as otherwise set forth in the Final Terms Certificate.

“*Maturity Date*” means December 1, 2037.

“*Outstanding*” means, as of any date, all Series 2018 Bonds issued and delivered by the District, except the following:

- (a) any Series 2018 Bond cancelled by the District or the Paying Agent, or otherwise on the District’s behalf, at or before such date;
- (b) any Series 2018 Bonds held by or on behalf of the District;
- (c) any Series 2018 Bonds for the payment or the redemption of which moneys or Defeasance Securities sufficient to meet all of the payment requirements of



the principal of and interest on such Series 2018 Bonds to the date of maturity or prior redemption thereof, shall have theretofore been deposited in trust for such purpose in accordance with the Section hereof titled "Defeasance"; and

(d) any lost, apparently destroyed, or wrongfully taken Series 2018 Bonds in lieu of or in substitution for which another bond or other security shall have been executed and delivered.

"*Owner*" means the Person or Persons in whose name or names a Series 2018 Bond is registered on the registration books maintained by the Paying Agent pursuant hereto.

"*Paying Agent*" means the Elbert County Treasurer and his or her successors or assigns designated by the District.

"*Permitted Investments*" means any investment in which funds of the District may be invested under the laws of the State at the time of such investment.

"*Person*" means a corporation, firm, other body corporate, partnership, association or individual and also includes an executor, administrator, trustee, receiver or other representative appointed according to law.

"*Placement Agent*" means Hutchinson Shockey Erley & Co., the placement agent for the Series 2018 Bond.

"*Pledged Revenue*" means (i) amounts payable to the District as a result of the Required Mill Levy, (ii) the revenue from Specific Ownership Taxes expected to be received by the District in each Fiscal Year, and (c) any other legally available revenue of the District.

"*Project*" means the financing of the Improvements..

"*Record Date*" means, with respect to each Interest Payment Date, the fifteenth day of the month immediately preceding the month in which such Interest Payment Date occurs (whether or not such day is a Business Day).

"*Required Mill Levy*" means an *ad valorem* mill levy of 16.85 mills (a mill being equal to 1/10 of 1¢) imposed upon all taxable property of the District each year to pay the principal of, premium if any, and interest on the Series 2018 Bonds; provided, however, that if the imposition of the Required Mill Levy would result in the collection of more than \$189,252 in any Fiscal Year, the Required Mill Levy shall be reduced to a rate which would result in the collection of \$189,252 in such Fiscal Year.

"*Resolution*" means this Resolution, including any amendments or supplements hereto.

"*Series 2018 Bonds*" means the Series 2018 Bonds authorized and issued pursuant to this Resolution.

"*Specific Ownership Taxes*" means all amounts paid to the District by Elbert County, Colorado with respect to taxes collected on motor vehicle registrations.



“*State*” means the State of Colorado.

“*Tax Certificate*” means the tax compliance certificate, dated as of the Closing Date, with respect to the Series 2018 Bonds, as such tax compliance certificate may be supplemented, superseded or amended in accordance with its terms.

“*Taxable Rate*” means 5.00%.

“*2018 Project Account*” means the account established by the provisions hereof for the purpose of paying the costs properly attributable to the Project.

Section 2. Authorization and Purpose. Pursuant to and in accordance with the Acts, the District hereby authorizes, and directs that there shall be issued, the “Sun Country Meadows Public Improvement District, in Elbert County, Colorado, Limited Tax General Obligation Bonds, Series 2018.” The District further hereby authorizes the repayment of the County Loan. Before any Series 2018 Bonds are issued by the District, the final details of the Series 2018 Bonds shall be approved by Final Terms Certificate. Such Final Terms Certificate may contain the details required by this Resolution to be determined by Final Terms Certificate, together with such additional details not inconsistent herewith.

Section 3. Limited Tax Obligations. The Series 2018 Bonds shall constitute limited tax obligations of the District as provided herein. All of the Series 2018 Bonds, together with the interest thereon, shall be payable solely from and to the extent of the Pledged Revenue, and the Pledged Revenue is hereby pledged to the payment of the Series 2018 Bonds. The Series 2018 Bonds shall constitute an irrevocable first lien upon the Pledged Revenue, but not necessarily an exclusive such lien. The Pledged Revenue may or may not be sufficient to pay the principal of and interest on the Series 2018 Bonds, and no representation is made by the District or the employees, agents, or attorneys for the District that the Pledged Revenue will be sufficient to pay the principal of and interest on the Series 2018 Bonds.

Section 4. Form of Series 2018 Bonds. The Series 2018 Bonds shall be in substantially the following form, with such additional details (including, without limitation, identifying letters, numbers or symbols, to identify their subseries designations, if any) as provided by Final Terms Certificate:



[FORM OF SERIES 2018 BOND]

UNITED STATES OF AMERICA

STATE OF COLORADO

No. R- _____

\$1,800,000

SUN COUNTRY MEADOWS PUBLIC IMPROVEMENT DISTRICT

IN ELBERT COUNTY, COLORADO

LIMITED TAX GENERAL OBLIGATION BOND

SERIES 2018

Interest Rate	Maturity Date	Original Dated Date	CUSIP
%	December 1, 2037	April __, 2018	N/A

REGISTERED OWNER: NBH BANK

PRINCIPAL SUM:**ONE MILLION EIGHT HUNDRED THOUSAND DOLLARS AND NO CENTS**

Sun Country Meadows Public Improvement District, in Elbert County, Colorado, a duly organized public improvement district of the State of Colorado, for value received, hereby acknowledges itself indebted and promises to pay, solely from and to the extent of the Pledged Revenue (defined below), to the order of the registered owner named above, or registered assigns, the principal sum stated above, on the Maturity Date stated above, with interest on such principal sum from the original dated date stated above at the interest rate per annum stated above (calculated based on a 360-day year of twelve 30-day months), payable on June 1 and December 1 of each year, commencing June 1, 2018, provided, however, that following a Determination of Taxability, the interest rate on the Series 2018 Bonds shall be the Taxable Rate. Capitalized terms used but not defined in this bond shall have the meanings ascribed to them in the Resolution of the District authorizing the issuance of the Series 2018 Bonds.

The principal of and interest on this bond is payable to the registered owner hereof. Interest on this bond is payable by check or draft of the Paying Agent mailed on the Interest Payment Date to the registered owner hereof as of the last day of the month immediately preceding the month in which the Interest Payment Date occurs (whether or not such day is a Business Day); provided that interest payable to the registered owner of this bond may be paid by any other means agreed to by such registered owner and the Paying Agent that does not require the District to make moneys available to the Paying Agent earlier than otherwise required under the Resolution or increase the costs borne by the District under the Resolution. Any payment of principal of or interest on this bond that is due on a day that is not a Business Day shall be made on the next succeeding day that is a Business Day with the same effect as if made on the day on which it was originally scheduled to be made. All payments of principal of and



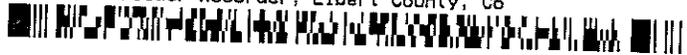
interest on this bond shall be made in lawful money of the United States of America. This Series 2018 Bond is part of an issue of Limited Tax General Obligation Bonds of the District designated the Sun Country Meadows Public Improvement District, in Elbert County, Colorado, Limited Tax General Obligation Bonds, Series 2018, issued in the principal amount of \$1,800,000 (the "Series 2018 Bonds") issued by the District for the purpose of providing funds for the Project described in the Resolution. **The Series 2018 Bonds have been issued pursuant to, under the authority of, and in full conformity with, the Constitution and the laws of the State, including, in particular, Part 2 of Article 57 of Title 11, Colorado Revised Statutes, as amended, and Part 6 of Article 25 of Title 31, Colorado Revised Statutes, as amended (collectively, the "Acts"); and pursuant to a resolution adopted by the Board of the District. Pursuant to the Acts, the Series 2018 Bonds shall be incontestable for any reason following their delivery for value by the District.** THE RESOLUTION CONSTITUTES THE CONTRACT BETWEEN THE REGISTERED OWNER OF THIS BOND AND THE DISTRICT. THIS BOND IS ONLY EVIDENCE OF SUCH CONTRACT AND, AS SUCH, IS SUBJECT IN ALL RESPECTS TO THE TERMS OF THE RESOLUTION, WHICH SUPERSEDES ANY INCONSISTENT STATEMENT IN THIS BOND.

The Series 2018 Bonds have been designated as qualified tax-exempt obligations within the meaning of Section 265(b)(3) of the Code.

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 Series 2018 Bonds. It is hereby further recited, certified, and warranted that the total indebtedness of the District, including that of this Series 2018 Bonds, does not exceed any limit prescribed by the constitution or laws of the State of Colorado; that at an election lawfully held within the District on November 7, 2017, the issuance of this Series 2018 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 a limited *ad valorem* tax on all of the taxable property within the District to pay the principal of and interest on this Series 2018 Bonds as the same respectively become due.

The Series 2018 Bonds have been issued by the District for the purpose of providing funds for the Project described in the Resolution. The Series 2018 Bonds are limited tax general obligations of the District. All of the Series 2018 Bonds, together with the interest thereon, shall be payable solely from and to the extent of the Pledged Revenue, and the Pledged Revenue is pledged to the payment of the Series 2018 Bonds. The Series 2018 Bonds shall constitute an irrevocable first lien upon the Pledged Revenue, but not necessarily an exclusive such lien. Subject to consent of the Registered Owner, obligations in addition to the Series 2018 Bonds of this issue may be issued and made payable from the Pledged Revenue having a lien thereon subordinate and junior to the lien of the Series 2018 Bonds of this issue or having a lien on the Pledged Revenue on a parity with the lien of the Series 2018 Bonds of this issue.

The Pledged Revenue is defined by the Resolution as (i) amounts payable to the District as a result of the Required Mill Levy, (ii) the revenue from Specific Ownership Taxes expected to be received by the District in any Fiscal Year, and (iii) any other legally available revenues of the District. The Required Mill Levy is defined by the Resolution as an *ad valorem* mill levy (when combined with other Pledged Revenue) of 16.85 mills (a mill being equal to 1/10 of 1¢)



imposed upon all taxable property of the District each year to pay the principal of, premium if any, and interest on the Series 2018 Bonds; provided, however, that if the imposition of the Required Mill Levy would result in the collection of more than \$189,252 in any Fiscal Year, the Required Mill Levy shall be reduced to a rate which would result in the collection of \$189,252 in such Fiscal Year.

The principal of and interest on this Series 2018 Bond are payable solely from and to the extent of the Pledged Revenue, which may or may not be sufficient to pay the principal of and interest on the Series 2018 Bonds. No representation is made by the District or the employees, agents, or attorneys for the District that the Pledged Revenue will be sufficient to pay the principal of and interest on this Series 2018 Bond when due.

Reference is hereby made to the Resolution for an additional description of the nature and extent of the security for the Series 2018 Bonds, the accounts and revenues pledged to the payment thereof, the rights and remedies of the registered owners of the Series 2018 Bonds, the manner in which the Resolution may be amended, and the other terms and conditions upon which the Series 2018 Bonds are issued, copies of which Resolution are on file for public inspection at the office of the District Secretary.

The Series 2018 Bonds are subject to optional, mandatory sinking fund, and extraordinary mandatory redemption, all as set forth in the Resolution.

Notice of any redemption of Series 2018 Bonds shall be given by the Paying Agent in the name of the District by sending a copy of such notice by first-class, postage prepaid mail, not less than 30 days prior to the redemption date, to the Owner of each Series 2018 Bond being redeemed. Such notice shall specify the number or numbers of the Series 2018 Bonds so to be redeemed (if redemption shall be in part) and the redemption date. If any Series 2018 Bond shall have been duly called for redemption and if, on or before the redemption date, there shall have been deposited with the Paying Agent in accordance with this Resolution funds sufficient to pay the redemption price of such Series 2018 Bond on the redemption date, then such Series 2018

Bond shall become due and payable at such redemption date, and from and after such date interest will cease to accrue thereon. Failure to deliver any redemption notice or any defect in any redemption notice shall not affect the validity of the proceeding for the redemption of Series 2018 Bonds with respect to which such failure or defect did not occur. Any Series 2018 Bond redeemed prior to its maturity by prior redemption or otherwise shall not be reissued and shall be cancelled.

The Paying Agent shall maintain registration books in which the ownership, transfer and exchange of Series 2018 Bonds shall be recorded. The person in whose name this bond shall be registered on such registration books shall be deemed to be the absolute owner hereof for all purposes, whether or not payment on this bond shall be overdue, and neither the District nor the Paying Agent shall be affected by any notice or other information to the contrary. This bond may be transferred or exchanged at the principal office of the Paying Agent at the office of the Elbert County Treasurer in Kiowa, Colorado, or at such other office of the Paying Agent designated by the Paying Agent for such purpose, for a like aggregate principal amount of Series 2018 Bonds of other Authorized Denominations of the same maturity and interest rate, upon payment by the



transferee of a reasonable transfer fee established by the Paying Agent, together with any tax or governmental charge required to be paid with respect to such transfer or exchange and any cost of printing bonds in connection therewith. Notwithstanding any other provision of the Resolution, the Paying Agent shall not be required to transfer any Series 2018 Bond (a) which is scheduled to be redeemed in whole or in part between the Business Day immediately preceding the mailing of the notice of redemption and the redemption date; or (b) between the Record Date for any Interest Payment Date and such Interest Payment Date.

The Resolution may be amended or supplemented from time-to-time with or without the consent of the registered owners of the Series 2018 Bonds as provided in the Resolution.

It is hereby certified that all conditions, acts and things required by the Constitution and laws of the State, including the Acts, and the Resolution of the District, to exist, to happen and to be performed, precedent to and in the issuance of this bond, exist, have happened and have been performed, and that neither this bond nor the other bonds of the issue of which this bond is a part exceed any limitations prescribed by the Constitution or laws of the State, including the Acts, or the Resolution of the District.

This Series 2018 Bond shall not be entitled to any benefit under the Resolution, or become valid or obligatory for any purpose, until the Paying Agent shall have signed the certificate of authentication hereon.



IN WITNESS WHEREOF, the Board of Directors of the District has caused this bond to be executed with the signature of its President and attested by the signature of its Secretary, and has caused the seal of the District to be impressed or imprinted hereon, all as of the date set forth below.

SUN COUNTRY MEADOWS PUBLIC
IMPROVEMENT DISTRICT, IN ELBERT
COUNTY, COLORADO

[DISTRICT SEAL]

By: _____
President

Attest:

By: _____
Secretary



[FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION]

REGISTRAR'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Series 2018 Bonds described on the reverse hereof. Attached hereto is a true copy of the opinion of Bond Counsel, Kline Alvarado Veio, P.C., Denver, Colorado, a signed copy of which is on file with the undersigned and dated as of the date of delivery of and payment for the Series 2018 Bonds.

Date of Authentication:

_____, 2018

ELBERT COUNTY TREASURER
Registrar

By: _____
Authorized Officer

[END OF FORM OF REGISTRAR'S CERTIFICATE OF AUTHENTICATION]



[FORM OF ASSIGNMENT]

ASSIGNMENT

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

(Please insert social security or other identifying number of assignee)

(Name and Address of Assignee)

the attached bond and does hereby irrevocably constitute and appoint _____,
Denver, Colorado, or its successor, as registrar and transfer agent, to transfer said bond on the
books kept for registration thereof.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the registration panel of the attached Bond in every particular without alteration or enlargement or any change whatever.

Signature guaranteed:

Signature(s) must be guaranteed by a national bank or trust company or by a brokerage firm having a membership in one of the major stock exchanges and who is a member of a Medallion Signature Program.

TRANSFER FEE MAY BE REQUIRED

[END OF FORM OF ASSIGNMENT]

[END OF FORM OF BOND]



Section 5. Series 2018 Bond Details.

(a) **Registered Form, Denominations, Dated Date and Numbering.** Only to the extent and for the purposes authorized herein, the District shall issue the Series 2018 Bonds, in an aggregate amount not to exceed \$1,800,000, dated such date or dates as provided by Final Terms Certificate. The Series 2018 Bonds will be in registered form without coupons attached, payable to the registered owner or assigns, and will be in Authorized Denominations. The Series 2018 Bonds shall mature not later than December 1, 2037 and shall bear interest at an interest rate such that the net effective interest rate of the Series 2018 Bonds does not exceed 5%, provided, however, that following a Determination of Taxability, the interest rate on the Series 2018 Bonds shall be the Taxable Rate. The exact interest rate shall be as set forth in the Final Terms Certificate. The Series 2018 Bonds shall be dated their date of issuance, and interest shall be payable June 1 and December 1 commencing not later than June 1, 2018, or as otherwise set forth in the Final Terms Certificate.

(b) **Manner and Form of Payment.** Principal of each Series 2018 Bond shall be payable to the Owner thereof. Interest on each Series 2018 Bond shall be payable by check or draft of the Paying Agent mailed on each Interest Payment Date to the Owner thereof as of the close of business on the corresponding Record Date; provided that interest payable to any Owner may be paid by any other means agreed to by such Owner and the Paying Agent that does not require the District to make moneys available to the Paying Agent earlier than otherwise required hereunder or increase the costs borne by the District hereunder. All payments of the principal of and interest on the Series 2018 Bonds shall be made in lawful money of the United States of America.

(c) **No Rating, Book-Entry Registration or CUSIP.** The Series 2018 Bonds shall not be (i) assigned a separate rating by any rating agency, (ii) registered with the Depository Trust Company or any other securities depository, (iii) issued pursuant to any type of offering document or official statement, or (iv) assigned a CUSIP number by Standard & Poor's CUSIP service.

Section 6. Redemption of Series 2018 Bonds Prior to Maturity.

Optional Redemption. The Series 2018 Bonds may be prepaid by the District, in whole or in part, on any scheduled payment date, upon not less than two (2) Business Days' prior written notice (as used in this paragraph, the "Prepayment Notice") of the District to the Bank. In the event the District elects to make a prepayment on the Series 2018 Bonds separate and apart from any regularly scheduled debt services payments), the District shall cause a Prepayment Notice to be given specifying the amount of the prepayment and the date of the prepayment (the "Prepayment Date"), to the Bank (as holder of the Series 2018 Bonds) and shall pay the prepayment price when due to the Bank. Notwithstanding the preceding sentence, at no time shall the aggregate outstanding principal amount of the Series 2018 Bonds be reduced below \$100,000. The prepayment amount in each instance shall equal the principal amount portion of the Series 2018 Bonds being prepaid (the "Principal Prepayment Amount"), plus accrued interest on the Principal Prepayment Amount to the Prepayment Date, plus the Prepayment Premium (as defined below), if any.



The term "Prepayment Premium" shall mean an amount equal to:

- 5% of the principal amount prepaid on or before November 30, 2019;
- 4% of the principal amount prepaid on or before November 30, 2020;
- 3% of the principal amount prepaid on or before November 30, 2021;
- 2% of the principal amount prepaid on or before November 30, 2022;
- 1% of the principal amount prepaid on or before November 30, 2023.

There shall be no Prepayment Premium for amounts prepaid on or after December 1, 2023.

Mandatory Sinking Fund Redemption. The Series 2018 Bonds shall be subject to mandatory sinking fund redemptions at the times, in the amounts, and at the prices set forth in the Final Terms Certificate.

Extraordinary Mandatory Redemption. If by August 1, 2018, the District determines that completion of the Project is not financially feasible, then the Series 2018 Bonds shall be subject to extraordinary mandatory redemption, not subject to the Prepayment Premium. Notwithstanding the foregoing, the Bank may extend such date in its sole discretion.

Notice of Redemption. Notice of any redemption of Series 2018 Bonds shall be given by the Paying Agent by sending a copy of such notice by first-class, postage prepaid mail, not less than 30 days prior to the redemption date, to the Owner of each Series 2018 Bond being redeemed. Such notice shall specify the number or numbers of the Series 2018 Bonds so to be redeemed (if redemption shall be in part) and the redemption date. If any Series 2018 Bond shall have been duly called for redemption and if, on or before the redemption date, there shall have been deposited with the Paying Agent in accordance with this Resolution funds sufficient to pay the redemption price of such Series 2018 Bond on the redemption date, then such Series 2018 Bond shall become due and payable at such redemption date, and from and after such date interest will cease to accrue thereon. Failure to deliver any redemption notice or any defect in any redemption notice shall not affect the validity of the proceedings for the redemption of Series 2018 Bonds with respect to which such failure or defect did not occur. Any Series 2018 Bond redeemed prior to its maturity by prior redemption or otherwise shall not be reissued and shall be cancelled.

Section 7. Security for the Series 2018 Bonds.

(a) ***Limited Tax General Obligations.*** The Series 2018 Bonds shall be limited tax general obligations of the District payable solely from the Pledged Revenue and the Pledged Revenue are pledged for the punctual payment of the principal of and interest on the Series 2018 Bonds. The Series 2018 Bonds shall not constitute a debt or indebtedness of the County, the State or any political subdivision of the State other than the District.



(b) **Imposition of Mill Levy.** For the purpose of paying the principal of and interest on the Series 2018 Bonds when due, respectively, and paying the principal of and interest on the County Loan when due, respectively, the Board shall annually determine and certify to the Elbert County Board of Commissioners (the "Board of Commissioners"), in each of the years 2018 to 2037, inclusive or such shorter period as the Series 2018 Bonds are outstanding (and, to the extent necessary to make up any overdue payments on the Series 2018 Bonds, in each year subsequent thereto), in addition to all other taxes, taxes the Required Mill Levy to pay principal of, interest on and premiums, if any, due in connection with the Series 2018 Bonds as the same respectively become due.

(c) **Creation of Accounts; Application of Proceeds of Ad Valorem Taxes.** The District shall apply the Pledged Revenue (and any other amounts collected for the purpose of making a deposit to the Surplus Account) in the following order of priority:

FIRST: To the credit of the Bond Account, the amounts required by the Section hereof entitled "Bond Account";

SECOND: To the credit of any other fund or account as may be designated by the District, to be used for any lawful purpose, any Pledged Revenue remaining after the payments and accumulations set forth in FIRST hereof.

(d) **Bond Account.** There is hereby established and the District covenants to maintain in accordance with the provisions hereof a special account designated as the "Sun Country Meadows Public Improvement District, in Elbert County, Colorado, Limited Tax General Obligation Bonds, Series 2018, Bond Account" (referred to herein as the "Bond Account"). The District shall deposit into the Bond Account the amount of Pledged Revenue which, when combined with other legally available moneys in the Bond Account, will be sufficient to pay the principal of, premium or Prepayment Premium, as applicable, if any, and interest on the Bond when due. To the extent Pledged Revenues are not necessary in any Fiscal Year to pay the principal of, premium or Prepayment Premium, as applicable, if any, such revenues shall be deposited in the County Loan Account after December 15 of the Fiscal Year as provided in Section (e) herein or may be expended by the District for any lawful purpose. Earnings from the investment of moneys on deposit in the Bond Account shall be retained therein. Moneys on deposit in the Bond Account shall be applied solely to the payment of the principal of and interest on the Series 2018 Bonds and for no other purpose until the Series 2018 Bonds, including principal, interest and premiums, if any, are fully paid, satisfied and discharged.

(e) **County Loan Account.** There is hereby established and the District covenants to maintain in accordance with the provisions hereof a special account designated as the "Sun Country Meadows Public Improvement District, in Elbert County, Colorado, 2018 County Loan Account" (referred to herein as the "County Loan Account"). To the extent excess Pledge Revenue is available after the District has deposited moneys required under Section (d) hereof, on or after December 15 of any Fiscal Year the District shall deposit into the County Loan Account the amount of excess Pledged Revenue available. Earnings from the investment of moneys on deposit in the County Loan Account shall be retained therein. Moneys on deposit in



the County Loan Account shall be applied solely to the payment of the principal of and County Loan and for no other purpose until the County Loan, including principal and interest are fully paid, satisfied and discharged.

(f) ***Appropriation and Budgeting of Proceeds of Ad Valorem Taxes.*** Moneys received from the general *ad valorem* taxes levied pursuant to subsection (b) of this Section and other moneys on deposit in the Bond Fund in an amount sufficient to pay the principal of and interest on the Series 2018 Bonds when due, respectively, are hereby appropriated for that purpose, and all amounts required to pay the principal of and interest on the Series 2018 Bonds due, respectively, in each year shall be included in the annual budget and appropriation resolution to be adopted and passed by the Board for. such year. Moneys received from the general *ad valorem* taxes levied pursuant to subsection (b) of this Section, if any, and other moneys on deposit in the County Loan Account in an amount sufficient to pay the principal of and interest on the County Loan when due, respectively, are hereby appropriated for that purpose, and all amounts required to pay the principal of and interest on the County Loan due, respectively, in each year shall be included in the annual budget and appropriation resolution to be adopted and passed by the Board for. such year.

(g) ***Use or Advance of Other Legally Available Moneys.*** Nothing herein shall be interpreted to prohibit or limit the ability of the District to use legally available moneys in addition to the proceeds of the general *ad valorem* property taxes levied pursuant to subsection (b) of this Section to pay all or any portion of the principal of, premium, if any, or interest on the Series 2018 Bonds. If and to the extent such other legally available moneys are used to pay the principal of, premium, if any, or interest on the Series 2018 Bonds, the District may, but shall not be required to, (i) reduce the amount of taxes levied for such purpose pursuant to subsection (b) of this Section or (ii) use proceeds of taxes levied pursuant to subsection (b) of this Section not otherwise necessary to pay the principal of and interest on the Series 2018 Bonds to reimburse the fund or account from which such other legally available moneys were withdrawn for the amount withdrawn from such fund or account to pay the principal of, premium, if any, or interest on the Series 2018 Bonds; provided, however, that the District shall not be permitted to reduce the amount of the mill levy in anticipation of the use of other legally available moneys to pay all or any portion of the principal of, premium, if any, or interest on the Series 2018 Bonds unless the Board has first adopted a resolution irrevocably pledging such moneys to the payment of the Series 2018 Bonds. If the District selects alternative (ii) in the immediately preceding sentence, the taxes levied pursuant to subsection (b) of this Section shall include amounts sufficient to fund the reimbursement.

(h) ***Certification to County Commissioners.*** It is hereby declared that, if the District does not otherwise determine and certify to the Board of Commissioners of the County a rate of levy for general *ad valorem* property taxes as required by subsection (b) of this Section, the foregoing provisions of this Section shall constitute a certificate from the Board to the Board of County Commissioners of the County showing the aggregate amount of *ad valorem* taxes to be levied by the Board of County Commissioners of the County from time to time, as required by law, for the purpose of paying the principal of and interest on the Series 2018 Bonds when due.

(i) ***Deposit of Moneys to Pay Series 2018 Bonds with, and Payment of Series 2018 Bonds by, Paying Agent.*** No later than three Business Days immediately preceding



each date on which a payment of principal of or interest on the Series 2018 Bonds is due, the District, from moneys in the Bond Account or other legally available moneys, shall deposit moneys with the Paying Agent an amount sufficient to pay the principal of and interest on the Series 2018 Bonds due on such date. The Paying Agent shall use the moneys so deposited with it to pay the principal of and interest on the Series 2018 Bonds when due.

Section 8. Execution of Series 2018 Bonds. The Series 2018 Bonds shall be executed in the name and on behalf of the District with the manual or facsimile signature of the President, shall bear a manual or facsimile of the seal of the District and shall be attested by the manual or facsimile signature of the Secretary of the Board, all of whom are hereby authorized and directed to prepare and execute the Series 2018 Bonds in accordance with the requirements hereof. Should any officer whose manual or facsimile signature appears on the Series 2018 Bonds cease to be such officer before delivery of any Series 2018 Bond, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes. When the Series 2018 Bonds have been duly executed, the officers of the District are authorized to, and shall, deliver the Series 2018 Bonds to the Paying Agent for authentication. No Series 2018 Bond shall be secured by or titled to the benefit of this Resolution, or shall be valid or obligatory for any purpose, unless the certificate of authentication of the Paying Agent has been manually executed by an authorized signatory of the Paying Agent. The executed certificate of authentication of the Paying Agent upon any Series 2018 Bond shall be conclusive evidence, and the only competent evidence, that such Series 2018 Bond has been properly authenticated and delivered hereunder.

Section 9. Registration of Series 2018 Bonds. The Paying Agent shall maintain the registration books of the District in which the ownership, transfer and exchange of Series 2018 Bonds shall be recorded. The person in whose name any Series 2018 Bond shall be registered on such registration books shall be deemed to be the absolute owner thereof for all purposes, whether or not payment on any Series 2018 Bond shall be overdue, and neither the District nor the Paying Agent shall be affected by any notice or other information to the contrary.

Section 10. Transfer and Exchange of Series 2018 Bonds. The Series 2018 Bonds may be transferred or exchanged at the principal office of the Paying Agent or at such other office of the Paying Agent designated by the Paying Agent for such purpose for a like aggregate principal amount of Series 2018 Bonds of other Authorized Denominations of the same maturity and interest rate, upon payment by the transferee of a reasonable transfer fee established by the Paying Agent, together with any tax or governmental charge required to be paid with respect to such transfer or exchange and any cost of preparing and executing new Series 2018 Bonds in connection therewith. Upon transfer of any Series 2018 Bond, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his or her attorney duly authorized in writing, the District shall execute and the Paying Agent shall authenticate and deliver in the name of the transferee a new Series 2018 Bond. Notwithstanding any other provision hereof, the Paying Agent shall not be required to transfer any Series 2018 Bond (i) which is scheduled to be redeemed in whole or in part between the Business Day immediately preceding the mailing of the notice of redemption and the redemption date or (ii) between the Record Date for any Interest Payment Date and such Interest Payment Date.

Section 11. Replacement of Lost, Destroyed or Stolen Series 2018 Bonds. If any Series 2018 Bond shall become lost, apparently destroyed, stolen or wrongfully taken, it may be



replaced in the form and tenor of the lost, destroyed, stolen or taken Series 2018 Bond and the District shall execute and the Paying Agent shall authenticate and deliver a replacement Series 2018 Bond upon the Owner furnishing, to the satisfaction of the Paying Agent: (a) proof of ownership (which shall be shown by the registration books of the Paying Agent), (b) proof of loss, destruction or theft, (c) an indemnity to the District and the Paying Agent with respect to the Series 2018 Bond lost, destroyed or taken, and (d) payment of the cost of preparing and executing the new Series 2018 Bond.

Section 12. Disposition of Series 2018 Bonds. When the Series 2018 Bonds have been duly executed, they shall be delivered to the Initial Purchaser, or at the request of the Initial Purchaser, to the designated securities depository, upon receipt of the agreed purchase price. The proceeds of the Series 2018 Bonds, excluding accrued interest, if any, which shall be deposited to the Bond Account described below, shall be used 'for the purposes stated herein and for no other purposes, provided, however, that any portion of the proceeds of the Series 2018 Bonds may be temporarily invested pending such use, with such temporary investment to be made consistent with the covenants hereinafter made concerning arbitrage bonds. Neither the Initial Purchaser of the Series 2018 Bonds, nor any subsequent owner of any of them shall be responsible for the application by the District, nor any of its officers, of any of the funds derived from the sale of the Series 2018 Bonds.

Section 13. Disposition of Series 2018 Bond Proceeds; 2018 Project Account. There is hereby established and the District covenants to maintain in accordance with the provisions hereof a special account designated as the "Sun Country Meadows Public Improvement District, in Elbert County, Colorado, Limited Tax General Obligation Bonds, Series 2018, Project Account" (referred to herein as the "2018 Project Account"). The entire proceeds of the Series 2018 Bonds, exclusive of accrued interest and costs of issuance, shall be deposited to the 2018 Project Account.

All moneys credited to the 2018 Project Account shall be applied solely to the payment of the costs properly attributable to the Project, provided, however, no payment shall be made toward costs properly attributable to the Project until the District determines that completion of the Project is financially feasible on or before August 1, 2018. Upon the determination of the Board that all such costs have been paid or are determinable, any balance remaining in the 2018 Project Account (less any amounts necessary to pay costs of the Project not then due and owing) shall be credited to the Bond Account.

Section 14. Investments. The District may purchase Permitted Investments with monies in the 2018 Project Account or the Bond Account, provided that such Permitted Investments shall mature or be subject to redemption at the option of the owner thereof at or before the times when the invested funds are needed for the purposes of such Accounts. The investment of such moneys shall, however, be subject to the covenants and provisions of the Section hereof entitled "Federal Income Tax Covenants." Except to the extent otherwise required by such Section, interest income from the investment or reinvestment of moneys credited to each account shall remain in and become part of such account.

Section 15. Additional Bonds. The District shall not incur any additional debt without the prior written consent of the Bank.



Section 16. Various Findings, Determinations, Declarations and Covenants. The Board, having been fully informed of and having considered all the pertinent facts and circumstances, hereby finds, determines, declares and covenants with the Owners of the Series 2018 Bonds that:

(a) The District was formed for the purpose of paying the costs of the Improvements;

(b) it is in the best interest of the District and its residents that the Series 2018 Bonds be authorized, sold, issued and delivered at the time, in the manner and for the purposes provided in this Resolution;

(c) the issuance of the Series 2018 Bonds and all procedures undertaken or authorized incident thereto are in full compliance and conformity with all applicable requirements, provisions and limitations prescribed by the Constitution and laws of the State, including the Acts, and all conditions and limitations of the Acts and other applicable law relating to the issuance of the Series 2018 Bonds have been satisfied; and

(d) the District hereby elects to apply Part 2 of Article 57 of Title 11, Colorado Revised Statutes, as amended, in its entirety to the Series 2018 Bonds except to the extent inconsistent with this Resolution.

Section 17. Additional Covenants. For so long as any Series 2018 Bond is outstanding, the District hereby covenants as follows:

(a) If the District will be audited, then the District will make available, audited annual financial statements on the earlier of either 2 weeks following audit completion or seven (7) months after Fiscal Year end. If no audits will be completed, then annual financial statements will be due within 90 days following Fiscal Year end.

(b) The District will make available, annual budgets by February 28th of each year.

(c) The District will make available annual certification of assessed value and mill levy due by February 28th of the following year.

(d) The District will make available any other financial information upon request.

Notwithstanding the foregoing, the Bank and the District may agree on additional covenants which shall be set forth in the Final Terms Certificate.

Section 18. Federal Income Tax Covenants. For purposes of ensuring that the interest on the Series 2018 Bonds is and remains excluded from gross income for federal income tax purposes, the District hereby covenants that:

(a) **Prohibited Actions.** The District will not use or permit the use of any proceeds of the Series 2018 Bonds or any other funds of the District from whatever source



derived, 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 Series 2018 Bond to be an "arbitrage bond" within the meaning of Section 148 of the Code, or would otherwise cause the interest on any Series 2018 Bond to be includible in gross income for federal income tax purposes.

(b) ***Affirmative Actions.*** The District will at all times do and perform all acts permitted by law that are necessary in order to assure that interest paid by the District on the Series 2018 Bonds shall be excludable from gross income for federal income tax purposes under the Code or any other valid provision of law. In particular, but without limitation, the District represents, warrants and covenants to comply with the following rules unless it receives an opinion of Bond Counsel stating that such compliance is not necessary: (i) gross proceeds of the Series 2018 Bonds will not be used in a manner that will cause the Series 2018 Bonds to be considered "private activity bonds" within the meaning of the Code; (ii) the Series 2018 Bonds are not and will not become directly or indirectly "federally guaranteed"; and (iii) the District will timely file an Internal Revenue Service Form 8038-G with respect to the Series 2018 Bonds, which shall contain the information required to be filed pursuant to Section 149(e) of the Code.

(c) ***Tax Certificate.*** The District will comply with the Tax Certificate delivered by it on the date of issuance of the Series 2018 Bonds, including but not limited by the provisions of the Tax Certificate regarding the application and investment of Series 2018 Bond proceeds, the use of the Project, the calculations, the deposits, the disbursements, the investments and the retention of records described in the Tax Letter of Instructions attached to such Tax Certificate.

(d) ***Designation of Series 2018 Bonds as Qualified Tax-Exempt Obligations.*** The District hereby designates the Series 2018 Bonds as qualified tax-exempt obligations within the meaning of Section 265(b)(3) of the Code. The District covenants that the aggregate face amount of all tax-exempt obligations issued by the District, together with governmental entities which derive their issuing authority from the District or are subject to substantial control by the District, shall not be more than \$10,000,000 during calendar year 2018. The District recognizes that such tax-exempt obligations include notes, leases, loans and warrants, as well as bonds.

Section 19. Defeasance. When all debt service requirements of the Series 2018 Bonds have been duly paid, the pledge and lien and all obligations hereunder shall thereby be discharged and the Series 2018 Bonds shall no longer be deemed to be Outstanding within the meaning of this Resolution. There shall be deemed to be such due payment when the District has placed in escrow or in trust with a trust bank, located within or without the State of Colorado, moneys or bills, certificates of indebtedness, notes or bonds which are direct obligations of, or the principal of and interest on which are unconditionally guaranteed by, the United States of America ("Federal Securities") in an amount sufficient (including the known minimum yield available for such purpose from Federal Securities in which such amount wholly or in part may be initially invested) to pay all debt service requirements of the Series 2018 Bonds, as the same become due to and including their Maturity Date or any redemption date as of which the District shall have exercised or shall have obligated itself to exercise its option to call bonds for prior redemption. The Federal Securities shall become due prior to the respective times at 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 trust, or the Federal Securities shall be subject to redemption at the option of the owner thereof to assure such availability as so needed to meet such schedule. Nothing in this Resolution shall be construed to prohibit a partial defeasance of the Series 2018 Bonds in accordance with the provisions of this Section.

Section 20. Events of Default. Each of the following events constitutes an Event of Default:

(a) ***Nonpayment of Principal.*** If payment of the principal of any Series 2018 Bond shall not be made when the same shall become due and payable at maturity or by proceedings for prior redemption.

(b) ***Nonpayment of Interest.*** If payment of any installment of interest on the Series 2018 Bonds shall not be made when the same comes due and payable.

(c) ***Incapacity to Perform.*** If the District shall for any reason be rendered incapable of performing its obligations hereunder.

(d) ***Default of any Provision.*** If the District shall default in the due and punctual performance of the covenants, conditions, agreements or provisions contained in the Series 2018 Bonds or in this Resolution on its part to be performed, other than those referred to in paragraphs (a) and (b) of this Section, if such default shall continue for 60 days after written notice specifying such default and requesting the same to be remedied shall have been given to the District by the owners of not less than 25% in aggregate principal amount of the Series 2018 Bonds then outstanding.

(e) ***Bankruptcy or Receivership.*** An order of decree by a court of competent jurisdiction declaring the District bankrupt under federal bankruptcy law or appointing a receiver of all or any material portion of the District's assets or revenues is entered with the consent or acquiescence of the District or is entered without the consent or acquiescence of the District but is not vacated, discharged or stayed within 30 days after it is entered.

Section 21. Remedies for Events of Default.

(a) ***Remedies.*** Upon the occurrence and continuance of any Event of Default, the Owners of not less than 25% of the aggregate amount of the Bond Obligation, including, without limitation, a trustee or trustees therefor may proceed against the District to protect and to enforce the rights of the any Owners under this Resolution by mandamus, injunction or by other suit, action or special proceedings in equity or at law, in any court of competent jurisdiction: (i) for the payment of any overdue installment of principal of or interest on the Series 2018 Bonds, and for the payment of interest on any installment of principal of any Series 2018 Bond that was not paid when due at the interest rate borne by such Series 2018 Bond; (ii) for the specific performance of any covenant contained herein; (iii) to enjoin any act that may be unlawful or in violation of any right of any Owner of any Series 2018 Bond; (iv) for any other proper legal or equitable remedy; or (v) any combination of such remedies or as otherwise may be authorized by applicable law; provided, however, that acceleration of any amount not yet due on the Series 2018 Bonds according to their terms shall not be an available remedy. All such proceedings at



law or in equity shall be instituted, had and maintained for the equal benefit of all Owners of Series 2018 Bonds then Outstanding.

(b) *Rights Cumulative; Failure to Pursue Remedies Not a Waiver or Release.* The failure of any Owner of any Outstanding Bond to proceed in accordance with subsection (a) of this Section shall not relieve the District of any liability for failure to perform or carry out its duties under this Resolution. Each right or privilege of any such Owner (or trustee therefor) is in addition and is cumulative to any other right or privilege, and the exercise of any right or privilege by or on behalf of any Owner shall not be deemed a waiver of any other right or privilege of such Owner.

Section 22. Amendment of Resolution.

(a) *Amendments Permitted without Notice to or Consent of Owners.* The District may, without the consent of or notice to the Owners of the Series 2018 Bonds, adopt one or more resolutions amending or supplementing this Resolution (which resolutions shall thereafter become a part hereof) for any one or more or all of the following purposes:

(i) to cure any ambiguity or to cure, correct or supplement any defect or inconsistent provision of this Resolution;

(ii) to subject to this Resolution or pledge to the payment of the Series 2018 Bonds additional revenues, properties or collateral;

(iii) to institute or terminate a book-entry registration system for the Series 2018 Bonds or to facilitate the designation of a substitute securities depository with respect to such a system;

(iv) to designate and set forth the duties of a substitute Paying Agent with respect to the Bonds; or

(v) to make any other change that does not materially adversely affect the Owners of the Series 2018 Bonds.

(b) *Amendments Requiring Notice to and Consent of Owners.* Except for amendments permitted by subsection (a) of this Section, this Resolution may only be amended (i) by a resolution of the District amending or supplementing this Resolution (which, after the consents required therefor, shall become a part hereof); and (ii) with the written consent of the Owners of at least 66-2/3% of the Bond Obligation; provided that any amendment that makes any of the following changes with respect to any Series 2018 Bond shall not be effective without the written consent of the Owner of such Series 2018 Bond: (A) a change in the maturity of such Series 2018 Bond; (B) a reduction of the interest rate on such Series 2018 Bond; (C) a change in the terms of redemption of such Series 2018 Bond; (D) a delay in the payment of principal or interest on such Series 2018 Bond; (E) a reduction of the Bond Obligation the consent of the Owners of which is required for an amendment to this Resolution; or (F) the establishment of a priority or preference for the payment of any amount due with respect to any Series 2018 Bond over any other Series 2018 Bond.



(c) **Procedure for Notifying and Obtaining Consent of Owners.** Whenever the consent of an Owner or Owners of Series 2018 Bonds is required under subsection (b) of this Section, the District shall mail a notice to such Owner or Owners at their addresses as set forth in the registration books maintained by the Paying Agent and to the Initial Purchaser, which notice shall briefly describe the proposed amendment and state that a copy of the amendment is on file in the office of the District for inspection. Any consent of any Owner of any Series 2018 Bond obtained with respect to an amendment shall be in writing and shall be final and not subject to withdrawal, rescission or modification for a period of 60 days after it is delivered to the District unless another time period is stated for such purpose in the notice mailed pursuant to this subsection.

Section 23. Approval of Related Documents. The President and the Secretary are hereby authorized to execute such documents and to take such actions as may be necessary to acquire or accept any improvements that may be acquired by the District, to the extent the President deems it appropriate for the District to do so. The President, the Secretary and all other appropriate officers of the Board are also hereby authorized and directed to execute all other documents and certificates necessary or desirable to effectuate the issuance or administration of the Series 2018 Bonds, the investment and application of proceeds of the Series 2018 Bonds and the other transactions contemplated hereby.

Section 24. Reserved.

Section 25. Events Occurring on Days That Are Not Business Days. Except as otherwise specifically provided herein with respect to a particular payment, event or action, if any payment to be made hereunder or any event or action to occur hereunder which, but for this Section, is to be made or is to occur on a day that is not a Business Day, such payment, event or action shall instead be made or occur on the next succeeding day that is a Business Day with the same effect as if it were made or occurred on the date on which it was originally scheduled to be made or occur.

Section 26. Limitation of Actions. As provided by Section 11-57-212, Colorado Revised Statutes, no legal or equitable action may be brought with respect to any legislative acts or proceedings in connection with the authorization or issuance of the Series 2018 Bonds more than 30 days after the authorization of such securities.

Section 27. Resolution Irrepealable. After the Series 2018 Bonds have been issued, this Resolution shall be and remain a contract between the District and the Owners of the Series 2018 Bonds and shall be and remain irrepealable, except as expressly provided herein, until all amounts due with respect to the Series 2018 Bonds shall be fully paid, satisfied and discharged and all other obligations of the District with respect to the Series 2018 Bonds shall have been satisfied in the manner provided herein.

Section 28. Headings. The headings to the various sections and subsections to this Resolution have been inserted solely for the convenience of the reader, are not a part of this Resolution and shall not be used in any manner to interpret this Resolution.



Section 29. Severability. It is hereby expressly declared that all provisions hereof and their application are intended to be and are severable. In order to implement such intent, if any provision hereof or the application thereof is determined by a court or administrative body to be invalid or unenforceable, in whole or in part, such determination shall not affect, impair or invalidate any other provision hereof or the application of the provision in question to any other situation; and if any provision hereof or the application thereof is determined by a court or administrative body to be valid or enforceable only if its application is limited, its application shall be limited as required to most fully implement its purpose.

Section 30. Manner of Sale. The Series 2018 Bonds may be sold either at public, competitive sale or at negotiated sale, at a price not less than 95% of their principal amount, plus accrued interest, if any, to the date of their delivery to the Initial Purchaser, all as may be provided by a Final Terms Certificate. To the extent that the Series 2018 Bonds are privately placed, or sold in a limited offering, appropriate legends, transfer restrictions and other provisions may be included in a Final Terms Certificate, in the form of Series 2018 Bond or in any other document delivered by the District in connection with the Series 2018 Bonds, for the purpose of documenting such private placement or limited offering.

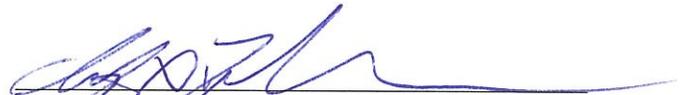
Section 31. Repeal of Inconsistent Resolutions, Resolutions, Bylaws, Rules and Orders. All ordinances, resolutions, bylaws, rules and orders, or parts thereof, that are inconsistent with or in conflict with this Resolution, are hereby repealed to the extent of such inconsistency or conflict.

Section 32. Ratification of Prior Actions. All actions heretofore taken (not inconsistent with the provisions of this Resolution or the Acts) by the Board or by the officers and employees of the District directed toward the issuance of the Series 2018 Bonds for the purposes herein set forth are hereby ratified, approved and confirmed.

Section 33. Effective Date. This Resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED this 11th day of April, 2018.

(S E A L)



President

ATTEST:



Secretary

