

AFTER RECORDING PLEASE RETURN TO:

Kutak Rock LLP
1801 California Street, Suite 3000
Denver, CO 80202
Attention: Daniel C. Lynch, Esq.

SITE LEASE

by and between

THE CITY OF NORTHGLENN, COLORADO,
as Site Lessor

and

UMB Bank, n.a.,
solely in its capacity as Trustee under an Indenture of Trust dated as of the date hereof,
as Site Lessee

Dated as of April , 2017

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EXHIBIT A DESCRIPTION OF THE SITE LEASED PROPERTY

SITE LEASE

THIS SITE LEASE dated as of April __, 2017 (this “Site Lease”), by and between **THE CITY OF NORTHGLENN, COLORADO**, a home rule municipal corporation and political subdivision of the State of Colorado (the “State”) as site lessor (the “City”), and **UMB BANK, n.a.**, solely in its capacity as trustee under an Indenture of Trust dated as of the date hereof, and its successors and assigns, as site lessee (in its capacity as trustee, the “Trustee”).

W I T N E S S E T H :

WHEREAS, the City is a duly and regularly created, organized and existing body corporate and politic of the State, existing as such under the Constitution and statutes of the State; and

WHEREAS, the City is the owner of the Site Leased Property (described in Exhibit A hereto); and

WHEREAS, the City is authorized, pursuant to Section 31-15-801, Colorado Revised Statutes, as amended, the City’s home rule powers and Sections 1.2 and 7.4 of the City’s Home Rule Charter (the “Charter”), to purchase and hold real and personal property and to lease the same, either as lessee or lessor; and

WHEREAS, the City is authorized by its Charter and Code of Ordinances (the “Code”), to provide for financing public buildings or equipment for any governmental purpose through one or more lease purchase agreements; and

WHEREAS, the Trustee (a) is a national banking association duly organized and existing under the laws of the United States of America, (b) is duly qualified to do business in the State, (c) is executing and delivering and will perform its obligations under this Site Lease as trustee under the Indenture of Trust dated as of the date hereof by the Trustee (the “Indenture”) pursuant to which there are being executed and delivered the “Certificates of Participation, Series 2017, evidencing undivided interests in the right to receive certain revenues payable by the City of Northglenn, Colorado under a Lease Purchase Agreement dated as of April __, 2017” (the “Series 2017 Certificates”) and (d) in its capacity as Trustee, (i) will lease the Site Leased Property hereunder and (ii) is authorized, under its articles of association, action of its board of directors and applicable law, to lease the Site Leased Property and to execute, deliver and perform its obligations under this Site Lease; and

WHEREAS, the City has determined that the lease of the Site Leased Property to the Trustee pursuant to this Site Lease is in the best interests of the City and its residents; and

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the parties hereto agree as follows:

Section 1. Definitions. Unless the context otherwise requires, capitalized terms used herein shall have the meanings ascribed to them herein and in the Lease Purchase Agreement dated as of the date hereof (the “Lease”) between the Trustee, as lessor and the City, as lessee.

Section 2. Representations, Covenants and Warranties of Trustee. The Trustee represents, covenants and warrants that:

(a) The Trustee (i) is a national banking association duly organized and existing under the laws of the United States of America, (ii) is duly qualified to do business in the State and (iii) is authorized, under its articles of incorporation and bylaws, action of its board of directors and applicable law, to lease the Site Leased Property from the City and to execute, deliver and perform its obligations hereunder.

(b) The execution, delivery and performance of this Site Lease by the Trustee has been duly authorized by the Trustee.

(c) This Site Lease is enforceable against the Trustee in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State of Colorado and its governmental bodies of the police power inherent in the sovereignty of the State of Colorado and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

(d) The execution, delivery and performance of the terms of this Site Lease by the Trustee does not and will not conflict with or result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Trustee is now a party or by which the Trustee is bound, or constitute a default under any of the foregoing or, except as specifically provided in this Site Lease, the Lease or the Indenture, result in the creation or imposition of a lien or encumbrance whatsoever upon any of the property or assets of the Trustee.

(e) There is no litigation or proceeding pending or threatened against the Trustee or any other Person affecting the right of the Trustee to execute, deliver or perform its obligations under this Site Lease.

Section 3. Representations, Covenants and Warranties of City. The City represents, covenants and warrants that:

(a) The City is authorized under its Charter and Code, and all other applicable law, to lease the Site Leased Property to the Trustee and to execute, deliver and perform its obligations under this Site Lease.

(b) The lease of the Site Leased Property to the Trustee pursuant to this Site Lease serves a public purpose and is in the best interests of the City and its residents.

(c) The execution, delivery and performance of this Site Lease by the City has been duly authorized by the City.

(d) This Site Lease is enforceable against the City in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether

considered at law or in equity, by the exercise by the State of Colorado and its governmental bodies of the police power inherent in the sovereignty of the State of Colorado and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

(e) The execution, delivery and performance of the terms of this Site Lease by the City does not and will not conflict with or result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is now a party or by which the City is bound, or constitute a default under any of the foregoing or, except as specifically provided in this Site Lease, the Lease or the Indenture, result in the creation or imposition of a lien or encumbrance whatsoever upon any of the property or assets of the City.

(f) There is no litigation or proceeding pending or threatened against the City or any other Person affecting the right of the City to execute, deliver or perform the obligations of the City under this Site Lease.

(g) No provision of the Series 2017 Certificates, the Indenture, the Lease or this Site Lease shall be construed or interpreted (i) to directly or indirectly obligate the City to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (ii) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (iii) as a delegation of governmental powers by the City; (iv) as a loan or pledge of the credit or faith of the City or as creating any responsibility by the City for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution; or (v) as a donation or grant by the City to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution.

Section 4. Lease and Terms. The City hereby leases to the Trustee and the Trustee hereby leases from the City, on the terms and conditions hereinafter set forth, the Site Leased Property, which consists of the real property and the improvements thereon described in Exhibit A attached hereto and made a part hereof, subject to Permitted Encumbrances (as defined in the Lease).

The term of this Site Lease shall commence on the date hereof and shall end on December 31, 2046 (the "Site Lease Termination Date"); provided that, if prior to the Site Lease Termination Date, the interest of the Trustee in the Site Leased Property has been conveyed to the City pursuant to Article IX of the Lease, then the term of this Site Lease shall end on the date of such conveyance.

Section 5. Rent and Payment. The City acknowledges receipt from the Trustee as rent and payment hereunder, in full, the lump-sum of _____ (\$_____) and other good and valuable consideration, for application by the Trustee as provided in the Indenture.

Section 6. Purpose. The Trustee shall use the Site Leased Property for the purpose of subletting the same to the City pursuant to the Lease; provided that upon the occurrence of an Event of Nonappropriation or an Event of Default under the Lease or Event of Default under the Indenture, the City shall vacate the Site Leased Property as provided in the Lease, the Trustee may exercise the remedies provided in the Lease and the Indenture and the Trustee may use or sublet the Site Leased Property for any lawful purposes.

Section 7. Owner in Fee. The City covenants that it is the owner in fee of the Site Leased Property, subject only to Permitted Encumbrances (as defined in the Lease).

Section 8. Assignments and Subleases.

(a) Unless an Event of Nonappropriation or an Event of Default under the Lease shall have occurred and except as may otherwise be provided in the Lease, the Trustee may not assign its rights under this Site Lease or sublet the Site Leased Property without the written consent of the City.

(b) In the event that (i) the Lease is terminated for any reason and (ii) this Site Lease is not terminated, the Trustee may sublease the Site Leased Property or any portion thereof or sell or assign its interest in this Site Lease. Except as provided in this Site Lease, the City and the Trustee agree that, except as may otherwise be provided in the Lease, neither the City nor the Trustee will sell, mortgage or encumber the Site Leased Property or any portion thereof during the term of this Site Lease.

Section 9. Right of Entry. The City reserves the right, so long as no Event of Nonappropriation or Event of Default shall have occurred under the Lease, for any of its duly authorized representatives to enter upon the Site Leased Property at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Section 10. Termination. The Trustee agrees, upon the termination of this Site Lease, to quit and surrender the Site Leased Property to the City, and agrees that any fixtures, permanent improvements and structures existing as a part of the Site Leased Property at the time of the termination of this Site Lease shall remain thereon and all legal interests of the Trustee thereto shall vest in the City. The Trustee and any sublessee or assignee shall execute and deliver, upon request by the City, any instrument of transfer, conveyance or release necessary or appropriate to confirm the vesting of such legal interests in the City.

Section 11. Default. In the event the Trustee shall be in default in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for 30 days following notice and demand for correction thereof to the Trustee, the City may exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Lease shall be deemed to occur as a result thereof and except for any other exceptions enumerated in the Lease. In addition, so long as the Lease is in effect, this Site Lease shall not be terminated except as described in Section 10 hereof.

Section 12. Quiet Enjoyment and Acknowledgment of Ownership. The Trustee at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy the Site

Leased Property, subject to the provisions of the Lease, and the City hereby acknowledges that the Trustee shall have a leasehold interest in the Site Leased Property, subject to the Lease.

Section 13. Waiver of Personal Liability. All liabilities under this Site Lease on the part of the Trustee are solely liabilities of the Trustee, and the City hereby releases each and every member, director, employee and officer of the Trustee of and from any personal or individual liability under this Site Lease. No member, director, employee or officer of the Trustee shall at any time or under any circumstances be individually or personally liable under this Site Lease for anything done or omitted to be done by the Trustee hereunder.

Section 14. Trustee Disclaimer. It is expressly understood and agreed that (a) this Site Lease is executed by UMB Bank, n.a. solely in its capacity as Trustee under the Indenture, and (b) nothing herein shall be construed as creating any liability on UMB Bank, n.a. other than in its capacity as Trustee under the Indenture. All financial obligations of the Trustee under this Site Lease, except those resulting from its willful misconduct or negligence, are limited to the Trust Estate.

Section 15. Taxes; Maintenance; Insurance.

(a) During the Lease Term of the Lease and in accordance with the provisions of the Lease, the City covenants and agrees to perform its obligations under the Lease with respect to the payment of any and all assessments of any kind or character and all taxes levied or assessed upon the Site Leased Property, and all maintenance costs, insurance premiums and costs and utility charges in connection with the Site Leased Property, subject to the terms of the Lease.

(b) In the event that (i) the Lease is terminated for any reason, (ii) this Site Lease is not terminated and (iii) the Trustee subleases all or any portion of the Site Leased Property or sells an assignment of its interest in this Site Lease, the Trustee or any sublessee or assignee of the Site Leased Property shall solely from the proceeds of such leasing or sale, obtain and keep in force all insurance that it is required to maintain under the Lease, pay or cause to be paid when due all taxes and assessments imposed thereon and maintain the Site Leased Property in good condition.

Section 16. Damage, Destruction or Condemnation. The provisions of the Lease shall govern with respect to any damage, destruction or condemnation of the Site Leased Property during the Lease Term of the Lease. In the event that (a) the Lease is terminated for any reason and (b) this Site Lease is not terminated and (c) either (i) the Site Leased Property or any portion thereof is destroyed (in whole or in part) or damaged by fire or other casualty, (ii) title to, or the temporary or permanent use of the Site Leased Property or any portion thereof or the estate of the City, the Trustee or any sublessee or assignee of the Trustee in the Site Leased Property or any portion thereof, shall be taken under the exercise of the power of eminent domain, (iii) breach of warranty or any material defect with respect to the Site Leased Property shall become apparent, or (iv) title to or the use of all or any portion of the Site Leased Property shall be lost by reason of defect in the title thereto, the Trustee or any sublessee or assignee of the Trustee shall cause any Net Proceeds of any insurance, performance bonds, condemnation award or any Net Proceeds received as a consequence of default or breach of warranty under any

Project Contract relating to the Site Leased Property or other contract relating to the Site Leased Property to be applied in accordance with the provisions of Section 8.08 of the Lease.

Section 17. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site Lease shall to any extent be declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease shall be affected thereby, and each provision of this Site Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 18. Compliance With Requirements of Law. To the best knowledge of the City: (a) the Site Leased Property has at all times been operated in compliance with all Requirements of Law; (b) all permits required by Requirements of Law in respect of the Site Leased Property have been obtained and are in full force and effect and the City is in compliance with the material terms and conditions of such permits; (c) there is no pending litigation, investigation, administrative or other proceeding of any kind before or by any governmental authority or other Person relating to, or alleging, any violation of any Requirements of Law in connection with the Site Leased Property and there are no grounds on which any such litigation, investigation or proceedings might be commenced; and (d) the Site Leased Property is not subject to any judgment, injunction, writ, order or agreement respecting any Requirements of Law.

Section 19. No Merger. The City and the Trustee intend that the legal doctrine of merger shall have no application to this Site Lease and that neither the execution and delivery of the Lease by the Trustee and the City nor the exercise of any remedies under this Site Lease or the Lease shall operate to terminate or extinguish this Site Lease or the Lease, except as specifically provided herein and therein.

Section 20. Binding Effect. This Site Lease shall inure to the benefit of and shall be binding upon the Trustee and the City and their respective successors and assigns, subject, however, to the limitations set forth in Section 8 hereof.

Section 21. Trustee and City Representatives. Whenever under the provisions hereof the approval of the Trustee or the City is required, or the City or the Trustee is required to take some action at the request of the other, unless otherwise provided, such approval or such request shall be given for the Trustee by a Trustee Representative and for the City by a City Representative, and the Trustee and the City shall be authorized to act on any such approval or request.

Section 22. Notices to Rating Agencies. All notices, certificates or other communications given to the Owners hereunder shall also be given to S&P.

Section 23. Notices. All notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if delivered personally or if mailed by United States registered mail, return receipt requested,

postage prepaid, at the addresses indicated in the Lease, or to such other addresses as the respective parties may from time to time designate in writing.

Section 24. Amendments, Changes and Modifications. Except as otherwise provided herein, this Site Lease may not be effectively amended, changed, modified or altered other than by the execution of a subsequent document in the same manner as this Site Lease is executed.

Section 25. Events Occurring on Days That Are Not Business Days. If the date for making any payment or the last day for performance of any act or the exercising of any right under this Site Lease is a day that is not a Business Day, such payment may be made, such act may be performed or such right may be exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in this Site Lease.

Section 26. Applicable Law. The laws of the State of Colorado shall be applied in the interpretation, execution and enforcement of this Site Lease.

Section 27. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site Lease.

Section 28. Reserved.

Section 29. Electronic 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.

Section 30. Limitations on Obligations of the City. No provision of the Series 2017 Certificates, the Indenture, the Lease or this Site Lease shall be construed or interpreted (a) to directly or indirectly obligate the City to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (b) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (c) as a delegation of governmental powers by the City; (d) as a loan or pledge of the credit or faith of the City or as creating any responsibility by the City for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution; or (e) as a donation or grant by the City to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution.

Section 31. Execution. This Site Lease may be executed in any number of counterparts, each of which shall be deemed to be an original but all together shall constitute but one and the same Lease Agreement.

IN WITNESS WHEREOF, the City and the Trustee have caused this Site Lease to be executed by their respective officers thereunto duly authorized as of the day and year first above written.

[SEAL]

THE CITY OF NORTHGLENN, COLORADO

By _____
Mayor

Attest:

By _____
City Clerk

UMB BANK, N.A., solely in its capacity as
trustee under the Indenture

By _____
Name _____
Title _____

[Signature Page to Site Lease]

STATE OF COLORADO)
) ss.
COUNTY OF ADAMS)

The foregoing instrument was acknowledged before me this ____ day of April, 2017, by Joyce Downing, as Mayor of the City of Northglenn, Colorado.

WITNESS MY HAND AND OFFICIAL SEAL, the day and year above written.

[NOTARIAL SEAL]

Notary

My commission expires:

STATE OF COLORADO)
) ss.
COUNTY OF ADAMS)

The foregoing instrument was acknowledged before me this ____ day of April, 2017, by Johanna Small, as City Clerk of the City of Northglenn, Colorado.

WITNESS MY HAND AND OFFICIAL SEAL, the day and year above written.

[NOTARIAL SEAL]

Notary

My commission expires:

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this ____ day of April 2017, by _____, as authorized signatory of UMB Bank, n.a.

WITNESS my hand and official seal.

[SEAL]

Notary Public

My Commission Expires:

EXHIBIT A

DESCRIPTION OF THE SITE LEASED PROPERTY

AFTER RECORDING PLEASE RETURN TO:

Kutak Rock LLP
1801 California Street, Suite 3000
Denver, CO 80202
Attention: Daniel C. Lynch, Esq.

KUTAK ROCK LLP
DRAFT 02/07/17

LEASE PURCHASE AGREEMENT

by and between

UMB BANK, N.A.,

solely in its capacity as Trustee under an Indenture of Trust dated as of the date hereof,
as Lessor

and

THE CITY OF NORTHGLENN, COLORADO,

as Lessee

Dated as of April , 2017

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EXHIBIT A DESCRIPTION OF THE SITE LEASED PROPERTY

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LEASE PURCHASE AGREEMENT

THIS LEASE PURCHASE AGREEMENT (this “Lease”), dated as of April __, 2017 and entered into by and between **UMB BANK, N.A.**, a national banking association duly organized and validly existing under the laws of the United States, solely in its capacity as trustee under the Indenture (defined herein) (in such capacity, the “Trustee”), and **THE CITY OF NORTHGLENN, COLORADO** (the “City”), a political subdivision of the State of Colorado,

WITNESSETH:

WHEREAS, the City is a political subdivision of the State of Colorado (the “State”) duly organized and validly existing under the laws of the State; and

WHEREAS, the Trustee (a) is a national banking association that is duly organized, validly existing and in good standing under the laws of the United States; (b) is duly qualified to do business in the State; (c) is the lessee of the Site Leased Property (defined herein) pursuant to the Site Lease, dated as of the date hereof (the “Site Lease”) between the City as site lessor and, the Trustee, acting solely in its capacity as trustee under the Indenture, as site lessee; and (d) is authorized, under its articles of association and bylaws and applicable law, to act as trustee under the Indenture, to lease the Site Leased Property from the City, to lease the Leased Property (defined herein) to the City and to execute, deliver and perform its obligations under this Lease; and

WHEREAS, pursuant to the Site Lease, the City has leased the Site Leased Property to the Trustee; and

WHEREAS, the City is authorized, under its home-rule charter (the “Charter”) and Code of Ordinances (the “Code”), to lease the Leased Property from the Trustee and to execute, deliver and perform its obligations under this Lease; and

WHEREAS, the City Council of the City (the “Council”) desires to finance the Project (defined below) with proceeds of the sale of Certificates (defined below); and

WHEREAS, the Trustee desires to lease the Leased Property to the City and the City desires to lease the Leased Property from the Trustee pursuant to this Lease; and

WHEREAS, in order to finance the Project, the Series 2017 Certificates (defined below) shall be executed and delivered to the Owners thereof pursuant to the Indenture; and

WHEREAS, the Base Rentals and Additional Rentals (defined below) payable by the City hereunder shall constitute currently appropriated expenditures of the City and shall not constitute a debt or multiple fiscal year direct or indirect obligation whatsoever of the City or a mandatory charge or requirement against the City in any Fiscal Year (defined below) beyond the Fiscal Year for which such payments have been appropriated; and

WHEREAS, the Series 2017 Certificates shall evidence undivided interests in the right to receive Lease Revenues (defined in the Indenture), shall be payable solely from the Trust Estate (defined in the Indenture) and no provision of the Series 2017 Certificates, the Indenture, the Site Lease or this Lease shall be construed or interpreted (a) to directly or indirectly obligate the City to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (b) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (c) as a delegation of governmental powers by the City; (d) as a loan or pledge of the credit or faith of the City or as creating any responsibility by the City for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution; or (e) as a donation or grant by the City to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution; and

WHEREAS, the execution, delivery and performance of this Lease by the Trustee has been duly authorized by the Trustee and, upon the execution and delivery of this Lease by the Trustee and the City, this Lease will be enforceable against the Trustee in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State of Colorado and its governmental bodies of the police power inherent in the sovereignty of the State of Colorado and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America; and

WHEREAS, the execution, delivery and performance of this Lease by the City has been duly authorized by the City and, upon the execution and delivery of this Lease by the City and the Trustee, this Lease will be enforceable against the City in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State of Colorado and its governmental bodies of the police power inherent in the sovereignty of the State of Colorado and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

NOW, THEREFORE, for and in consideration of the mutual covenants and the representations, covenants and warranties herein contained, the parties hereto agree as follows:

ARTICLE I

DEFINITIONS

The following capitalized terms shall have the following meanings in this Lease:

“Additional Rentals” means the costs and expenses incurred by the City in performing its obligations under this Lease with respect to the Leased Property, the Project, this Lease, the Site Lease, the Indenture, the Series 2017 Certificates and any matter related thereto; the costs and expenses incurred by the City in paying the reasonable fees and expenses of the Trustee pursuant to Sections 10.03 and 10.06 hereof; all amounts paid by the City to the Trustee to fund the Rebate Fund pursuant to Section 10.07 hereof, all amounts payable to S&P under the Indenture

and this Lease; and all other costs and expenses incurred by the City in connection with the foregoing; provided, however, that Additional Rentals do not include the Base Rentals or the Purchase Option Price.

“*Agreement to Construct*” means the Agreement to Construct dated as of April __, 2017 by and between the Trustee, as site lessee, and the City, as contractor.

“*Base Rentals*” means the payments by the City pursuant to Section 6.01 hereof, for and in consideration of the right to use the Leased Property during the Lease Term.

“*Base Rental Payment Date*” means one of the dates in the “Base Rental Payment Date” column in Exhibit D hereto, as from time to time amended or supplemented.

“*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.

“*Certificates*” is defined in the Indenture.

“*Certificate Fund*” is defined in the Indenture.

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

“*City Representative*” means any officer of the Council; and any other person or persons designated to act on behalf of the City for the purposes of performing any act under this Lease, the Site Lease, and the Indenture by a written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the City by any member of the Council. The identity of the City Representative may be changed by the City from time to time by furnishing a new certificate to the Trustee.

“*Code*” means the Municipal Code of the City.

“*Completion Date*” is defined in the Agreement to Construct.

“*Costs of the Project*” is defined in the Indenture.

“*Council*” means the City Council of the City.

“*Electronic Means*” means telecopy, facsimile transmissions, email transmissions or other similar means of communication providing evidence of transmission.

“*Equipment*” means the equipment and other personal property, if any, described in Exhibit C hereto, as such equipment and other personal property is modified pursuant to Sections 8.06, 8.07 or 8.08, and less any equipment or other personal property released from this Lease. [There is initially no Equipment.]

“*Event of Default*” means an event described in Section 12.01 hereof.

“*Event of Nonappropriation*” means an event described in Section 6.04(b) hereof.

“*Fiscal Year*” means the fiscal or budget year of the City, which begins on January 1 of each calendar year and ends on December 31 of the same calendar year.

“*Force Majeure*” means any event that is not within the control of the City or the Trustee, as applicable, including, without limitation, acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials or any civil or military authority; insurrection; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; or breakage or accidents affecting machinery, transmission pipes or canals.

“*Improvements*” means the buildings, site improvements and other real property described in Exhibit B hereto, as such buildings, site improvements and other real property may be modified pursuant to Section 8.06 or 8.08 hereof.

“*Indenture*” means the Indenture of Trust dated as of the date hereof providing for the initial delivery of the Series 2017 Certificates to the Owners thereof, and any amendment or supplement thereto.

“*Independent Counsel*” means an attorney duly admitted to the practice of law before the highest court in the State and who is not an employee of the City or the Trustee.

“*Initial Term*” means the period commencing on the date the Series 2017 Certificates are initially delivered to the Owners thereof and ending on December 31, 2017.

“*Lease*” means this Lease Purchase Agreement and any amendment or supplement hereto.

“*Lease Revenues*” or “*Revenues*” is defined in the Indenture.

“*Lease Term*” is defined in Section 4.01 hereof.

“*Leased Property*” means, collectively, the City’s leasehold interest pursuant to the Lease in, collectively, the Site Leased Property, the Improvements, if any, and the Equipment, if any.

“*Net Proceeds*” means (a) the gross proceeds received from any event referred to in Section 8.07(a) hereof or Section 8.08(a) hereof, *minus* (b) all expenses incurred in the collection of such gross proceeds or award. The trade-in of Equipment pursuant to Section 8.07(a)(ii) hereof shall be deemed to have generated gross proceeds for purposes of this definition in an amount equal to the credit received upon such trade-in.

“*Outstanding*” is defined in the Indenture.

“*Owners*” is defined in the Indenture.

“*Permitted Encumbrances*” means those items listed in Exhibit E hereto.

“*Person*” means any natural person, firm, corporation, partnership, limited liability company, state, political subdivision of any state, other public body or other organization or association.

“*Plans and Specifications*” is defined in the Agreement to Construct.

“*Project*” is defined in the Indenture.

“*Project Contracts*” is defined in the Agreement to Construct.

“*Purchase Option Price*” means the amount that the City must pay to purchase the Leased Property pursuant to Section 9.01 hereof.

“*Rebate Fund*” is defined in the Indenture.

“*Renewal Term*” means each Fiscal Year for which the City renews the Lease Term.

“*Requirement of Law*” means any federal, state or local statute, ordinance, rule or regulation, any judicial or administrative order (whether or not on consent), request or judgment, any common law doctrine or theory, any provision or condition of any permit or any other binding determination of any governmental authority relating to the ownership or operation of property, including but not limited to any of the foregoing relating to zoning, environmental, health or safety issues.

“*S&P*” is defined in the Indenture.

“*Scheduled Lease Term*” means the period from the commencement of the Initial Term through the date described in Section 4.01(b)(i) hereof.

“*Series 2017 Certificates*” is defined in the Indenture.

“*Site Lease*” means the Site Lease dated as of the date hereof between the City, as site lessor, and the Trustee, solely in its capacity as trustee under the Indenture, as site lessee, pursuant to which the Site Leased Property is being leased by the City to the Trustee, and any amendment or supplement thereto.

“*Site Leased Property*” means the Property leased by the City to the Trustee pursuant to the Site Lease, which is the property described in Exhibit A hereto.

“*State*” means the State of Colorado.

“*Trust Estate*” is defined in the Indenture.

“*Trustee*” means UMB Bank, n.a., or any successor thereto, acting solely in its capacity as trustee under the Indenture, and not in its own corporate capacity, or any successor trustee under the Indenture. Pursuant to Section 14.01 hereof, any successor trustee under the Indenture will automatically succeed to the interest of the previous trustee in the Leased Property and the previous trustee’s rights, title, interest and obligations in, to and under this Lease.

“*Trustee Representative*” means any officer of the Trustee; and any other person or persons designated to act on behalf of the Trustee under this Lease and the Indenture by a written certificate furnished to the City and the Trustee containing the specimen signature of such person and signed on behalf of the Trustee by any officer of the Trustee. The identity of the Trustee Representative may be changed by the Trustee from time to time by furnishing a new certificate to the City.

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.01. Representations, Covenants and Warranties of Trustee. The Trustee represents, covenants and warrants that:

(a) The Trustee (i) is a national banking association that is duly organized, validly existing and in good standing under the laws of the United States; (ii) is duly qualified to do business in the State; (iii) solely in its capacity as trustee under the Indenture, is the site lessee of the Site Leased Property pursuant to the Site Lease; and (iv) is authorized, under its articles of association and bylaws and applicable law, to act as trustee under the Indenture, to lease the Site Leased Property from the City, to lease the Leased Property to the City and to execute, deliver and perform its obligations under this Lease.

(b) The execution, delivery and performance of this Lease by the Trustee has been duly authorized by the Trustee.

(c) This Lease is enforceable against the Trustee in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

(d) The execution, delivery and performance of the terms of this Lease by the Trustee do not and will not conflict with or result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Trustee is now a party or by which the Trustee is bound, or constitute a default under any of the foregoing or, except as specifically provided in this Lease, the Site Lease or the Indenture, result in the creation or imposition of a lien or encumbrance whatsoever upon any of the property or assets of the Trustee.

(e) There is no litigation or proceeding pending or to the best of its knowledge threatened against the Trustee or any other Person affecting the right of the Trustee to execute, deliver or perform its obligations under this Lease.

(f) The Trustee acknowledges and recognizes that this Lease will be terminated upon the occurrence of an Event of Nonappropriation, and that a failure by the

City to appropriate funds in a manner that results in an Event of Nonappropriation is solely within the discretion of the Council.

Section 2.02. Representations, Covenants and Warranties of the City. The City represents, covenants and warrants that:

(a) The City is a home-rule municipality and political subdivision of the State duly organized and validly existing under the laws of the State.

(b) Pursuant to the Site Lease, the City has leased the Site Leased Property to the Trustee.

(c) The City is authorized, under its Charter and Code, to lease the Leased Property from the Trustee and to execute, deliver and perform its obligations under this Lease.

(d) The execution, delivery and performance of this Lease by the City has been duly authorized by the Council.

(e) This Lease is enforceable against the City in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

(f) The execution, delivery and performance of the terms of this Lease by the City do not and will not conflict with or result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is now a party or by which the City is bound, or constitute a default under any of the foregoing or, except as specifically provided in this Lease, the Site Lease or the Indenture, result in the creation or imposition of a lien or encumbrance whatsoever upon any of the property or assets of the City.

(g) There is no litigation or proceeding pending or to the best of its knowledge threatened against the City or any other Person affecting the right of the City to execute, deliver or perform its obligations of the City under this Lease.

(h) The City will recognize economic and other benefits by the leasing of the Leased Property pursuant to this Lease; the Leased Property is, and any Leased Property substituted for the initial Leased Property will be, property that is necessary and essential to the City's purpose and operations; and the City expects that the Leased Property will adequately serve the needs for which it is being leased throughout the Scheduled Lease Term.

(i) The Base Rentals payable in each Fiscal Year during the Lease Term are not more than the fair value of the use of the Leased Property during such Fiscal Year.

The Base Rentals and Additional Rentals payable in each Fiscal Year during the Lease Term do not exceed a reasonable amount so as to place the City under an economic compulsion (i) to continue this Lease beyond any Fiscal Year, (ii) not to exercise its right to terminate this Lease at any time through an Event of Nonappropriation or (iii) to exercise any of its options to purchase the Leased Property hereunder. The Purchase Option Price is the City's best estimate of the fair purchase price of the Leased Property at the time of exercise of the City's option to purchase the Leased Property by paying the Purchase Option Price. The Scheduled Lease Term and the final maturity of the Series 2017 Certificates do not exceed the weighted average useful life of the Improvements or any other real property improvements currently located on the Site Leased Property. The period from the beginning of the Lease Term through the date on which each item of Equipment is to be released from this Lease does not exceed the remaining useful life of such item of Equipment. In making the representations, covenants and warranties set forth above in this subsection, the City has given due consideration to the Project, the purposes for which the Leased Property will be used by the City, the benefits to the City from the use of the Leased Property, the City's options to purchase the Leased Property hereunder and the terms of this Lease governing the use of, and the City's options to purchase, the Leased Property.

(j) The City presently intends and expects to continue this Lease annually until the leasehold interest in the Leased Property is acquired by the City pursuant to this Lease; but this representation does not obligate or otherwise bind the City.

(k) The City is not aware of any current violation of any Requirement of Law relating to the Leased Property.

(l) The City has appropriated sufficient legally available moneys to pay the Base Rentals payable in the current Fiscal Year and the Additional Rentals estimated to be payable in the current Fiscal Year.

ARTICLE III

DEMISING CLAUSE; ENJOYMENT OF LEASED PROPERTY

Section 3.01. Demising Clause. The Trustee demises and leases the Leased Property to the City in accordance with the terms of this Lease, subject only to Permitted Encumbrances, to have and to hold for the Lease Term.

Section 3.02. Enjoyment of Leased Property. The Trustee covenants that, during the Lease Term and so long as no Event of Default shall have occurred, the City shall peaceably and quietly have, hold and enjoy the Leased Property without suit, trouble or hindrance from the Trustee, except as expressly required or permitted by this Lease.

ARTICLE IV

LEASE TERM; TERMINATION OF LEASE

Section 4.01. Lease Term.

(a) The Lease Term shall be comprised of the Initial Term and successive one-year Renewal Terms, subject to subsection (b) of this Section.

(b) This Lease Term shall expire upon the earliest of any of the following events:

(i) the last day of the month in which the final Base Rental payment is scheduled to be paid in accordance with Exhibit D hereto;

(ii) December 31 of the Initial Term or December 31 of any Renewal Term during which, in either case, an Event of Nonappropriation has occurred;

(iii) the purchase of the Leased Property by the City pursuant to Section 9.01 hereof; or

(iv) termination of this Lease following an Event of Default in accordance with Section 12.02(a) hereof.

Section 4.02. Effect of Termination of Lease Term. Upon termination of the Lease Term:

(a) All unaccrued obligations of the City hereunder shall terminate, but all obligations of the City that have accrued hereunder prior to such termination shall continue until they are discharged in full; and

(b) If the termination occurs because of the occurrence of an Event of Nonappropriation or an Event of Default, the City's right to possession of the Leased Property hereunder shall terminate and (i) the City shall, within 45 days, (A) vacate the Site Leased Property and the Improvements and (B) deliver the Equipment to the Trustee at the location at which it is being used; and (ii) if and to the extent the Council has appropriated funds for payment of Base Rentals and Additional Rentals payable during, or with respect to the City's use of the Leased Property during, the period between termination of the Lease Term and the date the Site Leased Property and Improvements are vacated and the Equipment is delivered to the Trustee pursuant to clause (i), the City shall pay such Base Rentals and Additional Rentals to the Trustee or, in the case of Additional Rentals, the other Person entitled thereto.

ARTICLE V

ACQUISITION AND CONSTRUCTION OF THE PROJECT

Section 5.01. Agreement to Complete the Project. So long as this Lease is not terminated by an Event of Nonappropriation or an Event of Default, the City hereby agrees that it will make all contracts, take all other actions and do all things necessary for the construction and equipping of the Project and, in connection therewith, and in addition thereto, will comply with all applicable provisions of State and local law. The City shall cause the Project to be constructed and equipped as herein provided and as provided in the Agreement to Construct.

Construction and equipping of the Project shall be in accordance with the Plans and Specifications and the Agreement to Construct, subject to reasonable change orders or any other reasonable changes approved by the City. So long as this Lease is in full force and effect and no Event of Nonappropriation or Event of Default shall have occurred, the City shall have full power to carry out the acts and agreements provided in this Section 5.01, and such power is granted and conferred under this Lease to the City, and is accepted by the City and shall not be terminated or restricted by act of the Trustee, except as provided in this Section 5.01.

The City agrees to construct and equip the Project with all reasonable dispatch through the application of moneys to be disbursed by the Trustee from the Construction Fund. If for any reason the Project is not constructed and equipped by the Completion Date there shall be no resulting liability on the part of the City or Event of Default hereunder, and there shall be no diminution in or postponement of the Base Rentals and Additional Rentals required to be paid by the City during the Lease Term. However, in the event that the Trustee shall not receive a certificate to the effect that the Project shall have been constructed and equipped, as required in Section 5.05 of this Lease, by the Completion Date, and unless the City opts to complete the construction and equipping of the Project and submits a reasonable schedule of completion to the Trustee, the Trustee, shall, upon 30 days written notice to the City, be authorized, but not required, to construct and equip the Project from any moneys remaining in the Construction Fund.

Section 5.02. Disbursements from the Construction Fund. The City has, in accordance with the Indenture, authorized and directed the Trustee to make payments from the Construction Fund to pay (or to reimburse the City for) Costs of the Project. The Construction Fund shall consist of the Construction Account and the Acquisition Account, both of which shall be applied to pay the costs expended on the Project. The Construction Account shall be used to account for the net proceeds of the Series 2017 Certificates expended on the construction, improvement and equipping of the Project, in accordance with the Indenture. The Acquisition Account shall be used to account for the net proceeds of the Series 2017 Certificates expended on the acquisition of real property included in the Leased Property.

Section 5.03. Disbursements from the Construction Fund. The Indenture authorizes and directs the Trustee to make payments from the Construction Fund to pay (or to reimburse the City for the payment of) the Costs of the Project related to the construction, improvement and equipping of the Project. Each payment of Costs of the Project shall be made only upon receipt by the Trustee of a requisition signed by a City Representative, in the form provided in the

Indenture. No disbursement requested in any requisition shall be made by the Trustee for such Costs of the Project from the Construction Fund unless the City Representative also certifies that the requirements with respect to lien waivers included in any applicable contract have been met.

Section 5.04. Disbursements from the Acquisition Account. The Acquisition Account shall be used to account for the net proceeds of the Series 2017 Certificates and any other moneys to be expended on the Project, including all other moneys the City may make available in its discretion, to pay the reasonable or necessary costs incidental to the acquisition of real property included in the site or sites of the Project and necessary and incidental expenses in connection with such acquisitions, in accordance with the Indenture. Each such payment of Costs of the Project for such purposes shall be made upon receipt of a requisition signed by a City Representative, in the form provided in the Indenture, provided that the requisitioned funds from the Acquisition Account shall only be disbursed upon delivery to the City and/or the Trustee of:

- (a) the executed deed or other instrument in recordable form conveying or granting a fee, leasehold or other interest to the City; and
- (b) a commitment for an ALTA owner's title insurance policy and leasehold policy, naming the City and the Trustee, respectively, as insureds.

Section 5.05. Completion of Construction. Upon the completion of the construction and equipping of the Project and the acceptance thereof by the City, a City Representative shall deliver to the Trustee a certificate stating that, to the best of the City's knowledge based upon the representations of officials of the City and parties to the Project Contracts and except for any amounts estimated by a City Representative to be necessary for payment of any Costs of the Project not then due and payable, the Project has been constructed and equipped to the satisfaction of the City, and all Costs of the Project have been paid. Notwithstanding the foregoing, such certificate shall not, and shall state that it does not, prejudice any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

In the event that, after the delivery of such completion certificate, there remains in the Construction Fund any unreserved balance, such balance shall be transferred to the Interest Account of the Series 2017 Certificate Fund for credit against the Base Rentals next becoming due.

ARTICLE VI

BASE RENTALS AND ADDITIONAL RENTALS; EVENT OF NONAPPROPRIATION

Section 6.01. Payment of Base Rentals.

- (a) the City shall, subject only to the other Sections of this Article, pay Base Rentals directly to the Trustee during the Lease Term in immediately available funds in the amounts and on the Base Rental Payment Dates set forth in Exhibit D hereto, as it may be modified from time to time; provided, however, that there shall be credited

against the amount of Base Rentals payable on any Base Rental Payment Date the amount on deposit in the Series 2017 Certificate Fund representing (i) accrued interest and capitalized interest, if any, from the sale of Certificates, (ii) earnings from the investment of moneys in the Series 2017 Certificate Fund, and (iii) moneys delivered to the Trustee by the City or any other Person that are accompanied by instructions to apply the same to the payment of Base Rentals or to deposit the same in the Series 2017 Certificate Fund. Thirty days prior to each Base Rental Payment Date, the Trustee shall notify the City as to the exact amounts that will be credited against the Base Rentals due on such date. If further amounts that are to be credited against Base Rentals accrue during such 30-day period, such amounts shall be carried over to be applied as a reduction of the Base Rentals payable on the next succeeding Base Rental Payment Date.

(b) A portion of each payment of Base Rentals is paid as, and represents payment of, interest, and Exhibit D hereto sets forth the interest component of each payment of Base Rentals. Upon receipt by the Trustee of each payment of Base Rentals, the Trustee shall apply the amount of each Base Rentals payment in the following manner and order:

(i) FIRST, the amount of such payment of Base Rentals designated and paid as interest under Exhibit D, as from time to time amended or supplemented, plus the amount of any past due interest on the Series 2017 Certificates, shall be deposited in the Interest Account of the Series 2017 Certificate Fund; and

(ii) SECOND, the remaining portion of such payment of Base Rentals shall be deposited in the Principal Account of the Series 2017 Certificate Fund.

Section 6.02. Payment of Additional Rentals. The City shall, subject only to Sections 7.01(b) and 8.02(b) hereof and the other Sections of this Article, pay Additional Rentals directly to the Persons to which they are owed (which, in the case of payments required to be made to fund the Rebate Fund pursuant to the Indenture, is the Trustee) in immediately available funds in the amounts and on the dates on which they are due.

Section 6.03. Unconditional Obligations. The obligation of the City to pay Base Rentals during the Lease Term shall, subject only to the other Sections of this Article, and the obligation of the City to pay Additional Rentals during the Lease Term shall, subject to Sections 7.01(b) and 8.02(b) hereof and the other Sections of this Article, including, without limitation, Sections 6.04 and 6.05 hereof, be absolute and unconditional and shall not be abated or offset for any reason related to the Leased Property. Notwithstanding any dispute between the City and the Trustee or between the City or the Trustee and any other Person relating to the Leased Property, the City shall, during the Lease Term, make all payments of Base Rentals and Additional Rentals when due; the City shall not withhold any Base Rentals or Additional Rentals payable during the Lease Term pending final resolution of such dispute and shall not assert any right of set-off or counter-claim against its obligation to pay Base Rentals or Additional Rentals, provided, however, that the making of any Base Rental or Additional Rental payment shall not constitute a waiver by the City of any rights, claims or defenses which the City may assert; and

no action or inaction on the part of the Trustee shall affect the City's obligation to pay Base Rentals or Additional Rentals during the Lease Term.

Section 6.04. Event of Nonappropriation.

(a) The officer or employee of the City who is responsible for formulating budget proposals with respect to payments of Base Rentals and Additional Rentals is hereby directed (i) to estimate the Additional Rentals payable in the next ensuing Fiscal Year prior to the submission of each annual budget proposal to the Council during the Lease Term and (ii) to include in each annual budget proposal submitted to the Council during the Lease Term the entire amount of Base Rentals scheduled to be paid and the Additional Rentals estimated to be payable during the next ensuing Fiscal Year; it being the intention of the City that any decision to continue or to terminate this Lease shall be made solely by the Council, in its sole discretion, and not by any other department, agency or official of the City.

(b) An Event of Nonappropriation shall be deemed to have occurred:

(i) On December 31 of any Fiscal Year if the City has, on such date, failed, for any reason, to appropriate sufficient amounts to pay all Base Rentals scheduled to be paid and all Additional Rentals estimated to be payable in the next ensuing Fiscal Year; or

(ii) If:

(A) an event described in Section 8.08(a) hereof has occurred;

(B) the Net Proceeds received as a consequence of such event are not sufficient to repair, restore, modify, improve or replace the Leased Property in accordance with Section 8.08 hereof; and

(C) the City has not appropriated amounts sufficient to proceed under clause (i) of Section 8.08(c) hereof by December 31 of the Fiscal Year in which such event occurred or by December 31 of any subsequent Fiscal Year in which the insufficiency of Net Proceeds to repair, restore, modify, improve or replace the Leased Property becomes apparent, on December 31 of the Fiscal Year in which such event occurred or on December 31 of any subsequent Fiscal Year in which such insufficiency became apparent, as applicable.

(c) Notwithstanding subsection (b) of this Section, the Trustee may waive any such failure to appropriate under subsection (b) of this Section which is cured by the City within a reasonable period of time.

(d) In the event that the City shall determine to exercise its annual right to terminate this Lease effective on December 31 of any Fiscal Year, the City shall give written notice to such effect to the Trustee not later than April 15 of such Fiscal Year; provided, however, that a failure to give such notice shall not (i) constitute an Event of

Default, (ii) prevent the City from terminating this Lease or (iii) result in any liability on the part of the City.

(e) Not later than December 15 of the then current Initial Term or any Renewal Term, the City shall give written notice (in substantially the form set forth in Exhibit F attached hereto) of lease renewal to the Trustee; provided however, that a failure to furnish copies of such measures shall not (i) constitute an Event of Default, (ii) prevent the City from terminating this Lease or (iii) result in any liability on the part of the City.

(f) Upon the occurrence of an Event of Nonappropriation, the City shall immediately give written notice of such occurrence to the Trustee.

Section 6.05. Limitations on Obligations of the City.

(a) Payment of Base Rentals and Additional Rentals by the City shall constitute currently appropriated expenditures of the City and may be paid from any legally available funds of the City.

(b) The City's obligations under the Lease shall be subject to the City's annual right to terminate this Lease upon the occurrence of an Event of Nonappropriation.

(c) No provision of the Series 2017 Certificates, the Indenture, the Site Lease or this Lease shall be construed or interpreted (i) to directly or indirectly obligate the City to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (ii) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (iii) as a delegation of governmental powers by the City; (iv) as a loan or pledge of the credit or faith of the City or as creating any responsibility by the City for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution; or (v) as a donation or grant by the City to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution.

(d) The City shall be under no obligation whatsoever to exercise its option to purchase the Leased Property.

(e) No provision of this Lease shall be construed to pledge or to create a lien on any class or source of moneys of the City, nor shall any provision of this Lease restrict the future issuance of any obligations of the City, payable from any class or source of moneys of the City; provided, however, that the restrictions set forth in the Indenture shall apply to the delivery of any Certificates.

ARTICLE VII

OPERATION AND MAINTENANCE OF LEASED PROPERTY

Section 7.01. Taxes, Utilities and Insurance.

(a) The City shall pay, as Additional Rentals, all of the following expenses with respect to the Leased Property:

(i) all taxes, assessments and other charges lawfully made by any governmental body, provided that any such taxes, assessments or other charges that may lawfully be paid in installments may be paid in installments as such installments are due;

(ii) all gas, water, steam, electricity, heat, power and other utility charges incurred in connection with the Leased Property;

(iii) casualty and property damage insurance with respect to the Leased Property in an amount equal to the full replacement value of the Improvements and the Equipment; and

(iv) public liability insurance with respect to the activities to be undertaken by the City in connection with the Leased Property, the Project and this Lease in an amount equal to the maximum amount for which recovery could be claimed under Section 24-10-114, Colorado Revised Statutes, as amended, or any successor statute.

(b) Except for Permitted Encumbrances, the City shall not allow any liens for taxes, assessments, other governmental charges or utility charges to exist with respect to any portion of the Leased Property. If the City shall first notify the Trustee of the intention of the City to do so, the City may, however, in good faith contest any such tax, assessment, other governmental charge or utility charge and, in the event of any such contest, may permit the tax, assessment, other governmental charge or utility charge so contested to remain unpaid during the period of such contest and any appeal therefrom, unless the Trustee shall notify the City that, in the opinion of Independent Counsel, whose fees and expenses shall be paid by the City from Additional Rentals appropriated for the Fiscal Year in which such fees and expenses are due, by nonpayment of any such item the interest of the Trustee in the Leased Property will be materially interfered with or endangered or the Leased Property or any portion thereof will be subject to loss or forfeiture, in which event such tax, assessment, other governmental charge or utility charge shall be paid forthwith; provided, however, that such payment shall not constitute a waiver of the right to continue to contest such tax, assessment, other governmental charge or utility charge. At the request of the City, the Trustee will cooperate fully with the City in any such contest.

(c) The insurance policies provided pursuant to subsection (a) of this Section shall meet the following conditions: (i) any insurance policy may have a deductible clause in an amount deemed reasonable by the City; (ii) each insurance policy shall be

provided by an insurer rated “A” by Best or in the two highest rating categories of S&P; (iii) each insurance policy shall be so written or endorsed as to make losses, if any, payable to the City and the Trustee, as their respective interests may appear and have the Trustee named as an additional insured; (iv) each insurance policy shall contain a provision to the effect that the insurance company shall not cancel the policy or modify it materially and adversely to the interest of the City or the Trustee without first giving written notice thereof to the City and the Trustee at least 10 days in advance of such cancellation or modification; (v) each insurance policy, or each certificate evidencing such policy, shall be deposited with the Trustee; (vi) full payment of insurance proceeds under any insurance policy up to the dollar limit required by this Section in connection with damage to the Leased Property shall not, under any circumstance, be contingent on the degree of damage sustained at other property owned or leased by the City; (vii) each insurance policy shall explicitly waive any co-insurance penalty; and (viii) coverage under each insurance policy shall apply exclusively to the Leased Property (except as provided in subsection (d) of this Section) and must be available to repair or rebuild the Leased Property under all circumstances after the occurrence of an insured peril.

(d) The City may provide any of the insurance required by subsection (a) of this Section under blanket insurance policies which insure not only the risks required to be insured hereunder but also other similar risks.

(e) The City may, in its discretion, provide all or any portion of the insurance required by subsection (a) of this Section by self-insurance, provided that the following conditions are met: (i) the self-insurance program is approved by an independent insurance consultant referred to in subsection (f) of this Section; (ii) the self-insurance program is maintained on an actuarially sound basis; (iii) the self-insurance fund is held in a separate trust fund by an independent trustee; and (iv) in the event the self-insurance program is discontinued, the actuarial soundness of the claim reserve fund is maintained.

(f) The City shall annually certify to the Trustee on or before March 31 of each Fiscal Year that the City is in compliance with the insurance provisions of this Lease.

Section 7.02. Maintenance and Operation of Leased Property. The City shall maintain, preserve and keep the Leased Property, or cause the Leased Property to be maintained, preserved and kept, in good repair, working order and condition, subject to normal wear and tear, shall operate the Leased Property, or cause the Leased Property to be operated, in an efficient manner and at a reasonable cost, and shall make or cause to be made all necessary and proper repairs, except as otherwise provided in Sections 8.06, 8.07 and 8.08 hereof.

ARTICLE VIII

OWNERSHIP, ENCUMBRANCES, MODIFICATIONS OR ADDITIONS TO LEASED PROPERTY; DAMAGE OR CONDEMNATION OF LEASED PROPERTY

Section 8.01. Rights in the Leased Property. The Leased Property shall be held in the name of the Trustee, subject to this Lease, until the Leased Property is transferred or otherwise

disposed of as provided herein, and the City shall have no right, title or interest in the Leased Property except as expressly set forth herein. The City and the Trustee hereby acknowledge that the Trustee: (a) did not select the Leased Property; (b) has no responsibility for the value or condition thereof; (c) holds the Leased Property solely in its capacity as Trustee under the Indenture and not in its own corporate capacity; (d) is not responsible for any failure of the Leased Property to be in conformance with any Requirement of Law; and (e) shall not be deemed to be an owner or operator of the Leased Property for purposes of any environmental law.

Section 8.02. Limitations on Disposition of and Encumbrances on Leased Property.

(a) Except as otherwise permitted in this Article or Article IX or XII hereof and except for Permitted Encumbrances, (i) neither the Trustee nor the City shall sell, assign, transfer or convey any portion of or any interest in the Leased Property or directly or indirectly create, incur or assume any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Leased Property, and (ii) the City shall promptly take such action as may be necessary to duly discharge any such mortgage, pledge, lien, charge, encumbrance or claim.

(b) Notwithstanding subsection (a) of this Section, if the City shall first notify the Trustee of the intention of the City to do so, the City may in good faith contest any such mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Leased Property, and in the event of any such contest, may permit the item so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom, unless the Trustee shall notify the City that, in the opinion of Independent Counsel, whose fees shall be paid by the City as Additional Rentals, by failing to discharge or satisfy such item the interest of the Trustee in the Leased Property will be materially interfered with or endangered, or the Leased Property or any part thereof will be subject to loss or forfeiture, in which event such item shall be satisfied and discharged forthwith; provided, however, that such satisfaction and discharge shall not constitute a waiver by the City of the right to continue to contest such item. At the request of the City, the Trustee will cooperate fully with the City in any such contest.

Section 8.03. Granting of Easements.

(a) As long as no Event of Nonappropriation or Event of Default shall have happened and be continuing, the Trustee shall, at the written request of the City:

(i) consent to the grant of easements, licenses, rights-of-way (including the dedication of public highways) and other rights or privileges in the nature of easements with respect to the real property included in the Leased Property, free from this Lease and any security interest or other encumbrance created hereunder, or under the Indenture or the Site Lease;

(ii) consent to the release of existing easements, licenses, rights-of-way and other rights and privileges with respect to the Site Leased Property and the Improvements, free from this Lease, the Site Lease and the

Indenture and any security interest or other encumbrance created hereunder or thereunder, with or without consideration; and

(iii) execute and deliver any instrument necessary or appropriate to confirm and grant or release any easement, license, right-of-way or other grant or privilege under subsection (a) or (b) of this Section, upon receipt of: (i) a copy of the instrument of grant or release; and (ii) a written application signed by the City Representative requesting such instrument and stating that such grant or release will not materially adversely affect the value, or interfere with the effective use or operation, of the Leased Property.

(b) Nothing in this Section is intended to require that any proceeds from the grant of any easement, license, right-of-way and other right and privilege be paid to the Trustee, and any such proceeds shall not thereby become a part of the Trust Estate.

Section 8.04. Subleasing by the City. The City may, subject to Section 10.04 hereof, sublease or grant the right to use or otherwise permit other Persons to use all or any portion of the Leased Property for other purposes, provided that the following conditions are satisfied for any sublease, grant or use:

(a) this Lease, and the obligations of the City hereunder, shall remain obligations of the City, and the City shall maintain its direct relationship with the Trustee, notwithstanding any such sublease, grant or use; and

(b) if the sublease, grant or use is either (i) with respect to all the Leased Property or (ii) makes it impossible or impractical for the City to use any substantial portion of the Leased Property for any substantial period of time, the Trustee consents to such sublease, grant or use, which consent shall not be unreasonably withheld and may be based upon the advice or opinion of counsel.

Section 8.05. Reserved.

Section 8.06. Modification and Substitution of Leased Property. The City, at its own expense, may remodel, or make substitutions, additions, modifications or improvements to, the Leased Property, provided that: (a) such remodeling, substitutions, additions, modifications and additions (i) shall not in any way damage the Leased Property as it existed prior thereto and (ii) shall become part of the Leased Property; (b) the value of the Leased Property after such remodeling, substitutions, additions, modifications and additions shall be at least as great as the value of the Leased Property prior thereto; (c) the Leased Property, after such remodeling, substitutions, additions, modifications and additions, shall continue to be used as provided in, and shall otherwise be subject to the terms of, this Lease; and (d) with respect to substitutions, the City shall have provided the following to the Trustee: (i) a certificate of the City Representative confirming that the useful life of the substituted property meets or exceeds the remaining term of the Series 2017 Certificates; (ii) a certification of the City Representative confirming that the essentiality of the substituted property is comparable to that of the released property; (iii) an opinion from Bond Counsel to the effect that such substitution will not cause the City to violate its covenant set forth in Section 10.04 hereof; (iv) a certification from the City

Representative that there are no prior liens on the substituted property other than liens that would constitute Permitted Encumbrances thereon; and (v) a title insurance policy covering the substituted property (which the Trustee shall have no independent obligation to review or evaluate) and a certification from the City that the release of the released property and substitution of the substituted property will not affect the existing title insurance on the Leased Property.

Section 8.07. Replacement and Substitution of Equipment.

(a) The City shall have no obligation to renew, repair or replace any inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary Equipment. In any instance where the City determines that any Equipment has become inadequate, obsolete, worn-out, unsuitable, undesirable or unnecessary, the City may (acting for the Trustee) sell, trade in, exchange or otherwise dispose of such Equipment (as a whole or in part) without any responsibility or accountability to the Trustee therefor; provided, however, that if any Equipment has an original purchase price of at least \$1,000 individually, or at least \$1,000,000 collectively (counting only those items of Equipment with individual purchase prices of \$1,000 or more), the City shall comply with one of the following two conditions with the sale, trade in, exchange or other disposition of such Equipment:

(i) the City shall substitute (by direct payment of the costs thereof or by designating equipment or personal property not theretofore included as part of the Leased Property) other equipment or personal property having (A) equal or greater value and utility (but not necessarily having the same function) in the operation of the Leased Property and (B) a useful life of not less than the remaining useful life of the item of Equipment for which it is substituted; or

(ii) the City shall not make any such substitution, provided that (A) if the item of Equipment is sold to anyone other than the City, the City shall pay to the Trustee for deposit in the Principal Account of the Series 2017 Certificate Fund the Net Proceeds from such sale, (B) if the item of Equipment is traded-in for other equipment or personal property that is not to be included in the Leased Property, the City shall pay to the Trustee for deposit in the Principal Account of the Series 2017 Certificate Fund the Net Proceeds of the credit received by it in such trade-in and (C) if the item of Equipment is sold or disposed of to the City, the City shall pay to the Trustee for deposit in the Principal Account of the Series 2017 Certificate Fund an amount equal to the original purchase price thereof less depreciation at rates calculated in accordance with generally accepted accounting principles.

(b) The City shall promptly report in writing to the Trustee each substitution, sale, trade in, exchange or other disposition that must meet one of the conditions set forth in clause (i) or (ii) of subsection (a) of this Section and will pay amounts due to the Trustee thereunder promptly following any sale or disposition pursuant to clause (ii) of subsection (a) of this Section. All equipment or personal property substituted for Equipment pursuant to this Section shall be free of all liens and encumbrances that are

not Permitted Encumbrances and shall become a part of the Equipment, and the City shall execute and deliver to the Trustee a bill of sale transferring title to the substituted equipment or personal property to the Trustee.

(c) The City will not remove, or permit the removal of, any of the Equipment except in accordance with this Section, Section 8.06 or 8.08 or Article IX hereof. The Trustee shall cooperate with the City in implementing the City's rights to dispose of Equipment pursuant to this Section and will execute any and all conveyances, releases or other documents necessary or appropriate in connection therewith as may be reasonably requested by the City.

(d) The disposal of any portion of the Equipment pursuant to this Section shall not entitle the City to any postponement, abatement or diminution of the Base Rentals or Additional Rentals required to be paid hereunder.

Section 8.08. Damage to, Condemnation of, Material Defect in or Loss of Title to Leased Property.

(a) If (i) the Leased Property (or any portion thereof) is destroyed or damaged by fire or other casualty, (ii) title to, or the temporary or permanent use of, the Leased Property (or any portion thereof) or the estate of the City or the Trustee in the Leased Property (or any portion thereof), is taken under the exercise of the power of eminent domain by any governmental body or by any Person acting under governmental authority, (iii) a breach of warranty or any material defect with respect to the Leased Property (or any portion thereof) becomes apparent or (iv) title to or the use of the Leased Property (or any portion thereof) is lost by reason of a defect in the title thereto, then, the Net Proceeds of any insurance, performance bond or condemnation award or the Net Proceeds received as a consequence of any default or breach of warranty under any contract relating to the Leased Property or the Project shall be deposited into a special trust fund held by the Trustee.

(b) If the costs of the repair, restoration, modification, improvement or replacement of the Leased Property following an event described in subsection (a) of this Section are equal to or less than the Net Proceeds available, such Net Proceeds shall be distributed by the Trustee in accordance with the written distribution request signed by the City Representative to repair, restore, modify, improve or replace the Leased Property (or portion thereof). Upon completion of the repair, restoration, modification or replacement of the Leased Property, the City shall notify the Trustee in writing and any excess shall be delivered to the City.

(c) If the costs of the repair, restoration, modification, improvement or replacement of the Leased Property following an event described in subsection (a) of this Section are more than the amount of Net Proceeds available, then:

(i) The City may elect either:

(A) to use the Net Proceeds promptly to repair, restore, modify or improve or replace the Leased Property (or portion thereof) with

property of a value equal to or in excess of the value of the Leased Property (or applicable portion thereof), and pay (subject to Article V hereof) as Additional Rentals the costs thereof in excess of the amount of the Net Proceeds; or

(B) to pay (subject to Article VI hereof) the Purchase Option Price, in which case the Net Proceeds shall be delivered to the City.

(ii) If, by December 31 of the Fiscal Year in which the event described in subsection (a) of this Section occurred (or December 31 of any subsequent Fiscal Year in which the insufficiency of Net Proceeds to repair, restore, modify, improve or replace the Leased Property becomes apparent), the City has not appropriated amounts sufficient to proceed under either clause (i)(A) or (B) of this subsection, an Event of Nonappropriation shall be deemed to have occurred.

(d) The City shall not voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim, performance or payment bond claim, prospective or pending condemnation proceeding, or any action relating to default or breach of warranty under any contract relating to the Leased Property or the Project without the written consent of the Trustee, which consent shall not be unreasonably withheld and may be based upon the written direction of the Owners of a majority in principal amount of the Certificates then Outstanding.

(e) No event described in subsection (a) of this Section shall affect the obligation of the City to pay Base Rentals or Additional Rentals hereunder, regardless of whether the Leased Property is repaired, modified, improved or replaced in full or in part, subject, however, to Article VI hereof.

Section 8.09. Condemnation by the City. The City agrees that, to the extent permitted by law, in the event it brings an eminent domain or condemnation proceeding with respect to all or any portion of the Leased Property, the value of the condemned portion of the Leased Property shall be not less than the greater of (a) if the Series 2017 Certificates are then subject to redemption under the Indenture, the redemption price of the Series 2017 Certificates that are attributable to the condemned property or (b) if the Series 2017 Certificates are not then subject to redemption, the amount necessary to defease the Series 2017 Certificates attributable to the condemned property to the first date on which the Series 2017 Certificates are subject to redemption under the Indenture.

Section 8.10. Personal Property of the City. The City, at its own expense, may install equipment and other personal property in or on the Leased Property, which equipment or other personal property shall not become part of the Leased Property unless it is permanently affixed to the Leased Property or removal of it would materially damage the Leased Property, in which case it will become part of the Leased Property.

ARTICLE IX

THE CITY'S PURCHASE OPTION; RELEASE OF CERTAIN EQUIPMENT

Section 9.01. The City's Purchase Option. The City is hereby granted the option to purchase the Leased Property by paying to the Trustee an amount (the "Purchase Option Price") which, together with other amounts then on deposit in the Series 2017 Certificate Fund that are available for such purpose, is sufficient (a) to pay all the Outstanding Certificates at maturity, to redeem all the Outstanding Certificates in accordance with the redemption provisions of the Indenture or to defease all the Outstanding Certificates in accordance with the defeasance provisions of the Indenture and (b) to pay all Additional Rentals payable through the date of conveyance of the Leased Property to the City or its designee pursuant to this Article, including, but not limited to, all fees and expenses of the Trustee relating to the conveyance of the Leased Property and the payment, redemption or defeasance of the Series 2017 Certificates.

Section 9.02. Exercise of the City's Purchase Option.

(a) The City may exercise its option to purchase the Leased Property pursuant to Section 9.01 hereof by (i) giving written notice to the Trustee prior to the end of the Scheduled Lease Term (A) stating that the City intends to purchase the Leased Property pursuant to Section 9.01 hereof, (B) identifying the source of funds it will use to pay the Purchase Option Price and (C) specifying a closing date for such purpose which is at least 40 and no more than 90 days after the delivery of such notice and (ii) paying the Purchase Option Price to the Trustee in immediately available funds on the closing date.

(b) At the closing of any purchase of the Leased Property pursuant to this Section, the Trustee shall execute and deliver to the City or its designee all necessary documents assigning, transferring and conveying to the City or its designee the same ownership in the Leased Property that was conveyed to the Trustee, subject only to the following: (i) Permitted Encumbrances, other than this Lease, the Site Lease and the Indenture; (ii) all liens, encumbrances and restrictions created or suffered to exist by the Trustee as required or permitted by this Lease or the Site Lease or arising as a result of any action taken or omitted to be taken by the Trustee as required or permitted by this Lease or the Site Lease; (iii) any lien or encumbrance created or suffered to exist by action of the City; and (iv) those liens and encumbrances (if any) to which the Leased Property was subject when acquired by the Trustee.

Section 9.03. Transfer of Leased Property to the City at End of Scheduled Lease Term. If all Base Rentals scheduled to be paid through the end of the Scheduled Lease Term and all Additional Rentals payable through the date of transfer of the Leased Property to the City pursuant to this Section shall have been paid, the Leased Property shall be assigned and transferred to the City at the end of the Scheduled Lease Term in the manner described in Section 9.02(b) hereof without any additional payment by the City.

ARTICLE X

GENERAL COVENANTS

Section 10.01. Further Assurances and Corrective Instruments. So long as this Lease is in full force and effect and no Event of Nonappropriation or Event of Default shall have occurred, the Trustee and the City shall have full power to carry out the acts and agreements provided herein and the City and the Trustee, at the written request of the City, shall from time to time, execute, acknowledge and deliver or cause to be executed, acknowledged and delivered such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Property leased or intended to be leased hereunder, or for otherwise carrying out the intention of or facilitating the performance of this Lease.

Section 10.02. Compliance with Requirements of Law. On and after the date hereof, neither the City nor the Trustee shall knowingly take any action that violates the terms hereof or is contrary to the provisions of any Requirement of Law in performing their respective obligations with respect to the Leased Property hereunder. Without limiting the generality of the preceding sentence, the City shall use the Leased Property in a manner such that (a) the Leased Property at all times is operated in compliance with all Requirements of Law; (b) all permits required by Requirements of Law in respect of the City's use of the Leased Property are obtained, maintained in full force and effect and complied with; (c) there shall be no hazardous substance, pollutant or contaminant (as those terms are defined in the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. § 9601, et seq., any applicable state law or regulations promulgated under either), solid or hazardous waste (as defined in the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901, et seq., any applicable state law or regulations promulgated under either), special waste, petroleum or petroleum derived substance, radioactive material or waste, polychlorinated biphenyls, asbestos or any constituent of any of the foregoing located on, in or under the Leased Property in such manner as would constitute a violation of any Requirements of Law; (d) there shall be no disposal of any of the items referred to in clause (c) on, from, into or out of the Leased Property in violation of any Requirements of Law; and (e) there shall be no spillage, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leeching, dumping, disposing, depositing or dispersing of any of the items referred to in clause (c) into the indoor or outdoor environment from, into or out of the Leased Property including but not limited to the movement of any such items through or in the air, soil, surface water, ground water from, into or out of the Leased Property or the abandonment or discard of barrels, containers or other open or closed receptacles containing any such items from, into or out of the Leased Property in violation of any Requirements of Law.

Section 10.03. Participation in Legal Actions.

(a) At the written request of and at the cost of the City (payable as an Additional Rental hereunder), the Trustee shall join and cooperate fully in any legal action in which the City asserts its right to the enjoyment of the Leased Property; that involves the imposition of any charges, costs or other obligations or liabilities on or with respect to the Leased Property or the City's enjoyment of the Leased Property for which

the City is responsible hereunder; or that involves the imposition of any charges, costs or other obligations with respect to the City's execution, delivery and performance of its obligations hereunder.

(b) At the written request of the Trustee and upon a determination by the City that such action is in the best interests of the City, the City shall, at the cost of the City (payable as an Additional Rental hereunder), join and cooperate fully in any legal action in which the Trustee asserts its ownership of or interest in the Leased Property; that involves the imposition of any charges, costs or other obligations on or with respect to the Leased Property for which the Trustee is responsible hereunder; or that involves the imposition of any charges, costs or other obligations with respect to the execution and delivery of this Lease by the Trustee or the performance of its obligations hereunder.

Section 10.04. Tax Covenant of the City. The City will not use or permit others to use the Leased Property in a manner that would cause interest on the Series 2017 Certificates to be included in gross income for federal income tax purposes or to be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations (except, with respect to corporations, as such interest is required to be taken into account in determining "adjusted current earnings" for the purpose of computing the alternative minimum tax imposed on such corporations).

Section 10.05. Reserved.

Section 10.06. Payment of Fees and Expenses of the Trustee. The City shall pay as Additional Rentals the reasonable fees and expenses of the Trustee for its ordinary services, including the reasonable legal fees and expenses of the Trustee (subject to any agreement with the Trustee limiting the amount of such fees and expenses), in connection with the Leased Property, the Project, this Lease, the Site Lease, the Indenture, the Series 2017 Certificates or any matter related thereto, including, but not limited to, costs of defending any claim or action brought against the Trustee or its directors or officers relating to the foregoing, excepting, however, any liability for any action constituting willful or wanton misconduct of the Trustee or its directors or officers. In the event that it should become necessary for the Trustee to perform extraordinary services, the City shall also pay as Additional Rentals reasonable additional compensation therefor and 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 therefore.

Section 10.07. Payments to Rebate Fund. The City shall pay to the Trustee as Additional Rentals all amounts required to be deposited into the Rebate Fund, as and when required by the Indenture.

Section 10.08. Investment of Funds.

(a) By authorizing the execution and delivery of this Lease, the Council specifically authorizes the investment of moneys held by the Trustee in Permitted

Investments (as defined in the Indenture) where the period from the date of purchase thereof to the maturity date is in excess of five years.

(b) The City shall not direct the Trustee pursuant to the Indenture to make any deposit or investment of any moneys in any fund or account created thereunder which shall interfere with or prevent withdrawals for payment of Costs of the Project or for payment of the Series 2017 Certificates.

ARTICLE XI

LIMITS ON OBLIGATIONS OF TRUSTEE

Section 11.01. Disclaimer of Warranties. THE TRUSTEE MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR FITNESS FOR USE OF THE LEASED PROPERTY OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE LEASED PROPERTY OR ANY PORTION THEREOF. IN NO EVENT SHALL THE TRUSTEE BE LIABLE FOR ANY DIRECT OR INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS LEASE OR THE EXISTENCE, FURNISHING, FUNCTIONING OR USE BY THE CITY OF ANY ITEM, PRODUCT OR SERVICE PROVIDED FOR HEREIN.

Section 11.02. Financial Obligations of Trustee Limited to Available Funds. NOTWITHSTANDING ANY OTHER PROVISION HEREOF, ALL FINANCIAL OBLIGATIONS OF THE TRUSTEE UNDER THIS LEASE, EXCEPT THOSE RESULTING FROM ITS NEGLIGENCE OR WILLFUL MISCONDUCT, ARE LIMITED TO THE TRUST ESTATE.

ARTICLE XII

EVENTS OF DEFAULT AND REMEDIES

Section 12.01. Events of Default Defined.

(a) Any of the following shall constitute an “Event of Default” under this Lease:

(i) failure by the City to pay any specifically appropriated Base Rentals to the Trustee on or before the applicable Base Rental Payment Date; provided, however, that a failure by the City to pay Base Rentals on the applicable Base Rental Payment Date shall not constitute an Event of Default if such payment is received by the Trustee within five days following such Base Rental Payment Date;

(ii) failure by the City to pay any Additional Rental for which funds have been specifically appropriated when due, or if such Additional Rental is payable to a Person other than the Trustee, when nonpayment thereof has, or may

have, a material adverse effect upon the Series 2017 Certificates, the Leased Property or the interest of the Trustee in the Leased Property;

(iii) failure by the City to vacate the Site Leased Property and the Improvements and to surrender the Equipment included in the Leased Property within 45 days following an Event of Nonappropriation in accordance with Section 4.02(b) hereof;

(iv) any sublease, assignment, encumbrance, conveyance or other transfer of the interest of the City in all or any portion of the Lease or the Leased Property in violation of Section 13.02(a) hereof or any succession to all or any portion of the interest of the City in the Leased Property in violation of Section 13.02(b) hereof;

(v) failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in clause (i), (ii), (iii) or (iv) above, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied shall be given to the City by the Trustee, unless the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the Trustee shall not withhold its consent to an extension of such time if corrective action shall be instituted within the applicable period and diligently pursued until the default is corrected; or

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

(b) The provisions of subsection (a) of this Section are subject to the following limitations:

(i) the City shall be obligated to pay Base Rentals and Additional Rentals only during the Lease Term, except as otherwise expressly provided in Section 4.02(b)(ii) hereof; and

(ii) if, by reason of Force Majeure, the City shall be unable in whole or in part to carry out any agreement on its part herein contained, other than its obligation to pay Base Rentals or Additional Rentals hereunder, the City shall not be deemed in default during the continuance of such inability; provided, however, that the City shall, as promptly as legally and reasonably possible, remedy the cause or causes preventing the City from carrying out such agreement.

Section 12.02. Remedies on Default. Whenever any Event of Default shall have happened and be continuing, the Trustee may, without any further demand or notice, take one or any combination of the following remedial steps:

(a) terminate the Lease Term and give notice to the City to immediately vacate the Site Leased Property and the Improvements and to surrender the Equipment, in the manner provided in Section 4.02(b) hereof;

(b) exercise all the rights and remedies of a secured party under the Uniform Commercial Code with respect to the Equipment and otherwise repossess, liquidate or otherwise dispose of the Equipment in any lawful manner; provided, however, that the Trustee may not recover from the City any deficiency which may exist following the liquidation of the Equipment;

(c) sell or lease all or any portion of the Leased Property;

(d) recover from the City:

(i) the portion of Base Rentals and Additional Rentals payable pursuant to Section 4.02(b)(ii) hereof;

(ii) the portion of Base Rentals for the then current Fiscal Year that has been specifically appropriated by the Council, regardless of when the City vacates the Site Leased Property and Improvements, if any, and delivers the Equipment, if any, to the Trustee; and

(iii) the portion of the Additional Rentals for the then current Fiscal Year that has been specifically appropriated by the Council, but only to the extent such Additional Rentals are payable prior to the date, or are attributable to the use of the Leased Property prior to the date, the City vacates the Site Leased Property and Improvements, if any, and delivers the Equipment, if any, to the Trustee;

(e) enforce any provision of this Lease by equitable remedy, including, but not limited to, enforcement of the restrictions on assignment, encumbrance, conveyance, transfer or succession under Article XIII hereof by specific performance, writ of mandamus or other injunctive relief; and

(f) take whatever action at law or in equity may appear necessary or desirable to enforce its rights in and to the Leased Property under this Lease, subject, however, to the limitations on the obligations of the City set forth in Sections 6.05 and 12.03 hereof and the limitations on the obligations of the Trustee set forth in Article X hereof.

Section 12.03. Limitations on Remedies. A judgment requiring a payment of money may be entered against the City by reason of an Event of Default only as to the City's liabilities described in Section 12.02(d) hereof. A judgment requiring a payment of money may be entered against the City by reason of an Event of Nonappropriation, or a failure to vacate the Site Leased Property and the Improvements and deliver the Equipment to the Trustee following an Event of Nonappropriation, only to the extent provided in Section 12.02(d)(i) hereof.

Section 12.04. No Remedy Exclusive. Subject to Section 12.03 hereof, no remedy herein conferred upon or reserved to the Trustee is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or

now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article.

Section 12.05. Waivers.

(a) The Trustee may waive any Event of Default under this Lease and its consequences. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

(b) In the event the Trustee waives any Event of Default described in Section 12.01(a)(i) hereof, any subsequent payment by the City of Base Rentals then due and owing shall be paid to the Trustee to be applied in accordance with the terms of the Indenture.

ARTICLE XIII

TRANSFERS OF INTERESTS IN LEASE OR LEASED PROPERTY

Section 13.01. Trustee's Right, Title and Interest in Trust for Benefit of Owners; Successor Trustee; Assignment by Trustee. The Trustee shall hold its interest in the Leased Property and its right, title and interest in, to and under this Lease (other than the Trustee's rights to payment of its fees and expenses and the rights of third parties to Additional Rentals payable to them) in trust for the benefit of the Owners pursuant to the Indenture. Any successor trustee under the Indenture shall automatically succeed to the previous trustee's interest in the Leased Property and the previous trustee's rights, title, interest and obligations in, to and under this Lease. The Trustee shall not, except as provided in this Section or as otherwise provided elsewhere in this Lease or in the Indenture, assign, convey or otherwise transfer to any Person any of the Trustee's interest in the Leased Property or the Trustee's right, title or interest in, to or under this Lease.

Section 13.02. Transfer of the City's Interest in Lease and Leased Property Prohibited.

(a) Except as otherwise permitted by Section 8.04 hereof with respect to subleases, grants or uses of the Leased Property or subsection (b) of this Section with respect to transfers of the Leased Property following termination of this Lease or as otherwise required by law, the City shall not sublease, assign, encumber, convey or otherwise transfer all or any portion of its interest in this Lease or the Leased Property to any Person, whether now in existence or organized hereafter.

(b) Notwithstanding subsection (a) of this Section, the City may transfer its interest in the Leased Property after, and only after, this Lease has terminated and the Leased Property has been conveyed to the City pursuant to Article IX hereof following

the payment of the Purchase Option Price or all Base Rentals scheduled to be paid through the end of the Scheduled Lease Term, together with all other amounts required to be paid as a condition of such conveyance pursuant to Article IX hereof, and the payment or defeasance of all the Series 2017 Certificates in accordance with the Indenture.

ARTICLE XIV

MISCELLANEOUS

Section 14.01. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the Trustee and the City and their respective successors and assigns, subject, however, to the limitations set forth in Article XIII hereof. This Lease and the covenants set forth herein are expressly intended to be covenants, conditions and restrictions running with the Leased Property and the leasehold estate in the Leased Property under this Lease.

Section 14.02. Acknowledgement of Indenture. The City has received a copy of, and acknowledges the terms of, the Indenture.

Section 14.03. Reserved.

Section 14.04. Notices to Rating Agencies. All notices, certificates or other communications given to the Owners hereunder shall also be given to S&P.

Section 14.05. Trustee and the City Representatives. Whenever under the provisions hereof the approval of the Trustee or the City is required, or the City or the Trustee is required to take some action at the request of the other, unless otherwise provided, such approval or such request shall be given for the Trustee by the Trustee Representative and for the City by the City Representative and the City and the Trustee shall be authorized to act on any such approval or request.

Section 14.06. Manner of Giving Notices. All notices, certificates or other communications hereunder shall be in writing and shall be deemed given when given by Electronic Means or when mailed by first class mail, postage prepaid, addressed as follows: if to the City, to the City of Northglenn, 11701 Community Center Drive, Northglenn, CO 80233, Attention: City Attorney; if to the Trustee, to UMB Bank, n.a., 1670 Broadway, Denver CO 80202, Attention: Corporate Trust and Escrow Services; and if to S&P, 55 Water Street, New York, New York 10007, Attention: Public Finance. The City and the Trustee may, by written notice, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 14.07. No Individual Liability. All covenants, stipulations, promises, agreements and obligations of the City or the Trustee, as the case may be, contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City or the Trustee, as the case may be, and not of any member, director, officer, employee, servant or other agent of the City or the Trustee in his or her individual capacity, and no recourse shall be had on account of any such covenant, stipulation, promise, agreement or obligation, or for any claim based thereon or hereunder, against any member, director, officer, employee, servant or

other agent of the City or the Trustee or any natural person executing this Lease or any related document or instrument.

Section 14.08. Amendments, Changes and Modifications. Except as otherwise provided herein, this Lease may not be effectively amended, changed, modified or altered other than by the execution of a subsequent document in the same manner as this Lease is executed.

Section 14.09. Events Occurring on Days That Are Not Business Days. If the date for making any payment or the last day for performance of any act or the exercising of any right under this Lease is a day that is not a Business Day, such payment may be made, such act may be performed or such right may be exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in this Lease.

Section 14.10. Electronic 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.

Section 14.11. Severability. In the event that any provision of this Lease, other than the obligation of the City to pay Base Rentals or Additional Rentals and the Purchase Option Price hereunder and the obligation of the Trustee to provide quiet enjoyment of the Leased Property and to convey the Leased Property to the City pursuant to Article IX hereof, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14.12. Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Lease.

Section 14.13. Applicable Law. The laws of the State shall be applied in the interpretation, execution and enforcement of this Lease.

Section 14.14. Execution in Counterparts. This Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Trustee and the City have executed this Lease as of the date first above written.

UMB BANK, N.A., solely in its capacity as
trustee under the Indenture

By _____
Authorized Signatory

THE CITY OF NORTHGLENN, COLORADO

By _____
Mayor

Attest:

By _____
City Clerk

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this ____ day of April, 2017, by _____ as an authorized signatory of UMB Bank, n.a.

WITNESS MY HAND AND OFFICIAL SEAL, the day and year above written.

[NOTARIAL SEAL]

Notary

My commission expires:

STATE OF COLORADO)
) ss.
COUNTY OF ADAMS)

The foregoing instrument was acknowledged before me this ____ day of April, 2017, by Johanna Small, as City Clerk of the City of Northglenn, Colorado.

WITNESS MY HAND AND OFFICIAL SEAL, the day and year above written.

[NOTARIAL SEAL]

Notary

My commission expires:

EXHIBIT A

DESCRIPTION OF THE SITE LEASED PROPERTY

EXHIBIT B
DESCRIPTION OF THE IMPROVEMENTS

EXHIBIT C

DESCRIPTION OF THE EQUIPMENT

EXHIBIT D

BASE RENTAL PAYMENT SCHEDULE

Base Rental Payment Date	Principal Component	Interest Component	Total
11-15-17	\$	\$	\$
05-15-18			
11-15-18			
05-15-19			
11-15-19			
05-15-20			
11-15-20			
05-15-21			
11-15-21			
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11-15-35			
05-15-36			
11-15-36			
	<u>\$</u>	<u>\$</u>	<u>\$</u>

EXHIBIT E
PERMITTED ENCUMBRANCES

EXHIBIT F

FORM OF NOTICE OF LEASE RENEWAL

To: UMB Bank, n.a., as Trustee
Attention: Corporate Trust Department

The undersigned is the City Representative of the City of Northglenn, Colorado (the "City"). The City is the lessee under that certain Lease Purchase Agreement, dated as of April __, 2017 (the "Lease"), between the City and UMB Bank, n.a., solely in its capacity of Trustee under an Indenture of Trust dated as of April __, 2017, as lessor. I am familiar with the facts herein certified and am authorized and qualified to certify the same. The undersigned hereby states and certifies:

(a) The City has effected or intends to effect on a timely basis an appropriation for the ensuing Fiscal Year which includes (1) sufficient amounts authorized and directed to be used to pay all Base Rentals and (2) sufficient amounts to pay such Additional Rentals as are estimated to become due, all as further provided in the Lease, whereupon, the Lease shall be renewed for the ensuing Fiscal Year;

[INITIAL]

Or

(b) The City has determined not to renew the Lease for the ensuing Fiscal Year.

[INITIAL]

THE CITY OF NORTHGLENN, COLORADO

By _____
City Representative

AGREEMENT TO CONSTRUCT

between

UMB BANK, N.A.,
solely in its capacity as Trustee under an Indenture of
Trust dated as of the date hereof,
as Site Lessee

and

THE CITY OF NORTHGLENN, COLORADO,
as Contractor

Dated as of April , 2017

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EXHIBIT A PLANS AND SPECIFICATIONS

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AGREEMENT TO CONSTRUCT

THIS AGREEMENT TO CONSTRUCT (this “Agreement”) is dated as of April __, 2017 and is entered into by and between **UMB BANK, N.A.**, a national banking association duly organized and validly existing under the laws of the United States, solely in its capacity as trustee under the Indenture (defined herein) (the “Trustee”), as site lessee, and **the CITY OF NORTHGLENN, COLORADO** (the “City”), as contractor.

WITNESSETH:

WHEREAS, the City is a political subdivision of the State of Colorado (the “State”) duly organized and validly existing under the laws of the State; and

WHEREAS, the Trustee (a) is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America; (b) is duly qualified to do business in the State; (c) solely in its capacity as trustee under the Indenture, is the site lessee of the Site Leased Property pursuant to the Site Lease; and (d) is authorized, under its articles of association and applicable law, to lease the Site Leased Property from the City, to lease the Leased Property to the City, to hold in trust the Trust Estate and to execute, deliver and perform its obligations under the Site Lease, the Lease, the Indenture and this Agreement; and

WHEREAS, the City is authorized, under the laws of the State, its home-rule charter (the “Charter”) and Code of Ordinances (the “Code”), to execute, deliver and perform its obligations under this Agreement; and

WHEREAS, the City, as site lessor, and the Trustee, as site lessee, have entered into a Site Lease, dated as of the date hereof, pursuant to which the City has leased the Site Leased Property to the Trustee under the authority of the Charter and the Code; and

WHEREAS, the Trustee, as lessor, and the City, as lessee, have entered into a Lease Purchase Agreement, dated as of the date hereof, pursuant to which the Trustee has leased the Leased Property to the City and the City has agreed to pay Base Rentals and Additional Rentals, subject, in each case, to the terms of the Lease; and

WHEREAS, the City has agreed to design, construct and install certain improvements and equipment in and on the Site Leased Property (the “Project”), as provided in this Agreement; and

WHEREAS, in order to finance the Project, the Series 2017 Certificates will be delivered and sold pursuant to the Indenture; and

WHEREAS, the execution, delivery and performance of this Agreement by the Trustee has been duly authorized by the Trustee and, upon the execution and delivery of this Agreement by the Trustee and the City, this Agreement will be enforceable against the Trustee in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power

inherent in the sovereignty of the State and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America; and

WHEREAS, the execution, delivery and performance of this Agreement by the City has been duly authorized by the City and, upon the execution and delivery of this Agreement by the City and the Trustee, this Agreement will be enforceable against the City in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America;

NOW THEREFORE, for and in consideration of the mutual covenants and the representations, covenants and warranties herein contained, the Trustee and the City agree as follows:

ARTICLE I

DEFINITIONS

Section 1.01. Terms Defined in this Agreement. The following capitalized terms shall have the following meanings in this Agreement:

“Additional Rentals” is defined in the Lease.

“Base Rentals” is defined in the Lease.

“Business Day” is defined in the Indenture.

“City” means the City of Northglenn, Colorado, or any successor thereto.

“City Representative” is defined in the Lease.

“Costs” or *“Costs of the Project”* is defined in the Lease.

“Council” is defined in the Lease.

“Equipment” is defined in the Lease.

“Fixed Price” is defined in Section 4.01 hereof.

“Force Majeure” is defined in the Lease.

“Improvements” is defined in the Lease.

“Indenture” means the Indenture of Trust dated as of the date hereof providing for the delivery of the Series 2017 Certificates and any amendment or supplement thereto.

“*Lease*” means the Lease Purchase Agreement dated as of the date hereof between the Trustee, as lessor, and the City, as lessee, and any amendment or supplement thereto.

“*Leased Property*” is defined in the Lease.

“*Person*” is defined in the Indenture.

“*Plans and Specifications*” is defined in Section 3.02(a) hereof.

“*Project Budget*” is defined in Section 4.01 hereof.

“*Project Contract*” means any contract or agreement entered into with respect to the acquisition or construction of the Project.

“*Requirements of Law*” is defined in the Lease.

“*Scheduled Completion Date*” is defined in Section 3.03(a) hereof.

“*Series 2017 Certificates*” is defined in the Indenture.

“*Site Lease*” means the Site Lease dated as of the date hereof between the City, as site lessor and the Trustee, as site lessee, and any amendment or supplement thereto.

“*Site Leased Property*” is defined in the Lease.

“*State*” means the State of Colorado.

“*Subcontract*” means any Project Contract entered into by and between the City and any Subcontractor.

“*Subcontractor*” means any Person with whom the City contracts for the construction, acquisition or installation by such Person of all or any portion of the Project.

“*Trust Estate*” is defined in the Indenture.

“*Trustee*” means UMB Bank, n.a., or any successor thereto, solely in its capacity as trustee under the Indenture, and not in its own corporate capacity, or any successor trustee under the Indenture. Pursuant to Section 6.02 hereof, any successor trustee under the Indenture will automatically succeed to the rights, title, interest and obligations of the previous trustee under the Indenture in, to and under this Agreement.

“*Trustee Representative*” is defined in the Indenture.

Section 1.02. Definitions Incorporated from Indenture. Capitalized terms used herein that are not defined in Section 1.01 hereof shall have the meanings assigned to them in the Indenture.

ARTICLE II

REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.01. Representations, Covenants and Warranties by the Trustee. The Trustee represents, covenants and warrants that:

(a) The Trustee (i) is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America; (ii) is duly qualified to do business in the State; (iii) solely in its capacity as Trustee under the Indenture, is the lessee of the Site Leased Property pursuant to the Site Lease; and (iv) is authorized, under its articles of association and applicable law, to lease the Site Leased Property from the City, to lease the Leased Property to the City, to hold in trust the Trust Estate and to execute, deliver and perform its obligations under the Lease, the Site Lease, the Indenture and this Agreement.

(b) The execution, delivery and performance of this Agreement by the Trustee have been duly authorized by the Trustee.

(c) This Agreement is enforceable against the Trustee in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

(d) The execution, delivery and performance of the terms of this Agreement by the Trustee do not and will not conflict with or result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Trustee is now a party or by which the Trustee is bound, or constitute a default under any of the foregoing or, except as specifically provided in this Agreement, the Indenture or the Lease, result in the creation or imposition of a lien or encumbrance whatsoever upon any of the property or assets of the Trustee.

(e) There is no litigation or proceeding pending or to the best of its knowledge threatened against the Trustee affecting the right of the Trustee to execute, deliver or perform its obligations under this Agreement.

Section 2.02. Representations, Covenants and Warranties by the City. The City represents, covenants and warrants that:

(a) (a) The City is a political subdivision of the State duly organized and validly existing under the laws of the State.

(b) The City is authorized, under the laws of the State, to execute, deliver and perform its obligations under this Agreement.

(c) The execution, delivery and performance of this Agreement serve a public purpose and are in the best interest of the City and the residents of the State.

(d) The execution, delivery and performance of this Agreement by the City have been duly authorized by the Council.

(e) This Agreement is enforceable against the City in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

(f) The execution, delivery and performance of the terms of this Agreement by the City do not and will not conflict with or result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is now a party or by which the City is bound, or constitute a default under any of the foregoing or, except as specifically provided in this Agreement, the Indenture, the Lease or the Site Lease, result in the creation or imposition of a lien or encumbrance whatsoever upon any of the property or assets of the City.

(g) There is no litigation or proceeding pending or to the best of its knowledge threatened against the City or any other Person affecting the right of the City to execute, deliver or perform its obligations under this Agreement.

ARTICLE III

CONSTRUCTION OF IMPROVEMENTS AND ACQUISITION AND INSTALLATION OF EQUIPMENT

Section 3.01. City's Obligations. The City shall construct the Improvements in and on the Site Leased Property and shall acquire and install the Equipment in the Improvements or in the Site Leased Property as appropriate, promptly and with due diligence and in accordance with the terms hereof, provided, however, that, if the performance by the City of such obligations is delayed by Force Majeure, the period for the commencement or completion thereof shall be extended for a period equal to such delay.

Section 3.02. Plans and Specifications.

(a) The City shall construct the Improvements and acquire and install the Equipment in accordance with the plans and specifications deposited with the Trustee when available as the same may be amended from time to time, according to which the Project is to be constructed, prepared by or for the City, a summary of which is attached hereto as Exhibit A, and any change orders made in accordance with subsection (b) of this Section (which documents, as modified by such change orders, are referred to as the "Plans and Specifications").

(b) The City at any time may change the Plans and Specifications by a change order, written evidence of which shall be filed with the Plans and Specifications then in effect, upon the City's determination that such change order will not materially adversely affect the value of the Project or its intended use.

Section 3.03. Completion Date.

(a) The City shall use its best efforts to cause the Completion Date to occur on or before _____, 20__ (the "Scheduled Completion Date"). The "Completion Date" shall be deemed to have occurred when the City delivers a certificate to the Trustee stating that, to the best of the City's knowledge based upon the representations of the contractors, architects, engineers, vendors or other consultants and, except for any amounts estimated by the City to be necessary for payment of any Costs of the Project not then due and payable, the Project has been completed, and all Costs of the Project have been paid; provided, however, that the delivery of such certificate shall not, and such certificate shall state that it does not, prejudice any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

(b) If the Completion Date does not occur by the Scheduled Completion Date for any reason other than Force Majeure, the Trustee, may, but shall not be required to, terminate this Agreement, retain a Person other than the City to complete the Project and recover from the City (i) all reasonable costs incurred by or on behalf of the Trustee in completing the Project, net of any amounts that would otherwise have been paid to the City to complete the Project hereunder, plus (ii) interest on the amount determined pursuant to clause (i) at the maximum rate of interest payable on any of the Series 2017 Certificates.

Section 3.04. Subcontractor Guarantees. The City shall cause each Subcontractor that is responsible for the construction of any portion of the Improvements or for the acquisition or installation of any portion of the Equipment to bond or otherwise guarantee all work performed by it against defective workmanship and materials for a period of one year after the Completion Date, provided that such one year period shall not begin with respect to any item that is not completed on the Completion Date until such item is completed. The City shall assign to the Trustee any guarantee of workmanship and materials which it may receive but shall retain the right to enforce such guarantee directly.

Section 3.05. Performance and Payment Bonds. The City shall require that each Subcontractor that is responsible for the construction of any portion of the Improvements provide a performance bond and a separate labor and material payment bond, which shall (a) be executed by a corporate surety licensed to transact business in the State, (b) be in customary form, (c) be in the amount payable to such Subcontractor pursuant to its Project Contract and (d) be payable to the City. If, at any time prior to completion of the work covered by any such bond, the surety shall be disqualified from doing business within the State, a new bond shall be provided from an alternate surety licensed to transact business in the State. The amount of each bond shall be increased or decreased, as appropriate, to reflect change orders under Section 3.02(b) hereof. The City hereby assigns its rights to any proceeds under such bonds to the Trustee, to be applied

pursuant to the Lease and the Indenture. A copy of each such bond and all modifications thereto shall be furnished to the Trustee upon its request.

Section 3.06. Builder's Risk Completed Value Insurance. The Subcontractor for any Project Contract for the Project shall procure and maintain, at its own cost and expense, during the term of the applicable Project Contract and until the property to which such insurance relates is insured by the City pursuant to Section 7.01 of the Lease, standard, all risk of loss builder's risk completed value insurance upon such property in an amount at least equal to the total contract price for such contractor's work. In the event of any change order resulting in the performance of additional work, the amount of such insurance shall be increased to include the cost of such additional work, as well as related materials and fixtures. Such builder's risk completed value insurance policy shall name the City and the Trustee as mortgagee/trustee and/or loss payees and/or additional insureds, as their respective interests may appear. A certificate of insurance evidencing such insurance shall be provided to the Trustee.

Section 3.07. General Public Liability and Property Damage Insurance. The City shall require that each Subcontractor procure and maintain standard form comprehensive general public liability and property insurance, at its own cost and expense, during the duration of such contractor's Project Contract, in an amount acceptable to the City. Such policies shall name the City and the Trustee as mortgagee/trustee and/or loss payees and/or additional insureds, as their respective interests may appear, and shall include a provision to the effect that the insurance company shall not cancel the policy or modify it materially or adversely to the interests of the City and the Trustee without 60 days' prior notice by certified mail to the City and the Trustee. A certificate of insurance evidencing such insurance shall be provided to the Trustee with respect to each Subcontractor upon the Trustee's request. Such insurance shall provide protection from all claims for bodily injury, including death, property damage and contractual liability.

Section 3.08. Workers' Compensation Insurance. The City shall require that each Subcontractor that is responsible for construction of any portion of the Improvements procure and maintain, at its own cost and expense, worker's compensation insurance during the term of its Project Contract, covering its employees working thereunder. The policy shall include the Trustee as an additional insured and as loss payee. Such insurance, if issued by a private carrier, shall contain a provision that such coverage shall not be canceled, terminated or altered without 10 days' prior written notice to the City and to the Trustee. A certificate issued by the Colorado State Insurance Fund evidencing such coverage shall be provided by the City to the Trustee at its request, or if such insurance is provided by a private carrier a completed certificate of insurance shall be provided by the City to the Trustee at its request, with respect to each Subcontractor. Each Project Contract relating to the Project shall also provide that each subcontractor of any Subcontractor who is a party to such Project Contract shall be required to furnish similar worker's compensation insurance.

Section 3.09. Compliance with Requirements of Law. The City shall construct, acquire and install the Project in a manner such that (a) all permits required by law in respect of the Project shall be obtained, maintained in full force and effect and complied with; (b) there shall be no hazardous substance, pollutant or contaminant (as those terms are defined in the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. § 9601, et seq., any applicable state law or regulations promulgated under either), solid or

hazardous waste (as defined in the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901, et seq., any applicable state law or regulations promulgated under either), special waste, petroleum or petroleum derived substance, radioactive material or waste, polychlorinated biphenyls, asbestos or any constituent of any of the foregoing located on, in or under the Leased Property as a result of the Project in such manner as would constitute a violation of any Requirements of Law; (c) there shall be no disposal of any of the items referred to in clause (b) on, from, into or out of the Leased Property in connection with the Project in violation of any Requirements of Law; and (d) there shall be no spillage, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leeching, dumping, disposing, depositing or dispersing of any of the items referred to in clause (b) into the indoor or outdoor environment from, into or out of the Leased Property in connection with the Project, including but not limited to the movement of any such items through or in the air, soil, surface water, ground water from, into or out of the Leased Property or the abandonment or discard of barrels, containers or other open or closed receptacles containing any such items from, into or out of the Leased Property in violation of any Requirements of Law.

Section 3.10. Defaults Under Project Contracts. In the event of any default under any Project Contract, or in the event of a breach of warranty with respect to any materials, workmanship or performance or with respect to the Project, which default or breach results in frustration of the purpose for which the Leased Property was intended, the City shall promptly proceed, either separately or in conjunction with others, to pursue diligently its remedies, including any remedy against the surety of any bond securing the performance of the Project Contract.

Section 3.11. Assignment of Rights Under Subcontracts. The City hereby assigns to the Trustee, and each Subcontract shall expressly provide that the Trustee shall have, the right to enforce any Subcontract against the Subcontractor (a) following termination of the Lease and (b) in any case where, in the reasonable judgment of the Trustee, the City has failed to enforce the terms of such Subcontract in a manner consistent with the obligations of the City hereunder.

ARTICLE IV

PAYMENT FOR SERVICES

Section 4.01. Fixed Price. As consideration for the design, construction and installation of the Project in accordance with this Agreement, including but not limited to the preparation of the Plans and Specifications, the Trustee shall disburse to the City, solely from the Trust Estate, and upon receipt of the City's written direction as required by the Indenture, the total amount to be deposited into the Construction Fund, pursuant to Section 3.03 of the Indenture, to pay the Costs of the Project, plus any earnings received from the investment of such amount pending disbursement to the City hereunder (the "Fixed Price"). The Fixed Price shall not be adjusted up or down for change orders or for any other reason, it being the intention of the parties that the City will bear the cost of cost-overruns and will reap the benefit of cost-savings in connection with the services and property provided by it hereunder. The Fixed Price shall be allocated to various cost portions of the design, construction and installation of the Project generally as set forth in the Project Budget attached hereto as Exhibit B (the "Project Budget"), which Project

Budget, as modified by the City from time to time, shall serve as the basis for reviewing the City's periodic requisitions for payment under Section 4.02 hereof.

Section 4.02. Requisitions for Payment. The City may request from time to time, payment of a portion of the Fixed Price for work performed pursuant to the Project Budget by delivering a requisition to the Trustee in the form attached as Appendix D to the Lease. The Trustee may rely conclusively on any such certificate and shall not be required to make any independent investigation in connection therewith. The execution of any requisition certificate by the City shall constitute, unto the Trustee, an irrevocable determination that all conditions precedent to the payments requested have been completed. The City shall not submit a requisition for payment of amounts that the City does not intend to pay to a Subcontractor or material supplier because of a dispute or other reason. Requisitions for materials or equipment shall not be submitted until the materials or equipment have been delivered and title thereto shall have been transferred to the City. The City warrants that title to all work covered by a requisition shall pass to the Trustee no later than the time of payment and the City shall provide, in connection therewith, all lien waivers and title insurance endorsements sufficient to insure the Trustee's title to all work included in an application for payment free and clear of all liens. The requisition for the final installment of the Fixed Price shall be accompanied by the certificate of completion to be provided pursuant to Section 3.03(a) hereof.

Section 4.03. Reserved.

Section 4.04. Subcontracts. The City shall require that any Subcontract entered into between the City and a Subcontractor for the performance of any portion of the Project shall be a fixed price contract or a guaranteed maximum price contract.

ARTICLE V

EVENTS OF DEFAULT AND REMEDIES

Section 5.01. Events of Default Defined.

(a) Any of the following shall constitute an "Event of Default" under this Agreement to Construct:

(i) failure by the City to use its best efforts to cause the Completion Date to occur by the Scheduled Completion Date for any reason other than Force Majeure, or, if the City shall have used its best efforts to cause the Completion Date to occur by the Scheduled Completion Date but has failed to cause the same to occur, the failure by the City to use its best efforts to thereafter cause the Completion Date to occur;

(ii) failure by the City to construct, acquire and install the Project in a manner required by Section 3.09 of this Agreement; and

(iii) failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in clause (i) and (ii) above, for a period of 30 days after written notice, specifying

such failure and requesting that it be remedied shall be given to the City by the Trustee, unless the Trustee shall agree in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the Trustee shall not withhold its consent to an extension of such time if corrective action shall be instituted within the applicable period and diligently pursued until the default is corrected.

(b) The provisions of subsection (a) of this Section are subject to the limitations set forth in Section 6.01 of this Agreement.

Section 5.02. Remedies on Default. Whenever any Event of Default shall have happened and be continuing, the Trustee may, but shall not be required to pursue any remedy available at law or equity, including, without limitation, the remedy set forth in Section 3.03(b) of this Agreement with respect to defaults under Section 5.01(a)(i) of this Agreement.

Section 5.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article.

Section 5.04. Waivers. The Trustee may waive any Event of Default under this Agreement and its consequences. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder.

ARTICLE VI

MISCELLANEOUS

Section 6.01. Limitations on Obligations of the City. Notwithstanding any other provision hereof, (a) the obligations of the City under this Agreement shall constitute a special obligation of the City and the City's performance of such obligations shall be limited to the availability of funds to pay the costs of such performance from (i) moneys paid to the City by the Trustee pursuant hereto and (ii) funds appropriated by the Council for Base Rentals and Additional Rentals for the Fiscal Year in which such funds are to be expended; and (b) no provision of this Agreement shall be construed or interpreted (i) to directly or indirectly obligate the City to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (ii) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (iii) as a delegation of governmental powers by the City; (iv) as a loan or pledge of the credit or faith of the City or as creating any responsibility by the City for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado

Constitution; or (v) as a donation or grant by the City to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution.

Section 6.02. Trustee's Rights in Trust for Benefit of Owners; Successor Trustee; Assignment by Trustee. The Trustee shall hold its rights, title and interest in, to and under this Agreement in trust for the benefit of the Owners pursuant to the Indenture. Any successor trustee under the Indenture shall automatically succeed to the rights, title, interest and obligations of the previous trustee under the Indenture in, to and under this Agreement. The Trustee shall not, except as otherwise provided in this Section, assign any of its rights, title or interest in, to or under this Agreement to any Person.

Section 6.03. Binding Effect. Except as provided in Sections 6.01 and 6.02 hereof, this Agreement shall inure to the benefit of and shall be binding upon the City and the Trustee and their respective successors and assigns.

Section 6.04. Representatives of the City and Trustee. Whenever any notice or approval is to be given or any other action is to be taken by the Trustee or the City hereunder, such notice or approval shall be given or action taken by the Trustee Representative on behalf of the Trustee; and by the City Representative on behalf of the City.

Section 6.05. Manner of Giving Notices. All notices, certificates or other communications hereunder shall be in writing and shall be given by hand delivery or be mailed by certified or registered mail, postage prepaid, to the following: if to the City, to the City of Northglenn, 11701 Community Center Drive, Northglenn, CO 80233, Attention: _____; and if to the Trustee, UMB Bank, n.a., 1670 Broadway, Denver, Colorado 80202, Attention: Corporate Trust & Escrow Services. The City and the Trustee may, by written notice, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 6.06. No Individual Liability. All covenants, stipulations, promises, agreements and obligations of the City or the Trustee, as the case may be, contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City or the Trustee, as the case may be, and not of, with respect to the Trustee, UMB Bank, n.a., in its corporate capacity, or of any member, director, officer, employee, servant or other agent of the City or the Trustee in his or her individual capacity, and no recourse shall be had on account of any such covenant, stipulation, promise, agreement or obligation, or for any claim based thereon or hereunder, against UMB Bank, n.a., in its corporate capacity, or any member, director, officer, employee, servant or other agent of the City or the Trustee or any natural person executing this Agreement or any related document or instrument.

Section 6.07. Amendments, Changes and Modifications. Except as otherwise provided herein and as provided for in the Indenture, this Agreement may not be amended, changed, modified or altered other than by the execution of a subsequent document in the same manner as this Agreement is executed.

Section 6.08. Events Occurring on Days That Are Not Business Days. If the date for making any payment or the last day for performance of any act or the exercising of any right

under this Agreement is a day that is not a Business Day, such payment may be made, such act may be performed or such right may be exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in this Agreement.

Section 6.09. Electronic 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.

Section 6.10. Severability. In the event that any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 6.11. Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 6.12. Applicable Law. The laws of the State shall be applied in the interpretation, execution and enforcement of this Agreement.

Section 6.13. Execution in Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 6.14. Governmental Immunity. This Agreement is not intended, and shall not be construed, as a waiver of the limitations on damages or any of the privileges, immunities, or defenses provided to, or enjoyed by, the City and its past and current directors, officers, employees, volunteers and agents under common law or pursuant to statute, including but not limited to Section 24-10-101 et seq., C.R.S.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the City and the Trustee have executed this Agreement as of the date first above written.

UMB Bank, n.a., solely in its capacity as
Trustee under an Indenture of Trust dated as of
the date hereof, as site lessee

By _____
Authorized Signatory

[SEAL]

City of Northglenn, Colorado, as contractor

By _____
Mayor

Attest:

By _____
City Clerk

[Signature Page to Agreement to Construct]

EXHIBIT A

PLANS AND SPECIFICATIONS

EXHIBIT B

PROJECT BUDGET

INDENTURE OF TRUST

by

UMB BANK, N.A.,
as Trustee

securing
Certificates of Participation, Series 2017
evidencing undivided interests in
the right to receive certain revenues payable by
the City of Northglenn, Colorado
under a
Lease Purchase Agreement dated as of April , 2017

Dated as of April , 2017

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APPENDIX A FORM OF SERIES 2017 CERTIFICATE

APPENDIX B DESCRIPTION OF THE SITE LEASED PROPERTY

APPENDIX C FORM OF REQUISITION

INDENTURE OF TRUST

THIS INDENTURE OF TRUST (this “Indenture”), dated as of April __, 2017, and is entered into by **UMB BANK, N.A.**, a national banking association duly organized and validly existing under the laws of the United States, solely in its capacity as trustee (the “Trustee”) hereunder for the benefit of the Owners (defined herein) of the Certificates (defined herein),

W I T N E S S E T H :

WHEREAS, the Trustee (a) is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America; (b) is duly qualified to do business in the state of Colorado (the “State”); (c) solely in its capacity as trustee under this Indenture, is the site lessee of the Site Leased Property (defined herein) pursuant to the Site Lease (defined herein); and (d) is authorized, under its articles of association and applicable law, to lease the Site Leased Property (defined herein) from the City of Northglenn, Colorado (the “City”), to lease the Leased Property to the City, to hold in trust the Trust Estate (defined herein) and to execute, deliver and perform its obligations under this Indenture; and

WHEREAS, the City, as site lessor, and the Trustee, as site lessee, have entered into a Site Lease dated as of the date hereof (the “Site Lease”), pursuant to which the City has leased the Site Leased Property to the Trustee; and

WHEREAS, the Trustee, as lessor, and the City, as lessee, have entered into a Lease Purchase Agreement dated as of the date hereof (the “Lease”), pursuant to which the Trustee has leased the Leased Property to the City and the City has agreed to pay Base Rentals and Additional Rentals (as defined in the Lease), subject, in each case, to the terms of the Lease; and

WHEREAS, in order to finance the Project, the Series 2017 Certificates (defined herein) will be executed and delivered to the Owners thereof pursuant to this Indenture; and

WHEREAS, the Series 2017 Certificates shall evidence undivided interests in the right to receive Lease Revenues (defined herein), shall be payable solely from the Trust Estate and no provision of the Series 2017 Certificates, this Indenture, the Site Lease or the Lease shall be construed or interpreted (a) to directly or indirectly obligate the City to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (b) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (c) as a delegation of governmental powers by the City; (d) as a loan or pledge of the credit or faith of the City or as creating any responsibility by the City for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution; or (e) as a donation or grant by the City to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution; and

WHEREAS, the execution and performance of this Indenture by the Trustee has been duly authorized by the Trustee and, upon the execution of this Indenture by the Trustee, this Indenture will be enforceable against the Trustee in accordance with its terms, limited only by

bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America; and

WHEREAS, the Trustee has entered into this Indenture for and on behalf of the Owners (defined herein), and will, except as otherwise specifically provided herein, hold its rights hereunder, including its rights with respect to the Trust Estate, for the equal and proportionate benefit of the Owners, and will disburse moneys received by it in accordance with this Indenture.

NOW, THEREFORE, the Trustee declares for the benefit of the Owners of the Certificates as follows:

THE TRUST ESTATE

That the Trustee shall hold in trust, upon the terms herein set forth for the equal and proportionate benefit, security and protection of all Owners, without privilege, priority or distinction as to the lien or otherwise of any of the Certificates over any other of the Certificates, except as otherwise provided herein, all and singular the following described property, franchises and income, including any title therein acquired after these presents (the "Trust Estate"):

- (a) the Leased Property (defined herein) and the tenements, hereditaments, appurtenances, rights, privileges and immunities thereto belonging or appertaining, subject to the terms of the Lease (defined herein) and the Site Lease, including, but not limited to, the terms of the Lease permitting the existence of Permitted Encumbrances (as defined in the Lease);

- (b) all right, title and interest of the Trustee in, to and under the Lease and the Site Lease (other than the Trustee's rights to payment of its fees and expenses under the Lease and the rights of third parties to Additional Rentals payable to them under the Lease);

- (c) all Base Rentals (defined in the Lease);

- (d) all Additional Rentals (defined in the Lease) that are payable to the Trustee for the benefit of the Owners;

- (e) the Purchase Option Price (defined in the Lease), if paid; and

- (g) all money and securities from time to time held by the Trustee under this Indenture in the Certificate Fund;

PROVIDED, HOWEVER, that if the principal of the Certificates and the premium, if any, and the interest due or to become due thereon, shall be paid at the times and in the manner provided in Section 2.03 hereof in accordance with the terms and provisions hereof, then, upon such final payments, this Indenture and the rights hereby granted shall cease, determine and be void; otherwise this Indenture is to be and remain in full force and effect;

THIS INDENTURE FURTHER WITNESSETH and it is expressly declared, that all Certificates delivered and secured hereunder are to be executed and delivered and all said property, rights, interests, revenues and receipts hereby pledged, assigned and mortgaged are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes hereinafter expressed, and the Trustee has agreed and covenanted, and does hereby agree and covenant, for the benefit of the Owners, as follows:

ARTICLE I

DEFINITIONS

The following capitalized terms shall have the following meanings in this Indenture:

“*Additional Certificates*” means any Certificates delivered after the initial delivery of the Series 2017 Certificates pursuant to Section 2.10 hereof.

“*Additional Rentals*” is defined in the Lease.

“*Agreement to Construct*” is defined in the Lease.

“*Base Rentals*” is defined in the Lease.

“*Bond Counsel*” means (a) as of the date of initial delivery of the Series 2017 Certificates, Kutak Rock LLP, and (b) as of any other date, Kutak Rock LLP or such other attorneys selected by the City with nationally recognized expertise in the issuance of municipal securities, the interest on which is excluded from gross income for federal income tax purposes.

“*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.

“*Certificate Fund*” means the special fund created by Section 3.01 hereof.

“*Certificates*” means, collectively, the Series 2017 Certificates and any Additional Certificates.

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

“*City Representative*” is defined in the Lease.

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

“*Completion Date*” is defined in the Agreement to Construct.

“*Council*” is defined in the Lease.

“*Construction Fund*” means the special fund created by Section 3.03 hereof.

“*Costs of Issuance*” means administrative costs of issuance of any Certificates, including, but not limited to, any fees and expenses of any underwriter or financial advisor that provides services in connection with the delivery of any Certificates, legal fees and expenses, costs incurred in obtaining ratings from rating agencies, costs of immediately available funds, costs of publication, printing and engraving, accountants’ fees and recording and filing fees.

“*Costs of Issuance Fund*” means the fund created by and designated as such in Section 3.02 hereof.

“*Costs*” or “*Costs of the Project*” means any and all costs and expenses incurred in the financing of the Project

“*Defeasance Securities*” means direct obligations of or obligations unconditionally guaranteed as to principal and interest by the United States of America.

“*Electronic Means*” means telecopy, facsimile transmissions, email transmission or other similar electronic means of communication providing evidence of transmission.

“*Equipment*” means the equipment and other personal property, as such equipment and other personal property is modified pursuant to the Lease, and less any equipment or other personal property released from the Lease. [There is initially no Equipment.]

“*Event of Default*” means an event described in Section 12.01 of the Lease.

“*Event of Nonappropriation*” means an event described in Section 6.04(b) of the Lease.

“*Fiscal Year*” means the fiscal or budget year of the City, which begins on January 1 of each calendar year and ends on December 31 of the same calendar year.

“*Force Majeure*” is defined in the Lease.

“*Improvements*” means the buildings, site improvements and other real property, as such buildings, site improvements and other real property are modified pursuant to the Lease.

“*Indenture*” means this Indenture of Trust and any amendment or supplement hereto.

“*Independent Counsel*” means an attorney duly admitted to the practice of law before the highest court in the State and who is not an employee of the City or the Trustee.

“*Initial Purchaser*” means (a) with respect to the Series 2017 Certificates, Stifel, Nicolaus & Co., Incorporated, and (b) with respect to any Additional Certificates, the purchasers designated as such in any Supplemental Indenture.

“*Interest Payment Date*” means [June 1 and December 1] of each year beginning on [June 1, 2017].

“*Lease*” means the Lease Purchase Agreement dated as of the date hereof between the Trustee, as lessor, and the City, as lessee, and any amendment or supplement thereto.

“*Lease Revenues*” means (a) the Base Rentals; (b) the Purchase Option Price, if paid; (c) any Net Proceeds; (d) any portion of the proceeds of any Certificates deposited with or by the Trustee in the Certificate Fund to pay accrued or capitalized interest on the Certificates; (e) any earnings on moneys on deposit in the Certificate Fund; (f) all other revenues derived from the Lease, excluding Additional Rentals; and (g) any other moneys to which the Trustee may be entitled for the benefit of the Owners.

“*Lease Term*” is defined in the Lease.

“*Leased Property*” means, collectively, the City’s leasehold interest pursuant to the Lease in the Site Leased Property described in Appendix B hereto (which is the same property described in Exhibit A to the Lease), the Improvements described in Exhibit B to the Lease and the Equipment described in Exhibit C to the Lease.

“*Net Proceeds*,” when used with respect to the Leased Property, has the meaning set forth in the Lease.

“*Operations Center*” means the operations center of the Trustee in Kansas City, Missouri, or at such other location as the Trustee may designate from time-to-time by written notice to the City, the Owners, and the Rating Agencies.

“*Opinion of Counsel*” means a written opinion of legal counsel, who may be counsel to the Trustee.

“*Outstanding*” means all Certificates which have been executed and delivered, except:

(a) Certificates canceled or which shall have been surrendered to the Trustee for cancellation;

(b) Certificates in lieu of which other Certificates have been delivered under Section 2.07 or 2.08 hereof;

(c) Certificates which have been redeemed as provided in Article IV hereof (including Certificates redeemed on payment of an amount less than the outstanding principal thereof and accrued interest thereon to the redemption date as provided in Section 4.01 hereof);

(d) Certificates which are due and for which the Trustee holds funds for the benefit of the Owner thereof pursuant to Section 3.06 hereof;

(e) Certificates which are otherwise deemed discharged pursuant to Section 9.01 hereof; and

(f) Certificates held by the City.

“*Owner*” of a Certificate means the registered owner of any Certificate as shown in the registration records of the Trustee.

“Permitted Encumbrances,” when used with respect to the Leased Property, has the meaning set forth in the Lease.

“Permitted Investments” means any investment which is a lawful investment permitted for the investment of funds of the City by the laws of the State.

“Person” means any natural person, firm, corporation, partnership, limited liability company, state, political subdivision of any state, other public body or other organization or association.

“Project” means the financing of the construction of a building for use by the City government as the City’s Justice Center.

“Purchase Option Price” is defined in the Lease.

“Rating Agency” means each nationally recognized securities rating agency then maintaining a rating on the Series 2017 Certificates, and initially means S&P.

“Rebate Fund” means the special fund created by Section 3.04 hereof.

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

“Redemption Date” means the date fixed for the redemption prior to their respective maturities of any Series 2017 Certificates in any notice of prior redemption or otherwise fixed and designated by the City.

“Redemption Price” means, when used with respect to a Series 2017 Certificate, the principal amount thereof plus the applicable premium, if any, payable upon the redemption thereof prior to the stated maturity date of such security on a Redemption Date in the manner contemplated in accordance with the terms of such Series 2017 Certificate.

“Requirement of Law” means any federal, state or local statute, indenture, rule or regulation, any judicial or administrative order (whether or not on consent), request or judgment, any common law doctrine or theory, any provision or condition of any permit required to be obtained or maintained, or any other binding determination of any governmental authority relating to the ownership or operation of property, including but not limited to any of the foregoing relating to zoning, environmental, health or safety matters.

“S&P” means S&P Global Ratings, and its successors and assigns.

“Series 2017 Certificates” means the Certificates authorized by Section 2.03 hereof.

“Site Lease” means the Site Lease dated as of the date hereof, between the City, as site lessor, and the Trustee, as site lessee, and any amendment or supplement thereto.

“*Site Leased Property*” means the property described in Exhibit A to the Lease and any other property that may be defined as part of the Site Leased Property by any Supplemental Indenture.

“*Special Record Date*” means a special date fixed to determine the names and addresses of Owners of Certificates for purposes of paying defaulted interest in accordance with Section 2.02 hereof.

“*State*” means the state of Colorado.

“*Supplemental Indenture*” means any indenture supplementing or amending this Indenture that is adopted pursuant to Article VIII hereof.

“*Trust Bank*” means a commercial bank which is authorized to exercise and is exercising trust powers located within or without the State, and also means any branch of the Federal Reserve Bank.

“*Trust Estate*” means the property placed in trust by the Trustee pursuant to the Description of Trust Estate in the preambles to this Indenture. The Trust Estate does not include the Rebate Fund or any escrow accounts established pursuant to Section 9.01 hereof.

“*Trustee*” means UMB Bank, n.a., acting solely in its capacity as trustee hereunder, and not in its own corporate capacity, and any successor thereto appointed hereunder.

“*Trustee Representative*” is defined in the Lease.

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION AND DELIVERY OF CERTIFICATES

Section 2.01. Authorized Amount of Certificates. No Certificates may be delivered hereunder except in accordance with this Article. The aggregate principal amount of Certificates that may be delivered hereunder shall not be limited in amount.

Section 2.02. Delivery of Certificates.

(a) The Certificates shall be delivered and sold hereunder for the purpose of paying the Costs of the Project and the Costs of Issuance.

(b) The Certificates shall be deliverable only as fully registered Certificates in the denominations of \$5,000 and any integral multiple thereof (provided that no Certificate may be in a denomination which exceeds the principal coming due on any maturity date and bearing interest at the same rate and no individual Certificate may mature on more than one maturity date). The Certificates shall be numbered in such manner as shall be determined by the Trustee.

(c) The principal of and premium, if any, on any Certificate shall be payable to the Owner thereof as shown on the registration records of the Trustee upon maturity or

prior redemption in whole thereof and upon presentation and surrender at the Operations Center of the Trustee. Payment of interest on the Certificates shall be made by check or draft of the Trustee mailed, on or before each Interest Payment Date, to the Owner thereof at his address as it last appears on the registration records of the Trustee at the close of business on the Record Date. Any such interest not so timely paid 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 such defaulted interest. Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given by the Trustee to the Owners of the Certificates, not less than 10 days prior to the Special Record Date, by first-class mail to each such Owner as shown on the Trustee's registration records on a date selected by the Trustee, stating the date of the Special Record Date and the date fixed for the payment of such defaulted interest. Alternative means of payment of interest may be used if mutually agreed to in writing between the Owner of any Certificate and the Trustee.

Section 2.03. Series 2017 Certificate Details.

(a) The Certificates designated as the "Certificates of Participation, Series 2017, evidencing undivided interests in the right to receive certain revenues payable by the City of Northglenn, under a Lease Purchase Agreement dated as of April __, 2017" (the "Series 2017 Certificates") shall be delivered in the aggregate principal amount of \$_____. The Series 2017 Certificates shall be dated April __, 2017, shall mature on the dates and in the amounts set forth below and shall bear interest from their original dated date to maturity at the rates per annum shown below, payable on each Interest Payment Date; except that Series 2017 Certificates which are reissued upon transfer, exchange or other replacement shall bear interest at the rates per annum shown below from the most recent Interest Payment Date to which interest has been paid or duly provided for, or if no interest has been paid, from the original dated date of the Series 2017 Certificates:

Dates Maturing (December 1)	Amounts Maturing	Interest Rate (Per Annum)
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		
2025		
2026		
2027		
2028		

2029
2030
2031
2032
2033
2034

(b) The Series 2017 Certificates shall be in substantially the form set forth in Appendix A hereto, with such changes thereto, not inconsistent herewith, as may be necessary or desirable and approved by the City. All covenants, statements, representations and agreements contained in the Series 2017 Certificates are hereby approved and adopted as the covenants, statements, representations and agreements of the Trustee. Appendix A is an integral part of this Indenture and is incorporated herein as if set forth in full in the body of this Indenture.

(c) Notwithstanding any other provision hereof, the Series 2017 Certificates shall be delivered only in book-entry form registered in the name of Cede & Co., as nominee of The Depository Trust Company (“DTC”), New York, New York, acting as securities depository of the Series 2017 Certificates and principal of, premium, if any and interest on the Series 2017 Certificates shall be paid by wire transfer to DTC; provided, however, if at any time the City or the Trustee determines that DTC is no longer able to act as, or is no longer satisfactorily performing its duties as, securities depository for the Series 2017 Certificates, the City may, at its discretion, either (i) designate a substitute securities depository for DTC, whereupon the Trustee shall reregister the Series 2017 Certificates as directed by such substitute securities depository or (ii) terminate the book-entry registration system, whereupon the Trustee shall reregister the Series 2017 Certificates in the names of the beneficial owners thereof provided to it by DTC. The Trustee shall have no liability to DTC, Cede & Co., any substitute securities depository, any Person in whose name the Series 2017 Certificates are reregistered at the direction of any substitute securities depository, any beneficial owner of the Series 2017 Certificates or any other Person for (A) any determination made by the City or the Trustee pursuant to the proviso at the end of the immediately preceding sentence or (B) any action taken to implement such determination and the procedures related thereto that is taken pursuant to any direction of or in reliance on any information provided by DTC, Cede & Co., any substitute securities depository or any Person in whose name the Series 2017 Certificates are reregistered.

Section 2.04. Limited Obligations. Each Certificate shall represent an undivided interest in the right to receive Lease Revenues and shall be payable solely from the Trust Estate in accordance with, and subject to, the terms of this Indenture. No provision of the Certificates, this Indenture, the Site Lease or the Lease shall be construed or interpreted (a) to directly or indirectly obligate the City to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (b) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (c) as a delegation of governmental powers by the City; (d) as a loan or pledge of the credit or faith of the City or as creating any responsibility by the City for

any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution; or (e) as a donation or grant by the City to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution.

Section 2.05. Execution and Authentication of Certificates. The manual signature of a duly authorized signatory of the Trustee shall appear on each Certificate. Any Certificate shall be deemed to have been executed by a duly authorized signatory of the Trustee if signed by the Trustee, but it shall not be necessary that the same signatory sign all of the Certificates delivered hereunder. If any signatory of the Trustee whose signature appears on a Certificate shall cease to be such official before delivery of the Certificates, such signature shall nevertheless be valid and sufficient for all purposes, the same as if he or she had remained a duly authorized signatory of the Trustee until delivery of the Certificate.

Section 2.06. Delivery of Certificates. Upon the execution and delivery of this Indenture, and, with respect to any Additional Certificates, the execution and delivery of any Supplemental Indenture relating to such Additional Certificates, the Trustee shall execute and deliver such Certificates to the Initial Purchasers thereof, as hereinafter in this Section provided:

(a) Prior to the delivery by the Trustee of any of such Certificates, there shall have been filed with the Trustee (i) an originally executed counterpart of this Indenture and any Supplemental Indenture relating to such Certificates, (ii) certified copies of any other instruments to be executed and delivered by the Trustee and the City in connection with such Certificates, which, in the case of the Series 2017 Certificates, shall include, but not be limited to, the Lease, the Site Lease and the Agreement to Construct, (iii) the certificate insurance policy, if any, insuring the principal of and interest on such Certificates and (iv) the title insurance policy or commitment required by Section 6.05 hereof.

(b) Thereupon, the Trustee shall deliver such Certificates to the Initial Purchaser thereof, upon payment to the Trustee of the agreed purchase price, which sum shall be applied as follows: (i) accrued interest and capitalized interest, if any, on the Certificates shall be deposited into the Interest Account of the Certificate Fund; (ii) the amount required to pay the Costs of Issuance shall be deposited into the Costs of Issuance Fund; and (iii) the remainder shall be deposited into the Construction Fund for the payment of Costs of the Project.

Section 2.07. Mutilated, Lost, Stolen or Destroyed Certificates. In the event that any Certificate is mutilated, lost, stolen or destroyed, a new Certificate may be executed on behalf of the Trustee, of like date, maturity and denomination as that mutilated, lost, stolen or destroyed; provided that the Trustee shall have received such evidence, information or indemnity from the Owner of the Certificate the Trustee may reasonably require, and provided further, in case of any mutilated Certificate, that such mutilated Certificate shall first be surrendered to the Trustee. In the event that any such Certificate shall have matured, instead of delivering a duplicate Certificate, the Trustee may pay the same without surrender thereof. The Trustee may charge the Owner of the Certificate with its reasonable fees and expenses in this connection and require payment of such fees and expenses as a condition precedent to the delivery of a new Certificate.

Section 2.08. Registration of Certificates; Persons Treated as Owners; Transfer and Exchange of Certificates.

(a) Records for the registration and transfer of Certificates shall be kept by the Trustee which is hereby appointed the registrar for the Certificates. The principal of, interest on, and any prior redemption premium on any Certificate shall be payable only to or upon the order of the Owner or his legal representative (except as otherwise herein provided with respect to Record Dates and Special Record Dates for the payment of interest). Upon surrender for transfer of any Certificate at the Operations Center of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney duly authorized in writing, the Trustee shall enter such transfer on the registration records and shall execute and deliver in the name of the transferee or transferees a new fully registered Certificate or Certificates of a like aggregate principal amount and of the same maturity, bearing a number or numbers not previously assigned.

(b) Fully registered Certificates may be exchanged at the Operations Center of the Trustee for an equal aggregate principal amount of fully registered Certificates of the same maturity and bearing interest at the same rate of other authorized denominations. The Trustee shall execute and deliver Certificates which the Owner making the exchange is entitled to receive, bearing numbers not previously assigned.

(c) The Trustee may require the payment, by the Owner of any Certificate requesting exchange or transfer, of any reasonable charges as well as any taxes, transfer fees or other governmental charges required to be paid with respect to such exchange or transfer.

(d) The Trustee shall not be required to transfer or exchange (i) all or any portion of any Certificate during the period beginning at the opening of business 15 days before the day of the mailing by the Trustee of notice calling any Certificates for prior redemption and ending at the close of business on the day of such mailing, or (ii) all or any portion of a Certificate after the mailing of notice calling such Certificate or any portion thereof for prior redemption.

(e) Except as otherwise herein provided with respect to Record Dates and Special Record Dates for the payment of interest, the person in whose name any Certificate shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or interest on any Certificate shall be made only to or upon the written order of the Owner thereof or his legal representative, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge such Certificate to the extent of the sum or sums paid.

Section 2.09. Cancellation of Certificates. Whenever any Outstanding Certificates shall be delivered to the Trustee for cancellation pursuant to this Indenture, upon payment thereof or for or after replacement pursuant to Section 2.07 or 2.08 hereof, such Certificates shall be promptly cancelled in accordance with the customary practices of the Trustee and applicable retention laws.

Section 2.10. Delivery of Additional Certificates.

(a) So long as the Lease Term shall remain in effect and no Event of Nonappropriation or Event of Default shall have occurred, one or more series of Additional Certificates secured in whole or part by the Trust Estate may be sold and delivered upon the terms and conditions provided in this Section. The maturity dates, Interest Payment Dates and the times and amounts of payments on such Additional Certificates shall be as provided in the Supplemental Indenture relating to such Additional Certificates. Additional Certificates may be sold and delivered to provide funds to pay any one or more of the following: (i) the costs of refunding all or any portion of the Outstanding Certificates; (ii) the costs of making at any time or from time to time such additions, modifications and improvements for or to the Leased Property as the City may deem necessary or desirable; and (iii) costs of acquiring or improving any additional property that will be leased by the Trustee to the City pursuant to a lease purchase agreement similar to the Lease.

(b) Additional Certificates may be delivered only in accordance with subsection (a) of this Section and only upon there being furnished to the Trustee:

(i) originally executed counterparts of a Supplemental Indenture expressly providing that, for all the purposes hereof, the Leased Property shall include any property being financed by the Additional Certificates, and that the Certificates shall mean and include the Additional Certificates being delivered as well as any Certificates and Additional Certificates theretofore delivered, except that the series description of the Additional Certificates, the date or dates of the Additional Certificates, the maturity dates and Interest Payment Dates for the Additional Certificates, the rate or rates of interest on the Additional Certificates, and provisions for the redemption thereof, if any, all may be as provided in the Supplemental Indenture rather than as provided in this Indenture;

(ii) the addition to the Trust Estate of an assignment of the Lease Revenues from or with respect to the property financed with the proceeds of such Additional Certificates;

(iii) a written opinion of Bond Counsel to the effect that the delivery of the Additional Certificates and the execution thereof have been duly authorized, that all conditions precedent to the delivery thereof have been fulfilled, that the delivery of the Additional Certificates will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Certificates, and that the delivery and sale of the Additional Certificates will not constitute an Event of Default nor cause any violation of the covenants set forth in this Indenture;

(iv) a commitment or other evidence that the amount of the title insurance policy required by Section 6.05 hereof will be increased, if necessary, to reflect the amount of the Additional Certificates and all other Outstanding

Certificates (or such lesser amount as shall be the maximum insurable value of the real property included in the Leased Property);

(v) a certificate from the City Representative certifying that the Lease Revenues are expected to be sufficient to pay the principal of, premium, if any, and interest on the Additional Certificates and all other Outstanding Certificates when due; and

(vi) evidence that (A) the Additional Certificates will be rated by S&P, if S&P then rates any Certificates, at least as high as the highest rated Certificates then Outstanding (or, if the Outstanding Certificates are insured, at least as high as the highest rating on the Certificates then Outstanding without regard to such insurance) and (B) the delivery of the Additional Certificates will not result in a withdrawal or reduction of any rating on any other Outstanding Certificates.

(c) No Additional Certificates, notes, certificates, contracts or any other obligations shall be delivered hereunder if an Event of Default or Event of Nonappropriation shall have occurred and be continuing with respect to the Outstanding Certificates.

(d) Each of the Additional Certificates delivered pursuant to this Section shall (except as otherwise provided in Sections 3.01(d) and 3.02(d) hereof) be proportionately and ratably secured with the Certificates originally delivered hereunder and all other series of Additional Certificates, if any, delivered pursuant to this Section, without preference, priority or distinction of any Certificates or Additional Certificates over any other.

Section 2.11. Negotiability. Subject to the registration provisions hereof, the Certificates shall be fully negotiable and shall have all the qualities of negotiable paper, and the Owners thereof shall possess all rights enjoyed by the holders or owners of negotiable instruments under the provisions of the Uniform Commercial Code-Investment Securities. The principal of and interest on the Certificates shall be paid, and the Certificates shall be transferable, free from and without regard to any equities, set-offs or cross-claims between the Trustee and the original or any intermediate owner of any Certificates.

ARTICLE III

FUNDS AND ACCOUNTS

Section 3.01. Certificate Fund.

(a) ***Creation of the Certificate Fund.*** A special fund is hereby created and established with the Trustee to be designated the “City of Northglenn Certificates of Participation Certificate Fund” (the “Certificate Fund”), which shall be used to pay the principal of, premium, if any, and interest on the Certificates. Within the Certificate Fund there are hereby created and established an Interest Account and a Principal Account which shall be used as set forth in subsection (d) of this Section.

(b) ***Payments into the Interest Account of the Certificate Fund.*** There shall be deposited into the Interest Account of the Certificate Fund (i) all accrued interest and capitalized interest, if any, received at the time of the delivery of the Certificates; (ii) that portion of each payment of Base Rentals made by the City which is designated and paid as the interest component thereof under Exhibit D to the Lease; (iii) any moneys transferred to the Interest Account of the Certificate Fund from the Costs of Issuance Fund pursuant to Section 3.02 hereof; and (iv) all other moneys received by the Trustee under this Indenture accompanied by directions that such moneys are to be deposited into the Interest Account of the Certificate Fund.

(c) ***Payments into the Principal Account of the Certificate Fund.*** There shall be deposited into the Principal Account of the Certificate Fund (i) that portion of each payment of Base Rentals made by the City which is designated and paid as the principal component thereof under Exhibit D to the Lease, as it may be amended; and (ii) all other moneys received by the Trustee under this Indenture accompanied by directions that such moneys are to be deposited into the Principal Account of the Certificate Fund.

(d) ***Use of Moneys in the Certificate Fund.*** Moneys in the Interest Account of the Certificate Fund shall be used solely for the payment of interest on the Certificates and moneys in the Principal Account of the Certificate Fund shall be used solely for the payment of the principal of and premium, if any, due on the Certificates; provided that (i) in the event that there are any remaining moneys upon payment of the interest due on the Certificates, such moneys may be used for the payment of principal of and premium, if any, due on the Certificates; (ii) moneys representing accrued interest and capitalized interest received at the time of the delivery of any series of Certificates shall be used solely to pay the first interest due on such Certificates; and (iii) the Purchase Option Price and any other moneys transferred to the Certificate Fund with specific instructions that such moneys be used to pay the redemption price of Certificates shall be used solely to pay the redemption price of Certificates shall be used solely to pay the principal and interest due on the Certificates, the proceeds of which were used to fund such account; provided, further, that all moneys in the Certificate Fund shall be available to pay the redemption price of Certificates in connection with a redemption of all the Certificates and to pay the principal of, premium, if any, and interest on any Certificates following an Event of Default or Event of Nonappropriation.

Section 3.02. Costs of Issuance Fund. A special fund is hereby created and established by the Trustee and designated the “Costs of Issuance Fund.” There shall be deposited into the Costs of Issuance Fund or transferred to the City from proceeds of the Series 2017 Certificates an amount equal to the Costs of Issuance, as certified by a City Representative. Such moneys deposited into the Costs of Issuance Fund shall be disbursed by the Trustee to pay the costs of execution and delivery of the Certificates as directed in writing by the City or paid directly by the City. The Trustee may rely conclusively on any such direction and shall not be required to make any independent investigation in connection therewith. Upon the earlier of the date that is six months following the date of the Series 2017 Certificates or the receipt by the Trustee of a written notice of the City that the remaining moneys in the Costs of Issuance Fund are not needed to pay the costs of execution and delivery of the Series 2017 Certificates the Trustee shall

transfer such remaining amounts to the Interest Account of the Certificate Fund and the Costs of Issuance Fund shall, without further direction, be closed.

Section 3.03. Construction Fund. A special account is hereby created and established with the Trustee, to be designated the “City of Northglenn Series 2017 Certificates of Participation Construction Fund” (the “Construction Fund”). The Construction Fund shall include two special accounts as described in Article V of the Lease, the Acquisition Account and the Construction Account. The net proceeds of the Series 2017 Certificates remaining after any required deposits to the Costs of Issuance Fund and the Interest Account of the Certificate Fund shall be deposited to the Construction Fund, to be held, invested, reinvested if necessary and applied as provided herein. Funds in the Construction Fund shall be allocated to the Acquisition Account and the Construction Account as directed by the City.

On the date of execution and delivery of this Indenture, or as soon as practicable thereafter, the City shall deposit with the Trustee the Plans and Specifications for the Project, pursuant to the Agreement to Construct. The City is authorized, on behalf of the Trustee, to enter into one or more construction contracts for the Project or portions thereof, which contracts shall be consistent with the Plans and Specifications deposited with the Trustee as they may be amended from time to time by the City, and may be made payable from the Construction fund and any other sources of funds designated by the City.

The Construction Fund shall be used to account for the net proceeds of the Series 2017 Certificates expended on the Project, provided that the City may make available in its discretion, by deposits to the Construction Fund or otherwise, additional funds to pay the reasonable or necessary costs incidental to the acquisition, construction, improvement or equipping of the Project and all other necessary and incidental expenses in connection with the foregoing. The amounts in the Construction Fund shall be expended in accordance with the provisions of the Agreement to Construct, the Lease and this Section 3.03. The Trustee shall issue its checks on or otherwise transfer funds from the Construction Fund for each payment pursuant to the Agreement to Construct, the Lease and this Section 3.03.

Amounts in the Construction Fund may be invested in Permitted Investments or, upon the written direction of a City Representative, in repurchase agreements having terms exceeding 365 days and otherwise qualifying under the City’s then effective investment policy.

The Trustee shall keep and maintain adequate records pertaining to the Construction Fund and all payments therefrom, which shall be open to inspection by the City, the Owners or their duly authorized agents during normal business hours of, and upon reasonable notice to, the Trustee. After the Completion Date of the Project, the Trustee shall file a statement of income and disbursements with respect to the Construction Fund with the City. Any moneys then remaining in the Construction Fund shall be transferred by the Trustee to the Certificate Fund and applied to the principal of and interest on the Series 2017 Certificates, or to the Series 2017 Rebate Fund, as directed by a City Representative.

Upon the occurrence of an Event of Default hereunder and the exercise by the Trustee of the remedies specified in the Lease and this Indenture, any moneys in the Construction Fund shall be transferred by the Trustee to the Interest Account of the Certificate Fund and, with

respect to any moneys in excess of the amount required to pay interest on the Series 2017 Certificates, to the Principal Account of the Certificate Fund. In the event of an exercise of the Purchase Option with respect to the Leased Property allocable to the Series 2017 Certificates pursuant to the Lease, any moneys in the Construction Fund shall be transferred to the Principal Account of the Certificate Fund and applied to the payment of the principal of and premium, if any, on the Series 2017 Certificates.

The Construction Fund shall be held in the custody of the Trustee but in the name of and for the benefit of the City, and the City shall direct the Trustee, on the requisition of a City Representative, to withdraw sufficient funds from the Construction Fund to pay or reimburse the City for any payments made by it toward the Costs of the Project, and without such requisition to make required transfers to the Series 2017 Rebate Fund for arbitrage rebate payments in connection with the Series 2017 Certificates, which authorization and direction the Trustee hereby accepts. The Trustee may rely conclusively on any such requisition and shall not be required to make any independent investigation in connection therewith. The Trustee is authorized to and directed to make payments from the Construction Fund to pay (or to reimburse the City for the payment of) the Costs of the Project, including costs related to the design, planning, acquisition, construction, improvement, equipment and operation of the Project. Each payment of Costs of the Project shall be made only upon receipt by the Trustee of a requisition, in substantially the form set forth in Appendix C hereto, signed by a City Representative, together with a detailed explanation showing the payment to be necessary and reasonable, stating:

- (a) the requisition number;
- (b) the name and address of the person, firm or corporation to whom payment is due or was made;
- (c) the amount to be paid or for which reimbursement is sought;
- (d) that none of the items for which the payment or reimbursement is proposed to be made has been the subject of any payment or reimbursement theretofore made from the Construction Fund;
- (e) the nature of each item for which the payment or reimbursement is proposed to be made and that such item is or was reasonable and necessary in connection with the design, planning, acquisition, construction, improvement or equipping of Improvements to the Site Leased Property included in the Project, and in all cases is a proper charge against the Construction Fund.

No disbursement requested in any requisition shall be made by the Trustee for Improvements unless the City Representative also certifies that the requirements with respect to lien waivers included in any applicable contract have been met.

With respect to Sections 3.02 and 3.03 hereof, the City acknowledges that the Trustee cannot process such disbursement request until the Trustee is in receipt of a valid Form W-9 or Form W-8, as applicable, from each payee, in accordance with Internal Revenue Service regulations and the Foreign Account Tax Compliance Act.

Section 3.04. Rebate Fund.

(a) ***Creation of the Rebate Fund.*** A special fund is hereby created and established with the Trustee to be designated the “City of Northglenn Certificates of Participation Rebate Fund” (the “Rebate Fund”).

(b) ***Deposits into the Rebate Fund.*** There shall be deposited into the Rebate Fund (i) all amounts paid by the City pursuant to subsection (e) of this Section; and (ii) all other moneys delivered to the Trustee that are accompanied by instructions to deposit the same into the Rebate Fund.

(c) ***Use of Moneys in the Rebate Fund.*** Not later than 60 days after December __, 2022 and every five years thereafter, the Trustee shall, at the written direction of the City, pay to the United States of America 90% of the amount required to be on deposit in the Rebate Fund as of such payment date. No later than 60 days after the final retirement of the Certificates, the Trustee shall, at the written direction of the City, pay to the United States of America 100% of the amount required to be on deposit in the Rebate Fund which shall remain in effect for such period of time as is necessary for such final payment to be made. Each payment required to be paid to the United States of America pursuant to this Section shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201. Each payment shall be accompanied by a copy of the Internal Revenue Form 8038-T executed by the City and a statement prepared by the City or its agent summarizing the determination of the amount to be paid to the United States of America. The Trustee acknowledges that the City has reserved the right, in all events, to pursue such remedies and procedures as are available to it in order to assert any claim of overpayment of any rebated amounts.

(d) ***Administration of Rebate Fund.*** The City shall make or cause to be made all requisite rebate calculations so as to provide the information required to transfer moneys to the Rebate Fund pursuant to subsection (b) of this Section and to make the payments required by subsection (c) of this Section. The Trustee shall make deposits to and disbursements from the Rebate Fund in accordance with the written directions of the City given pursuant to the Investment Instructions (the “Investment Instructions”) and the Tax Compliance Certificate (the “Tax Compliance Certificate”) executed by the City in connection with the initial delivery of the Series 2017 Certificates or any similar certificate or instrument delivered by the City in connection with the initial delivery of any Additional Certificates. The Trustee shall, at the written direction of the City, invest the Rebate Fund pursuant to said Investment Instructions and shall deposit income from said investments immediately upon receipt thereof in the Rebate Fund, all as set forth in the Investment Instructions. The Investment Instructions may be superseded or amended by new Investment Instructions drafted by, and accompanied by an opinion of, Bond Counsel addressed to the Trustee to the effect that the use of said new Investment Instructions will not cause the interest on the Certificates to be includible in the gross income of the recipients thereof for purposes of federal income taxation. The City may employ, at its expense, a designated agent to calculate the amount of deposits to and disbursements from the Rebate Fund. If a withdrawal from the Rebate Fund is permitted as a result of the computation described in the Investment Instructions, the amount

withdrawn shall be deposited in the Certificate Fund. Record of the determinations required by this Section and delivered to the Trustee and the Investment Instructions must be retained by the Trustee until six years after the final retirement of the Certificates.

(e) ***Payments by the City.*** The City has agreed in the Lease, subject to the terms of the Lease, that, if, for any reason, the amount on deposit in the Rebate Fund is less than the amount required to be paid to the United States of America on any date, the City will pay to the Trustee as Additional Rentals under the Lease the amount required to make such payment on such date.

Section 3.05. Nonpresentment of Certificates. In the event any Certificate shall not be presented for payment when due, if funds sufficient to pay such Certificate shall have been made available to the Trustee for the benefit of the Owner thereof, it shall be the duty of the Trustee to hold such funds without liability for interest thereon, for the benefit of the Owner of such Certificate, who shall be restricted exclusively to such funds for any claim of whatever nature on his part under this Indenture or on or with respect to such Certificate. If such Certificate is not presented for payment within three years following the date when such Certificate becomes due, whether by maturity, upon redemption or otherwise, the Trustee shall repay to the City the funds theretofore held by the Trustee for payment of such Certificate, and such Certificate shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the City, and the Owner thereof shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 3.06. Moneys to be Held in Trust. The Certificate Fund, the Costs of Issuance Fund, and, except for the Rebate Fund and any escrow accounts established pursuant to Section 9.01 hereof, any other fund or account created hereunder shall be held by the Trustee, for the benefit of the Owners as specified in the Indenture, subject to the terms of this Indenture, the Lease and the Site Lease. The Rebate Fund shall be held by the Trustee for the purpose of making payments to the United States of America pursuant to Section 3.04(c) hereof. Any escrow account established pursuant to Section 9.01 hereof shall be held for the benefit of the Owners of the Certificates to be paid therefrom as provided in the applicable escrow agreement.

Section 3.07. Repayment to the City from the Trustee. After payment in full of the principal of, premium, if any, and interest on the Certificates, all rebate payments due to the United States of America, the fees and expenses of the Trustee and all other amounts required to be paid hereunder, any remaining amounts held by the Trustee pursuant hereto shall be paid to the City.

ARTICLE IV

REDEMPTION OF SERIES 2017 CERTIFICATES

Section 4.01. Redemption of Series 2017 Certificates in Whole Upon an Event of Nonappropriation or Event of Default.

(a) The Series 2017 Certificates shall be called for redemption in whole at a redemption price determined pursuant to subsection (b) of this Section, on any date, in the event of the occurrence of an Event of Nonappropriation or the occurrence and continuation of an Event of Default.

(b) The redemption price for any redemption pursuant to this Section shall be the lesser of (i) the principal amount of the Series 2017 Certificates, plus accrued interest to the redemption date (without any premium); or (ii) the sum of (A) the amount, if any, received by the Trustee from the exercise of remedies under the Lease with respect to the Event of Nonappropriation or the occurrence and continuation of the Event of Default that gave rise to such redemption and (B) the other amounts available in the Trust Estate for payment of the redemption price of the Series 2017 Certificates, which amounts shall be allocated among the Series 2017 Certificates in proportion to the principal amount of each Series 2017 Certificate. Notwithstanding any other provision hereof, the payment of the redemption price of any Series 2017 Certificate pursuant to this Section shall be deemed to be the payment in full of such Series 2017 Certificate and no Owner of any Series 2017 Certificate redeemed pursuant to this Section shall have any right to any payment from the Trustee or the City in excess of such redemption price.

(c) In addition to any other notice required to be given under this Article or any other provision hereof, the Trustee shall, as soon as reasonably practicable upon the occurrence of an Event of Nonappropriation or an Event of Default, notify the Owners (i) that such event has occurred and (ii) whether or not the funds then available to it for such purpose are sufficient to pay the redemption price set forth in clause (i) of subsection (b) of this Section. If the funds then available to the Trustee are sufficient to pay the redemption price set forth in clause (i) of subsection (b) of this Section, such redemption price shall be paid as soon as reasonably practicable. If the funds then available to the Trustee are not sufficient to pay the redemption price set forth in clause (i) of subsection (b) of this Section, the Trustee shall (A) as soon as reasonably practicable, pay the portion of the redemption price that can be paid from the funds available, net of any funds which, in the judgment of the Trustee, should be set aside to pursue remedies under the Lease and (B) subject to the provisions of Article VII hereof, as soon as reasonably practicable, begin to exercise and shall diligently pursue all remedies available to it under the Lease in connection of such Event of Nonappropriation or Event of Default. The remainder of the redemption price, if any, shall be paid to the Owners if and when funds become available to the Trustee from the exercise of such remedies.

Section 4.02. Optional Redemption of Series 2017 Certificates. The Series 2017 Certificates maturing in the years 201_-20__ are not subject to redemption prior to their

respective maturity dates. The Series 2017 Certificate maturing in the years 20__ and thereafter are subject to redemption at the option of the City on [December] __, 20__ and any date thereafter at a redemption price of [100]% of their principal amount plus accrued interest to the date of redemption.

Section 4.03. Mandatory Sinking Fund Redemption. [To come if Term Certificates are included]

Section 4.04. Notice of Redemption.

(a) Notice of the call for any redemption, identifying the Certificates or portions thereof to be redeemed and specifying the terms of such redemption, shall be given by the Trustee by mailing a copy of the redemption notice by United States certified or registered first-class mail or by electronic means to DTC or its successors, at least 30 days prior to the date fixed for redemption, to the Owner of each Certificate to be redeemed at the address shown on the registration books; provided, however, that failure to give such notice by mailing, or any defect therein, shall not affect the validity of any proceedings of any Certificates as to which no such failure has occurred.

(b) Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives the notice.

(c) If at the time of mailing of notice of redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all the Certificates called for redemption, which moneys are or will be available for redemption of Certificates, such notice will state that it is conditional upon the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Section 4.05. Redemption Payments.

(a) On or prior to the date fixed for redemption, the Trustee shall apply funds to the payment of the Certificates called for redemption, together with accrued interest thereon to the redemption date, and any required premium. Upon the giving of notice and the deposit of such funds as may be available for redemption pursuant to this Indenture (which, in the case of redemption pursuant to Section 4.01 hereof, may be less than the full principal amount of the Outstanding Certificates and accrued interest thereon to the redemption date), interest on the Certificates or portions thereof thus called for redemption shall no longer accrue after the date fixed for redemption.

(b) The Trustee shall pay to the Owners of Certificates so redeemed, the amounts due on their respective Certificates, at the Operations Center of the Trustee upon presentation and surrender of the Certificates.

Section 4.06. Cancellation. All Certificates which have been redeemed shall not be redelivered but shall be canceled by the Trustee in accordance with Section 2.09 hereof.

Section 4.07. Delivery of New Certificates Upon Partial Redemption of Certificates.

Upon surrender and cancellation of a Certificate for redemption in part only, a new Certificate or Certificates of the same maturity and of authorized denomination in an aggregate principal amount equal to the unredeemed portion thereof, shall be executed on behalf of and delivered by the Trustee to the Owner thereof.

ARTICLE V

INVESTMENTS

Section 5.01. Investment of Moneys. All moneys held as part of any fund, account or subaccount created hereunder shall, subject to Sections 5.02 and 6.04 hereof, be deposited or invested and reinvested by the Trustee, at the written direction of the City, in Permitted Investments. The Trustee may conclusively rely upon the City's written instruction as to both the suitability and legality of the directed investments. If the City fails to provide written directions concerning investment of moneys held by the Trustee, the Trustee may invest in a money market fund, provided funds will be available for withdrawal from such money market fund prior to the date such funds will be needed. Any and all such deposits or investments shall be held by or under the control of the Trustee. The Trustee may make any and all such deposits or 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. Income from deposits or investments of moneys held in the Rebate Fund shall be deposited as provided in Section 3.04 hereof and income from deposits or investments of moneys held in any escrow account established pursuant to Section 9.01 hereof shall be deposited as provided in the escrow agreement governing such escrow account. Otherwise, except as otherwise provided by Article III hereof, deposits or investments shall at all times be a part of the fund, account or subaccount from which the moneys used to acquire such deposits or investments shall have come, and all income and profits on such deposits or investments shall be credited to, and losses thereon shall be charged against, such fund, account or subaccount. The Trustee shall sell and reduce to cash a sufficient amount of such deposits or investments in the respective funds whenever the cash balance in the Principal Account or Interest Account is insufficient to pay the principal of or interest on the Certificates when due, or whenever the cash balance in any fund or account created hereunder is insufficient to satisfy the purposes of such fund or account. Unless otherwise confirmed or directed in writing, an account statement delivered periodically by the Trustee to the City shall confirm that the investment transactions identified therein accurately reflect the investment directions of the City, unless the City notified the Trustee in writing to the contrary within thirty (30) days of the date of such statement. 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 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. In computing the amount in any fund or account created hereunder for any purpose hereunder, investments shall be valued at fair market

value determined by the Trustee based on accepted industry standards and from accepted industry providers; provided that, that value of any investment that cannot be so valued shall be established by prior agreement between the City and the Trustee.

Section 5.02. Tax Certification. The Trustee certifies and covenants to and for the benefit of the Owners that so long as any of the Certificates remain Outstanding, moneys in any fund or account held by the Trustee under this Indenture, whether or not such moneys were derived from the proceeds of the sale of the Certificates or from any other source, will not be knowingly deposited or invested in a manner which will be a violation of Section 6.04 hereof.

ARTICLE VI

CONCERNING THE TRUSTEE

Section 6.01. Representations, Covenants and Warranties Regarding Execution, Delivery and Performance of Indenture. The Trustee represents, covenants and warrants that:

(a) the Trustee (i) is a national banking association that is duly organized, validly existing and in good standing under the laws of the United States of America; (ii) is duly qualified to do business in the State; (iii) solely in its capacity as trustee hereunder, is the site lessee of the Site Leased Property pursuant to the Site Lease; and (iv) is authorized, under its articles of association and applicable law, to lease the Site Leased Property from the City, to lease the Leased Property to the City, to hold in trust the Trust Estate and to execute, deliver and perform its obligations under this Indenture;

(b) the Trustee, as lessor, and the City, as lessee, have entered into the Lease pursuant to which the Trustee has leased the Leased Property to the City and the City has agreed to pay Base Rentals and Additional Rentals, subject, in each case, to the terms of the Lease;

(c) the execution, delivery and performance of this Indenture by the Trustee has been duly authorized by the Trustee and, upon the execution of this Indenture by the Trustee, this Indenture will be enforceable against the Trustee in accordance with its terms, limited only by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State and its governmental bodies of the police power inherent in the sovereignty of the State and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America;

(d) the execution, delivery and performance of the terms of this Indenture by the Trustee does not and will not conflict with or result in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the Trustee is now a party or by which the Trustee is bound, or constitute a default under any of the foregoing or, except as specifically provided in this Indenture or the Lease, result in the creation or imposition of a lien or encumbrance whatsoever upon the Trust Estate or any of the property or assets of the Trustee;

(e) the Trustee may in the future enter into other leases or agreements similar or dissimilar to the Lease under which the Trustee will be entitled to receive revenues;

(f) in order to finance the Project, the Certificates will be executed and delivered pursuant to this Indenture;

(g) the Trustee has entered into this Indenture for and on behalf of the Owners and will, except as otherwise specifically provided herein, hold its rights hereunder, including its rights with respect to the Trust Estate, for the equal and proportionate benefit of the Owners, and will disburse moneys received by it in accordance with this Indenture;

(h) there is no litigation or proceeding pending or, to the best of its knowledge, threatened against the Trustee affecting the right of the Trustee to execute, deliver or perform its obligations under this Indenture;

(i) the Trustee acknowledges and recognizes that the Lease will be terminated upon the occurrence of an Event of Nonappropriation thereunder, and that a failure by the City to appropriate funds in a manner that results in an Event of Nonappropriation under the Lease is a legislative act that is solely within the discretion of the Council; and

(j) the Trustee: (i) did not select the Leased Property; (ii) has no responsibility for the value or condition thereof; (iii) has taken title to the Leased Property solely in its capacity as Trustee hereunder and not in its own corporate capacity; (iv) is not responsible for any failure of the Leased Property to be in conformance with any Requirement of Law; and (v) shall not be deemed to be an owner or operator of the Leased Property for purposes of any environmental law.

Section 6.02. Duties of the 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 or Event of Nonappropriation and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically assigned to it in the Lease and this Indenture. In case an Event of Default or Event of Nonappropriation has occurred (which has not been cured or waived), the Trustee shall exercise such of the rights and powers vested in it by the Lease and this Indenture, and use the degree of care and skill applicable to trustees of municipal bond issues under Colorado law.

(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 standard specified above and in Section 6.02(f), and shall be entitled to act upon an Opinion of Counsel concerning all matters of trust hereof and the duties hereunder, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts hereof. The Trustee may rely and

act upon the advice or Opinion of Counsel and shall not be responsible for any loss or damage resulting from any action or nonaction taken by or omitted to be taken in good faith in reliance upon such Opinion or advice of Counsel.

(c) The Trustee shall not be responsible for any recital herein or in the Certificates (except in respect of the execution of the Certificates by the Trustee), or for the recording or rerecording, filing or refiling of the Lease or this Indenture or of any supplements thereto or hereto or instruments of further assurance, for collecting any insurance moneys or for the validity of the execution by the Trustee of this Indenture or of any supplements hereto or instruments of further assurance, for the sufficiency of the security for the Certificates delivered hereunder or intended to be secured hereby, or for the value of or title to the Leased Property.

(d) The Trustee makes no representations as to the value or condition of the Trust Estate or any part thereof (except for funds or investments held by the Trustee) or as to the validity or sufficiency of this Indenture or the Certificates. The Trustee shall not be accountable for the use of any Certificates delivered to the Initial Purchaser hereunder. The Trustee may become the Owner of Certificates with the same rights which it would have if not Trustee.

(e) The Trustee may conclusively rely and shall be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. The Trustee shall not be required to make any independent investigation in connection with any such certificate or document. 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 Owner of any Certificate shall be conclusive and binding upon any Certificates delivered in place thereof.

(f) 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.

(g) The Trustee shall not be required to take notice or be deemed to have notice of any Event of Default or Event of Nonappropriation except failure by the City to cause to be made any of the payments to the Trustee required to be made thereunder, unless (i) an officer in the Trustee's trust department has actual knowledge of such Event of Default or Event of Nonappropriation or (ii) the Trustee has been notified in writing of such Event of Default or Event of Nonappropriation by the City or by the Owners of at least 10% in aggregate principal amount of Certificates then Outstanding.

(h) 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 law.

(i) The Trustee shall not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(j) 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 delivery of any Certificates, the withdrawal of any cash, 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.

(k) The Trustee shall not be required to advance any of its own funds in the performance of its obligations hereunder unless it has received assurances or indemnification satisfactory to it that it will be repaid.

(l) In no event shall the Trustee be liable for any direct or indirect, incidental, special or consequential damage in connection with or arising out of the performance of its obligations under this Indenture.

(m) Notwithstanding any other provision hereof, in determining whether the rights of the Owners will be adversely affected by any action taken pursuant to the terms and provisions hereof, the Trustee shall consider the effect on the Owners.

(n) Notwithstanding anything in the Indenture or the Lease to the contrary, before taking any action under this Indenture other than the payments from moneys on deposit in the Certificate Fund, as provided herein, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all costs and expenses (including, without limitation, attorney's fees and expenses) to which it may be put and to protect it against all liability which it may incur in or by reason of such action, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(o) Notwithstanding any other provision of this Indenture to the contrary, any provision relating to the conduct of, intended to provide authority to act, right to payment of fees and expenses, protection, immunity and indemnification to the Trustee, shall be interpreted to include any action of the Trustee, whether it is deemed to be in its capacity as Trustee, bond registrar or Paying Agent.

(p) The Trustee may inform the Certificate Owners of environmental hazards that the Trustee has reason to believe exist, and the Trustee has the right to take no further action and, in such event, no fiduciary duty exists which imposes any obligation for the Trustee to foreclose upon, manage, maintain or operate the Leased Property, if the Trustee in its individual capacity determines that any such action would materially and adversely subject the Trustee to environmental or other liability for which the Trustee has not been adequately indemnified.

(q) At any and all reasonable times, the Trustee and its duly authorized agents, attorneys, experts, engineers, accountants and representatives shall have the right, but shall not be required, to inspect any and all of the property pledged herein, including all books, papers and records of the City pertaining to the Leased Property and the Certificates, and to take such memorandum from and in regard thereto as may be desired.

Section 6.03. Maintenance of Existence; Performance of Obligations.

(a) The Trustee shall at all times maintain its existence and will use its best efforts to maintain, preserve and renew all the rights and powers provided to it under its articles of association and bylaws, action of its board of directors and applicable law; provided, however, that this covenant shall not prevent the assumption, by operation of law or otherwise, by any Person of the rights and obligations of the Trustee hereunder, but only if and to the extent such assumption does not materially impair the rights of the Owners of any Outstanding Certificates or the City.

(b) The Trustee shall do and perform or cause to be done and performed all acts and things required to be done or performed in its capacity as Trustee under the provisions of this Indenture, the Lease and any other instrument or other arrangement to which it is a party.

Section 6.04. Tax Covenant. The Trustee shall not knowingly take any action or omit to take any action with respect to the Certificates, the proceeds of the Certificates, the Trust Estate or any other funds or property and it will not knowingly permit any other Person to take any action or omit to take any action with respect thereto if the City has informed the Trustee that such action or omission would cause interest on any of the Certificates to be included in gross income for federal income tax purposes or to be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations (except, with respect to corporations, as such interest is required to be taken into account in determining “adjusted current earnings” for the purpose of computing the alternative minimum tax imposed on such corporations). In furtherance of this covenant, the Trustee agrees, at the written direction of the City, to comply with the procedures set forth in the Tax Compliance Certificate delivered by the City in connection with the initial delivery of the Series 2017 Certificates and the provisions of any similar certificate or instrument delivered by the City in connection with the initial delivery of any Additional Certificates. The covenants set forth in this Section shall remain in full force and effect notwithstanding the payment in full or defeasance of the Certificates until the date on which all obligations of the Trustee in fulfilling such covenants have been met. The covenants set forth in this Section shall not, however, apply to any series of Certificates if, at the time of the initial delivery thereof, the interest on such series of Certificates is intended to be subject to federal income tax.

Section 6.05. Title Insurance. The Trustee shall be provided with a standard lender’s title insurance policy insuring the Trustee’s interest in the real estate included in the Leased Property, and if all or any portion of the Trustee’s title to the real estate included in the Leased Property is a leasehold interest, then also insuring the title of the owner of such real estate, subject only to Permitted Encumbrances, in an amount not less than the lesser of either the Outstanding amount of Certificates or the insurable value of such real property. Such policy, or

a binding commitment therefor, shall be in a form approved by the City and shall be provided to the Trustee concurrently with the initial delivery of any Certificates.

Section 6.06. Sale or Encumbrance of Leased Property. As long as there are any Outstanding Certificates, and as except otherwise permitted by this Indenture and except as the Lease otherwise specifically requires, the Trustee shall not sell or otherwise dispose of any of the Leased Property unless it determines that such sale or other disposal will not materially adversely affect the rights of the Owners of the Certificates.

Section 6.07. Rights of Trustee Under the Lease. The Trustee hereby covenants for the benefit of the Owners that the Trustee will observe and comply with its obligations under the Lease, including but not limited to the provisions of Article IX of the Lease regarding the conveyance of the Leased Property and releases of Equipment and the Site Lease, and that the representations made by the Trustee in the Site Lease and in Section 2.01 of the Lease. Wherever in the Lease or the Site Lease it is stated that the Trustee shall be notified or wherever the Lease or the Site Lease gives the Trustee some right or privilege, such part of the Lease or the Site Lease shall be as if it were set forth in full in this Indenture.

Section 6.08. Defense of Trust Estate. The Trustee shall at all times, to the extent permitted by law, upon receipt of assurances or indemnification satisfactory to it that it will be repaid for such action, defend, preserve and protect its interest in the Leased Property and the other property or property rights included in the Trust Estate and all the rights of the Owners under this Indenture against all claims and demands of all Persons whomsoever.

Section 6.09. Compensation of Trustee. During the Lease Term, the Trustee shall be entitled to compensation in accordance with Section 10.06 of the Lease. In no event shall the Trustee be obligated to advance its own funds in order to take any action in its capacity as Trustee hereunder. The rights of the Trustee to payments pursuant to this Section shall be superior to the rights of the Owners with respect to the Trust Estate.

Section 6.10. Resignation or Replacement of Trustee.

(a) The present or any future Trustee may resign by giving written notice to the Owners of a majority in principal amount of the Certificates and the City not less than 60 days before such resignation is to take effect. Such resignation shall take effect only upon the appointment of a successor qualified as provided in subsection (d) of this Section; provided, however, that if no successor is appointed within 90 days following the date designated in the notice for the Trustee's resignation to take effect, the resigning Trustee may petition a court of competent jurisdiction for the appointment of a successor.

(b) The present or any future Trustee may be removed at any time (i) by the City for any reason upon delivery to the Trustee of an instrument signed by the City Representative and accompanied by a resolution of the Council seeking such removal, provided that the City shall not be entitled to remove the Trustee pursuant to this clause if an Event of Default has occurred and is continuing or if any Event of Nonappropriation has occurred; (ii) if an Event of Default has occurred and is continuing or if an Event of Nonappropriation has occurred, by the Owners of a majority in principal amount of the

Certificates Outstanding upon delivery to the Trustee of an instrument or concurrent instruments signed by such Owners or their attorneys in fact duly appointed; or (iii) by any Owner, upon delivery to the Trustee of an instrument signed by such Owner or his or her attorney in fact duly appointed following a determination by a court of competent jurisdiction that the Trustee is not duly performing its obligations hereunder or that such removal is in the best interests of the Owners.

(c) In case the present or any future Trustee shall at any time resign or be removed or otherwise become incapable of acting, a successor may be appointed by the City. The City, upon making such appointment, shall forthwith give notice thereof to each Owner, which notice may be given concurrently with the notice of resignation given by any resigning Trustee. The Owners of a majority in principal amount of the Certificates Outstanding may thereupon act to appoint a successor trustee to such successor appointed by the City, by an instrument or concurrent instruments signed by such Owners, or their attorneys in fact duly appointed. Any successor so appointed by the City shall immediately and without further act be superseded by a successor appointed in the manner above provided by the Owners of a majority in principal amount of the Certificates Outstanding.

(d) Every successor shall be a commercial bank with trust powers in good standing, located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state authority, qualified to act hereunder, having a capital and surplus of not less than \$75,000,000. Any successor trustee shall execute, acknowledge and deliver to the present or then trustee an instrument accepting appointment as successor trustee hereunder and as successor to the then current trustee in its capacity as site lessee under the Site Lease and lessor under the Lease, and thereupon such successor shall, without any further act, deed or conveyance, (i) become vested with all the previous rights, title and interest in and to, and shall become responsible for the previous obligations with respect to, the Leased Property and the Trust Estate and (ii) become vested with the previous rights, title and interest in, to and under, and shall become responsible for the trustee's obligations under this Indenture, the Site Lease and the Lease with like effect as if originally named as Trustee herein and therein. The previous trustee shall execute and deliver to the successor trustee (A) such transfer documents as are necessary to transfer the Trustee's interest in the Leased Property to the successor trustee, (B) an instrument in which the previous trustee resigns as trustee hereunder, as site lessee under the Site Lease, as lessor under the Lease, and (C) at the request of the successor trustee, one or more instruments conveying and transferring to such successor, upon the trusts herein expressed, all the estates, properties, rights, powers and trusts of the previous trustee in the Leased Property, the Trust Estate, this Indenture, the Site Lease and the Lease in a manner sufficient, in the reasonable judgment of the successor trustee, to duly assign, transfer and deliver to the successor all properties and moneys held by the previous trustee in accordance with the laws of the State. Should any other instrument in writing from the previous trustee be required by any successor for more fully and certainly vesting in and confirming to it the rights, title and interest to be transferred pursuant to this Section, the previous trustee shall, at the reasonable discretion and at the request of the successor trustee, make, execute, acknowledge and deliver the same to or at the direction of the successor trustee.

(e) 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 and/or recorded by the successor trustee in each recording office, if any, where this Indenture, the Site Lease and/or the Lease shall have been filed and/or recorded.

Section 6.11. Conversion, Consolidation or Merger of Trustee. Any commercial bank with trust powers 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 or thereto, anything herein or therein to the contrary notwithstanding. In case any of the Certificates to be delivered hereunder shall have been executed, but not delivered, any successor Trustee may adopt the signature of any predecessor Trustee, and deliver the same as executed; and, in case any of such Certificates shall not have been executed, any successor Trustee may execute such Certificates in the name of such successor Trustee.

Section 6.12. Intervention by Trustee. In any judicial proceeding to which the City is a party and which in the opinion of the Trustee and its counsel has a substantial bearing on the interests of the Owners, the Trustee may intervene on behalf of Owners, and shall do so if requested in writing by the Owners of at least 50% in principal amount of Certificates Outstanding and upon receipt by it of assurances or indemnification satisfactory to it that it will be repaid for such action.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.01. Remedies of Trustee Upon the Occurrence of an Event of Default or Event of Nonappropriation. Upon the occurrence of an Event of Default or Event of Nonappropriation:

(a) the Trustee shall be entitled to apply any moneys in any of the funds or accounts created hereunder (except the Rebate Fund and any escrow accounts established pursuant to Section 9.01 hereof) to the payment of the principal of, premium, if any, and interest on the Certificates when due;

(b) the Trustee may, and at the request of the Owners of a majority in principal amount of the Certificates then Outstanding and upon receipt of assurances or indemnification satisfactory to it that it will be repaid for such action, shall, without any further demand or notice, exercise any of the remedies available to it under the Lease; and

(c) the Trustee may take any other action at law or in equity that may appear necessary or desirable to enforce the rights of such Owner.

Section 7.02. Remedies of Trustee Upon Event of Default by the City Under the Site Lease. Upon an event of default by the City under the Site Lease, the Trustee may, and at the request of the Owners of a majority in principal amount of the Certificates then Outstanding and upon receipt of assurances or indemnification satisfactory to it that it will be repaid for such action, shall, without further demand or notice, take any action at law or in equity that may appear necessary or desirable to enforce the rights of the Trustee and the Owners.

Section 7.03. Reserved.

Section 7.04. Reserved.

Section 7.05. Limitations Upon Rights and Remedies of Owners. No Owner of any Certificate 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 6.02(g) 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 Certificates then Outstanding shall have made written request to the Trustee and shall have offered reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit, or proceedings in their own name, and shall have also offered to the Trustee indemnity as provided in Section 7.02 hereof, 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 Certificates 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 Certificates then Outstanding.

Section 7.06. Majority of Owners May Control Proceedings. Anything in this Indenture to the contrary notwithstanding, the Owners of a majority in principal amount of the Certificates 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 the Lease, the Site Lease or 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.

Section 7.07. 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 City or the Leased Property, the Trustee shall, to the extent permitted by law, be entitled to file such proofs of claim 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 for the entire amount due and payable on the Certificates under this Indenture, at the date of the institution of such proceedings and for any additional amounts which may become due and payable by it after such date, without prejudice, however, to the right of any Owner to file a claim in its own behalf.

Section 7.08. Trustee May Enforce Remedies Without Certificates. The Trustee may enforce its rights and remedies under the Lease, the Site Lease and this Indenture without the possession of any of the Certificates or the production thereof in any trial or proceedings relative thereto; and any suit or proceeding instituted by the Trustee shall be brought in its name as Trustee, without the necessity of joining as plaintiffs or defendants any Owners of the Certificates, and any recovery of judgment shall be for the ratable benefit of the Owners, subject to the provisions hereof.

Section 7.09. No Remedy Exclusive. No right or remedy available under this Article or otherwise is intended to be exclusive of any other right or remedy, but each and every such right or remedy shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 7.10. Waivers. The Trustee may in its discretion waive any Event of Default, Event of Nonappropriation or event of default by the City under the Site Lease and its consequences, and, notwithstanding anything else to the contrary contained in this Indenture, shall do so upon the written request of the Owners of a majority in aggregate principal amount of all the Certificates then Outstanding; provided, however, that an Event of Nonappropriation shall not be waived without the consent of the Owners of 100% of the Certificates then Outstanding as to which the Event of Nonappropriation exists, unless prior to such waiver or rescission, all arrears of interest and all arrears of payments of principal and premium, if any, then due, as the case may be (including interest on all overdue installments at the highest rate due on the Certificates), and all expenses of the Trustee in connection with such Event of Nonappropriation shall have been paid or provided for. In case of any such waiver, or in case any proceedings taken by the Trustee on account of any such Event of Default, Event of Nonappropriation or event of default by the City under the Site Lease, shall have been discontinued or abandoned or determined adversely to the Trustee, then and in every such case the Trustee, the Owners and the City shall be restored to their former positions and rights hereunder respectively, but no such waiver or rescission shall extend to any subsequent or other Event of Default, Event of Nonappropriation or event of default by the City under the Site Lease or impair any right consequent thereon.

Section 7.11. 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 Event of Default, Event of Nonappropriation or event of default by the City under the Site Lease shall exhaust or impair any such right or power or shall be construed to be a waiver of any such Event of Default, Event of Nonappropriation or event of default by the City under the Site Lease, 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 7.12. No Waiver of Default or Breach to Affect Another. No waiver of any Event of Default, Event of Nonappropriation or event of default by the City under the Site Lease

shall extend to or affect any subsequent or any other then existing Event of Default, Event of Nonappropriation or event of default by the City under the Site Lease or shall impair any rights or remedies consequent thereon.

Section 7.13. Position of Parties Restored Upon Discontinuance of Proceedings. In case the Trustee or the Owners shall have proceeded to enforce any right under the Lease, the Site Lease or this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Person or Persons enforcing the same, then and in every such case the City, the Trustee and the Owners 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 and the Owners shall continue as if no such proceedings had been taken.

Section 7.14. Purchase of Leased Property by Owner; Application of Certificates Toward Purchase Price. Upon the occurrence of an Event of Default or Event of Nonappropriation and the sale or lease of the Leased Property by the Trustee pursuant to the Lease, any Owner may bid for and purchase or lease the Leased Property; and, upon compliance with the terms of sale or lease, may hold, retain and possess and dispose of such property in his, her, its or their own absolute right without further accountability; and any purchaser or lessee at any such sale may, if permitted by law, after allowing for payment of the costs and expenses of the sale, compensation and other charges, in paying purchase or rent money, turn in Certificates then Outstanding in lieu of cash. Upon the happening of any such sale or lease, the Trustee may take any further lawful action with respect to the Leased Property which it shall deem to be in the best interest of the Owners, including but not limited to the enforcement of all rights and remedies set forth in the Lease, the Site Lease and this Indenture and the taking of all other courses of action permitted herein or therein.

Section 7.15. Force Majeure. Notwithstanding any other provision of this Indenture, the Trustee shall not be obligated to perform any obligation hereunder, and shall not incur any liability for the nonperformance of any obligation hereunder, to the extent that the performance of such obligation is delayed or prevented by Force Majeure.

ARTICLE VIII

SUPPLEMENTAL INDENTURES

Section 8.01. Supplemental Indentures Not Requiring Consent of Owners. The Trustee may, without the consent of, or notice to, the Owners, execute and deliver a Supplemental Indenture for any one or more or all of the following purposes:

(a) to add to the covenants and agreements of the Trustee contained in this Indenture other covenants and agreements to be thereafter observed by the Trustee;

(b) to cure any ambiguity, or to cure, correct or supplement any defect or omission or inconsistent provision contained in this Indenture, or to make any provisions with respect to matters arising under this Indenture or for any other purpose if such provisions are necessary or desirable and do not materially adversely affect the interests of the Owners;

(c) to subject to this Indenture additional revenues, properties or collateral (including release and substitution of property permitted under the Lease);

(d) to set forth the terms and conditions and other matters in connection with the initial delivery of Additional Certificates, pursuant to Section 2.10 hereof, including Additional Certificates bearing interest at a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term thereof and Additional Certificates which by their terms appreciate in value to a stated face amount at maturity;

(e) to effect any change in connection with the preservation of the exclusion from gross income for federal income tax purposes interest on the Certificates; or

(f) to effect any other changes in this Indenture which, in the opinion of Bond Counsel, do not materially adversely affect the rights of the Owners.

Section 8.02. Supplemental Indentures Requiring Consent of Owners.

(a) Exclusive of Supplemental Indentures under Section 8.01 hereof, the written consent of the Owners of not less than a majority in aggregate principal amount of the Certificates Outstanding shall be required for the execution and delivery by the Trustee of any Supplemental Indenture; provided, however, that without the consent of the Owners of all the Certificates Outstanding nothing herein contained shall permit, or be construed as permitting:

(i) a change in the terms of redemption or maturity of the principal amount of or the interest on any Outstanding Certificate, or a reduction in the principal amount of or premium payable upon any redemption of any Outstanding Certificate or the rate of interest thereon, without the consent of the Owner of such Certificate;

(ii) the deprivation as to the Owner of any Certificate Outstanding of the lien created by this Indenture (other than as originally permitted hereby);

(iii) a privilege or priority of any Certificate or Certificates over any other Certificate or Certificates, except as permitted herein; or

(iv) a reduction in the percentage of the aggregate principal amount of the Certificates required for consent to any Supplemental Indenture.

(b) If at any time the Trustee shall propose to execute and deliver any Supplemental Indenture for any of the purposes of this Section, the Trustee shall cause notice of the proposed execution and delivery of such Supplemental Indenture to be mailed to the Owners of the Certificates at the addresses last shown on the registration records of the Trustee or by electronic means to DTC or its successors. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Operations Center of the Trustee for inspection by all Owners. If, within 60 days or such longer period as shall be prescribed by the Trustee following such notice, the Owners of not less than a majority, or, with respect to the

matters specified in paragraphs (i) through (iv) of subsection (a) of this Section, 100%, in aggregate principal amount of the Certificates Outstanding at the time of the execution of any such Supplemental Indenture shall have consented to and approved the execution thereof as herein provided, no Owner shall have any right to object to any of the terms and provisions contained therein, or the operation thereof, or to enjoin or restrain the Trustee from executing the same or from taking any action pursuant to the provisions thereof.

Section 8.03. Execution of Supplemental Indenture. Any Supplemental Indenture executed and delivered in accordance with the provisions of this Article shall thereafter form a part of this Indenture; and all the terms and conditions contained in any such Supplemental Indenture shall be deemed to be part of this Indenture for any and all purposes. In case of the execution and delivery of any Supplemental Indenture, express reference may be made thereto in the text of the Certificates delivered thereafter, if any, if deemed necessary or desirable by the Trustee. As a condition to executing any Supplemental Indenture, the Trustee shall be entitled to receive and rely upon a written opinion of Bond Counsel to the effect that the execution thereof is authorized or permitted under this Indenture and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Certificates.

Section 8.04. Amendments of the Lease or the Site Lease Not Requiring Consent of Owners. The Trustee may, without the consent of or notice to the Owners, amend, change or modify the Lease or the Site Lease as may be required:

- (a) by the provisions of the Lease, the Site Lease or this Indenture;
- (b) for the purpose of curing any ambiguity or formal defect or omission in the Lease or the Site Lease;
- (c) in order more precisely to identify the Site Leased Property or the Leased Property or to add additional or substituted improvements or properties acquired in accordance with the Lease;
- (d) in order to provide for the acquisition, construction or installation of additional property under the Lease;
- (e) in connection with the initial delivery of Additional Certificates, including Additional Certificates bearing interest at a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term thereof and Additional Certificates which by their terms appreciate in value to a stated face amount at maturity;
- (f) in connection with any Supplemental Indenture permitted by this Article;
- (g) to effect any change in connection with the preservation of the exclusion from gross income for federal income tax purposes of interest on the Certificates;
- (h) to effect any change that (i) does not reduce the revenues available to the Trustee from the Lease below the amount required to make all the payments and transfers required by Article III hereof, (ii) does not reduce the value of the Leased Property and

(iii) does not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Certificates;

(i) to effect any change to any project permitted by, and in accordance with the terms of, the Lease, any similar lease or agreement relating to any other project; or

(j) to effect any other change in the Lease, the Site Lease or any related document which, in the opinion of Bond Counsel, does not materially adversely affect the rights of the Owners.

Section 8.05. Amendments of the Lease or the Site Lease Requiring Consent of Owners. Except for the amendments, changes or modifications permitted by Section 8.04 hereof, the Trustee shall not consent to any other amendment, change or modification of the Lease or the Site Lease without notice to and the written approval or consent of the Owners of not less than a majority in aggregate principal amount of the Certificates Outstanding given and procured as provided in Section 8.02 hereof. If at any time the City shall request the consent of the Trustee to any such proposed amendment, change or modification of the Lease or the Site Lease, the Trustee shall, upon receipt of amounts necessary to pay expenses, cause notice of such proposed amendment, change or modification to be given in the same manner as provided in Section 8.02 hereof. Such notice shall briefly set forth the nature of such proposed amendment, change or modification and shall state that copies of the instrument embodying the same are on file at the office of the Trustee designated therein for inspection by all Owners.

Section 8.06. Execution of Amendments to the Lease or the Site Lease. As a condition to executing any amendment to the Lease or the Site Lease, the Trustee shall be entitled to receive and rely upon a written opinion of Bond Counsel to the effect that the execution thereof is authorized or permitted under this Indenture and the Lease or the Site Lease, as applicable, and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Certificates.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Discharge of Indenture.

(a) If, when the Certificates secured hereby shall become due and payable in accordance with their terms or otherwise as provided in this Indenture, the whole amount of the principal of, premium, if any, and interest due and payable upon all of the Certificates shall be paid, or provision shall have been made for the payment of the same, together with all rebate payments due to the United States of America, the fees and expenses of the Trustee and all other amounts payable under the terms of the Lease, this Indenture or any other document have been paid in full, then the right, title and interest of the Trustee in and to the Trust Estate and all covenants, agreements and other obligations of the Trustee to the Owners shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee shall transfer and convey to (or to the order of) the City all property then held in trust by the Trustee pursuant to this Indenture,

and the Trustee shall execute such documents as may be reasonably required by the City and shall turn over to (or to the order of) the City any surplus in any fund, account or subaccount created under this Indenture, except any escrow accounts theretofore established pursuant to this Section.

(b) All or any portion of the Outstanding Certificates shall prior to the maturity or redemption date thereof be deemed to have been paid (“defeased”) within the meaning and with the effect expressed in subsection (a) of this Section if (i) in case such Certificates are to be redeemed on any date prior to their maturity, the Trustee shall have given notice of redemption of such Certificates on said redemption date, such notice to be given on a date and otherwise in accordance with the provisions of Section 4.04 hereof, (ii) there shall have been deposited in trust either moneys in an amount which shall be sufficient, or Defeasance Securities which shall not contain provisions permitting the redemption thereof at the option of the issuer, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held in trust at the same time, shall be sufficient to pay when due the principal of, premium, if any, and interest due and to become due on said Certificates on and prior to the redemption date or maturity date thereof, as the case may be; (iii) the Trustee shall have received (A) a report of an independent firm of nationally recognized certified public accountants (“Accountant”) verifying the sufficiency of the escrow established to pay the Series 2017 Certificates in full on the maturity or redemption date (“Verification”), (B) a defeasance escrow agreement (the “Escrow Agreement”), (C) an opinion of Bond Counsel to the effect that the Certificates are no longer “Outstanding” under this Indenture and that such discharge or defeasance will not constitute a violation by the Trustee of its tax covenant in Section 6.04 hereof, and (D) certificate of discharge of the Trustee with respect to the Series 2017 Certificates; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the City and the Trustee. Neither the Defeasance Securities nor moneys deposited in trust pursuant to this Section or principal or interest payments on any such Defeasance Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of, premium, if any, and interest on said Certificates; provided any cash received from such principal or interest payments on such Defeasance Securities deposited in trust, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Defeasance Securities of the type described in clause (ii) of this subsection maturing at the times and in amounts sufficient to pay when due the principal of, premium, if any, and interest to become due on said Certificates on or prior to such redemption date or maturity date thereof, as the case may be. At such time as any Certificates shall be deemed paid as aforesaid, such Certificates shall no longer be secured by or entitled to the benefits of this Indenture, except for the purpose of exchange and transfer and any payment from such moneys or Defeasance Securities deposited in trust.

(c) Prior to any discharge of this Indenture pursuant to this Section or the defeasance of any Certificates pursuant to this Section becoming effective, there shall have been delivered to the Trustee an opinion of Bond Counsel, addressed to the Trustee to the effect that all requirements of the Indenture for such defeasance have been

complied with and that such discharge or defeasance will not constitute a violation by the Trustee of its tax covenant in Section 6.04 hereof.

(d) In the event that there is a defeasance of only part of the Certificates of any maturity, the Trustee may institute a system to preserve the identity of the individual Certificates or portions thereof so defeased, regardless of changes in Certificate numbers attributable to transfers and exchanges of Certificates.

Section 9.02. Reserved.

Section 9.03. Reserved.

Section 9.04. Notices to Rating Agencies. All notices, certificates or other communications given to the Owners hereunder shall also be given to S&P.

Section 9.05. Further Assurances and Corrective Instruments. So long as this Indenture is in full force and effect, the Trustee shall have full power to carry out the acts and agreements provided herein and will from time to time, execute, acknowledge and deliver or cause to be executed, acknowledged and delivered such supplements hereto and such further instruments as may reasonably be requested by the City for correcting any inadequate or incorrect description of the Trust Estate, or for otherwise carrying out the intention of or facilitating the performance of this Indenture.

Section 9.06. Financial Obligations of Trustee Limited to Trust Estate. NOTWITHSTANDING ANY OTHER PROVISION HEREOF, ALL FINANCIAL OBLIGATIONS OF THE TRUSTEE UNDER THIS INDENTURE, EXCEPT THOSE RESULTING FROM ITS NEGLIGENCE OR WILLFUL MISCONDUCT, ARE LIMITED SOLELY TO THE TRUST ESTATE, AND THERE ARE NO ASSETS AVAILABLE TO PAY THE CERTIFICATES OR ANY OTHER OBLIGATION HEREUNDER OTHER THAN THE TRUST ESTATE.

Section 9.07. Evidence of Signature of Owners and Ownership of Certificates.

(a) Any request, consent or other instrument which this Indenture may require or permit to be signed and executed by the Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys appointed in writing, proof of the execution of any such instrument or of an instrument appointing any such attorney, or the ownership of Certificates shall be sufficient (except as otherwise herein expressly provided) if made in the following manner, but the Trustee may, nevertheless, in its discretion require further or other proof in cases where it deems the same desirable:

(i) the fact and date of the execution by any Owner or his attorney of such instrument may be proved by the certificate of any officer authorized to take acknowledgments in the jurisdiction in which he purports to act that the person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before a notary public; and

(ii) the fact of the ownership by any person of Certificates and the amounts and numbers of such Certificates, and the date of the ownership of the same, may be proved by the registration records of the Trustee.

(b) Any request or consent of the Owner of any Certificate shall bind all transferees of such Certificate in respect of anything done or suffered to be done by the Trustee in accordance therewith.

Section 9.08. 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 Trustee, the Owners of the Certificates and the City, 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 contained by and on behalf of the Trustee shall be for the sole and exclusive benefit of the Owners, the City and the Trustee and their respective successors and assigns.

Section 9.09. Trustee Representative. Whenever under the provisions hereof the approval of the Trustee is required or the Trustee is required to take some action at the request of the City or the Owners, unless otherwise provided, such approval or such request shall be given for the Trustee by the Trustee Representative, and the City and the Owners shall be authorized to act on any such approval or request.

Section 9.10. Titles, Headings, Etc. The titles and headings of the articles, sections and subdivisions of this Indenture have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms or provisions hereof

Section 9.11. Manner of Giving Notices. All notices, certificates or other communications hereunder shall be in writing and shall be deemed sufficiently given when given by Electronic Means or when mailed by first class mail, postage prepaid, addressed as follows: if to the City, to the City of Northglenn, 11701 Community Center Drive, Northglenn, CO 80233, Attention: City Attorney; if to the Trustee, to UMB Bank, n.a., 1670 Broadway, Denver, CO 80202, Attention: Corporate Trust and Escrow Services; and if to S&P, 55 Water Street, New York, New York 10007, Attention: Public Finance. The entities listed above may, by written notice, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

Section 9.12. No Individual Liability. All covenants, stipulations, promises, agreements and obligations of the Trustee, as the case may be, contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Trustee and not of UMB Bank, n.a., in its corporate capacity, or of any member, director, officer, employee, servant or other agent of the Trustee in his or her individual capacity, and no recourse shall be had on account of any such covenant, stipulation, promise, agreement or obligation, or for any claim based thereon or hereunder, against UMB Bank, n.a., in its corporate capacity, or any member, director, officer, employee, servant or other agent of the Trustee or any natural person executing this Indenture or any related document or instrument.

Section 9.13. Events Occurring on Days That Are Not Business Days. If the date for making any payment or the last day for performance of any act or the exercising of any right under this Indenture is a day that is not a Business Day, such payment may be made, such act may be performed or such right may be exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in this Indenture.

Section 9.14. Severability. In the event that any provision of this Indenture, other than the placing of the Trust Estate in trust, shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 9.15. Applicable Law. The laws of the State shall be applied in the interpretation, execution and enforcement of this Indenture.

Section 9.16. Electronic 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.

[Remainder of Page Left Intentionally Blank]

IN WITNESS WHEREOF, the Trustee has executed this Indenture as of the date first above written.

UMB Bank, n.a., as Trustee

By _____
Authorized Signatory

[Signature Page to Indenture of Trust]

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this ____ day of April, 2017, by _____ as an authorized signatory of UMB Bank, n.a., as trustee.

WITNESS MY HAND AND OFFICIAL SEAL, the day and year above written.

[SEAL]

Notary Public

My commission expires:

APPENDIX A

FORM OF SERIES 2017 CERTIFICATE

**Certificate of Participation, Series 2017
evidencing an undivided interest in
the right to receive certain revenues payable by
the City of Northglenn, Colorado
under a Lease Purchase Agreement
dated as of April __, 2017
Between the City and UMB Bank, n.a., as Trustee**

No. R-__ \$_____

Interest Rate	Maturity Date	Original Dated Date	CUSIP
_____%	_____, 20__	April __, 2017	

REGISTERED OWNER: **CEDE & CO.**

TAX IDENTIFICATION NUMBER:

PRINCIPAL AMOUNT: **_____ DOLLARS AND NO CENTS**

THIS CERTIFIES THAT the registered owner specified above, or registered assigns, has an undivided interest in rights to receive certain revenues payable by the City of Northglenn, Colorado (the "City") under a Lease Purchase Agreement dated as of April __, 2017 (as amended or supplemented from time to time, the "Lease") between UMB Bank, n.a., as trustee under the Indenture, defined below, (which bank, together with any successors thereto appointed under the Indenture is referred to in such capacity as the "Trustee"), as lessor, and the City, as lessee. The proportionate interest of the registered owner of this certificate is secured as provided in the Indenture of Trust dated as of April __, 2017 (as amended or supplemented from time to time, the "Indenture") by the Trustee, pursuant to which certain rights of the Trustee as lessee under the Site Lease dated as of April __, 2017 (the "Site Lease") and as lessor under the Lease and certain rights of the Trustee in the property leased to the City pursuant to the Lease (as described in the Lease, the "Leased Property") have been placed in trust for the benefit of the registered owners (the "Owners") of the Certificates of Participation, Series 2017, evidencing undivided interests in the right to receive revenues payable by the City under the Lease (the "Series 2017 Certificates"), in the original aggregate principal amount of \$_____, and any Additional Certificates (as defined in the Indenture) hereafter issued under the Indenture. The Series 2017 Certificates and any Additional Certificates hereafter issued under the Indenture are referred to collectively as the "Certificates". Capitalized terms used but not defined herein have the meaning assigned to them in the Lease and the Indenture.

Payment of Principal and Interest

The Owner of this certificate is entitled to receive, solely out of and to the extent available from the sources hereinafter identified, the Principal Amount specified above on the Maturity Date specified above (or earlier as hereinafter provided) and interest thereon at the Interest Rate specified above, payable on [June 1 and December 1] in each year, commencing on [December 1, 2017]. Principal of this certificate is payable to the Owner hereof in lawful money of the United States of America upon maturity or prior redemption hereof and upon presentation and surrender hereof at the Operations Center of the Trustee in Kansas City, Missouri (the "Operations Center.") Interest on this certificate is payable by check or draft of the Trustee to be mailed on or before each interest payment date (or, if such payment date is not a Business Day, on or before the next succeeding Business Day) to the person in whose name this certificate is registered in the registration records of the Trustee, and at the address appearing thereon, at the close of business on the fifteenth day (whether or not a Business Day) of the month preceding the month in which payment date occurs (the "Record Date"), except that so long as Cede & Co. is the Owner of this certificate, the principal of and interest on this certificate shall be paid by wire transfer to Cede & Co. Any such interest not so timely paid shall cease to be payable to the person who is the Owner hereof at the close of business on the Record Date and shall be payable to the person who is the Owner hereof at the close of business on a Special Record Date, as provided in the Indenture, for the payment of such defaulted interest. Such Special Record Date shall be fixed by the Trustee whenever moneys become available for payment of the defaulted interest, and notice of the Special Record Date shall be given to the Owners of the Certificates not less than 10 days prior to such Special Record Date. Alternative means of payment of interest may be used if mutually agreed to in writing between the Owner of any Certificate and the Trustee, as provided in the Indenture.

No provision of the Certificates, the Indenture, the Lease or the Site Lease dated as of April __, 2017 between the City, as lessor, and the Trustee, as lessee, shall be construed or interpreted (a) to directly or indirectly obligate the City to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (b) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (c) as a delegation of governmental powers by the City; (d) as a loan or pledge of the credit or faith of the City or as creating any responsibility by the City for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution; or (e) as a donation or grant by the City to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution.

Base Rentals and Additional Rentals; Termination of Lease

Under the Lease, the Leased Property has been leased by the Trustee to the City, and the City has agreed, subject to the terms of the Lease, to pay directly to the Trustee rental payments (the "Base Rentals") in consideration of its right to use the Leased Property, which Base Rentals are required by the Indenture to be used by the Trustee to pay the Certificates and interest thereon. In addition to the Base Rentals, the City has agreed, subject to the terms of the Lease, to

make certain other payments (the “Additional Rentals”), including the costs and expenses incurred by the City in performing its obligations under the Lease with respect to the Leased Property, the Project, the Lease, the Site Lease, the Indenture, the Certificates and any matter related thereto; the costs and expenses incurred by the City in paying the reasonable fees and expenses of the Trustee pursuant to the Lease; all amounts paid by the City to the Trustee to fund the Rebate Fund pursuant to the Lease; and all other costs and expenses incurred by the City in connection with the foregoing; provided, however, that Additional Rentals do not include the Base Rentals or the Purchase Option Price.

The Lease is subject to annual termination at the option of the City as provided in the Lease. The obligation of the City to pay Base Rentals and Additional Rentals under the Lease will terminate in the event that the City fails, for any reason, to appropriate by December 31 of each Fiscal Year sufficient amounts authorized and directed to be used to pay all Base Rentals scheduled to be paid in the next ensuing Fiscal Year and all Additional Rentals estimated to be payable in the next ensuing Fiscal Year (as provided in the Lease), and will also terminate upon the occurrence of certain other events as described in the Lease (any such event is referred to herein as an “Event of Nonappropriation”). If the Lease is terminated by the City by reason of an Event of Nonappropriation or is terminated by reason of an Event of Default, the principal amount of this Certificate and interest hereon will be payable from such moneys, if any, as may be available for such purpose, including any moneys received by the Trustee from the sale or lease of the Leased Property. The Trustee may waive an Event of Nonappropriation or an Event of Default under certain circumstances as provided in the Lease and the Indenture.

Under certain circumstances, this certificate and the interest hereon may also be payable from the Net Proceeds of any insurance, performance bonds or condemnation awards, or from Net Proceeds received as a consequence of defaults or breaches of warranty under certain contracts relating to the Leased Property.

The Lease may also be terminated in the event that the City shall exercise its option to purchase the Leased Property by making payment of the Purchase Option Price. In the event that the City shall pay the Purchase Option Price, the proceeds thereof are required to be used to pay the Certificates and interest thereon.

Redemption of Series 2017 Certificates

Optional Redemption of Series 2017 Certificates. The Series 2017 Certificates maturing in the years 201_-20____ are not subject to redemption prior to their respective maturity dates. The Series 2017 Certificate maturing in the years 20____ and thereafter are subject to redemption at the option of the City on [December] __, 20____ and any date thereafter at a redemption price of ____% of their principal amount plus accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption. [to come if issue includes Term Certificates]

Redemption of Series 2017 Certificates in Whole Upon an Event of Nonappropriation or Event of Default. The Series 2017 Certificates shall be called for redemption in whole, at a redemption price determined pursuant to the immediately succeeding paragraph on any date, in

the event of the occurrence of an Event of Nonappropriation or the occurrence and continuation of an Event of Default.

The redemption price for any redemption pursuant to the immediately preceding paragraph shall be the lesser of (a) the principal amount of the Series 2017 Certificates, plus accrued interest to the redemption date (without any premium); or (b) the sum of (i) the amount, if any, received by the Trustee from the exercise of remedies under the Lease with respect to the Event of Nonappropriation or the occurrence and continuation of the Event of Default that gave rise to such redemption and (ii) the other amounts available in the Trust Estate for payment of the redemption price of the Series 2017 Certificates, which amounts shall be allocated among the Series 2017 Certificates in proportion to the principal amount of each Series 2017 Certificate. Notwithstanding any other provision hereof, the payment of the redemption price of any Series 2017 Certificate pursuant to this paragraph shall be deemed to be the payment in full of such Series 2017 Certificate and no Owner of any Series 2017 Certificate redeemed pursuant to this Section shall have any right to any payment from the Trustee or the City in excess of such redemption price.

In addition to any other notice required to be given under the Indenture, the Trustee shall, as soon as reasonably practicable upon the occurrence of an Event of Nonappropriation or an Event of Default, notify the Owners (a) that such event has occurred and (b) whether or not the funds then available to it for such purpose are sufficient to pay the redemption price set forth in clause (a) of the immediately preceding paragraph. If the funds then available to the Trustee are sufficient to pay the redemption price set forth in clause (a) of the immediately preceding paragraph, such redemption price shall be paid as soon as reasonably practicable. If the funds then available to the Trustee are not sufficient to pay the redemption price set forth in clause (a) of the immediately preceding paragraph, the Trustee shall (i) as soon as reasonably practicable pay the portion of the redemption price that can be paid from the funds available, net of any funds which, in the judgment of the Trustee, should be set aside to pursue remedies under the Lease and (ii) subject to the provisions of Article VII of the Indenture, as soon as reasonably practicable begin to exercise and shall diligently pursue all remedies available to them under the Lease in connection of such Event of Nonappropriation or Event of Default. The remainder of the redemption price, if any, shall be paid to the Owners if and when funds become available to the Trustee from the exercise of such remedies.

Notice of Redemption. Notice of the call for any redemption, identifying the Certificates or portions thereof to be redeemed and specifying the terms of such redemption, shall be given by the Trustee by mailing a copy of the redemption notice by United States certified or registered first class mail or by electronic means to DTC or its successors, at least 30 days prior to the date fixed for redemption, and to the Owner of each Certificate to be redeemed at the address shown on the registration books; provided, however, that failure to give such notice, or any defect therein, shall not affect the validity of any proceedings of any Certificates as to which no such failure has occurred.

Any notice given as provided in the immediately preceding paragraph shall be conclusively presumed to have been duly given, whether or not the Owner receives the notice.

If at the time of mailing of notice of redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all the Certificates called for redemption, which moneys are or will be available for redemption of Certificates, such notice will state that it is conditional upon the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Redemption Payments. On or prior to the date fixed for redemption, the Trustee shall apply funds to the payment of the Certificates called for redemption, together with accrued interest thereon to the redemption date, and any required premium. Upon the giving of notice and the deposit of such funds as may be available for redemption pursuant to the Indenture (which, in the case of redemption pursuant to the first paragraph under the caption “Redemption of Series 2017 Certificates in Whole Upon an Event of Nonappropriation or Event of Default,” may be less than the full principal amount of the Outstanding Certificates and accrued interest thereon to the redemption date), interest on the Certificates or portions thereof thus called for redemption shall no longer accrue after the date fixed for redemption.

The Trustee shall pay to the Owners of Certificates so redeemed, the amounts due on their respective Certificates, at the Operations Center of the Trustee upon presentation and surrender of the Certificates.

Transfer and Exchange of Certificates

The Certificates are issuable only as fully registered Certificates in denominations of \$5,000 and any integral multiple thereof. Certificates may be exchanged for an equal aggregate principal amount of fully registered Certificates of the same maturity of other authorized denominations, but only in the manner, subject to the limitations and conditions, and upon payment of the charges provided in the Indenture.

This Certificate is transferable by the Owner hereof in person or by his attorney duly authorized in writing on the registration records kept at the Operations Center of the Trustee upon surrender of this Certificate. Upon such transfer, a new fully registered Certificate or Certificates of the same maturity, of authorized denomination or denominations, for the same aggregate principal amount, will be issued to the transferee in exchange herefor, all upon payment of any reasonable charges and any taxes, transfer fees or other governmental charges required to be paid with respect to such exchange or transfer, and subject to the terms and conditions set forth in the Indenture. The Trustee may deem and treat the person in whose name this Certificate is registered as the absolute owner hereof, for the purpose of receiving payment and for all other purposes.

The Trustee will not be required to transfer or exchange (a) all or any portion of any Certificate during the period beginning at the opening of business 15 days before the day of the mailing by the Trustee of notice calling any Certificates for prior redemption and ending at the close of business on the day of such mailing, or (b) all or any portion of a Certificate after the mailing of notice calling such Certificate or any portion thereof for prior redemption.

Amendments to Indenture, Site Lease and Lease

The Indenture permits amendments thereto and to the Site Lease and the Lease, upon the agreement of the City and the Trustee and with the approval of the Owners of not less than a majority or, in certain instances, 100% in aggregate principal amount of the Certificates at the time Outstanding, as defined in the Indenture. The Indenture also contains provisions permitting the City and the Trustee to enter into amendments to the Indenture, the Site Lease and the Lease without the consent of the Owners of the Certificates for certain purposes, including, without limitation, the issuance of Additional Certificates. The Indenture requires the written consent of the Trustee to any amendment of the Indenture, the Site Lease or the Lease which modifies the rights, duties or immunities of the Trustee.

Additional Certificates; Other Terms of the Indenture

The Indenture permits the issuance of Additional Certificates from time to time under certain terms and conditions, and if issued, such Additional Certificates will be proportionately and ratably secured under and entitled to the protection given by the Indenture with the Series 2017 Certificates. Reference is hereby made to the Indenture for a description of the rights, duties and obligations of the City, the Trustee and the Owners, the terms upon which Additional Certificates may be issued, the terms upon which the Certificates and any Additional Certificates are secured, the terms and conditions upon which the Certificates will be deemed to be paid at or prior to maturity or redemption of the Certificates upon the making of provision for the full or partial payment thereof, and the rights of the Owners upon the occurrence of an Event of Default or an Event of Nonappropriation.

THE INDENTURE CONSTITUTES THE CONTRACT BETWEEN THE REGISTERED OWNER OF THIS CERTIFICATE AND THE TRUSTEE. THIS CERTIFICATE IS ONLY EVIDENCE OF SUCH CONTRACT AND, AS SUCH, IS SUBJECT IN ALL RESPECTS TO THE TERMS OF THE INDENTURE, WHICH SUPERSEDES ANY INCONSISTENT STATEMENT IN THIS CERTIFICATE.

This Certificate is issued with the intent that the laws of the State of Colorado shall govern its legality, validity, enforceability and construction.

This Certificate shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Lease or the Indenture, unless it shall have been manually signed on behalf of the Trustee.

IN WITNESS WHEREOF, this Certificate has been executed with the manual signature of an authorized signatory of the Trustee as of the date specified above.

UMB BANK, n.a., as Trustee

By _____
Authorized Signatory

ASSIGNMENT

(The Trustee may require the payment, by the Owner of any Certificate requesting transfer, of any reasonable charges, as well as any taxes, transfer fees or other governmental charges required to be paid with respect to such transfer.)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ the within Certificate and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Certificate on the records kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed by a Member
of a Medallion Signature Program:

Address of transferee:

Social Security or other tax
identification number of transferee:

NOTE: The signature to this Assignment must correspond with the name as written on the face of the within Certificate in every particular, without alteration or enlargement or any change whatsoever.

APPENDIX B

DESCRIPTION OF THE SITE LEASED PROPERTY

APPENDIX C

FORM OF REQUISITION

City of Northglenn, Colorado
Requisition No. ____

UMB Bank, n.a.
1670 Broadway
Denver, CO 80202
Attention: Corporate Trust and Escrow Services

The undersigned City of Northglenn, Colorado (the "City"), under a Lease Purchase Agreement dated April __, 2017 (the "Lease") between UMB Bank, n.a., as lessor, and the City, as lessee, hereby requisitions the following sum from the Construction Fund established under the Indenture of Trust dated April __, 2017 (the "Indenture") by UMB Bank, n.a., as Trustee, and in connection with such request, certifies and warrants as follows:

Total Requisition Amount: \$ _____

Name and Address of Payee: _____

The sum of \$ _____ by wire transfer to:

Account Name: _____
Bank Name: _____
Address _____

ABA No.: _____

Account Number: _____

Reference: _____

Name and Address of Payee: _____

The sum of \$ _____ by wire transfer to:

Account Name: _____
Bank Name: _____
Address _____

ABA No.: _____

Account Number: _____

Reference: _____

The City further certifies and warrants that (a) the obligation described above has been properly incurred, is a proper charge against the Construction Fund and has not been the basis of any previous withdrawal or requisition; (b) all conditions required by the Lease to be met prior to the disbursement of the above amount have been satisfied; (c) the disbursement requested is due and payable and will be used for "Costs of the Project" permitted under the Lease; (d) each item for which this payment or reimbursement is proposed to be made is or was reasonable and necessary in connection with the design, planning, acquisition, construction, improvement or equipping of the Project; and (e) the requirements of all applicable contracts related hereto with respect to lien waivers for work on the Project have been met.

The City has attached hereto a copy of each Payee's Form W-9 or Form W-8, as applicable (unless previously provided). The City further acknowledges the Trustee cannot process such disbursement request until the Trustee is in receipt of a valid Form W-9 or Form W-8, as applicable, in accordance with Internal Revenue Service regulations and the Foreign Account Tax Compliance Act.

CITY OF NORTHGLENN,
COLORADO

Date: _____ By: _____
Authorized Person

Attach: Invoice supporting payment

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED _____, 2017

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions and assuming the accuracy of certain representations and continuing compliance with certain covenants, the portion of the Base Rentals paid by the City with respect to the Series 2017 Certificates which is designated and paid as interest, as provided in the Lease, and received by the Owners of the Series 2017 Certificates (the “Interest Portion”), is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. Bond Counsel is also of the opinion that, under existing State of Colorado statutes, to the extent the Interest Portion is excludable from gross income for federal income tax purposes, such Interest Portion is excludable from gross income for Colorado income tax purposes and from the calculation of Colorado alternative minimum taxable income. For a more complete description of such opinions of Bond Counsel, see “TAX MATTERS” herein.

KUTAK ROCK LLP
DRAFT 02/___/17

\$19,620,000*

Certificates of Participation, Series 2017
Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues Payable
Pursuant to a Lease Purchase Agreement
Dated as of April , 2017
Between UMB Bank, n.a., as Trustee, and the
City of Northglenn, Colorado

Dated: Date of Delivery

Due: [December 1], as shown below

The Series 2017 Certificates, evidencing proportionate undivided interests in the right to receive certain revenues payable by the City of Northglenn, Colorado under a Lease Purchase Agreement dated as of April __, 2017, will be delivered pursuant to an Indenture of Trust dated as of April __, 2017, by UMB Bank, n.a., Denver, Colorado, solely in its capacity as trustee, in fully registered form in denominations of \$5,000 or any integral multiple thereof. Interest on the Series 2017 Certificates, at the rates set forth below, is payable on June 1, 2017 and semiannually thereafter each June 1 and December 1 to and including the maturity dates shown below, unless the Series 2017 Certificates are redeemed earlier. The Depository Trust Company, New York, New York, will act as securities depository for the Series 2017 Certificates, and the Series 2017 Certificates will be registered in the name of Cede & Co., as nominee of DTC. Purchasers of the Series 2017 Certificates will not receive physical certificates evidencing their ownership interests in the Series 2017 Certificates.

Maturity Schedule:

<u>Year</u>	<u>Amount*</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP®</u>	<u>Year</u>	<u>Amount*</u>	<u>Rate</u>	<u>Yield</u>	<u>CUSIP®</u>
2017	\$ 425,000	%	%		2026	\$ 920,000	%	%	
2018	680,000				2027	965,000			
2019	700,000				2028	1,015,000			
2020	720,000				2029	1,065,000			
2021	745,000				2030	1,120,000			
2022	770,000				2031	1,175,000			
2023	805,000				2032	1,235,000			
2024	835,000				2033	1,295,000			
2025	875,000				2034	1,360,000			

\$2,915,000 ____% Term Certificates due December 1, 2036 Price: ____% CUSIP:

The Series 2017 Certificates are subject to optional redemption prior to maturity under certain circumstances as described under the caption “THE SERIES 2017 CERTIFICATES—Redemption.”

The Series 2017 Certificates are issued for the purpose of (a) financing the construction of the City’s new Justice Center, for the use of the City government as described under the caption “USE OF PROCEEDS; and (b) paying expenses of issuance of the Series 2017 Certificates. The Series 2017 Certificates are payable solely from: (i) annually appropriated Base Rentals and any Purchase Option Price paid by the City under the Lease; (ii) moneys held by the Trustee under the Indenture; and (iii) following an Event of Nonappropriation or an Event of Default under the Lease, any moneys received by the Trustee from the exercise of the remedies under the Lease and the Indenture. The Lease is subject to annual renewal by the City.

Neither the Lease nor any Series 2017 Certificate constitutes a multiple fiscal-year direct or indirect debt or other financial obligation of the City or obligates the City to make any payment beyond those appropriated for any fiscal year in which the Lease is in effect.

This cover page is not a summary of the issue. Investors should read the Official Statement in its entirety to make an informed investment decision.

The Series 2017 Certificates are offered when, as and if issued by the City and accepted by the Underwriter named below, subject to approval of validity by Kutak Rock LLP, Bond Counsel, and certain other conditions. Kutak Rock LLP has also been retained to assist the City in the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the City Attorney. Stifel, Nicolaus & Company, Incorporated, has acted as financial advisor to the City in connection with the Series 2017 Certificates. Delivery of the Series 2017 Certificates through DTC in New York, New York, is expected on or about April , 2017.

[UNDERWRITER]

This Official Statement is dated _____, 2017

¹ The City assumes no responsibility for the accuracy of the CUSIP number, which is included solely for the convenience of Owners of the Series 2017 Certificates.

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* Preliminary; subject to change

No dealer, salesman, or other person has been authorized to give any information or to make any representation with respect to the Series 2017 Certificates which is not contained in this Official Statement, and, if given or made, such other information or representation must not be relied upon as having been authorized by the City. The information in this Official Statement is subject to change and neither the delivery of this Official Statement nor any sale made after any such delivery shall, under any circumstances, create any implication that there has been no change since the date of this Official Statement. This Official Statement shall not constitute an offer to sell or the solicitation of any offer to buy, and there shall be no sale of any of the Series 2017 Certificates, by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation, or sale.

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NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR THE SECURITIES REGULATORY AUTHORITY OF ANY STATE HAS APPROVED OR DISAPPROVED THE SERIES 2017 CERTIFICATES OR THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

SUMMARY OF THE OFFICIAL STATEMENT

The Series 2017

Certificates..... The Certificates of Participation, Series 2017 (the “Series 2017 Certificates”) are being issued in the aggregate principal amount of \$19,620,000* in book entry form only through the facilities of the Depository Trust Company. The Series 2017 Certificates, together with any other certificates of participation issued under the Indenture (defined below) are referred to collectively as the “Certificates.”

Plan and Purpose

Of Financing..... The Series 2017 Certificates are issued for the purpose of: (a) financing the construction of the City’s new Justice Center, for use by the City government as described under the caption “USE OF PROCEEDS” and (b) paying expenses of issuance of the Series 2017 Certificates.

The City The City of Northglenn, Colorado (the “City”) is located within the Denver, Colorado metropolitan area. It currently has an estimated population of 38,648 persons and covers an area of 7.5-square miles. The City is a home rule city and operates under a council-manager form of government. See “THE CITY.”

The Trustee..... UMB Bank, n.a., Denver, Colorado (the “Trustee”), is a national banking association organized under the laws of the United States of America. The Trustee is acting as trustee under an Indenture of Trust dated as of April __, 2017 (the “Indenture”), pursuant to which the Series 2017 Certificates are being issued, and all references herein to the “Trustee” refer to the Trustee acting solely in that capacity

Redemption..... The Series 2017 Certificates are subject to redemption prior to maturity under the circumstances described under the caption “THE SERIES 2017 CERTIFICATES—Redemption.”

Security The Series 2017 Certificates are payable solely from (a) annually appropriated Base Rentals and any Purchase Option Price paid by the City under the Lease Purchase Agreement dated as of April __, 2017, (the “Lease”) between the Trustee, as lessor, and the City, as lessee; (b) moneys held by the Trustee in the Series 2017 Certificate Fund and the Series 2017 Construction Fund created under the Indenture; and (c) following an Event of Nonappropriation or an Event of Default under the Lease, any moneys received by the Trustee from the assignment or sublease, or sale of the Trustee’s interest in the Leased Property (as defined below in the next succeeding paragraph) or the exercise of other remedies under the Lease and the Indenture.

The City has leased certain land and existing improvements (the “Leased Property”) to the Trustee pursuant to a Site Lease dated as of April __, 2017 (the “Site Lease”) between the City, as site lessor, and the Trustee, as site lessee. The property leased back by the Trustee to the City pursuant to the Lease consists of the Trustee’s leasehold interest, pursuant to the Site Lease, in the Leased Property together with the improvements financed by the Series

* Preliminary; subject to change.

2017 Certificates. See “THE LEASED PROPERTY,” “THE SITE LEASE” and Appendix B.

The City may pay Base Rentals under the Lease from any legally available amounts annually appropriated by the City for such payment. The City currently expects to pay Base Rentals from its General Capital Projects Fund. The Lease is subject to annual renewal by the City. See “THE SERIES 2017 CERTIFICATES—Security.”

Risk Factors..... Investment in the Series 2017 Certificates involves various investment risks which are discussed throughout this Official Statement, including those described under the caption “RISK FACTORS”.

**Tax Treatment of
Interest on the Series**

2017 Certificates..... To the extent designated and paid as interest, interest on the Series 2017 Certificates, in the opinion of Bond Counsel, is excludable from gross income for federal income tax purposes, is exempt from State of Colorado income tax, is not a specific preference item for purposes of the federal alternative minimum tax, and is excluded from the computation of State of Colorado alternative minimum tax. Such conclusions assume continuing compliance by the City with its covenants, and may be subject to substantial limitations and exceptions in the case of particular taxpayers. See “TAX MATTERS.”

Professional

Services The professional firms participating in the initial offering of the Series 2017 Certificates are as follows:

Financial Advisor: Stifel, Nicolaus & Company, Incorporated
1401 Lawrence Street, Suite 900
Denver, CO 80202
Telephone: (303) 296-2300

Underwriter: [Update]
[Update]
[Update]
[Update]

Bond Counsel: Kutak Rock LLP
Suite 3000
1801 California Street
Denver, CO 80202
Telephone: (303) 297-2400

**Additional Information;
Continuing Disclosure**

Undertaking..... Additional information concerning the City and the Series 2017 Certificates may be obtained from the Director of Finance of the City at 11701 Community Center Drive, Northglenn, Colorado 80233, telephone: 303.451.8326. The City will enter into an undertaking pursuant to Securities and Exchange Commission Rule 15c2-12 to provide certain information concerning the Series 2017 Certificates

on a continuing basis. See “THE SERIES 2017 CERTIFICATES—Continuing Disclosure Undertaking.”

THE FOREGOING INFORMATION IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO THE DETAILED INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT. EACH PROSPECTIVE INVESTOR SHOULD READ THE OFFICIAL STATEMENT IN ITS ENTIRETY.

OFFICIAL STATEMENT

Relating to

\$19,620,000*

Certificates of Participation, Series 2017

**Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues Payable
Pursuant to a Lease Purchase Agreement**

Dated as of April __, 2017

**Between UMB Bank, n.a., as Trustee and the
City of Northglenn, Colorado**

INTRODUCTION

Generally

This Official Statement, including its Cover Page and Appendices, is provided in connection with the offering of \$19,620,000* principal amount of Certificates of Participation, Series 2017 (the “Series 2017 Certificates”) evidencing proportionate undivided interests in rights to receive certain revenues pursuant to the Lease described below. The Series 2017 Certificates are to be issued for the purpose of financing the Project (as defined under the caption “USE OF PROCEEDS–The Project”) and paying expenses of issuance of the Series 2017 Certificates.

The Series 2017 Certificates evidence proportionate undivided interests in rights to receive certain revenues pursuant to a Lease Purchase Agreement dated as of April __, 2017 (the “Lease”) between UMB Bank, n.a., Denver, Colorado, (the “Trustee”) as lessor and the City of Northglenn, Colorado (the “City”), a political subdivision of the State of Colorado (the “State”), as lessee.

Neither the Lease nor any Series 2017 Certificate constitutes a general obligation or other indebtedness of the City. Neither the Lease nor any Series 2017 Certificate constitutes a multiple fiscal year direct or indirect debt or other financial obligation of the City or obligates the City to make any payments beyond those appropriated for any fiscal year in which the Lease is in effect. The Lease is subject to annual renewal by the City.

Plan of Finance

The Series 2017 Certificates are being issued for the purpose of: (a) financing the construction of the City’s new Justice Center, for use by the City government (see “USE OF PROCEEDS–The Project”); and (b) paying expenses of issuance of the Series 2017 Certificates. Unless otherwise defined herein, capitalized terms used herein are defined in Appendix B under the caption “—Definitions.”

This Official Statement contains information about the City, the Lease, the Indenture and other matters pertinent to the offering of the Series 2017 Certificates. The references to and summaries of provisions of the laws of the State and the descriptions of documents included herein do not purport to be complete and are qualified in their entirety by reference to the complete provisions thereof, copies of which are available from the City during the period of the initial offering of the Series 2017 Certificates.

* Preliminary; subject to change.

The City's obligation to make Base Rental Payments under the Lease is subject to annual appropriation by the City Council (the "Council") of the City for such purpose.

RISK FACTORS

THE PURCHASE AND OWNERSHIP OF THE SERIES 2017 CERTIFICATES ARE SUBJECT TO VARIOUS RISKS WHICH ARE DESCRIBED THROUGHOUT THIS OFFICIAL STATEMENT. EACH PROSPECTIVE INVESTOR IN THE SERIES 2017 CERTIFICATES SHOULD READ THIS OFFICIAL STATEMENT IN ITS ENTIRETY, GIVING PARTICULAR ATTENTION TO THE FACTORS DESCRIBED BELOW WHICH, AMONG OTHERS, COULD AFFECT THE PAYMENT OF BASE RENTALS ON THE SERIES 2017 CERTIFICATES AND COULD ALSO AFFECT THE MARKETABILITY OF THE SERIES 2017 CERTIFICATES TO AN EXTENT THAT CANNOT BE DETERMINED.

Special and Limited Obligations. The Series 2017 Certificates evidence undivided interests in rights to receive revenues under the Lease. The Series 2017 Certificates are payable solely from revenues under the Lease Series 2017 (which consist primarily of Base Rentals) received by the Trustee. All payment obligations of the City under the Lease, including but not limited to payment of Base Rentals, are from year to year only and do not constitute a mandatory charge or requirement in any year beyond the City's then current fiscal year. Any legally available moneys may be applied to the City's payment obligations pursuant to the Lease. However, neither the City, nor the Trustee on its behalf, has pledged the faith or credit of the City to the payment of the City's obligations under the Lease. No directors, officers, employees, attorneys or agents of the City are subject to any pecuniary liability by virtue of the Series 2017 Certificates, the Indenture, the Lease or the Site Lease. See "THE SERIES 2017 CERTIFICATES" and "CITY FINANCIAL INFORMATION."

Right of the City To Renew the Lease Annually. The obligation of the City to pay Base Rentals and Additional Rentals is limited to those moneys of the City which are specifically budgeted and appropriated by the Council for such purpose. Accordingly, nonrenewal of the Lease would mean the loss of occupancy of the Leased Property by the City. The Lease directs the officer of the City at the time charged with the responsibility of formulating budget proposals to include in the budget proposals submitted to the Council, in any year in which the Lease is in effect, items for all payments required for the ensuing fiscal year under the Lease, so that the decision to renew the Lease is to be made solely by the Council and not by any other officer of the City. The Lease declares that the present intention and expectation of the Council is that the Lease will be renewed annually until the leasehold interest in the Leased Property is acquired by the City pursuant to the Lease. This declaration is not, however, binding upon the current or any future Council.

The obligations of the City to make payments under the Lease are from year to year only and the City is not obligated to levy taxes or apply its general resources to make such payments beyond the then current fiscal year. Except to the extent payable from the Net Proceeds of certain insurance policies and condemnation awards, from the Net Proceeds of subleasing of the Leased Property or from other amounts made available under the Indenture, the Series 2017 Certificates and the interest thereon are payable solely from the Revenues derived from the Lease, which consist principally of the Base Rentals and the Purchase Option Price, if paid. The payment of Base Rentals and Additional Rentals under the Lease constitutes a currently budgeted expenditure of the City, payable only if funds are appropriated by the Council in each year.

There is no assurance that the City will renew the Lease, and there is no penalty to the City if the obligations of the City under the Lease are not renewed on an annual basis by the City. Accordingly, the likelihood that the Lease will continue in effect until the Series 2017 Certificates are paid is dependent

upon factors which are beyond the control of the Owners of the Series 2017 Certificates. These factors include but are not limited to (a) the continuing need of the City for facilities such as the Leased Property, and (b) the continued ability of the City to generate sufficient funds from taxes and other sources to pay obligations associated with the Lease and other obligations of the City.

Payment of the principal of and interest on the Series 2017 Certificates following an Event of Nonappropriation or an Event of Default under the Lease will be dependent upon the ability of the Trustee to relet or dispose of its interest in the Leased Property, as to which no assurance can be given.

Results of Nonrenewal of the Lease. In the event that the City does not budget and appropriate, specifically with respect to the Lease, on or before the last day of each fiscal year, moneys sufficient to pay all Base Rentals and the reasonably estimated Additional Rentals coming due for the ensuing fiscal year, an “Event of Nonappropriation” is deemed to have occurred. See Appendix B under the captions “—The Lease—Base Rentals and Additional Rentals” and “—The Lease—Nonappropriation” herein for a discussion of the results of an Event of Nonappropriation, and the ability of the Trustee to waive, under certain circumstances, the effects of the occurrence of an Event of Nonappropriation without notice to or the consent of the Owners of the Series 2017 Certificates.

If the Lease is not renewed because an Event of Nonappropriation has occurred, or is terminated because an Event of Default has occurred, the City is required to vacate or surrender possession of the Leased Property (a) by the end of the forty fifth day of the fiscal year in respect of which an Event of Nonappropriation occurs; or (b) within 30 days after notice by the Trustee, in the case of an Event of Default. The City may also terminate the Lease as a result of certain events described herein in Appendix B under the caption “—The Lease—Damage, Destruction and Condemnation.” Upon an Event of Nonappropriation or an Event of Default the Trustee may be required to relet or dispose of its interest in the Leased Property. The Net Proceeds from the sale of the Leased Property, along with other moneys then held by the Trustee under the Indenture (with certain exceptions as provided in the Lease and the Indenture), are required to be used to redeem all Certificates pro rata to the extent of such moneys. See the caption “THE SERIES 2017 CERTIFICATES—Redemption—Extraordinary Mandatory Redemption.”

Limited Alternate Use of Portions of the Leased Property. The Leased Property consists of real property and improvements of particular design and used for City purposes. Because of their configuration and contemplated use, portions of the Leased Property may not be easily converted to alternate uses. The real property constituting the Leased Property is specifically zoned as described under the caption “THE LEASED PROPERTY.” The City has not and may not have the authority to bind itself to rezone the real property constituting the Leased Property. A potential purchaser of the Series 2017 Certificates should not assume that it will be possible to dispose of any interest in the Leased Property after an Event of Nonappropriation or an Event of Default (a) for an amount equal to the aggregate principal amount of the Series 2017 Certificates then outstanding plus accrued interest thereon and other amounts owing under the Lease and the Indenture; or (b) within a time period that would prevent a default in the timely payment of the Series 2017 Certificates. If the Series 2017 Certificates are redeemed subsequent to an Event of Nonappropriation or an Event of Default for an amount less than the aggregate principal amount thereof and accrued interest thereon, no Owner of any Certificate has any further claim for payment against the Trustee or the City.

Insurance. The Leased Property is to be insured by policies of casualty and property insurance or a self-insurance program, as described in “APPENDIX B—SUMMARIES OF CERTAIN PROVISIONS OF LEGAL DOCUMENTS—The Lease—Insurance.” In the event of the damage to, destruction of, or the discovery of a defect in construction with respect to, any of the Leased Property, and if the Net Proceeds from such insurance policies or certain other sources are insufficient to repair or

replace such Leased Property, the City may terminate its obligations under the Lease with respect to such Leased Property by paying such Net Proceeds into the Certificate Fund. If the City exercises its option to terminate the Lease with respect to any of the Leased Property in such an event, such Leased Property is required to be subleased or the Trustee's interest by the Trustee under certain circumstances and the proceeds of such subleasing or sale are required to be applied to the redemption of the Series 2017 Certificates. See the caption "THE SERIES 2017 CERTIFICATES—Redemption—Extraordinary Mandatory Redemption."

Enforceability of Remedies. A termination of the Lease Term as a result of an Event of Nonappropriation or an Event of Default will give the Trustee the right to possession of, and the right to sublease, the Leased Property in accordance with the provisions of the Lease and the Indenture. The enforceability of the Lease, the Indenture and the Series 2017 Certificates is subject to applicable bankruptcy laws, principles of equity affecting the enforcement of creditors' rights generally and liens securing such rights, the police powers of the State and its political subdivisions and judicial discretion. Because of the delays inherent in enforcing the remedies of the Trustee upon the Leased Property through the courts, a potential purchaser of the Series 2017 Certificates should not anticipate that the remedies of the Trustee could be accomplished rapidly. Any delays in the ability of the Trustee to resolve its claim to possession of or title to the Leased Property may result in delays in the payment of the Series 2017 Certificates. No reserve fund is being established in connection with the Series 2017 Certificates.

Risk of Redemption Prior to Maturity. In considering whether the Series 2017 Certificates might be redeemed prior to maturity, Owners of the Series 2017 Certificates should consider the information included in this Official Statement under the caption "THE SERIES 2017 CERTIFICATES—Redemption." Except in a case where the Leased Property is foreclosed upon producing insufficient proceeds to pay all amounts owing to the Owners, the effect on Owners of such mandatory redemption would likely be the same as an early redemption at par.

No Waiver of Condemnation by the City. As a Colorado political subdivision with condemnation powers, the City may be able to assert various claims to possession of the Leased Property which may be superior to the Trustee's rights to possess and dispose of its interest in the Leased Property under the Lease and the Indenture. The City has not waived, and may not have authority to waive, its rights to assert such claims in the future. The City is aware of at least one instance in which a Colorado municipality attempted to condemn leased property. The Lease provides that in the event of a condemnation of the Leased Property by the City, the City has agreed that the value of the condemned portion of the Leased Property will not be less than the greater of (a) if the Series 2017 Certificates are then subject to redemption under the Indenture, the redemption price of the Series 2017 Certificates that are attributable to the condemned property or (b) if the Series 2017 Certificates are not then subject to redemption, the amount necessary to defease the Series 2017 Certificates attributable to the condemned property to the first date on which the Series 2017 Certificates are subject to redemption under the Indenture.

Effects on the Series 2017 Certificates of an Event of Nonappropriation or an Event of Default. Bond Counsel will not render any opinion with respect to the applicability or inapplicability of the registration requirements of the Securities Act of 1933, as amended, to transfers of Series 2017 Certificates subsequent to a termination of the Lease by reason of an Event of Nonappropriation or an Event of Default. If the Lease is terminated by reason of an Event of Nonappropriation or an Event of Default, there is no assurance that the Series 2017 Certificates may be transferred without compliance with the registration provisions of the Securities Act of 1933, as amended, or applicable state laws, or the availability of an exemption therefrom.

In addition, Bond Counsel will express no opinion as to the treatment for federal or state income tax purposes of any amounts received by the Owners of the Series 2017 Certificates subsequent to a termination of the City's obligation under the Lease. There is no assurance that amounts received by the Owners of the Series 2017 Certificates as interest subsequent to an Event of Nonappropriation or an Event of Default will be excludable from gross income for purposes of federal and State of Colorado income taxation.

THE SERIES 2017 CERTIFICATES

The Series 2017 Certificates are issuable solely as fully registered certificates of participation in the denomination of \$5,000 or integral multiples thereof. The Series 2017 Certificates are dated, mature and bear interest as described on the cover page hereof.

Security

The Series 2017 Certificates are payable solely from (a) annually appropriated Base Rentals and the Purchase Option Price, if any, paid by the City under the Lease; (b) moneys held by the Trustee in the Series 2017 Certificate Fund created under the Indenture; and (c) following an Event of Nonappropriation or an Event of Default under the Lease, any moneys received by the Trustee from the sublease or sale or assignment of the Leased Property or the exercise of other remedies under the Lease and the Indenture. See "THE SERIES 2017 CERTIFICATES—Redemption" and Appendix B under the caption "—The Lease—Purchase Option." See also "RISK FACTORS—Right of the City To Renew the Lease Annually" and "—Results of Nonrenewal of the Lease." No provision of the Series 2017 Certificates, the Indenture, the Lease, or the Site Lease is to be construed or interpreted (i) to directly or indirectly obligate the City to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (ii) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (iii) as a delegation of governmental powers by the City; (iv) as a loan or pledge of the credit or faith of the City or as creating any responsibility by the City for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution; or (v) as a donation or grant by the City to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution.

Base Rentals and Purchase Option Price. The Trustee will hold in trust, for the benefit of the Owners of the Series 2017 Certificates, the right to receive Base Rentals payable by the City under the Lease. The amount and timing of Base Rental payments are designed to provide sufficient moneys to the Trustee to pay the principal of and interest on the Series 2017 Certificates when due. Pursuant to the Lease, the City is entitled to a credit against the Base Rentals payable on any payment date for amounts on deposit in the Series 2017 Certificate Fund representing (a) accrued interest, if any, from the sale of Series 2017 Certificates; (b) earnings from the investment of moneys in the Series 2017 Certificate Fund; and (c) any moneys delivered to the Trustee by the City or any other Person that are accompanied by instructions to apply the same to the payment of Base Rentals or to deposit the same in the Series 2017 Certificate Fund. See "—Series 2017 Certificate Fund" below under this caption. Any legally available moneys may be applied to the City's payment obligations pursuant to the Lease.

The Purchase Option Price, which is payable only if and when the City exercises its option to purchase the Leased Property pursuant to the Lease, is designed to provide sufficient moneys to the Trustee to pay the redemption price of Series 2017 Certificates or to defease the Series 2017 Certificates through maturity or the next redemption date. See Appendix B.

The Lease does not prohibit the City from entering into other lease purchase agreements with the Trustee or any other lessor in connection with real or personal property other than the Leased Property.

Series 2017 Certificate Fund. The Indenture creates the Series 2017 Certificate Fund and requires that the Trustee deposit into the Interest Account of the Series 2017 Certificate Fund (a) all accrued interest and capitalized interest, if any, received at the time of the initial delivery of the Series 2017 Certificates; (b) that portion of each payment of Base Rentals made by the City which is designated and paid as the interest component thereof under the Lease; and (c) all other moneys received by the Trustee under the Indenture accompanied by directions that such moneys are to be deposited into the Interest Account of the Series 2017 Certificate Fund.

The Trustee is required by the Indenture to deposit into the Principal Account of the Series 2017 Certificate Fund (a) that portion of each payment of Base Rentals made by the City which is designated and paid as the principal component thereof under the Lease; and (b) all other moneys received by the Trustee under the Indenture accompanied by directions that such moneys are to be deposited into the Principal Account of the Series 2017 Certificate Fund.

Moneys in the Interest Account of the Series 2017 Certificate Fund are to be used solely for the payment of interest on the Series 2017 Certificates and moneys in the Principal Account of the Series 2017 Certificate Fund are to be used solely for the payment of the principal of and premium, if any due on the Series 2017 Certificates; provided that (a) in the event that there are any remaining moneys upon payment of the interest due on the Series 2017 Certificates, such moneys may be used for the payment of principal of any premium, if any, due on the Series 2017 Certificates; (b) moneys representing accrued interest received at the time of the initial delivery of any series of the Series 2017 Certificates are to be used solely to pay the first interest due on such Series 2017 Certificates; and (c) the Purchase Option Price and any other moneys transferred to the Series 2017 Certificate Fund with specific instructions that such moneys be used to pay the redemption price of the Series 2017 Certificates are to be used solely to pay the redemption price of the Series 2017 Certificates and to pay the principal of, premium if any, and interest on any Series 2017 Certificates following an Event of Default or Event of Nonappropriation.

Payment of Principal, Redemption Price and Interest

While the Series 2017 Certificates remain in book entry only form, payments to Beneficial Owners are governed by the rules of DTC as described in “APPENDIX F—BOOK-ENTRY-ONLY SYSTEM.” If DTC ceases to act as depository for the Series 2017 Certificates, payment may be made as described below.

The principal or redemption price, if any, of, and interest on, the Series 2017 Certificates is to be paid by check or draft mailed to each Owner of a Series 2017 Certificate. The Trustee and the Paying Agent may treat each Owner of a Series 2017 Certificate appearing on the registration books maintained by the Paying Agent as the absolute owner of such Series 2017 Certificate for all purposes and are not affected by any notice to the contrary.

Any Series 2017 Certificate delivered in transfer or exchange bears interest (a) from the date of execution, if executed on an Interest Payment Date to which interest has been paid; or (b) from the last preceding Interest Payment Date to which interest has been paid (or from the date of their original delivery if no interest thereon has been paid) in all other cases.

Interest on any Series 2017 Certificate is to be paid to the Owner of such Series 2017 Certificate as shown on the registration books kept by the Paying Agent as of the close of business on the “regular record date,” which is the first day of the calendar month next preceding each Interest Payment Date.

If the funds available under the Indenture are insufficient on any Interest Payment Date to pay the interest then due, such interest is payable to the Owners of the Series 2017 Certificates shown on the registration books as of a “special record date.” If sufficient funds for the payment of such overdue interest thereafter become available, the Paying Agent is to establish a “special interest payment date” for the payment of the overdue interest and a “special record date” for determining the Owners of the Series 2017 Certificates entitled to such payments. Notice of each date so established is to be mailed to each such Owner at least 10 days prior to the special record date. The overdue interest is to be paid on the special interest payment date to the Owners of the Series 2017 Certificates entitled to such payments, as shown on the registration books kept by the Paying Agent as of the close of business on the special record date.

Redemption

Optional Redemption. The Series 2017 Certificates maturing in the years 20 – 20 are not subject to redemption prior to their respective maturity dates. The Series 2017 Certificates maturing in the year 20 and thereafter are subject to redemption at the option of the City on [December 1], 20 and any date thereafter at a redemption price equal to % of their principal amount plus accrued interest to the date of redemption.

Mandatory Sinking Fund Redemption. [To be inserted in the event of Term Bonds]

Notice of Redemption. Pursuant to the Indenture, notice of the call for any redemption, identifying the Series 2017 Certificates or portions thereof to be redeemed and specifying the terms of such redemption, is to be given by the Trustee by mailing a copy of the redemption notice by United States certified or registered first class mail, at least 30 days prior to the date fixed for redemption, to the Owner of each Series 2017 Certificate to be redeemed at the address shown on the registration books; provided, however, that failure to give such notice by mailing, or any defect therein, will not affect the validity of any proceedings of any Series 2017 Certificates as to which no such failure has occurred. Any notice so mailed is to be conclusively presumed to have been duly given, whether or not the Owner receives the notice. If at the time of mailing the notice of redemption there has not been deposited with the Trustee moneys sufficient to redeem all the Series 2017 Certificates called for redemption, which moneys are or will be available for redemption of Series 2017 Certificates, such notice will state that it is conditional upon the deposit of the redemption moneys with the Trustee not later than the opening of business on the redemption date, and such notice will be of no effect unless such moneys are so deposited.

Redemption of Series 2017 Certificates in Whole Upon an Event of Nonappropriation or Event of Default. The Series 2017 Certificates are to be called, for redemption in whole, on any date, in the event of the occurrence of an Event of Nonappropriation or the occurrence and continuation of an Event of Default under the Lease. The redemption price will be the lesser of (a) the principal amount of the Series 2017 Certificates, plus accrued interest to the redemption date (without any premium); or (b) the sum of (i) the amount, if any, received by the Trustee from the exercise of remedies under the Lease with respect to the Event of Nonappropriation or the occurrence and continuation of the Event of Default that gave rise to such redemption; and (ii) the other amounts available in the Trust Estate for payment of the redemption price of the Series 2017 Certificates, which amounts will be allocated among the Series 2017 Certificates in proportion to the principal amount of each Series 2017 Certificate. Notwithstanding any other provision of the Indenture, the payment of the redemption price of any Series 2017 Certificate pursuant to this redemption provision will be deemed to be the payment in full of such Series 2017

Certificate and no Owner of any Series 2017 Certificate redeemed pursuant to this redemption provision will have any right to any payment from the Trustee or the City in excess of such redemption price.

In addition to any other notice required to be given under the Indenture, the Trustee is to, as soon as reasonably practicable upon the occurrence of an Event of Nonappropriation or an Event of Default, notify the Owners (a) that such event has occurred; and (b) whether or not the funds then available to it for such purpose are sufficient to pay the redemption price set forth in clause (a) of the immediately preceding paragraph. If the funds then available to the Trustee are sufficient to pay the redemption price set forth in clause (a) of the immediately preceding paragraph, such redemption price will be paid as soon as reasonably practicable. If the funds then available to the Trustee are not sufficient to pay the redemption price set forth in clause (a) of the immediately preceding paragraph, the Trustee is to pay the portion of the redemption price that can be paid from the funds available, net of any funds which, in the judgment of the Trustee, should be set aside to pursue remedies under the Lease and, subject to the provisions of the Indenture, as soon as reasonably practicable, begin to exercise and diligently pursue all remedies available to the Trustee under the Lease in connection of such Event of Nonappropriation or Event of Default. The remainder of the redemption price, if any, is to be paid to the Owners if and when funds become available to the Trustee following the exercise of such remedies.

Transfer and Exchange

While the Series 2017 Certificates remain in book entry only form, transfers of ownership by Beneficial Owners may be made as described in “APPENDIX F—BOOK-ENTRY-ONLY SYSTEM.” In the event that DTC ceases to act as depository for the Series 2017 Certificates, transfers may be effected as described below.

Books for the registration and transfer of Series 2017 Certificates are to be kept by the Trustee. Upon surrender for transfer of any Series 2017 Certificate at the principal corporate trust office of the Trustee, the Trustee is to execute and deliver in the name of the transferee a new Series 2017 Certificate of like aggregate principal amount and of the same maturity. Series 2017 Certificates may be exchanged at the principal corporate trust office of the Trustee for an equal aggregate principal amount of Series 2017 Certificates of the same maturity of other authorized denominations. All Series 2017 Certificates presented for transfer or exchange must be accompanied by a written instrument of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Trustee, duly executed by the Owner or by his attorney duly authorized in writing.

The Trustee is not required to transfer or exchange any Series 2017 Certificate during the period of 15 days next preceding any Interest Payment Date nor to transfer or exchange any Series 2017 Certificate after the mailing of notice calling such Series 2017 Certificate for redemption has been made, nor during the period of 15 days next preceding the mailing of such notice of redemption.

New Series 2017 Certificates delivered upon any transfer or exchange evidence the same obligations as the Series 2017 Certificates surrendered, are secured by the Indenture and entitled to all of the security and benefit thereof to the same extent as the Series 2017 Certificates surrendered. The person in whose name any Series 2017 Certificate is registered is deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of either principal or interest on any Series 2017 Certificate will be made only to or upon the written order of the registered owner thereof or his legal representative.

The Trustee is to require the payment, by any Owner requesting exchange or transfer of Series 2017 Certificates, of any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer.

Continuing Disclosure Undertaking

In order to facilitate compliance by the Underwriter with Securities and Exchange Commission Rule 15c2-12 (the “Rule”) the City will enter into an undertaking in substantially the form set forth in Appendix D hereto (the “Continuing Disclosure Undertaking”) to provide certain information, including audited financial results, on an annual basis, and to provide notice of certain specified events contemplated by the Rule, to the information repositories designated in the Continuing Disclosure Undertaking. The specific information required to be provided by the City under the Continuing Disclosure Undertaking includes: (a) notice of the occurrence of any of the listed events enumerated in the Rule; (b) annual audited financial statements; and (c) annual operating results with respect to the statistical and tabular material appearing or incorporated by reference in Tables II, III, IV, V, VI, VII and VIII of this Official Statement.

In the event the City fails to comply with the provisions of the Continuing Disclosure Undertaking, such failure by the City will not constitute an Event of Default under the Lease or the Indenture. Nevertheless, any future failures by the City could affect the marketability of the Series 2017 Certificates in the secondary market.

USE OF PROCEEDS

Generally

Proceeds of the Series 2017 Certificates and other available funds are expected to be utilized by the City for the purposes of: (a) financing the Project, as defined under the caption “–The Project” below; and (b) paying expenses of issuance of the Series 2017 Certificates.

Sources and Uses of Funds

The City anticipates the following sources and uses of funds in connection with the sale of the Series 2017 Certificates:

Sources:

Principal Amount of Series 2017 Certificates.....	\$19,620,000*
Net Original Premium.....	_____
Total Sources	\$ _____

Uses:

Deposit to Construction Fund	\$ _____
Capitalized Interest.....	_____
Costs of Issuance (Legal, Administrative, Printing, Underwriting Discount, etc.)	_____
Total Uses	\$ _____

* Preliminary; subject to change.

The Project

The Project financed with the proceeds of the Series 2017 Certificates consists of the construction of a new City Justice Center building (the “Justice Center”) as a part of a larger effort by the City known as the “Civic Campus Project”. The Project would be constructed on land that is currently owned by the City (collectively, the “Site”) and leased to the Trustee under the Site Lease. The Site is located at 50 Community Center Drive, Northglenn, CO 80233.

The City has selected FCI Contractors, Inc. as general contractor for the Project (the “General Contractor”). The General Contractor is to construct the Project pursuant to a cost plus fee with an option for a guaranteed maximum price contract entered into by the General Contractor and the City on September 26, 2016 (the “Construction Contract”). The Construction Contract contemplates the General Contractor’s construction of the Project will commence within ten days of receiving notice from the City to proceed with construction (the “Date of Commencement”) and is to be substantially completed within 540 calendar days after the Date of Commencement. Final completion of the Project is to be completed no later than 630 calendar days after the Date of Commencement.

Pursuant to the Construction Contract, the Project is to replace the City’s existing police department and municipal court. Current plans for the Project under the Construction Contract contemplate the construction of an approximately 47,000 square-foot, two-story facility. The Project is to include the construction of parking amenities which are currently planned to include approximately 120 secured parking spaces and 80 public parking spaces. Other planned features of the Project include the construction of access roads and driveways, a pedestrian walking trail, a screening wall/system adjacent to the four water towers currently located on the Site, landscaping and storm water quality infrastructure.

Pursuant to the Construction Contract, the General Contractor is to provide pre-construction services, at a cost not to exceed \$48,456, including, but not limited to, design coordination and reviews, coordination with potential subcontractors and equipment suppliers, development of a Guaranteed Maximum Price (the “GMP Proposal”), development of a project schedule and development of a schedule of values. The GMP Proposal is to be submitted to the City after the pre-construction services are completed. Pursuant to the Construction Contract, the GMP is to be the sum of: (1) the Cost of Work (as defined in the Construction Contract and generally referring to costs reasonably and actually incurred by the General Contractor in its proper performance under the Construction Contract); (2) the Construction Manager’s Fee (as defined in the Construction Contract and generally referring to a fixed fee calculated pursuant to the Construction Contract); and (3) Construction Manager’s Contingency (as defined in the Construction Contract and generally referring to the contingency percentage and amount determined by the General Contractor to be adequate to cover potential increases in costs during construction).

If the City accepts the GMP Proposal, as may be amended pursuant to the Construction Contract, in writing on or before the deadline provided in the Construction Contract, the GMP provided by the GMP Proposal is to be established by amendment to the Construction Contract. If the City rejects the GMP Proposal, or fails to accept the GMP Proposal by the applicable deadline, the City and the General Contractor are to meet to discuss how the Project will proceed, given the options provided under the Construction Contract.

THE LEASED PROPERTY

The Leased Property consists of the Trustee’s leasehold interest under the Site Lease in the Site, together with the equipment and improvements constructed as part of the Project.

THE SITE LEASE

The Trustee will lease the Site Leased Property from the City pursuant to the Site Lease. The Trustee’s leasehold interest in the Site Leased Property and the equipment and improvements to be constructed with proceeds of the Series 2017 Certificates constitutes the Leased Property, which is to be leased back by the City from the Trustee pursuant to the Lease. The stated term of the Site Lease ends December 31, 2046, unless terminated earlier by the City’s payment of all scheduled Base Rentals due under the Lease or by the City’s payment of the Purchase Option Price. For a summary of the terms of the Site Lease, see “—Site Lease” in Appendix B.

THE LEASE

The Lease is an annually renewable obligation of the City. A summary of certain provisions of the Lease appears in Appendix B to this Official Statement.

The Leased Property may be released upon payment or prepayment in full of the related Base Rentals. See “THE LEASE—Base Rentals.”

The facilities included in the Leased Property are intended to serve the City for the foreseeable future. However, it is not possible to predict the City’s future needs over the entire term of the Lease.

Base Rentals

Set forth below is a schedule of the Base Rentals relating to the Leased Property to become due under the Lease for payment of the Series 2017 Certificates (assuming the City annually renews the Lease, which it is not obligated to do), and a breakdown of the annual amounts allocable to the principal and interest components thereof, as well as a schedule of the aggregate Base Rentals due in connection with all of the other outstanding lease purchase financings of the City.

TABLE I
Schedule of Base Rentals

Year	Series 2017 Certificates		Total
	Principal*	Interest	
2017	\$ 425,000		
2018	680,000		
2019	700,000		
2020	720,000		
2021	745,000		
2022	770,000		
2023	805,000		
2024	835,000		
2025	875,000		
2026	920,000		
2027	965,000		
2028	1,015,000		
2029	1,065,000		
2030	1,120,000		
2031	1,175,000		
2032	1,235,000		
2033	1,295,000		
2034	1,360,000		
2035	1,430,000		
2036	<u>1,485,000</u>		
Total	<u>\$19,620,000</u>	\$ _____	\$ _____

* Preliminary; subject to change.
Source: The Underwriter

THE INDENTURE

Pursuant to the Indenture, the Trustee accepts certain duties to act on behalf of the Owners of the Series 2017 Certificates in the receipt and application of amounts which become payable under the Lease. A summary of certain provisions of the Indenture appears in Appendix B to this Official Statement.

THE CITY

Description

The City of Northglenn, Colorado is a municipal corporation and a political subdivision of the State, which was incorporated in 1969 and adopted a home rule charter in 1975 (the “Charter”). The Charter confers upon the City all the powers of local self-government and home rule, as well as all municipal powers established by the constitution and laws of the State.

The City is primarily a residential community with an estimated current population of 35,789, according to the 2010 Census. The City covers approximately 7.5-square miles located approximately 9 miles north of downtown Denver. It is bordered by the City of Thornton on the north, east and south, and by the City of Westminster on the west. The City’s core boundaries include approximately 6.5-square miles.

The City provides a broad range of municipal services including police protection, water and sewer services, refuse collection, highway and street maintenance, parks and recreation facilities and programs, planning and zoning and general administrative services. City residents receive fire protection services from the North Metro Fire Rescue District. Other utilities, as well as education and medical services, are provided by various public and private entities.

City Council

The City operates under a council-manager form of government whereby certain powers of the City are vested in an elected City Council (the “Council”), which consists of nine members, including the City mayor, who are elected to serve staggered four year terms at the City’s regular municipal election held in November of odd numbered years. Per State law, the mayor and councilmembers are limited to two consecutive terms in office but may serve more than two terms if they are not continuous. The mayor, who is the presiding officer of the Council and chief administrative officer of the City, is elected at-large by the general public. The mayor has no veto power.

The City is divided into four contiguous wards, with each of those wards represented by two elected councilmembers. The Council meetings, held the second and fourth Monday of each month, are presided over by the mayor. The mayor has all of the rights, privileges and obligations of a councilmember, and is recognized as the head of the City government for all ceremonial and legal purposes. The Council also elects a mayor pro-tem from its membership to serve in the absence of the mayor or his or her inability to act. Vacancies on the Council must be filled by appointment by a majority vote of the remaining councilmembers within 30 days. Vacancies are filled until the next regular election.

City Council Member	Present Term Expires (November)¹	Principal Occupation
Joyce Downing, Mayor	2017	Retired
Carol Dodge, Ward 1 and Mayor Pro Tem	2017	Business Owner
Jordan Sauers, Ward 1	2019	Communications
Becky Brown, Ward 2,	2019	Information Technology
Joe Brown, Ward 2	2017	Business Owner
Kyle Mullica, Ward 3	2017	Emergency Health Services
Marci Whitman, Ward 3	2019	Business Owner
Antonio Esquibel, Ward 4	2019	Retired
Kim Snetzinger, Ward 4	2017	Government

¹ Council members are elected in November and take office at the first Council meeting following the certification of election results.

The Council is assisted in its policy directives by numerous boards and commissions whose membership consists of citizens, City staff and councilmembers.

The Council effects its decisions through the passage of ordinances, resolutions and motions. All legislative enactments of a permanent nature, and certain matters specified in the Charter, must be in the form of an ordinance; all other acts may be in the form of resolutions or motions. The Charter reserves to the electors the powers of initiative and referendum.

Administration and Management

The council-manager form of government vests responsibility for City operations in the City Manager and City staff. The City Manager is appointed by the City Council and serves for an indefinite term at the pleasure of the Council. The staff functions through the City's various departments which are under the direction of the City Manager.

The administrative and management personnel of the City most directly involved in the issuance of the Series 2017 Certificates are the City Manager, the Finance Director and the City Attorney. These individuals' duties in City government and their relevant experience are summarized below.

City Manager. The City Manager is the chief administrative officer of the City. The City Manager is responsible for enforcing all laws and ordinances governing the City, appointing and removing (except as otherwise provided in the Charter) all directors of departments and other City employees, exercising control and supervision over all City departments, reporting to the Council and attending Council meetings as required by Council, recommending to the Council for adoption such measures as he or she may deem necessary or expedient, advising the Council as to the financial condition of the City, preparing and submitting to the Council and annual budget, enforcing all franchise rights and provisions, preparing the agenda for all regular and special meetings of the Council, and performing such other duties as may be required by the Charter or by resolution or ordinance of the Council.

James A. Hayes was appointed City Manager in April of 2016. Mr. Hayes was previously employed as the deputy city manager for Commerce City, Colorado from 2011 to 2016. He spent four years working as the Director of Planning and Development for the City and has private sector experience managing land acquisition, entitlement and development. An alumna of Iowa State University, he has a Master's degree in City Planning with the Georgia Institute of Technology and is a member of the American Institute of Certified Planners.

Finance Director. This position acts under the direction of the City Manager in the administration and recording of all financial activities of the City. The responsibilities include, among others, revenue collection, cash management, management of accounts payable, payroll, utility billing, sales tax collection, and general accounting and reporting.

Jason Loveland was appointed Finance Director for the City in 2012. From August of 2009 to September of 2012, Mr. Loveland served as the City Controller. Prior to working in local government, he held various roles in public accounting. Mr. Loveland holds Bachelor of Science degrees from the University of Wyoming in Accounting and Business Administration with a minor in Finance. In 2015, he was awarded the Significant contribution Award from the Colorado Government Finance Officers Association for his work on financial transparency and data-driven decisions. Mr. Loveland has also been recognized by the Colorado Public Plan Coalition for fiduciary excellence.

City Attorney. The City Attorney is the chief legal officer of the City. The City Attorney is appointed by the Council and serves at the pleasure of the Council. The City Attorney is the legal representative of the City and is responsible for advising the Council and City officials in matters relating to their official powers and duties, as well as performing such other duties as the Council may prescribe by ordinance or resolution.

Corey Y. Hoffmann is a director and shareholder of the law firm Hoffmann, Parker, Wilson & Carberry, P.C. where he practices primarily in the areas of local government law, litigation and urban renewal. Mr. Hoffman has served as the City Attorney for the City since 2005. He serves as City or Town Attorney to several other Colorado municipalities. In addition, Mr. Hoffmann serves as general or special counsel to numerous other local governmental entities. Mr. Hoffman received his Bachelor of Arts degree, with honors, from the University of California at Santa Barbara in 1989 and received his Juris Doctorate degree, *cum laude*, from California Western School of Law in 1993.

Employees

The City currently employs approximately 240 full time and 23 regular part time employees. In addition, approximately 50-60 seasonal employees are hired during the summer months as laborers with the Department of Maintenance and Operations and to assist with recreation-related summer programs. Total compensation for employees includes a benefit package of accruable general leave (including vacation and sick leave) and health, dental, long term disability and life insurance. Seasonal and part time employees do not receive such benefits. The City does not recognize any union as the representative of the employees for collective bargaining purposes. City management characterizes employee relations as stable.

Pension Plans and Other Post-Employment Benefits

The City administers and maintains two single-employer, defined contribution plans: (1) the Police Money Purchase Pension Plan; and (2) the General Employees Pension Plan.

The Police Money Purchase Pension Plan (the “PMPPP”) covers all commissioned police employees. Eligible employees must participate from the date of full-time employment. Each employee participant is required to contribute 12% of his or her compensation to the PMPPP. During fiscal year 2016, the City’s contribution level to the PMPPP was 8%, then, upon completion of five years of eligible service, 9%, and finally, upon completion of ten years of eligible service, 10%. Participants are fully vested after seven years of continuous service, or upon the occurrence of any of the following events: the employee reaches normal retirement age; the employee dies; or the employee becomes permanently

disabled. Should such event occur, the employee's account becomes fully vested, regardless of length of service. Should an employee leave covered employment before becoming fully vested, accumulated employee contributions, related investment earnings, and any vested City contributions and related investment earnings are refunded to the employee. Forfeitures by employees who leave before seven years of service are used to pay the PMPPP's administrative expenses and may be used at the discretion of the City's Pension Board's to reduce City contributions.

In 2016, the City made required contributions to the PMPPP totaling \$419,034. Covered employees under the PMPPP contributed \$550,641.

The General Employees' Pension Plan (the "GEPP") provides pension benefits for all of the City's full-time employees that are not otherwise covered by the PMPPP. Eligible employees must participate from the date of full-time employment. Each employee participant is required to contribute 12% of his or her compensation to the GEPP. During fiscal year 2016, the City's contribution level to the GEPP was 8%, then, upon completion of five years of eligible service, 9%, and finally, upon completion of ten years of eligible service, 10%. A participant's interest in the contributions made by the City, as well as the related investment earnings, become vested to the extent of percentages based on number of years of service, as set forth in the GEPP. Participants are fully vested after six years of continuous service, or upon the occurrence of any of the following events: the employee reaches normal retirement age; the employee dies; or the employee becomes permanently disabled. Should such event occur, the employee's account becomes fully vested, regardless of length of service. Should an employee leave covered employment before becoming fully vested, accumulated employee contributions, related investment earnings, and any vested City contributions and related investment earnings are refunded to the employee. Forfeitures by employees who leave before six years of service are used to pay the GEPP's administrative expenses and may be used at the discretion of the City's Pension Board's to reduce City contributions.

In 2016, the City made required contributions to the GEPP totaling \$873,286. Covered employees under the GEPP contributed \$1,148,397.

In addition to the pension plans described above, the City administers a single-employer defined benefit healthcare plan known as the Retiree Health Program (the "Program"). The Program provides fully-insured medical plans (including prescription drugs benefits to eligible retirees and their eligible dependents) offered through Kaiser Permanente, until the participant reaches age 65 or becomes eligible for Medicare. Benefits under the Program are provided for active employees and retirees under the same health care plans. The City contributes 50% of the cost of the premium for single coverage on behalf of the retiree, and the retiree is responsible for paying the remainder of the premium, as well as 100% of the cost of continuing coverage for a spouse or family member.

The City's annual Other Post-Employment Benefit ("OPEB") cost is calculated based on the annual required contribution of the City, an amount that is actuarially determined in accordance with the parameters of GASB Statement No. 45, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions ("GASB 45"). The City's annual OPEB cost for fiscal year ended December 31, 2016 was \$32,776, equaling 74% of the annual OPEB cost contributed to the Program. The net OPEB obligation for fiscal year ended December 31, 2016 is \$560,152.

The City's reporting requirements under GASB 45 will be replaced by those provided under GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("GASB 75"), effective for the City beginning with its fiscal year ending December 31, 2018. GASB 75 requires governmental entities to report a liability on the face of the financial statements for the OPEB provided. Additionally, GASB 75 outlines the reporting requirements of governmental entities for

defined benefit OPEB plans administered through a trust, cost-sharing OPEB plans administered through a trust, and OPEB not provided through a trust. Finally, GASB 75 requires governmental entities to present more extensive note disclosures and required supplementary information about their OPEB liabilities.

GASB Statement No. 82, Pension Issues (“GASB 82”) was issued in April of 2016 and will be effective for the City beginning in fiscal year 2017. GASB 82 is intended to improve consistency in the application of the pension standards by amending or clarifying existing guidance. In particular, GASB 82 addresses: the presentation of payroll-related measures in required supplementary information; selection of assumptions and the treatment of deviations from guidance in Actuarial Standards of Practice for financial reporting purposes; and classification of payments made by employers to satisfy plan member contribution requirements.

A description of the City’s pension plan and post-employment benefit obligations is included in the City’s 2015 audited financial statements in Appendix C hereto.

City Insurance Coverage

The City provides medical, dental and vision insurance for eligible employees. The medical plans are fully insured plans through Kaiser Permanente.

The City is exposed to various risks of loss related to: torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 1982, the City joined the Colorado Intergovernmental Risk Sharing Agency (“CIRSA”), a public entity risk pool formed in 1982 to provide property and liability and workers’ compensation coverage and related services for its member municipalities. The City pays an annual premium to CIRSA for the property and liability insurance coverage and risk management services. All Colorado municipalities that are members of the Colorado Municipal League are eligible to participate in CIRSA. CIRSA’s general objectives are to provide member municipalities and special districts defined property and liability and workers’ compensation coverage through joint self-insurance and excess insurance.

The City continues to carry commercial insurance for all other risks of loss, including workers’ compensation and employee health insurance. Workers’ Compensation insurance is purchased from Pinnacol Assurance. The workers’ compensation premium is calculated on a retrospective rate. The City continues to qualify for the cost containment certificate from the State of Colorado, which reduces the City’s workers’ compensation premiums by 5% annually.

Death and disability insurance for police officers hired prior to January 1997 is provided by the Fire and Police Pension Association (the “FPPA”) on behalf of the City. The State made one payment to the FPPA in 1997 to fully fund this insurance for officers hired before 1997. Death and disability insurance for police officers hired after December 1996 is purchased from the FPPA. In 1996 the State legislature elected to cease providing State funding for disability insurance for police officers beginning with officers hired after December 31, 1996.

Health insurance is purchased from an alliance, which provides a limited choice of health maintenance organizations for employees. The City and employees each contribute to premium costs. The City has no uninsured risk for employee health care. The amount of settlements did not exceed insurance coverage during the past three fiscal years.

Current Financial Obligations

The City's financial obligations are summarized in detail in the City's 2015 audited financial statements attached as Appendix C to this Official Statement. With the exception of lease-purchase obligations subject to annual appropriation, enterprise revenue bonds and refunding obligations issued at a lower interest rate, the issuance of multi-year financial obligations by the City generally requires voter approval as described under the caption "CONSTITUTIONAL LIMITATIONS ON TAXES, REVENUES, SPENDING AND BORROWING."

City Services

The City provides the following services to its residents: animal control; water; sewer; code enforcement; communications; e-services; fire department; living assistance; passports; police; recreation; senior citizen; snow and ice removal; streets; trash and recycling throughout the City. Other facilities and services such as public schools, hospital, telephone, and power utilities are available to City residents.

Accounting Policies

The accounts of the City are organized on the basis of funds and account groups. Such funds are segregated for the purpose of accounting for the operation of specific activities or attaining certain objectives. Financial operations are accounted for by the City's Finance Department which prepares monthly financial statements. State law and the Charter require that an audit be made of the City's financial statements at the end of the fiscal year. The audited financial statements must be filed with the Council within six months after the end of the fiscal year and with the state auditor 30 days thereafter. Failure to file an audit report may result in the withholding of the City's property tax revenues by the County Treasurer of the County (the "County Treasurer") pending compliance.

FINANCIAL INFORMATION CONCERNING THE CITY

Budgetary Process

The City's fiscal year runs from January 1 to December 31. Pursuant to the Charter, a proposed budget for the ensuing fiscal year must be presented by the City Manager to the Council prior to the beginning of each fiscal year. The budget and all accounting records of the City must be prepared and maintained in accordance with generally accepted accounting principles. In any year in which a general property tax levy is anticipated, the budget must be submitted to the Council no later than September 20.

The budget provides a complete financial plan of all City municipal funds and activities for the ensuing fiscal year and must be made in accordance with State law and the Charter. Pursuant to the Charter, the budget must contain a budget message from the City Manager (the "Message"). The Message must explain the budget both in fiscal terms and in terms of the work programs. The Message must: outline the proposed financial policies of the City for the ensuing fiscal year; describe the important features of the budget; indicate any major changes from the current year in financial policies, expenditures and revenues, as well as provide reasons for any such changes; summarize the City's debt position; and include such other material as the City Manager deems desirable or which the Council may require. A public hearing on the proposed budget and any proposed capital projects presented in the budget is to be held by the Council on any date at least fifteen days prior to the final day established by law for the certification of the ensuing year's tax levy to Adams and Weld Counties (the "Counties").

The Council adopted the City's 2017 budget on December 12, 2016, pursuant to the preceding procedure.

Budget Summary

Set forth in the following tables, for the General Fund and the Capital Projects Fund respectively, is a summary of the 2016 budgets, the 2016 year end unaudited actual results, the 2017 budgets, and 2017 unaudited actual year to date results. In addition to the General Fund and the Capital Projects Fund, the City's budget contains five smaller funds which include: Conservation Trust Fund; CDBG Fund; Water and Wastewater Fund; Stormwater Fund; and Sanitation Fund. In 2017, it is expected that approximately 8% of General Fund revenues come from property taxes, approximately 65% come from sales and use tax collections, and approximately 1.4% comes from building permits. The remainder of General Fund revenues comes from licenses and permits, user charges and fees, among others. See "DEBT STRUCTURE OF THE CITY."

TABLE II
General Fund Budget Summary and Comparison

	2016 Budget	2016 Actual Year End (unaudited)	2017 Budget	2017 Actual Year to Date (unaudited) ¹
Revenue:				
Taxes	\$18,308,832	\$16,863,379	\$19,345,470	
Intergovernmental	1,838,220	1,865,771	2,280,434	
License and Permits	563,583	692,390	672,737	
User Charges and Fees	2,289,334	2,340,887	2,517,741	
Fines and Forfeitures	1,328,396	980,282	1,024,279	
Other Revenue	<u>135,900</u>	<u>267,596</u>	<u>139,400</u>	
Total Revenue	<u>24,464,265</u>	<u>23,010,305</u>	<u>25,980,061</u>	
Expenditures:				
Personnel	15,281,272	14,814,421	16,699,323	
Purchased Services	3,508,786	3,399,483	3,910,442	
Supplies/Non-Capital Equipment	2,354,303	2,037,193	2,501,665	
Capital Outlay	460,589	818,415	172,000	
Miscellaneous	322,219	201,461	274,739	
Contingency	<u>100,000</u>	<u>--</u>	<u>100,000</u>	
Total Expenditures	<u>22,027,169</u>	<u>21,270,973</u>	<u>23,658,169</u>	
Excess/(Deficiency) of Revenues Over Expenditures:	<u>2,437,096</u>	<u>1,739,332</u>	<u>2,321,892</u>	
Other Financing Sources/(Uses):				
Transfers In/(Out)	(1,700,000)	(1,700,000)	(1,700,000)	
Sale of Assets	--	327,544	--	
Insurance Recovery/(Claims)	(100,000)	(151,717)	(100,000)	
Economic Incentives	<u>(410,000)</u>	<u>(405,255)</u>	<u>(480,000)</u>	
Total Other Financing Sources/(Uses):	<u>(2,210,000)</u>	<u>(1,929,428)</u>	<u>(2,280,000)</u>	
Net Change in Fund Balance:	<u>227,096</u>	<u>(190,096)</u>	<u>41,892</u>	
Cumulative Fund Balance:				
Beginning Fund Balance	<u>18,282,321</u>	<u>19,579,704</u>	<u>21,199,143</u>	
Ending Fund Balance	18,509,417	19,389,608	21,241,035	
Less Restrictions, Commitments & Assignments:				
Fund Balance Restrictions	727,115	654,838	778,145	
Fund Balance Commitments	5,332,177	5,062,267	5,706,397	
Fund Balance Assignments	<u>20,000</u>	<u>--</u>	<u>--</u>	
Unassigned Fund Balance	<u>\$12,430,125</u>	<u>\$13,672,503</u>	<u>\$14,756,493</u>	

¹ Unaudited year to date figures through _____ 2017. [PLEASE PROVIDE UNAUDITED JANUARY 2017 WHEN AVAILABLE]

Source: City Finance Department; City's 2016 and 2017 annual budget

TABLE III
Capital Projects Fund Budget Summary and Comparison

	2016 Budget (as adopted)	2016 Actual Year End (unaudited)	2017 Budget (as adopted)	2017 Actual Year to Date (unaudited)¹
Revenue:				
Taxes	\$ 4,210,219	\$ 3,983,730	\$ 4,363,311	
Intergovernmental	1,638,845	--	2,238,351	
Licenses and Permits	--	1,142,023	--	
Other Revenue	<u>175,000</u>	<u>130,625</u>	<u>60,000</u>	
Total Revenue	<u>6,024,064</u>	<u>5,256,378</u>	<u>6,661,662</u>	
Expenditures:				
Capital Outlay	<u>7,863,103</u>	<u>2,722,887</u>	<u>6,861,714</u>	
Total Expenditures	<u>7,863,103</u>	<u>2,722,887</u>	<u>6,861,714</u>	
Excess/(Deficiency) of Revenues Over Expenditures:	<u>(1,839,039)</u>	<u>2,533,491</u>	<u>(200,052)</u>	
Other Financing Sources/(Uses):				
Transfers In/(Out)	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,700,000</u>	
Total Other Financing Sources/(Uses):	<u>1,700,000</u>	<u>1,700,000</u>	<u>1,700,000</u>	
Net Change in Fund Balance:	<u>(139,039)</u>	<u>4,233,491</u>	<u>1,499,948</u>	
Cumulative Fund Balance:				
Beginning Fund Balance	<u>12,495,285</u>	<u>12,337,821</u>	<u>16,127,031</u>	
Ending Fund Balance	12,356,246	16,571,312	17,626,979	
Less Restrictions, Commitments & Assignments:				
Fund Balance Restrictions	--	12,521,000	--	
4.000 Mill Restricted Fund Balance	(2,009,993)	--	(903,995)	
½% Sales/Use Tax Restricted Balance	9,642,814	--	11,369,677	
Marijuana Sales Tax Restricted Balance	908,674	--	1,648,268	
ADCOO Restricted Fund Balance	382,904	--	231,014	
ADCOT Restricted Fund Balance	<u>1,384,309</u>	--	<u>1,427,504</u>	
Unassigned Fund Balance	<u>\$ 2,047,538</u>	<u>\$ 4,050,312</u>	<u>\$ 3,854,511</u>	

¹ Unaudited year to date figures through _____ 2017. [PLEASE PROVIDE UNAUDITED JANUARY 2017 WHEN AVAILABLE]

Source: City Finance Department; City's 2016 and 2017 annual budget

Financial Statements

Under Colorado law the Council is required to have the financial statements of the City audited at-least annually. The audited financial statements must be filed with the Council by July 1 of each year, and with the State Auditor 30 days thereafter. If such audit is not filed with the State Auditor, he may authorize the County Treasurer to hold moneys of the City generated pursuant to the City's taxing authority to prohibit the release of such money until the City complies with the audit law.

The City's audited financial statements for the fiscal year ended December 31, 2015 are attached as Appendix C to this Official Statement. See "FINANCIAL STATEMENTS."

Major Sources of General Revenue

Succeeding sections of this Official Statement discuss the City's general operating revenues which are accounted for in the City's General Fund. The primary sources of revenue in the City's General Fund are ad valorem property taxes and sales and use taxes as discussed hereafter.

General Ad Valorem Taxes. The City certifies a mill levy upon which property taxes will be collected to the respective County Treasurer. The City's general ad valorem taxes constitute a perpetual lien on and against the property taxed. To enforce such liens, the respective County Treasurer has the power to foreclose on and cause the sale or distraint of delinquent property as provided by law. The majority (65%) of property taxes collected are deposited by the City into the General Fund. The City's mill levy in 2015 for collection in 2016 was 11.597 mills and the mill levy certified in 2016 for collection in 2017 was 11.597. In 2015 and 2016 the City collected \$1,797,920 and \$2,044,743 respectively (net of the Adams County tax increment), in ad valorem property taxes in the General Fund. Property tax revenues in 2015 comprised approximately 8% of the total City General Fund revenues.

The City's tax base is reflected by the assessed valuation certified annually by the Adams and Weld County Assessor of each respective County (the "County Assessors") to the City. The City's gross taxable final 2016 certified assessed valuation is \$267,718,930 (including the Adams County tax increment) for property taxes to be collected in 2017.

Sales and Use Tax Revenue. The collection of municipal sales and use tax is one of the City's largest source of tax revenue. Sales and use taxes are levied at the rate of 4.0% on tangible personal property sold within City limits. The 2016 collection of sales and use tax accounts for approximately 72% of the City's General Fund revenues (unaudited). Sales and use taxes collected on behalf of the City through December 31, 2016 totaled \$19,610,857 (unaudited) as compared to sales tax collections of \$19,233,873 for the same period ending December 31, 2015.

Other Revenues. The City also receives revenues from other sources including licenses and permit fees, municipal court fines, franchise fees, and other charges for services.

General Fund Operating History

The General Fund is the City's major operating fund and is used to account for all resources not otherwise required to be accounted for in another fund. General Fund revenues represent approximately 79.71% of the City's total revenue sources. The following tables show a five-year history of the City's General Fund and Capital Projects Fund revenues, expenditures and changes in fund balances.

TABLE IV
Comparative Statement of Revenues, Expenditures,
and Changes in Fund Balance for the General Fund
Years Ended December 31,

	2011	2012	2013	2014	2015
Revenues					
Taxes-Property, Sales & Use	\$13,206,793	\$13,668,134	\$14,708,692	\$16,376,986	\$17,939,474
Occupational Tax	881,196	66,367	62,910	62,886	62,622
Intergovernmental	1,812,962	1,862,910	1,915,301	1,987,556	1,921,686
Licenses and Permits	446,766	484,191	691,200	642,525	824,611
Charges for Services	1,320,072	2,141,212	2,309,074	2,332,248	2,496,462
Fines and Forfeitures	1,284,662	952,314	1,480,900	1,553,650	1,144,572
Investment Earnings (Losses)	53,002	32,033	(29,356)	78,572	73,697
Miscellaneous	<u>122,063</u>	<u>52,927</u>	<u>112,350</u>	<u>80,903</u>	<u>100,135</u>
Total	<u>19,127,516</u>	<u>19,260,088</u>	<u>21,251,071</u>	<u>23,115,326</u>	<u>24,563,259</u>
Expenditures					
General Government	4,538,804	4,742,986	5,266,274	6,219,190	6,376,869
Recreation and Culture	3,109,907	3,159,763	3,259,841	3,577,881	3,733,782
Public Safety	6,947,691	7,355,358	7,712,736	7,991,053	8,480,024
Public Works	1,881,271	2,063,446	2,035,296	2,243,663	2,387,488
Capital Outlay	544,259	547,419	411,422	475,231	1,174,673
Debt Service					
Principal Payments	177,389	--	--	--	--
Interest and Fiscal Charges	<u>9,313</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
Total	<u>17,208,634</u>	<u>17,868,972</u>	<u>18,685,569</u>	<u>20,507,018</u>	<u>22,152,836</u>
Excess of Revenues Over (Under) Expenditures	<u>1,918,882</u>	<u>1,391,116</u>	<u>2,565,502</u>	<u>2,608,308</u>	<u>2,410,423</u>
Other Financing (Uses)					
Transfers Out	(100,000)	(200,000)	(200,000)	(400,000)	(200,000)
Sales of Capital Assets	<u>23,158</u>	<u>--</u>	<u>81,699</u>	<u>9,538</u>	<u>1,625,835</u>
Total	<u>(76,842)</u>	<u>(200,000)</u>	<u>(118,301)</u>	<u>(390,462)</u>	<u>1,425,835</u>
Net Change in Fund Balance	1,842,040	1,191,116	2,447,201	2,217,846	3,836,258
Beginning Fund Balance	<u>8,045,243</u>	<u>9,887,283</u>	<u>11,078,399</u>	<u>13,525,600</u>	<u>15,743,446</u>
Ending Fund Balance	<u>\$ 9,887,283</u>	<u>\$11,078,399</u>	<u>\$13,525,600</u>	<u>\$15,743,446</u>	<u>\$19,579,704</u>

Source: City audited financial statements December 31, 2011-2015

TABLE V
Comparative Statement of Revenues, Expenditures,
and Changes in Fund Balance for the Capital Projects Fund
Years Ended December 31,

	2011	2012	2013	2014	2015
Revenues					
Taxes-Property	\$ 959,621	\$ 955,947	\$ 962,381	\$ 965,674	\$ 946,996
Taxes-Sales/Use	1,829,440	1,910,320	2,068,919	2,350,314	3,096,201
Intergovernmental	1,899,542	1,105,280	2,065,891	1,865,018	1,535,756
Investment Earnings (Losses)	17,941	15,478	(23,675)	61,271	60,297
Miscellaneous	--	--	--	40,000	--
Total	<u>4,706,544</u>	<u>3,987,025</u>	<u>5,073,516</u>	<u>5,282,277</u>	<u>5,639,250</u>
Expenditures					
General Government	--	--	--	103,545	--
Public Works	--	22,526	18,647	11,030	13,414
Capital Outlay	<u>3,080,423</u>	<u>2,931,413</u>	<u>1,364,214</u>	<u>1,495,446</u>	<u>6,520,788</u>
Total	<u>3,080,423</u>	<u>2,953,939</u>	<u>1,382,861</u>	<u>1,610,021</u>	<u>6,534,202</u>
Excess of Revenues Over (Under) Expenditures	<u>1,626,121</u>	<u>1,033,086</u>	<u>3,690,655</u>	<u>3,672,256</u>	<u>(894,952)</u>
Other Financing (Uses)					
Transfers In	<u>100,000</u>	<u>200,000</u>	<u>200,000</u>	<u>400,000</u>	<u>200,000</u>
Total	<u>100,000</u>	<u>200,000</u>	<u>200,000</u>	<u>400,000</u>	<u>200,000</u>
Net Change in Fund Balance	1,726,121	1,233,086	3,890,655	4,072,256	(694,952)
Beginning Fund Balance	<u>2,110,653</u>	<u>3,836,774</u>	<u>5,069,860</u>	<u>8,960,515</u>	<u>13,032,771</u>
Ending Fund Balance	<u>\$3,836,774</u>	<u>\$5,069,860</u>	<u>\$8,960,515</u>	<u>\$13,032,771</u>	<u>\$12,337,819</u>

Source: City audited financial statements December 31, 2011-2015

Management's Discussion and Analysis of Material Trends in General Fund Operations

For City management's discussion and analysis of material trends in General Fund operations, see the City's audited financial statements appended hereto as Appendix C.

Fund Balance Reserve Policy

It is the policy of the City to maintain levels of undesignated fund balance to provide the required resources to meet City operating needs and to allow for unforeseen needs of an emergency nature. In accordance with this policy, the City maintains an Emergency Reserve to provide for unforeseen reductions in revenues in the current fiscal year or expenditures that are greater than the current fiscal year revenues. Use of excess "fund balance" (which term is used to describe the cumulative difference of all City revenues and expenditures) is intended only for one-time or non-recurring expenditures.

The Council approves specific fund balance/reserve policies for each of the City's funds. The reserve policy for the General Fund mandates an unreserved fund balance equivalent to a minimum of 25% of the current year's expenditures less capital outlay and transfers out budgeted for the General

Fund. In the event that the unreserved fund balance exceeds the minimum requirements of this policy, the excess may be utilized for any lawful purpose approved by the Council.

Sales and Use Taxes

Sales and Use Taxes represents approximately 72% of the City's 2016 General Fund Revenue (unaudited). The following is a brief discussion of the City's Sales and Use Taxes.

Imposition of Sales and Use Taxes.

A sales tax in the amount of 4% (the "Sales Tax") is imposed on every vendor having a place of business within the City for the privilege of selling tangible personal property at retail. The Sales Tax is imposed on every vendor selling such property within City limits.

A use tax in the amount of 4% (the "Use Tax"), constituting the purchase price paid for a motor vehicle, is imposed on every resident who purchases a motor vehicle outside of the City for use or storage within City limits.

Collection of Sales and Use Taxes.

Every vendor operating within City limits is responsible for the payment of the Sales Tax before the twentieth day of each month. The vendor must make a return to the City for the preceding calendar month and remit an amount equivalent to the 4% collected less 1.0% of the sum to cover the vendor's expense for collecting and remitting the Sales Tax, up to a maximum of \$150.00.

The Use Tax is collected by an authorized agent of the County Clerk of the County on every motor vehicle required by law to be registered for use or storage within City limits. The proceeds are paid to the City monthly.

Sales and Use Tax Data. The following table sets forth the City's sales and use tax collections since 2011.

TABLE VI
Annual History of Sales and Use Tax Collections ¹

Year	Sales and Use Tax Collections	Percent Increase
2011	\$13,023,411	--
2012	13,561,188	4.13%
2013	14,733,641	8.65
2014	16,669,901	13.14
2015	19,233,873	15.38
2016	19,610,857	1.96

¹ Sales taxes on food and a 1/2% sales tax for purchases of water rights are recorded directly in the Water and Waste Water Enterprise Fund.

Sources: City December 31, 2015 audited financials and the City Finance Department

Ad Valorem Property Taxes

Property Subject to Taxation. Subject to the limitations imposed by Article X, Section 20 of the Colorado Constitution (“TABOR”) (described under the caption “CONSTITUTIONAL LIMITATIONS ON TAXES, REVENUES, SPENDING AND BORROWING”), the City has the power to certify to the Board of County Commissioners of the respective Counties (the “Commissioners”) a levy for collection of ad valorem taxes against all taxable property within the City.

Both real and personal property are subject to taxation, but there are certain classes of property which are exempt. These include, but are not limited to, property of the United States of America; property of the State and its political subdivisions; public libraries; public school property; certain charitable property not used for profit; health care facilities; nonprofit water companies; licensed, nonprofit child care facilities; religious property; nonprofit cemeteries; irrigation ditches, canals, and flumes used exclusively to irrigate the owner’s land; household furnishings and personal effects not used to produce income; property used by a fraternal or veterans’ organization; intangible personal property; inventories of merchandise and materials, and supplies which are held for consumption by a business or are held primarily for sale; livestock; agricultural and livestock products; agricultural equipment which is used on the farm or ranch in the production of agricultural products; and works of art on loan to a political subdivision, gallery or museum operated by a charitable organization. The State Board of Equalization supervises the administration of all laws concerning the valuation and assessment of taxable property and the levying of property taxes.

Assessment of Property. Taxable property is first appraised by the County Assessor to determine its statutory “actual” value. This amount is then multiplied by the appropriate assessment percentage to determine each property’s assessed value. The mill levy of each taxing entity is then multiplied by this assessed value to determine the amount of property tax levied upon such property by such taxing entity. Each of these steps in the taxation process is explained in more detail below.

Determination of Statutory Actual Value. The County Assessor annually conducts appraisals in order to determine, on the basis of statutorily specified approaches, the statutory “actual” value of all taxable property within the County as of January 1. Most property is valued using a market approach, a cost approach or an income approach. Residential property is valued using the market approach, and agricultural property, exclusive of building improvements thereon, is valued by considering the earning or productive capacity of such lands during a reasonable period of time, capitalized at a statutory rate.

The statutory actual value of a property is not intended to represent its current market value, but, with certain exceptions, is determined by the County Assessor utilizing a “level of value” ascertained for each two-year reassessment cycle from manuals and associated data published by the State Property Tax Administrator for the statutorily-defined period preceding the assessment date. The statutory actual value is based on the “level of value” for the period one and one-half years immediately prior to the July 1 preceding the beginning of the two-year reassessment cycle (adjusted to the final day of the data-gathering period).

The County Assessor may consider market sales from more than one and one-half years immediately prior to July 1 if there were insufficient sales during the stated market period to accurately determine the level of value.

Public utilities are valued by the State Property Tax Administrator based upon the value of the utility’s tangible property and intangibles (subject to certain statutory adjustments), gross and net operating revenues and the average market value of its outstanding securities during the prior calendar year.

Determination of Assessed Value. Assessed valuation, which represents the value upon which ad valorem property taxes are levied, is calculated by the County Assessor as a percentage of statutory actual value. The percentage used to calculate assessed valuation differs depending upon the classification of each property.

Residential Property. To avoid extraordinary increases in residential real property taxes when the base year level of value is changed, the State constitution requires the Colorado General Assembly to adjust the assessment rate of residential property for each year in which a change in the base year level of value occurs. This adjustment is constitutionally mandated to maintain the same percentage of the aggregate statewide valuation for assessment attributable to residential property which existed in the previous year (although, notwithstanding the foregoing, TABOR prohibits any valuation for assessment ratio increase for a property class without prior voter approval).

The Colorado Legislative Council Staff's "Focus Colorado: Economic and Revenue Forecast" dated December 20, 2016 (the "2016 Economic Forecast"), projects that the residential assessment rate will decrease to 6.85% for the 2017 reassessment period. As required by statute, the Division of Property Taxation (the "Division") has submitted a Preliminary Residential Assessment Rate Study dated January 13, 2017 to the State Board of Equalization and the Colorado General Assembly forecasting a change in the residential ratio to 6.56%. The actual rate change will depend on the actual residential and non-residential values reported to the Division and is likely to change prior to the final report to be submitted no later than April 15, 2017. The final figure is subject to approval by the Colorado General Assembly during the 2017 legislative session.

Non-residential property. All non-residential taxable property (including commercial property) with certain specified exceptions, is assessed at 29% of its statutory actual value.

Protests, Appeals, Abatements and Refunds. Property owners are notified of the valuation of their land or improvements, or taxable personal property and certain other information related to the amount of property taxes levied, in accordance with statutory deadlines. Property owners are given the opportunity to object to increases in the statutory actual value of such property, and may petition for a hearing thereon before the County Board of Equalization. Upon the conclusion of such hearings, the County Assessor is required to complete the assessment roll of all taxable property and, no later than August 25 each year, prepare an abstract of assessment therefrom. The abstract of assessment and certain other required information is reviewed by the State Property Tax Administrator prior to October 15 of each year and, if necessary, the State Board of Equalization orders the County Assessor to correct assessments. The valuation of property is subject to further review during various stages of the assessment process at the request of the property owner, by the State Board of Assessment Appeals, the State courts or by arbitrators appointed by the Commissioners. On the report of an erroneous assessment, an abatement or refund must be authorized by the Commissioners; however, in no case will an abatement or refund of taxes be made unless a petition for abatement or refund is filed within two years after January 1 of the year in which the taxes were levied. Refunds or abatements of taxes are prorated among all taxing entities which levied a tax against the property.

Statewide Review. The Colorado General Assembly is required to cause a valuation for assessment study to be conducted each year in order to ascertain whether or not county assessors statewide have complied with constitutional and statutory provisions in determining statutory actual values and assessed valuations for that year. The final study, including findings and conclusions, must be submitted to the Colorado General Assembly and the State Board of Equalization by September 15 of the year in which the study is conducted. Subsequently, the Board of Equalization may order a county to conduct reappraisals and revaluations during the following property tax levy year. Accordingly, the City's assessed valuation may be subject to modification following any such annual assessment study.

Taxation Procedure. The County Assessor is required to certify to the City the assessed valuation of property within the City no later than August 25 of each year. Subject to the limitations of TABOR, based upon the valuation certified by the County Assessor, the Council computes a rate of levy which, when levied upon every dollar of the valuation for assessment of property subject to the City's property tax, and together with other legally available City revenues, will raise the amount required by the City in its upcoming fiscal year. The City subsequently certifies to the Commissioners the rate of levy sufficient to produce the needed funds. Such certification must be made no later than December 15 of the property tax levy year for collection of taxes in the ensuing year. The property tax rate is expressed as a mill levy, which is the rate equivalent to the amount of tax per \$1,000 of assessed valuation.

The Commissioners levy the tax on all property subject to taxation by the City. By December 22 of each year, the Commissioners must certify to the County Assessor the levy for all taxing entities within the County. If the Commissioners fail to so certify, it is the duty of the County Assessor to extend the levies of the previous year. Further revisions to the assessed valuation of property may occur prior to the final step in the taxing procedure, which is the delivery by the County Assessor of the tax list and warrant to the County Treasurer.

Property Tax Collections. Taxes levied in one year are collected in the succeeding year. Thus, taxes certified in 2016 will be collected in 2017. Taxes are due on January 1st in the year of collection; however, they may be paid in either one installment (not later than the last day of April) or in two equal installments (not later than the last day of February and June 15) without interest or penalty. Interest accrues on unpaid first installments at the rate of 1% per month from March 1 until the date of payment unless the whole amount is paid by April 30. If the second installment is not paid by June 15, the unpaid installment will bear interest at the rate of 1% per month from June 16 until the date of payment. Notwithstanding the foregoing, if the full amount of taxes is to be paid in a single payment after the last day of April and is not so paid, the unpaid taxes will bear penalty interest at the rate of 1% per month accruing from the first day of May until the date of payment. The County Treasurer collects current and delinquent property taxes, as well as any interest or penalty, and after deducting a statutory fee for such collection, remits the balance to the City on a monthly basis.

All taxes levied on property, together with interest thereon and penalties for default, as well as, all other costs of collection constitute a perpetual lien on and against the property taxed from January 1st of the property tax levy year until paid. Such lien is on a parity with the tax liens of other general taxes. It is the County Treasurer's duty to enforce the collection of delinquent real property taxes by tax sale of the tax lien on such realty. Delinquent personal property taxes are enforceable by distraint, seizure, and sale of the taxpayer's personal property. Tax sales of tax liens on realty are held on or before the second Monday in December of the collection year, preceded by a notice of delinquency to the taxpayer and a minimum of four weeks of public notice of the impending public sale. Sales of personal property may be held at any time after October 1st of the collection year following notice of delinquency and public notice of sale. There can be no assurance that the proceeds of tax liens sold, in the event of foreclosure and sale by the County Treasurer, would be sufficient to produce the amount required with respect to property taxes levied by the City and property taxes levied by overlapping taxing entities, as well as any interest or costs due thereon. Further, there can be no assurance that the tax liens will be bid on and sold. If the tax liens are not sold, the County Treasurer removes the property from the tax rolls and delinquent taxes are payable when the property is sold or redeemed. When any real property has been stricken off to the City and there has been no subsequent purchase, the taxes on such property may be determined to be uncollectible after a period of six years from the date of becoming delinquent and they may be canceled by the Commissioners after that time.

Ad Valorem Property Data. A five-year history of the City's gross certified assessed valuation and mill levies is set forth in the following table.

TABLE VII
History of Gross Assessed Valuations and Mill Levies for the City ¹

Levy Year	Collection Year	Gross Assessed Valuation	Percent Change	Mill Levy
2011	2012	\$249,312,200	--	11.597
2012	2013	252,035,950	1.09%	11.597
2013	2014	252,305,547	0.11	11.597
2014	2015	252,776,290	0.19	11.597
2015	2016	289,377,890	14.48	11.597
2016	2017	288,565,280	(0.28)	11.597

¹ Gross assessed valuations which include the Adams County tax increments.

Sources: Department of Local Affairs, Division of Property Taxation, Annual Property Tax Reports 2011-2015, the Adams and Weld County Assessors' Offices

The following table sets forth the City's current ad valorem property tax collections for the time period indicated.

TABLE VIII
Property Tax Collections in the City

Levy Year	Tax Collection Year	Taxes Levied ¹	Current Collections	Current Collections As a % of Tax Levied
2011	2012	\$2,771,330	\$2,973,213	106.57%
2012	2013	2,809,715	3,006,351	107.28
2013	2014	2,808,108	3,023,073	107.00
2014	2015	2,749,205	2,748,798	107.66
2015	2016	[]	[]	99.99
2016 ²	2017	[]	--	--

¹ Taxes levied are net of the Adams County tax increment. The City's tax collections were in excess of the taxes levied in collection years 2012, 2013, 2014 and 2015 due to a miscalculation by the County of the tax increment financing revenue owed to the Northglenn Urban Renewal Authority ("NURA") which resulted in overpayments to the City. NURA has since won in litigation against the County and has collected the appropriate amount of revenue.

² Tax collections through _____.

Sources: City December 31, 2015 audited financial statements and the City Finance Department

Based upon the most recent certified information available from the respective Adams and Weld County Assessors' Offices, the following table lists the largest taxpayers within the City as measured by assessed value. A determination of the largest taxpayers can be made only by manually reviewing individual tax records. Therefore, it is possible that owners of several small parcels may have an aggregate assessed value in excess of those set forth in the following table. Furthermore, the taxpayers shown in the table may own additional parcels within the City not included herein.

No independent investigation has been made of and consequently there can be no representation as to the financial condition of the taxpayers listed below or that such taxpayers will continue to maintain their status as major taxpayers in the City.

TABLE IX
2016 Ten Largest Taxpayers Within the City

Taxpayer Name ¹	2016 Assessed Valuation	Percentage of Total Assessed Valuation ¹
HQ8	\$10,479,100	3.63%
Public Service Company	9,602,730	3.33
FPD Stone Mountain LLC	3,537,490	1.23
Regatta Apartments Investors LLC	3,349,800	1.16
GH Crestwood Owner B LLC	3,184,000	1.10
GH Crestwood Owner A LLC	3,184,000	1.10
HD Northglenn LLC	2,774,810	0.96
Carrick Bend Acquisition LP	2,757,020	0.96
Malley Washington LLC	2,552,370	0.89
Shamrock Properties LLP	<u>2,290,880</u>	<u>0.79</u>
Total	<u>\$43,712,200</u>	<u>15.15%</u>

¹ The names of these entities have been generalized to protect confidentiality.

² Computed based on a 2016 gross assessed valuation for the City of \$288,565,280.

Source: Adams and Weld County Assessors

The following table sets forth the 2016 assessed valuation and “actual” valuation of specific classes of property within the City. As shown below, residential property accounts for the largest percentage of the City’s assessed valuation, and therefore, owners of residential property are anticipated to pay the largest percentage of ad valorem property taxes levied by the City.

TABLE X
Assessed and “Actual” Valuation of Classes of Property in the City ¹

Class	2016 Assessed Valuation	Percent of Total Assessed Valuation	2016 “Actual” Valuation	Percent of Total “Actual” Valuation
Residential	\$182,790,830	68.28%	\$2,296,367,258	88.75%
Commercial	65,978,140	24.65	227,510,828	8.79
State Assessed	11,710,040	4.37	40,379,486	1.56
Industrial	4,372,910	1.63	15,079,000	0.58
Vacant Land	1,862,830	0.70	6,423,552	0.25
Oil and Gas	972,670	0.36	1,733,841	0.07
Agricultural	31,360	0.01	108,131	0.00
Natural Resources	<u>150</u>	<u>0.00</u>	<u>517</u>	<u>0.00</u>
Total	<u>\$267,718,930</u>	<u>100.00%</u>	<u>\$2,587,602,613</u>	<u>100.00%</u>

¹ Assessed valuation is net of the Adams County tax increment.

Source: Adams and Weld County Assessors’ Offices

Mill Levies Affecting Property Owners Within the City

In addition to the City's ad valorem property tax levy, owners of property within the City are obligated to pay taxes to other taxing entities in which their property is located. As a result, property owners within the City's boundaries may be subject to different mill levies depending upon the location of their property. The following table is a sample mill levy that may be imposed on certain property within the City and is not intended to portray the mills levied against all properties within the City. See also "DEBT STRUCTURE OF THE CITY—Estimated Overlapping General Obligation Debt."

TABLE XI
Sample Mill Levy Affecting City Property Owners

Taxing Entity ¹	2016 Mill Levy
Adams County	27.055
Adams County School District No. 12	65.922
Rangeview Library District	3.659
Regional Transportation District	0.000
North Metro Fire District	14.810
Urban Drainage Flood Control District	0.559
Urban Drainage Flood Control District South Platte	<u>0.061</u>
Total Sample Overlapping Mill Levy	112.066
Total City Mill Levy	<u>11.597</u>
Total Sample Overlapping Mill Levy	<u>123.663</u>

¹ Certain properties within the City are not located within the boundaries of all the entities listed in the preceding table, and thus are subject to a smaller or larger total mill levy.

Source: Adams and Weld County Assessors' Offices

DEBT STRUCTURE OF THE CITY

Authority for Debt and Other Obligations

The City is authorized by its Charter to borrow money or enter into other obligations and issue securities or other evidences of such obligations in such form and manner as determined by the Council to be in the best interests of the City and in accordance with the requirements of TABOR. The issuance of general obligation bonds requires an authorizing election; however, with certain exceptions, the issuance of multiple-fiscal year obligations requires an election pursuant to TABOR. The exceptions to this requirement include refunding bonded debt at a lower interest rate, bonds issued by an enterprise (as defined in TABOR) and obligations secured by pledged cash reserves. See "CONSTITUTIONAL LIMITATIONS ON TAXES, REVENUES, SPENDING AND BORROWING." The City also may enter into contracts and leases authorized by the Council, including lease purchase contracts such as the Lease. The City may pursue any of the foregoing alternatives to finance capital improvement projects.

Debt or Indebtedness. "Debt" or "indebtedness" means, as used in this paragraph and in the following table, generally, long-term obligations backed by the full faith and credit of the City. The City currently has no authorized but unissued general obligation indebtedness.

Revenue Obligations. Pursuant to the Charter, the City has the power to issue revenue securities for any public purpose payable from any source of revenues other than ad valorem property taxes. As of December 31, 2016 the City has no outstanding revenue obligations.

Leases and Other Financial Obligations. The City has the authority (i) to enter into types of financial obligations which do not extend beyond the current fiscal year and (ii) to enter into installment or lease option contracts, subject to annual appropriation, for the purchase of property or capital equipment without prior electoral approval.

In January of 2013, the City entered into a Lease Purchase Agreement with the Northglenn Capital Leasing Corporation, in the original aggregate principal amount of \$8,795,000 (the “2013 Lease”). The 2013 Lease refunded \$8,420,000 of the City’s outstanding Certificates of Participation, Series 2002A (the “2002A Certificates”), which 2002A Certificates were fully refunded in December of 2013. As of December 31, 2016, the outstanding principal amount owed under the 2013 Lease is \$[5,465,000].

Additional Commitments. Additional commitments and contingencies are described in the City’s 2015 audited financial statements attached to this Official Statement as Appendix C.

Estimated Overlapping General Obligation Debt

In addition to the general obligation indebtedness of the City, other taxing entities overlap or partially overlap the boundaries of the City. The following table sets forth those taxing entities which currently pay their general obligation debt directly from a mill levy assessed against property within the City boundaries.

TABLE XII
Estimated Overlapping General Obligation Debt

Overlapping Entity	Outstanding General Obligation Debt	Outstanding General Obligation Debt Chargeable to the City	
		Percent	Debt
Adams County School District No. 12	\$507,900,000	99.48%	\$505,258,920
North Metro Fire District	18,535,000	19.03	3,527,210
Weld County School District No. RE-8	62,340,000	0.52	324,168
Total			<u>\$509,110,298</u>

Source: Adams and Weld County Assessors’ Offices and individual entities

Debt Ratios

The City does not have any outstanding general obligation debt, therefore, no debt ratios have been included herein.

CONSTITUTIONAL LIMITATIONS ON TAXES, REVENUES, SPENDING AND BORROWING

At the general election held November 3, 1992, the voters of the State approved an initiated amendment (“TABOR”) to the Colorado Constitution limiting the ability of the State and local governments such as the City to increase revenues, debt and spending and restricting property, income and other taxes. Generally, TABOR limits the percentage increases in spending and property tax revenues to the prior year’s amounts, adjusted for inflation, local growth and voter approved changes. In addition, TABOR requires that the State and local governments obtain voter approval for certain tax or tax rate increases and to create any “multiple fiscal year direct or indirect debt or other financial

obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years,” except for refinancing debt at a lower interest rate or adding new employees to existing pension plans. The Lease is not a multiple fiscal year obligation for purposes of TABOR because it is subject to annual appropriation.

TABOR continues to affect many aspects of the City’s financial operations, revenue sources and budgetary planning. Many of the provisions of TABOR are ambiguous and will require judicial interpretation. The application of TABOR, particularly during periods of reduced or negative growth, may adversely affect the financial condition and operations of the City to an extent which cannot be predicted.

FINANCIAL ADVISOR

Stifel, Nicolaus & Company, Incorporated, is employed as Financial Advisor to the City to render certain professional services including advising the City concerning the plan of financing for the Series 2017 Certificates. Under the terms of its agreement with the City, the Financial Advisor will not be permitted to bid on the Series 2017 Certificates, either as a sole bidder or as a member of any syndicate.

RATINGS

S&P Global Ratings has assigned a rating of “___” (with a stable outlook) to the Series 2017 Certificates. Such ratings reflect only the view of the rating agency and any desired explanation of the significance of either of such ratings should be obtained from the rating agency. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agency if, in the judgment of the rating agency, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2017 Certificates.

LITIGATION

There is no litigation now pending or, to the knowledge of the City, threatened, which questions the validity of the Lease, the Series 2017 Certificates or of any proceedings of the City taken with respect to the execution, delivery and performance or sale thereof. [UPDATES?]

LEGAL MATTERS

Legal matters incident to the authorization and issuance of the Series 2017 Certificates are subject to approval by Kutak Rock LLP, Bond Counsel, whose opinion is expected to be delivered in substantially the form set forth in Appendix A hereto. In addition to acting as Bond Counsel, Kutak Rock LLP has also been retained to advise the City concerning, and has assisted in, the preparation of this Official Statement. Certain legal matters will be passed upon for the City by the Office of the City Attorney.

TAX MATTERS

Generally

In the opinion of Kutak Rock LLP, Bond Counsel, under existing laws, regulations, rulings and judicial decisions, the portion of the Base Rentals paid by the City with respect to the Series 2017 Certificates which is designated and paid as interest, as provided in the Lease, and received by the Owners of the Series 2017 Certificates (the “Interest Portion”), is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The opinion described in the preceding sentence assumes the accuracy of certain representations and compliance by the City with covenants designed to satisfy the requirements of the Internal Revenue Code of 1986, as amended (the “Code”), that must be met subsequent to the issuance of the Series 2017 Certificates. Failure to comply with such requirements could cause the Interest Portion to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2017 Certificates. The City has covenanted to comply with such requirements. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Series 2017 Certificates, and has expressed no opinion as to the effect of any termination of the obligations of the City under the Lease, under certain circumstances as provided in the Lease, upon the treatment for federal income tax purposes of any moneys received by the Owners of the Series 2017 Certificates subsequent to such termination.

Notwithstanding Bond Counsel’s opinion that the Interest Portion is not a specific preference item for purposes of the federal alternative minimum tax, such Interest Portion will be included in adjusted current earnings of certain corporations, and such corporations are required to include in the calculation of alternative minimum taxable income 75% of the excess of such corporations’ adjusted current earnings over their alternative minimum taxable income (determined without regard to such adjustment and prior to reduction for certain net operating losses).

The accrual or receipt of the Interest Portion may otherwise affect the federal income tax liability of the Owners of the Series 2017 Certificates. The extent of these other tax consequences will depend upon such Owner’s particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Series 2017 Certificates, particularly purchasers that are corporations (including S corporations and foreign corporations operating branches in the United States of America), property or casualty insurance companies, banks, thrifts or other financial institutions, certain recipients of social security or railroad retirement benefits, taxpayers entitled to claim the earned income credit, taxpayers entitled to claim the refundable credit in Section 36B of the Code for coverage under a qualified health plan or taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, should consult their tax advisors as to the tax consequences of purchasing or owning the Series 2017 Certificates.

In the opinion of Bond Counsel, under existing State of Colorado statutes, to the extent the Interest Portion is excludable from gross income for federal income tax purposes, such Interest Portion is excludable from gross income for Colorado income tax purposes and from the calculation of Colorado alternative minimum taxable income. Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the Series 2017 Certificates under the laws of the State of Colorado or any other state or jurisdiction, and has expressed no opinion as to the effect of any termination of the obligations of the City under the Lease, under certain circumstances as provided in the Lease, upon the treatment for Colorado income tax purposes of any moneys received by the Owners of the Series 2017 Certificates subsequent to such termination.

Changes in Law

From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to under this heading “TAX MATTERS” or adversely affect the market value of the Series 2017 Certificates. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to obligations issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the Series 2017 Certificates. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the Series 2017 Certificates or the market value thereof would be impacted thereby. Purchasers of the Series 2017 Certificates should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based on existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the Series 2017 Certificates, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

UNDERWRITING

The Series 2017 Certificates were purchased at competitive sale on _____, 2017, by the Underwriter named on the cover page hereof (the “Underwriter”), for a price equal to \$ _____ (representing the par amount of the Series 2017 Certificates, plus premium, less Underwriters’ discount of \$ _____).

FINANCIAL STATEMENTS

The financial statements of the City for the year ended December 31, 2015, appended hereto, have been audited by RSM US LLP, independent certified public accountants, Denver, Colorado, as stated in their report appearing therein. RSM US LLP has not been engaged to perform, and has not performed, since the date of its report included in the financial statements appended hereto, any procedures on the financial statements addressed in that report. RSM US LLP also has not performed any procedures relating to this Official Statement.

MISCELLANEOUS

Any statements made in this Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representation is made that any such estimates will be realized. This Official Statement shall not be construed as a contract between the City and any person.

The execution and delivery of this Official Statement have been duly authorized by the City.

CITY OF NORTHGLENN, COLORADO

By: /s/ _____
Mayor

APPENDIX A

PROPOSED FORM OF OPINION OF KUTAK ROCK LLP, BOND COUNSEL

City of Northglenn, Colorado
11701 Community Center Drive
Northglenn, CO 80233

\$19,620,000*

**Certificates of Participation, Series 2017
Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues Payable
Pursuant to a Lease Purchase Agreement
Dated as of April __, 2017
Between UMB Bank, n.a., as Trustee, and the
City of Northglenn, Colorado**

Ladies and Gentlemen:

We have acted as bond counsel to the City of Northglenn, Colorado (the “City”) in connection with the execution and delivery of the captioned certificates (the “Series 2017 Certificates”). The Series 2017 Certificates are being executed and delivered pursuant to an Indenture of Trust dated as of April __, 2017 (the “Indenture”) by UMB Bank, n.a., Denver, Colorado, as trustee thereunder (the “Trustee”), and evidence undivided interests in the right to receive certain revenues payable by the City under a Lease Purchase Agreement dated as of April __, 2017 (the “Lease”) between the Trustee, as lessor, and the City, as lessee. Capitalized terms used but not defined herein have the meanings assigned to them in the Indenture and the Lease.

We have examined the Constitution and the laws of the State of Colorado; the Internal Revenue Code of 1986, as amended (the “Code”), and the regulations, rulings and judicial decisions relevant to the opinion set forth in paragraph 4 below; and such certified proceedings, certificates, documents, opinions and other papers as we deem necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon the certified proceedings and other certificates of public officials and others furnished to us without undertaking to verify the same by independent investigation. We have assumed the due authorization, execution and delivery of the Lease, the Indenture and the Series 2017 Certificates by the Trustee and have relied upon, and assumed the correctness of the legal conclusions stated in, the opinion, dated the date hereof, of the City Attorney.

Based upon the foregoing, we are of the opinion, as of the date hereof and under existing law, that:

1. The City has the power to enter into and perform its obligations under the Lease.
2. The Lease has been duly authorized, executed and delivered and is a legal, valid and binding obligation of the City enforceable against the City in accordance with its terms.

* Preliminary; subject to change.

3. The Series 2017 Certificates evidence legal, valid and binding assignments of undivided interests in the right to receive certain revenues, as provided in the Series 2017 Certificates and the Indenture, from Base Rentals payable by the City under the Lease, which payments include portions designated and paid as interest and principal, as provided in the Lease.

4. Under existing statutes, regulations, rulings and judicial decisions, the portion of the Base Rentals paid by the City which is designated and paid as interest, as provided in the Lease, and received by the owners of the Series 2017 Certificates, is excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax. The opinions set forth in the preceding sentence assume compliance by the City with certain requirements of the Code that must be met subsequent to the issuance of the Series 2017 Certificates. Failure to comply with such requirements could cause such interest to be includible in gross income for federal income tax purposes or could otherwise adversely affect such opinions, retroactive to the date of issuance of the Series 2017 Certificates. The City has covenanted in the Lease and the Tax Compliance Certificate executed and delivered in connection with the issuance of the Series 2017 Certificates to comply with such requirements. We express no opinion regarding other federal tax consequences arising with respect to the Series 2017 Certificates, and we express no opinion as to the effect of any termination of the City's obligations under the Lease upon the treatment for federal income tax purposes of any moneys received by the Owners of the Series 2017 Certificates subsequent to such termination.

5. Under existing State of Colorado statutes, to the extent the portion of the Base Rentals paid by the City which is designated and paid as interest, as provided in the Lease, and received by the Owners of the Series 2017 Certificates, is excludable from gross income for federal income tax purposes, such portion of the Base Rentals paid by the City which is designated and paid as interest, as provided in the Lease, and received by the Owners of the Series 2017 Certificates, is excludable from gross income for Colorado income tax purposes and from the calculation of Colorado alternative minimum taxable income. We express no opinion regarding other tax consequences arising with respect to the Series 2017 Certificates under the laws of the State of Colorado or any other state or jurisdiction, and we express no opinion as to the effect of any termination of the City's obligations under the Lease, under certain circumstances as provided in the Lease, upon the treatment for State of Colorado income tax purposes of any moneys received by the Owners of the Series 2017 Certificates subsequent to such termination.

The rights of the Owners of the Series 2017 Certificates and the enforceability of the Series 2017 Certificates and the Lease may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, by equitable principles, whether considered at law or in equity, by the exercise by the State of Colorado and its governmental bodies of the police power inherent in the sovereignty of the State of Colorado and by the exercise by the United States of America of the powers delegated to it by the Constitution of the United States of America.

This opinion is limited to the matters specifically set forth above and we offer no other opinion or advice as to any other aspect of the transaction described herein. In particular, but without limitation, we offer no opinion or advice herein as to the enforceability of the Lease, the Indenture or the Series 2017 Certificates against the Trustee; legal title to the Leased Property; the priority of the lien of the Indenture; the creditworthiness or financial condition of the City or the Trustee; the accuracy or completeness of the statements made in connection with the offer and sale of the Series 2017 Certificates; or the ability of the City to apply amounts on deposit in any particular fund or account of the City for the purpose of making payments under the Lease.

This opinion is based solely on the Constitution and laws of the State of Colorado, the provisions of the Code and the regulations, rulings and judicial decisions relevant to the opinion set forth in numbered paragraph 4 above, the other items described in the eighth unnumbered paragraph hereof and

the assumptions set forth herein; and we have no obligation to update or supplement this opinion with respect to changes in any of such items or with respect to other events or circumstances occurring after the date hereof.

This opinion is solely for the benefit of the addressees in connection with the original issuance of the Series 2017 Certificates and may not be relied upon by any other person or for any other purpose without our express written consent.

Very truly yours,

APPENDIX B

SUMMARIES OF CERTAIN PROVISIONS OF LEGAL DOCUMENTS

Certain provisions of the Indenture, the Lease and the Site Lease are summarized in the body of this Official Statement and are not summarized in this Appendix. This summary should be read in conjunction with the material in the body of this Official Statement describing provisions of such documents.

This summary, the descriptions herein and the descriptions of provisions of the Indenture, the Lease and the Site Lease in the body of this Official Statement are qualified in all respects by reference to the Indenture, the Lease and the Site Lease. Copies of the Indenture, the Lease and the Site Lease may be obtained as described in “SUMMARY OF THE OFFICIAL STATEMENT” in the body of this Official Statement.

DEFINITIONS

The following capitalized terms have the following meanings in this Appendix:

“*Additional Rentals*” means the costs and expenses incurred by the City in performing its obligations under the Lease with respect to the Leased Property, the Project, the Lease, the Site Lease, the Indenture, the Series 2017 Certificates and any matter related thereto; the costs and expenses incurred by the City in paying the reasonable fees and expenses of the Trustee pursuant to the Lease; all amounts paid by the City to the Trustee to fund the Rebate Fund pursuant to the Lease, as required by the Indenture, and all other costs and expenses incurred by the City in connection with the foregoing; provided, however, that Additional Rentals do not include the Base Rentals or the Purchase Option Price.

“*Additional Certificates*” means any Certificates delivered after the initial delivery of the Series 2017 Certificates pursuant to the Indenture.

“*Base Rentals*” means the payments by the City directly to the Trustee pursuant to of the Lease, for and in consideration of the right to use the Leased Property during the Lease Term.

“*Base Rental Payment Date*” means one of the dates in the “Base Rental Payment Date” column in Exhibit D of the Lease, as from time to time amended or supplemented.

“*Bond Counsel*” means (a) as of the date of initial delivery of the Series 2017 Certificates, Kutak Rock LLP; and (b) as of any other date, Kutak Rock LLP or such other attorneys selected by the City with nationally recognized expertise in the issuance of municipal securities, the interest on which is excluded from gross income for federal income tax purposes.

“*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.

“*Certificate Fund*” means the special fund created by the Indenture to account for Base Rental Payments.

“*Certificates*” means, collectively, the Series 2017 Certificates and any Additional Certificates.

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

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

“*Construction Fund*” means the special fund created in the Indenture to account for the expenditure of the net proceeds of the Series 2017 Certificates upon the Project.

“*Council*” means the City Council of the City.

“*Costs of Issuance*” means administrative costs of issuance of any Series 2017 Certificates, including, but not limited to, any fees and expenses of any underwriter or financial advisor that provides services in connection with the delivery of any Series 2017 Certificates, legal fees and expenses, costs incurred in obtaining ratings from rating agencies, costs of immediately available funds, costs of publication, printing and engraving, accountants’ fees and recording and filing fees.

“*Costs of Issuance Fund*” means the fund created by and designated as such in the Indenture for the purpose of paying the Costs of Issuance.

“*Costs*” or “*Costs of the Project*” means any and all costs and expenses incurred in financing the Project.

“*City Representative*” means any officer of the Council and any other person or persons designated to act on behalf of the City for the purposes of performing any act under the Lease, the Site Lease, and the Indenture by a written certificate furnished to the Trustee containing the specimen signature of such person and signed on behalf of the City by any member of the Council. The identity of the City Representative may be changed by the City from time to time by furnishing a new certificate to the Trustee.

“*Defeasance Securities*” means direct obligations of or obligations unconditionally guaranteed as to principal and interest by the United States of America.

“*Equipment*” means the equipment and other personal property, if any, described in the Lease, as such equipment and other personal property is modified, remodeled, substituted or replaced pursuant to the Lease, and less any equipment or other personal property released from the Lease. There is initially no Equipment.

“*Event of Default*” means a failure to pay Base Rentals or Additional Rentals, certain covenant defaults, bankruptcy and other events described in the Lease.

“*Event of Nonappropriation*” means an event involving the failure to appropriate Base Rentals or Additional Rentals, as described in the Lease.

“*Fiscal Year*” means the fiscal or budget year of the City, which begins on January 1 of each calendar year and ends on December 31 of the same calendar year.

“*Force Majeure*” means any event that is not within the control of the City or the Trustee, as applicable, including, without limitation, acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials or any civil or military authority; insurrection; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; or breakage or accidents affecting machinery, transmission pipes or canals.

“*Improvements*” means the buildings, site improvements and other real property, as such buildings, site improvements and other real property are modified pursuant to the Lease.

“Indenture” means the Indenture of Trust and any amendment or supplement hereto.

“Independent Counsel” means an attorney duly admitted to the practice of law before the highest court in the State and who is not an employee of the City or the Trustee.

“Initial Purchaser” means (a) with respect to the Series 2017 Certificates, Stifel, Nicolaus & Company, Incorporated; and (b) with respect to any Additional Certificates, the purchasers designated as such in any Supplemental Indenture.

“Initial Term” means the period commencing on the date the Series 2017 Certificates are initially delivered to the Owners thereof and ending on December 31, 2017.

“Interest Payment Date” means June 1 and December 1 of each year beginning on June 1, 2017.

“Lease” means the Lease Purchase Agreement dated as of April __, 2017 between the Trustee, as lessor, and the City, as lessee, and any amendment or supplement thereto.

“Lease Term” means the Initial Term and successive one-year Renewal Terms as defined in the Lease.

“Leased Property” means, collectively, the City’s leasehold interest pursuant to the Lease in, collectively, the Site Leased Property, the Improvements, if any, and the Equipment, if any.

“Net Proceeds” means (a) the gross proceeds received from an event of replacement or substitution of Equipment, damage to, condemnation of, material defect in or loss of title to the Leased Property referred to in the Lease, minus (b) all expenses incurred in the collection of such gross proceeds or award. The trade-in of Equipment pursuant to the Lease is deemed to have generated gross proceeds for purposes of this definition in an amount equal to the credit received upon such trade-in.

“Operations Center” means the operations center of the Trustee in Kansas City, Missouri, or at such other location as the Trustee may designate from time to time by written notice to the City, the Owners, and the Rating Agencies.

“Outstanding” means all Certificates which have been executed and delivered, except:

- (a) Certificates canceled or which have been surrendered to the Trustee for cancellation;
 - (b) Certificates in lieu of which other Certificates have been delivered under the Indenture;
 - (c) Certificates which have been redeemed as provided in the Indenture (including Certificates redeemed on payment of an amount less than the outstanding principal thereof and accrued interest thereon to the redemption date as provided in the Indenture);
 - (d) Certificates which are due and for which the Trustee holds funds for the benefit of the Owner thereof pursuant to the Indenture;
 - (e) Certificates which are otherwise deemed discharged pursuant to the Indenture;
- and
- (f) Certificates held by the City.

“*Owner*” of a Certificate means the registered owner of any Certificate as shown in the registration records of the Trustee.

“*Permitted Encumbrances*” means those items listed in Exhibit D to the Lease.

“*Permitted Investments*” means any investment which is a lawful investment permitted for the investment of funds of the City by the laws of the State.

“*Person*” means any natural person, firm, corporation, partnership, limited liability company, state, political subdivision of any state, other public body or other organization or association.

“*Project*” means the financing of the construction of a new City Justice Center, as a part of a larger effort by the City known as the Civic Campus Project.

“*Project Contract*” means any contract or agreement entered into with respect to the acquisition or construction of the Project.

“*Purchase Option Price*” means the amount that the City must pay to purchase the Leased Property pursuant to the Lease.

“*Rating Agency*” means each nationally recognized securities rating agency then maintaining a rating on the Series 2017 Certificates, and initially means S&P.

“*Rebate Fund*” means the special fund created by the Indenture for the purpose of accounting for arbitrage rebate funds.

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

“*Redemption Date*” means the date fixed for the redemption prior to their respective maturities of any Series 2017 Certificates in any notice of prior redemption or otherwise fixed and designated by the City.

“*Renewal Term*” means each Fiscal Year for which the City renews the Lease Term.

“*Requirement of Law*” means, when used in the Lease, any federal, state or local statute, ordinance, rule or regulation, any judicial or administrative order (whether or not on consent), request or judgment, any common law doctrine or theory, any provision or condition of any permit or any other binding determination of any governmental authority relating to the ownership or operation of property, including but not limited to any of the foregoing relating to zoning, environmental, health or safety issues.

“*Requirement of Law*” means, when used in the Indenture, any federal, state or local statute, ordinance, rule or regulation, any judicial or administrative order (whether or not on consent), request or judgment, any common law doctrine or theory, any provision or condition of any permit required to be obtained or maintained, or any other binding determination of any governmental authority relating to the ownership or operation of property, including but not limited to any of the foregoing relating to zoning, environmental, health or safety matters.

“*S&P*” means S&P Global Ratings, and its successors and assigns.

“*Scheduled Lease Term*” means the period from the commencement of the Initial Term through the expiration of the Lease upon any of the events described in the Lease.

“*Site Lease*” means the Site Lease dated as of April __, 2017, between the City, as site lessor, and the Trustee, as site lessee, and any amendment or supplement thereto.

“*Site Leased Property*” means the Property leased by the City to the Trustee pursuant to the Site Lease, which is the property described in Exhibit A to the Lease.

“*Special Record Date*” means a special date fixed to determine the names and addresses of Owners of Certificates for purposes of paying defaulted interest in accordance with the provisions of the Indenture.

“*State*” means the State of Colorado.

“*Subcontract*” means any Project Contract entered into by and between the City and any Subcontractor.

“*Subcontractor*” means any Person with whom the City contracts for the construction, acquisition or installation by such person of all or any portion of the Project.

“*Supplemental Indenture*” means any indenture supplementing or amending the Indenture that is adopted pursuant to the Indenture.

“*Trust Bank*” means a commercial bank which is authorized to exercise and is exercising trust powers located within or without the State, and also means any branch of the Federal Reserve Bank.

“*Trust Estate*” means the property placed in trust by the Trustee pursuant to the Description of Trust Estate in the preambles to the Indenture. The Trust Estate does not include the Rebate Fund or any escrow accounts established pursuant to the defeasance provisions of the Indenture.

“*Trustee*” means UMB Bank, n.a., or any successor thereto, acting solely in its capacity as trustee under the Indenture, and not in its own corporate capacity, or any successor trustee under the Indenture. Pursuant to the Lease, any successor trustee under the Indenture will automatically succeed to the interest of the previous trustee in the Leased Property and the previous trustee’s rights, title, interest and obligations in, to and under the Lease.

LEASE

Obligations of Trustee Generally

The Trustee has agreed in the Lease to permit the City to use the Leased Property during the Lease Term, subject to the terms of the Lease.

Obligations of City Generally

The City has agreed in the Lease, subject to the terms of the Lease and subject to the caveat that all obligations of the City to pay Base Rentals and Additional Rentals and all other obligations of the City under the Lease are subject to annual appropriation by the Council and the other limitations discussed below under this caption:

- (a) to pay Base Rentals for the use of the Leased Property;
- (b) to pay all taxes, assessments and other governmental charges and utility charges with respect to the Leased Property;
- (c) to insure the Leased Property;
- (d) to maintain, preserve and keep the Leased Property in good repair, working order and condition, subject to normal wear and tear;
- (e) to repair, restore, modify, improve or replace the Leased Property following (i) the destruction or damage of the Leased Property by fire or other casualty, (ii) the taking of the Leased Property by eminent domain, (iii) a breach of warranty or material defect with respect to the Leased Property or (iv) a defect in the title to the Leased Property;
- (f) to pay the reasonable fees and expenses of the Trustee in connection with the Leased Property, the Lease, the Site Lease, the Indenture, the Series 2017 Certificates or any matter related thereto;
- (g) to make payments to the Trustee required to be deposited into the Rebate Fund;
and
- (h) to pay the costs incurred pursuant to clauses (b) through (g) above as Additional Rentals.

Lease Term

The Lease Term will consist of an Initial Term and successive one-year Renewal Terms, will commence on the date the Series 2017 Certificates are initially delivered, and will terminate upon the earliest of:

- (a) the last day of the month in which the final Base Rental payment is scheduled to be paid in accordance with the schedule attached to the Lease;
- (b) December 31 of any Fiscal Year during which an Event of Nonappropriation has occurred;
- (c) the purchase of the Leased Property by the City pursuant to its exercise of its option to pay the Purchase Option Price; or
- (d) termination of the Lease following an Event of Default under the Lease as described below.

Upon termination of the Lease Term, all unaccrued obligations of the City under the Lease will terminate, but all obligations of the City that have accrued under the Lease prior to such termination will

continue until they are discharged in full. If the Lease Term is terminated because of the occurrence of an Event of Nonappropriation or an Event of Default, the City's right to possession of the Leased Property hereunder will terminate and (i) the City is required to, within 45 days, vacate the Leased Property; and (ii) if and to the extent the Council has appropriated funds for payment of Base Rentals and Additional Rentals payable during, or with respect to the City's use of the Leased Property during, the period between termination of the Lease Term and the date the Leased Property is vacated pursuant to clause (i), the City is required to pay such Base Rentals and Additional Rentals to the Trustee or, in the case of Additional Rentals, the other Person entitled thereto.

Event of Nonappropriation

The officer of the City who is responsible for formulating budget proposals with respect to payments of Base Rentals and Additional Rentals is directed in the Lease (a) to estimate the Additional Rentals payable in the next ensuing Fiscal Year prior the submission of each annual budget proposal to the Council during the Lease Term; and (b) to include in each annual budget proposal submitted to the Council during the Lease Term the entire amount of Base Rentals scheduled to be paid and the Additional Rentals estimated to be payable during the next ensuing Fiscal Year; it being the intention of the City that any decision to continue or to terminate the Lease will be made solely by the Council, in its sole discretion, and not by any other department, agency or official of the City.

An Event of Nonappropriation will be deemed to have occurred on December 31 of any Fiscal Year if the City has, on such date, failed, for any reason, to appropriate sufficient amounts authorized and directed to be used to pay all Base Rentals scheduled to be paid and all Additional Rentals estimated to be payable in the next ensuing Fiscal Year.

An Event of Nonappropriation will also be deemed to have occurred on December 31 of the Fiscal Year in which an event described in clause (a) below occurred or on December 31 of any subsequent Fiscal Year in which it became apparent that the Net Proceeds received as a consequence of an event described in clause (a) below are not sufficient to repair, restore, modify, improve or replace the Leased Property in accordance with the Lease. In order for an Event of Nonappropriation described in this paragraph to be deemed to occur:

(a) the Leased Property (or any portion thereof) is destroyed or damaged by fire or other casualty, title to, or the temporary or permanent use of, the Leased Property (or any portion thereof) or the estate of the City or the Trustee in the Leased Property (or any portion thereof), is taken under the exercise of the power of eminent domain by any governmental body or by any Person acting under governmental authority, a breach of warranty or any material defect with respect to the Leased Property (or any portion thereof) becomes apparent or title to or the use of the Leased Property (or any portion thereof) is lost by reason of a defect in the title thereto;

(b) the Net Proceeds received as a consequence of an event described in clause (a) are not sufficient to repair, restore, modify, improve or replace the Leased Property in accordance with the Lease hereof; and

(c) the City has not appropriated amounts sufficient to repair, restore, modify, improve or replace the Leased Property or to exercise its option to purchase the Leased Property by paying the Purchase Option Price by December 31 of the Fiscal Year in which such event occurred or by December 31 of any subsequent Fiscal Year in which the insufficiency of Net Proceeds to repair, restore, modify, improve or replace the Leased Property becomes apparent.

Notwithstanding the preceding two paragraphs, the Trustee may waive any such failure to appropriate that otherwise would cause an Event of Nonappropriation to occur if such failure to appropriate is cured by the City within a reasonable period of time.

City's Purchase Option

The City has the option to purchase the Leased Property by paying to the Trustee an amount, which, together with other amounts then on deposit in the Series 2017 Certificate Fund that are available for such purpose, is sufficient (a) to pay all the Outstanding Certificates at maturity, to redeem all the Outstanding Certificates in accordance with the redemption provisions of the Indenture or to defease all the Outstanding Certificates in accordance with the defeasance provisions of the Indenture; and (b) to pay all Additional Rentals payable through the date of conveyance of the Leased Property of the City or its designee, including, but not limited to, all fees and expenses of the Trustee relating to the conveyance of the Leased Property and the payment, redemption or defeasance of the Series 2017 Certificates.

The City may exercise its option to purchase the Leased Property by (a) giving written notice to the Trustee prior to the end of the Scheduled Lease Term (i) stating that the City intends to purchase the Leased Property, (ii) identifying the source of funds it will use to pay the Purchase Option Price, and (iii) specifying a closing date for such purpose which is at least 40 and no more than 90 days after the delivery of such notice; and (b) paying the Purchase Option Price to the Trustee in immediately available funds on the closing date.

At the closing of any purchase of the Leased Property pursuant to the City's exercise of its purchase option, the Trustee is to execute and deliver to the City or its designee, all necessary documents assigning, transferring and conveying to the City or its designee the same interest in the Leased Property that was conveyed to the Trustee, subject only to the following: (a) Permitted Encumbrances, other than the Lease, the Site Lease and the Indenture; (b) all liens, encumbrances and restrictions created or suffered to exist by the Trustee as required or permitted by the Lease or the Site Lease or arising as a result of any action taken or omitted to be taken by the Trustee as required or permitted by the Lease or the Site Lease; (c) any lien or encumbrance created or suffered to exist by action of the City; and (d) those liens and encumbrances, if any, to which the Leased Property was subject when acquired by the Trustee.

Limitations on Obligations of the City

The Lease specifically provides that:

(a) payment of Base Rentals and Additional Rentals by the City constitute currently appropriated expenditures of the City and may be paid from any legally available funds;

(b) the City's obligations under the Lease are subject to the City's annual right to terminate the Lease upon the occurrence of an Event of Nonappropriation;

(c) no provision of the Series 2017 Certificates, the Indenture, the Lease or the Site Lease is to be construed or interpreted (i) to directly or indirectly obligate the City to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (ii) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (iii) as a delegation of governmental powers by the City; (iv) as a loan or pledge of the credit or faith of the City or as creating any responsibility by the City for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution;

or (v) as a donation or grant by the City to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution;

(d) the City will be under no obligation whatsoever to exercise its option to purchase the Leased Property; and

(e) no provision of the Lease is to be construed to pledge or to create a lien on any class or source of moneys of the City; nor will any provision of the Lease restrict the future issuance of any obligations of the City, payable from any class or source of moneys of the City.

Events of Default and Remedies Under the Lease

Events of Default. Any of the following constitutes an “Event of Default” under the Lease:

(a) failure by the City to pay any specifically appropriated Base Rentals to the Trustee on or before the applicable Base Rental Payment Date; provided, however, that a failure by the City to pay Base Rentals on the applicable Base Rental Payment Date will not constitute an Event of Default if such payment is received by the Trustee within five days following such Base Rental Payment Date;

(b) failure by the City to pay any Additional Rental for which funds have been specifically appropriated when due, or if such Additional Rental is payable to a Person other than the Trustee, when nonpayment thereof has, or may have, a material adverse effect upon the Leased Property or the interest of the Trustee in the Leased Property;

(c) failure by the City to vacate the Site Leased Property and the Improvements within 45 days following an Event of Nonappropriation as described in “—Lease Term” above under this caption;

(d) any sublease, assignment, encumbrance, conveyance or other transfer of the interest of the City in all or any portion of the Lease or the Leased Property in violation of the provisions of the Lease;

(e) failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in clause (a), (b), (c) or (d) above, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied is given to the City by the Trustee, unless the Trustee agrees in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the Trustee is not to withhold its consent to an extension of such time if corrective action is instituted by the City within the applicable period and diligently pursued until the default is corrected; or

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

The provisions regarding Events of Default set forth above are subject to the following limitations:

(i) the City will be obligated to pay Base Rentals and Additional Rentals only during the Lease Term, except as otherwise described in “—Lease Term” above under this caption; and

(ii) if, by reason of Force Majeure, the City is unable in whole or in part to carry out any agreement on its part contained in the Lease, other than its obligation to pay Base Rentals or Additional Rentals, the City will not be deemed in default during the continuance of such inability; provided, however, that the City will, as promptly as legally and reasonably possible, remedy the cause or causes preventing the City from carrying out such agreement.

Remedies. Whenever any Event of Default has happened and is continuing, the Trustee may take one or any combination of the following remedial steps:

(a) terminate the Lease Term and give notice to the City to immediately vacate the Leased Property in the manner described in “—Lease Term” above under this caption;

(b) exercise all the rights and remedies of a secured party under the Uniform Commercial Code with respect to the Equipment and otherwise repossess, liquidate or otherwise dispose of the Equipment in any lawful manner; provided, however, that the Trustee may not recover from the City any deficiency which may exist following the liquidation of the Equipment;

(c) sell or lease all or any portion of the Leased Property;

(d) recover from the City:

(i) the portion of Base Rentals and Additional Rentals payable as described in “—Lease Term” above under this caption;

(ii) the portion of Base Rentals for the then current Fiscal Year that has been specifically appropriated by the Council, regardless of when the City vacates the Site Leased Property; and

(iii) the portion of the Additional Rentals for the then current Fiscal Year that has been specifically appropriated by the Council, but only to the extent such Additional Rentals are payable prior to the date, or are attributable to the use of the Leased Property prior to the date, and the City vacates the Leased Property;

(e) enforce any provision of the Lease by equitable remedy, including, but not limited to, enforcement of the restrictions on assignment, encumbrance, conveyance, transfer or succession described in the Lease by specific performance, writ of mandamus or other injunctive relief; and

(f) take whatever action at law or in equity may appear necessary or desirable to enforce its rights in and to the Leased Property under the Lease, subject, however, to the limitations on the obligations of the City described the next paragraph and in “—Limitations on Obligations of the City” above under this caption and the limitations on the obligations of the Trustee described in “—Limitations on Obligations of the Trustee” below under this caption.

Notwithstanding the foregoing, a judgment requiring a payment of money may be entered against the City by reason of an Event of Default only as to the City’s liabilities described in clause (d) above and a judgment requiring a payment of money may be entered against the City by reason of an Event of

Nonappropriation, or a failure to vacate the Site Leased Property following an Event of Nonappropriation, only to the extent described in clause (d)(i) above.

Notwithstanding any other provision of the Lease, the Trustee may waive any Event of Default under the Lease and its consequences.

Limitations on Obligations of the Trustee

The Lease specifically provides that:

(a) the Trustee makes no warranty or representation, either express or implied, as to the value, design, condition, merchantability or fitness for a particular purpose or fitness for use of the Leased Property or any other representation or warranty with respect to the Leased Property or any portion thereof;

(b) in no event will the Trustee be liable for any direct or indirect, incidental, special or consequential damage in connection with or arising out of the Lease or the existence, furnishing, functioning or use by the City of any item, product or service provided in the Lease; and

(c) notwithstanding any other provision of the Lease, all financial obligations of the Trustee under the Lease, except those resulting from its negligence or willful misconduct, are limited to the Trust Estate.

INDENTURE

In addition to the other terms of the Indenture described in the body of this Official Statement and elsewhere in this Appendix B, the Indenture contains the following provisions:

DTC As Registered Owner

While the Series 2017 Certificates remain in book-entry only form, DTC remains the sole registered owner of the Series 2017 Certificates for all purposes of the Indenture. Transfers of ownership by Beneficial Owners may be made as described in “APPENDIX F—BOOK-ENTRY-ONLY SYSTEM.” In the event that DTC ceases to act as depository for the Series 2017 Certificates, transfers may be effected as described below.

Registration of Certificates; Persons Treated As Owners; Transfer and Exchange of Certificates

Records for the registration and transfer of Certificates are to be kept by the Trustee which is appointed by the Indenture as the registrar for the Series 2017 Certificates. The principal of, interest on, and any prior redemption premium on any Certificate will be payable only to or upon the order of the Owner or his legal representative (except as otherwise provided in the Indenture with respect to Record Dates and Special Record Dates for the payment of interest). Upon surrender for transfer of any Certificate at the Operations Center of the Trustee, duly endorsed for transfer or accompanied by an assignment duly executed by the Owner or his attorney duly authorized in writing, the Trustee is to enter such transfer on the registration records and is to execute and deliver in the name of the transferee or transferees a new fully registered Certificate or Certificates of a like aggregate principal amount and of the same maturity, bearing a number or numbers not previously assigned.

Fully registered Certificates may be exchanged at the Operations Center of the Trustee for an equal aggregate principal amount of fully registered Certificates of the same maturity of other authorized denominations. The Trustee is to execute and deliver Certificates which the Owner making the exchange is entitled to receive, bearing numbers not previously assigned.

The Trustee may require the payment, by the Owner of any Certificate requesting exchange or transfer, of any reasonable charges as well as any taxes, transfer fees or other governmental charges required to be paid with respect to such exchange or transfer.

The Trustee will not be required to transfer or exchange (a) all or any portion of any Certificate during the period beginning at the opening of business 15 days before the day of the mailing by the Trustee of notice calling any Certificates for prior redemption and ending at the close of business on the day of such mailing, or (b) all or any portion of a Certificate after the mailing of notice calling such Certificate or any portion thereof for prior redemption.

Except as otherwise provided in the Indenture with respect to Record Dates and Special Record Dates for the payment of interest, the person in whose name any Certificate is registered will be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or interest on any Certificate will be made only to or upon the written order of the Owner thereof or his legal representative, but such registration may be changed as provided in the Indenture. All such payments will be valid and effectual to satisfy and discharge such Certificate to the extent of the sum or sums paid.

Cancellation of Certificates

Whenever any Outstanding Certificates are delivered to the Trustee for cancellation as described in the Indenture, upon payment thereof or for or after replacement as described in “INDENTURE—Mutilated, Lost, Stolen or Destroyed Certificates” and “INDENTURE—Registration of Certificates; Persons Treated As Owners; Transfer and Exchange of Certificates” in this Appendix, such Certificates are to be promptly cancelled by the Trustee.

Negotiability

Subject to the registration provisions of the Indenture, the Series 2017 Certificates will be fully negotiable and will have all the qualities of negotiable paper, and the Owners thereof will possess all rights enjoyed by the holders or owners of negotiable instruments under the provisions of the Uniform Commercial Code-Investment Securities. The principal of and interest on the Series 2017 Certificates will be paid, and the Series 2017 Certificates will be transferable, free from and without regard to any equities, setoffs or cross-claims between the Trustee and the original or any intermediate owner of any Certificates.

Mutilated, Lost, Stolen or Destroyed Certificates

In the event that any Certificate is mutilated, lost, stolen or destroyed, a new Certificate may be executed on behalf of the Trustee, of like date, maturity and denomination as that mutilated, lost, stolen or destroyed; provided that the Trustee has received such evidence, information or indemnity from the Owner of the Certificate as it and the Trustee may reasonably require, and provided further, in case of any mutilated Certificate, that such mutilated Certificate is first to be surrendered to the Trustee. In the event that any such Certificate has matured, instead of delivering a duplicate Certificate, the Trustee may pay the same without surrender thereof. The Trustee may charge the Owner of the Certificate with its

reasonable fees and expenses in this connection and require payment of such fees and expenses as a condition precedent to the delivery of a new Certificate.

Certificate Fund

The Certificate Fund created by the Indenture is to be used to pay the principal of, premium, if any, and interest on the Series 2017 Certificates. There is to be created within the Certificate Fund an Interest Account and a Principal Account.

There is to be deposited into the Interest Account (i) all accrued interest and capitalized interest, if any, received at the time of the delivery of the Series 2017 Certificates; (ii) that portion of each payment of Base Rentals made by the City which is designated and paid as the interest component thereof, as provided in the Lease; (iii) any moneys transferred to the Interest Account of the Certificate Fund from the Costs of Issuance Fund (discussed below); and (iv) all other moneys received by the Trustee under the Indenture accompanied by directions that such moneys are to be deposited in the Interest Account.

There is to be deposited into the Principal Account: (i) that portion of each payment of Base Rentals made by the City which is designated and paid as the principal component thereof, as provided in the Lease; and (ii) all other moneys received by the Trustee under the Indenture accompanied by directions that such moneys are to be deposited in the Principal Account

Costs of Issuance Fund

There is to be deposited into the Costs of Issuance Fund or transferred to the City from proceeds of the Series 2017 Certificates an amount equal to the Costs of Issuance, as certified by a City Representative. Such money deposited into the Costs of Issuance Fund is to be disbursed by the Trustee to pay the costs of execution and delivery of the Series 2017 Certificates as directed in writing by the City or paid directly by the City.

Construction Fund

The Construction Fund created by the Indenture comprises the Acquisition Account and the Construction Account. The net proceeds of the Series 2017 Certificates remaining after any required deposits to the Costs of Issuance Fund and the Interest Account of the Certificate Fund are to be deposited to the Construction Fund and allocated to the Acquisition Account and Construction Account as directed by the City. Amounts in the Construction Fund are to be expended on costs of the Project, in accordance with the Agreement to Construct and any contracts entered into by the City for the completion of the Project and deposited with the Trustee pursuant to the Indenture.

Funds deposited into the Acquisition Account are to be expended on the costs of acquiring real property, if necessary, for purposes of the Project. Funds deposited into the Construction Account are to be expended on the costs of constructing, improving and equipping the Project, pursuant to the requirements of the Indenture.

Rebate Fund

There is to be deposited into the Rebate Fund (a) all amounts paid by the City as described in the fourth paragraph under this caption, and (b) all other moneys delivered to the Trustee that are accompanied by instructions to deposit the same into the Rebate Fund.

Not later than 60 days after December 1, 2022, and every five years thereafter, the Trustee is required, at the direction of the City, to pay to the United States of America 90% of the amount required to be on deposit in the Rebate Fund as of such payment date. No later than 60 days after the final retirement of the Series 2017 Certificates, the Trustee is to, at the direction of the City, pay to the United States of America 100% of the amount required to be on deposit in the Rebate Fund which will remain in effect for such period of time as is necessary for such final payment to be made. Each payment required to be paid to the United States of America as described in this paragraph is to be filed with the Internal Revenue Service Center, Ogden, Utah 84201. Each payment is to be accompanied by a copy of the Internal Revenue Form 8038-T executed by the City and a statement prepared by the City or its agent summarizing the determination of the amount to be paid to the United States of America. The Trustee acknowledges that the City has reserved the right, in all events, to pursue such remedies and procedures as are available to it in order to assert any claim of overpayment of any rebated amounts.

The City is to make or cause to be made all requisite rebate calculations so as to provide the information required to transfer moneys to the Rebate Fund as described in the first paragraph under this caption and to make the payments described in the second paragraph under this caption. The Trustee is to make deposits to and disbursements from the Rebate Fund in accordance with the written directions of the City given pursuant to the Investment Instructions (the "Investment Instructions") and the Tax Compliance Certificate (the "Tax Compliance Certificate") executed by the City in connection with the initial delivery of the Series 2017 Certificates or any similar certificate or instrument delivered by the City in connection with the initial delivery of any Additional Certificates. The Trustee is to invest the Rebate Fund as described in said Investment Instructions and is to deposit income from said investments immediately upon receipt thereof in the Rebate Fund, all as set forth in the Investment Instructions. The Investment Instructions may be superseded or amended by new Investment Instructions drafted by, and accompanied by an opinion of, Bond Counsel addressed to the Trustee to the effect that the use of said new Investment Instructions will not cause the interest on the Series 2017 Certificates to be includible in the gross income of the recipients thereof for purposes of federal income taxation. The City may employ, at its expense, a designated agent to calculate the amount of deposits to and disbursements from the Rebate Fund. If a withdrawal from the Rebate Fund is permitted as a result of the computation described in the Investment Instructions, the amount withdrawn is to be deposited in the Certificate Fund. Record of the determinations required by this caption and delivered to the Trustee and the Investment Instructions are to be retained by the Trustee until six years after the final retirement of the Series 2017 Certificates.

The City has agreed in the Lease, subject to the terms of the Lease, that, if, for any reason, the amount on deposit in the Rebate Fund is less than the amount required to be paid to the United States of America on any date, the City is to pay to the Trustee as Additional Rentals under the Lease the amount required to make such payment on such date.

Nonpresentment of Certificates

In the event any Certificate is not presented for payment when due, if funds sufficient to pay such Certificate have been made available to the Trustee for the benefit of the Owner thereof, it will be the duty of the Trustee to hold such funds without liability for interest thereon, for the benefit of the Owner of such Certificate, who will be restricted exclusively to such funds for any claim of whatever nature on his part under the Indenture or on or with respect to such Certificate. Funds so held but unclaimed by an Owner are to be transferred to the Principal Account of the Certificate Fund and are to be applied to the payment of the principal of other Certificates after the expiration of five years or, upon receipt by the Trustee of an opinion of Bond Counsel that such funds may be made available for such use on such earlier date, on any earlier date designated by the Trustee.

Moneys To Be Held in Trust

The Certificate Fund, the Costs of Issuance Fund and, except for the Rebate Fund and any escrow accounts created under the Indenture, any other fund or account created under the Indenture are to be held by the Trustee, for the benefit of the Owners as specified in the Indenture, subject to the terms of the Indenture, the Site Lease and the Lease. The Rebate Fund is to be held by the Trustee for the purpose of making payments to the United States of America as described in “INDENTURE—Rebate Fund” in this Appendix. Any escrow account established as described in “INDENTURE—Discharge of Indenture” in this Appendix is to be held for the benefit of the Owners of the Series 2017 Certificates to be paid therefrom as provided in the applicable escrow agreement.

Repayment to the City From the Trustee

After payment in full of the principal of, premium, if any, and interest on the Series 2017 Certificates, all rebate payments due to the United States of America, the fees and expenses of the Trustee and all other amounts required to be paid under the Indenture, any remaining amounts held by the Trustee pursuant to the Indenture are to be paid to the City.

Investment of Moneys

All moneys held as part of any fund, account or subaccount created under the Indenture are, subject to the restrictions described in “INDENTURE—Tax Certification” and “INDENTURE—Tax Covenant” in this Appendix, to be deposited or invested and reinvested by the Trustee, at the written direction of the City, in Permitted Investments. Any and all such deposits or investments are to be held by or under the control of the Trustee. The Trustee may make any and all such deposits or investments through its own investment department or the investment department of any Trust Bank or trust company under common control with the Trustee. Income from deposits or investments of moneys held in the Rebate Fund is to be deposited as described in “INDENTURE—Rebate Fund” in this Appendix and income from deposits or investments of moneys held in any escrow account established as described in “INDENTURE—Discharge of Indenture” in this Appendix is to be deposited as provided in the escrow agreement governing such escrow account. Otherwise, except as otherwise described in “THE SERIES 2017 CERTIFICATES—Security—Series 2017 Certificate Fund,” in the body of this Official Statement and “INDENTURE—Rebate Fund” in this Appendix, deposits or investments are at all times to be a part of the fund, account or subaccount from which the moneys used to acquire such deposits or investments have come, and all income and profits on such deposits or investments are to be credited to, and losses thereon are to be charged against, such fund, account or subaccount. The Trustee is to sell and reduce to cash a sufficient amount of such deposits or investments in the respective funds whenever the cash balance in the Principal Account or Interest Account is insufficient to pay the principal of or interest on the Series 2017 Certificates when due, or whenever the cash balance in any fund or account created under the Indenture is insufficient to satisfy the purposes of such fund or account. In computing the amount in any fund or account created under the Indenture for any purpose under the Indenture, investments are to be valued at cost (exclusive of accrued interest) or par, whichever is less.

Tax Certification

The Trustee certifies and covenants in the Indenture to and for the benefit of the Owners that so long as any of the Series 2017 Certificates remain Outstanding, moneys in any fund or account held by the Trustee under the Indenture, whether or not such moneys were derived from the proceeds of the sale of the Series 2017 Certificates or from any other source, will not be knowingly deposited or invested in a manner which will be a violation of “INDENTURE—Tax Covenant” in this Appendix.

Duties of the Trustee

The Trustee accepts the trusts imposed upon it by the Indenture and agrees in the Indenture to perform said trusts, but only upon and subject to the following express terms and conditions, and no implied covenants or obligations will be read into the Indenture against the Trustee:

(a) The Trustee, prior to the occurrence of an Event of Default or Event of Nonappropriation and after the curing of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically assigned to it in the Lease and the Indenture. In case an Event of Default or Event of Nonappropriation has occurred (which has not been cured or waived), the Trustee is to exercise such of the rights and powers vested in it by the Lease and the Indenture, and use the degree of care and skill applicable to trustees of municipal bond issues under Colorado law.

(b) The Trustee may execute any of the trusts or powers granted or imposed under the Indenture and perform any of its duties by or through attorneys, agents, receivers or employees but will be answerable for the conduct of the same in accordance with the standard specified above, and will be entitled to act upon an Opinion of Counsel concerning all matters of trust under the Indenture and the duties under the Indenture, and may in all cases pay such reasonable compensation to all such attorneys, agents, receivers and employees as may reasonably be employed in connection with the trusts under the Indenture. The Trustee may act upon an Opinion of Counsel and will not be responsible for any loss or damage resulting from any action or nonaction taken by or omitted to be taken in good faith in reliance upon such Opinion of Counsel.

(c) The Trustee will not be responsible for any recital in the Indenture or in the Series 2017 Certificates (except in respect of the execution of the Series 2017 Certificates by the Trustee), for collecting any insurance moneys, for the sufficiency of the security for the Series 2017 Certificates delivered under the Indenture or intended to be secured by the Indenture, or for the value of or title to the Leased Property.

(d) The Trustee will not be accountable for the use of any Certificates delivered to the Initial Purchaser under the Indenture. The Trustee may become the Owner of Certificates with the same rights which it would have if not Trustee.

(e) The Trustee will be protected in acting upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken by the Trustee as described in the 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 Owner of any Certificate will be conclusive and binding upon any Certificates delivered in place thereof.

(f) The permissive right of the Trustee to do things enumerated in the Indenture will not be construed as a duty and the Trustee will not be answerable for other than its negligence or willful misconduct.

(g) The Trustee will not be required to take notice or be deemed to have notice of any Event of Default or Event of Nonappropriation except failure by the City to cause to be made any of the payments to the Trustee required to be made thereunder, unless (i) an officer in the Trustee's trust department has actual knowledge of such Event of Default or Event of

Nonappropriation, or (ii) the Trustee has been notified in writing of such Event of Default or Event of Nonappropriation by the City or by the Owners of at least 10% in aggregate principal amount of Certificates then Outstanding.

(h) All moneys received by the Trustee will, until used or applied or invested as provided in the Indenture, 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 the Indenture or law.

(i) The Trustee will not be required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.

(j) Notwithstanding anything in the Indenture to the contrary, the Trustee will have the right, but will not be required, to demand in respect of the delivery of any Certificates, the withdrawal of any cash, or any action whatsoever within the purview of the Indenture, any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms of the Indenture required, as a condition of such action by the Trustee.

(k) The Trustee will not be required to advance any of its own funds in the performance of its obligations under the Indenture unless it has received assurances or indemnification satisfactory to it that it will be repaid.

(l) In no event will the Trustee be liable for any direct or indirect, incidental, special or consequential damage in connection with or arising out of the performance of its obligations under the Indenture.

(m) Notwithstanding any other provision of the Indenture, in determining whether the rights of the Owners will be adversely affected by any action taken pursuant to the terms and provisions hereof, the Trustee must consider the effect on the Owners.

(n) Notwithstanding anything in the Indenture or the Lease to the contrary, before taking any action under the Indenture other than the payments from moneys on deposit in the Certificate Fund, as provided therein, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all costs and expenses (including, without limitation, attorney's fees and expenses) to which it may be put and to protect it against all liability which it may incur in or by reason of such action, except liability which is adjudicated to have resulted from its negligence or willful misconduct by reason of any action so taken.

(o) Notwithstanding any other provision of the Indenture to the contrary, any provision relating to the conduct of, intended to provide authority to act, right to payment of fees and expenses, protection, immunity and indemnification to the Trustee, is to be interpreted to include any action of the Trustee, whether it is deemed to be in its capacity as Trustee, bond registrar or Paying Agent.

Maintenance of Existence; Performance of Obligations

The Trustee is to maintain its existence at all times and is to use its best efforts to maintain, preserve and renew all the rights and powers provided to it under its articles of association and bylaws, action of its board of directors and applicable law; provided, however, that the covenant described under

this caption will not prevent the assumption, by operation of law or otherwise, by any Person of the rights and obligations of the Trustee under the Indenture, but only if and to the extent such assumption does not materially impair the rights of the Owners of any Outstanding Certificates or the City.

The Trustee is to do and perform or cause to be done and performed all acts and things required to be done or performed in its capacity as Trustee under the provisions of the Indenture, the Lease and any other instrument or other arrangement to which it is a party.

Tax Covenant

The Trustee is not to knowingly take any action or omit to take any action with respect to the Series 2017 Certificates, the proceeds of the Series 2017 Certificates, the Trust Estate or any other funds or property and it is to not knowingly permit any other Person to take any action or omit to take any action with respect thereto if the City has informed the Trustee that such action or omission would cause interest on any of the Series 2017 Certificates to be included in gross income for federal income tax purposes or to be an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations (except, with respect to corporations, as such interest is required to be taken into account in determining “adjusted current earnings” for the purpose of computing the alternative minimum tax imposed on such corporations). In furtherance of the covenant described under this caption, the Trustee agrees, at the written direction of the City, to comply with the procedures set forth in the Tax Compliance Certificate delivered by the City in connection with the initial delivery of the Series 2017 Certificates and the provisions of any similar certificate or instrument delivered by the City in connection with the initial delivery of any Additional Certificates. The covenants described under this caption will remain in full force and effect notwithstanding the payment in full or defeasance of the Series 2017 Certificates until the date on which all obligations of the Trustee in fulfilling such covenants have been met. The covenants described under this caption will not, however, apply to any series of Certificates if, at the time of the initial delivery thereof, the interest on such series of Certificates is intended to be subject to federal income tax.

Title Insurance

The Trustee is to be provided with a standard leasehold title insurance policy insuring the Trustee’s interest in the real estate included in the Leased Property, and if all or any portion of the Trustee’s title to the real estate included in the Leased Property is a leasehold interest, then also insuring the title of the owner of such real estate, subject only to Permitted Encumbrances, in an amount not less than the lesser of either the Outstanding amount of Certificates or the insurable value of such real property. Such policy, or a binding commitment therefor, is to be in a form approved by the City and is to be provided to the Trustee concurrently with the initial delivery of any Certificates.

Sale or Encumbrance of Leased Property

As long as there are any Outstanding Certificates, and except as otherwise permitted by the Indenture and except as the Lease otherwise specifically requires, the Trustee is to not sell or otherwise dispose of any of the Leased Property unless it determines that such sale or other disposal will not materially adversely affect the rights of the Owners of the Certificate.

Rights of Trustee Under the Lease and the Site Lease

The Trustee covenants in the Indenture for the benefit of the Owners that the Trustee will observe and comply with its obligations under the Lease, including, but not limited to, the provisions of the Lease

regarding the conveyance of the Leased Property and releases of Equipment and the Site Lease, and that the representations made by the Trustee in the Lease and the Site Lease are true. Wherever in the Lease or the Site Lease it is stated that the Trustee will be notified or wherever the Lease or the Site Lease gives the Trustee some right or privilege, such part of the Lease or the Site Lease will be as if it were set forth in full in the Indenture.

Defense of Trust Estate

The Trustee is to, at all times, to the extent permitted by law, upon receipt of assurances or indemnification satisfactory to it that it will be repaid for such action, defend, preserve and protect its interest in the Leased Property and the other property or property rights included in the Trust Estate and all the rights of the Owners under the Indenture against all claims and demands of all Persons whomsoever.

Resignation or Replacement of Trustee

The present or any future Trustee may resign by giving written notice to the Owners of a majority in principal amount of the Series 2017 Certificates and the City not less than 60 days before such resignation is to take effect. Such resignation will take effect only upon the appointment of a successor qualified as described in the fourth paragraph under this caption; provided, however, that if no successor is appointed within 90 days following the date designated in the notice for the Trustee's resignation to take effect, the resigning Trustee may petition a court of competent jurisdiction for the appointment of a successor.

The present or any future Trustee may be removed at any time (a) by the City for any reason upon delivery to the Trustee of an instrument signed by the City Representative and accompanied by a resolution of the Council seeking such removal, provided that the City will not be entitled to remove the Trustee as described in this clause if an Event of Default has occurred and is continuing or if any Event of Nonappropriation has occurred; (b) if an Event of Default has occurred and is continuing or if an Event of Nonappropriation has occurred, by the Owners of a majority in principal amount of the Series 2017 Certificates Outstanding upon delivery to the Trustee of an instrument or concurrent instruments signed by such Owners or their attorneys in fact duly appointed; or (c) by any Owner, upon delivery to the Trustee of an instrument signed by such Owner or his or her attorney in fact duly appointed following a determination by a court of competent jurisdiction that the Trustee is not duly performing its obligations under the Indenture or that such removal is in the best interests of the Owners.

In case the present or any future Trustee at any time resigns or is removed or otherwise becomes incapable of acting, a successor may be appointed by the City. The City, upon making such appointment, is to forthwith give notice thereof to each Owner, which notice may be given concurrently with the notice of resignation given by any resigning Trustee. The Owners of a majority in principal amount of the Series 2017 Certificates Outstanding may thereupon act to appoint a successor trustee to such successor appointed by the City, by an instrument or concurrent instruments signed by such Owners, or their attorneys in fact duly appointed. Any successor so appointed by the City will immediately and without further act be superseded by a successor appointed in the manner above described by the Owners of a majority in principal amount of the Series 2017 Certificates Outstanding.

Every successor is to be a commercial bank with trust powers in good standing, located in or incorporated under the laws of the State, duly authorized to exercise trust powers and subject to examination by federal or state authority, qualified to act under the Indenture, having capital and surplus not less than \$75,000,000.

Remedies of Trustee Upon the Occurrence of an Event of Default or Event of Nonappropriation

Upon the occurrence of an Event of Default or Event of Nonappropriation:

(a) the Trustee will be entitled to apply any moneys in any of the funds or accounts created under the Indenture (except the Rebate Fund and any escrow accounts described in “INDENTURE—Discharge of Indenture” in this Appendix) to the payment of the principal of, premium, if any, and interest on the Series 2017 Certificates when due;

(b) the Trustee may, and at the request of the Owners of a majority in principal amount of the Series 2017 Certificates then Outstanding and upon receipt of assurances or indemnification satisfactory to it that it will be repaid for such action, is required to, without any further demand or notice, exercise any of the remedies available to it under the Lease; and

(c) the Trustee may take any other action at law or in equity that may appear necessary or desirable to enforce the rights of such Owner.

Remedies of Trustee Upon Event of Default by the City Under the Site Lease

Upon an event of default by the City under the Site Lease, the Trustee may, and at the request of the Owners of a majority in principal amount of the Series 2017 Certificates then Outstanding and upon receipt of assurances or indemnification satisfactory to it that it will be repaid for such action, is required to, without further demand or notice, take any action at law or in equity that may appear necessary or desirable to enforce the rights of the Trustee and the Owners.

Limitations Upon Rights and Remedies of Owners

No Owner will have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Lease or the Site Lease, unless an Event of Default or Event of Nonappropriation, event of default by the City under the Site Lease has occurred of which the Trustee has been notified as described in “INDENTURE—Duties of the Trustee” in this Appendix, or of which by the provision of the Indenture described under that caption it is deemed to have notice, and the Owners of not less than a majority in principal amount of Certificates then Outstanding have made written request to the Trustee and have offered reasonable indemnity to the Trustee pursuant to the Indenture and reasonable opportunity either to proceed to exercise the powers granted by the Indenture or to institute such action, suit or proceedings in its own name.

Majority of Owners May Control Proceedings

Anything in the Indenture to the contrary notwithstanding, the Owners of a majority in principal amount of the Series 2017 Certificates then Outstanding will 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 the Lease, the Site Lease or the Indenture, or for the appointment of a receiver, and any other proceedings under the Indenture; provided that such direction is not otherwise than in accordance with the provisions of the Indenture.

Waivers

The Trustee may in its discretion waive any Event of Default, Event of Nonappropriation or event of default by the City under the Site Lease and its consequences, and notwithstanding anything else to the contrary contained in the Indenture is required to do so upon the written request of the Owners of a majority in aggregate principal amount of all the Series 2017 Certificates then Outstanding; provided, however, that an Event of Nonappropriation is not permitted to be waived without the consent of the Owners of 100% of the Series 2017 Certificates then Outstanding as to which the Event of Nonappropriation exists, unless prior to such waiver or rescission, all arrears of interest and all arrears of payments of principal and premium, if any, then due, as the case may be (including interest on all overdue installments at the highest rate due on the Series 2017 Certificates), and all expenses of the Trustee in connection with such Event of Nonappropriation have been paid or provided for. In case of any such waiver, or in case any proceedings taken by the Trustee on account of any such Event of Default, Event of Nonappropriation or, event of default by the City under the Site Lease have been discontinued or abandoned or determined adversely to the Trustee, then and in every such case the Trustee, the Trustee, the Owners and the City will be restored to their former positions and rights under the Indenture respectively, but no such waiver or rescission will extend to any subsequent or other Event of Default, Event of Nonappropriation or event of default by the City under the Site Lease or impair any right consequent thereon.

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 Event of Default, Event or Nonappropriation or event of default by the City under the Site Lease will exhaust or impair any such right or power or will be construed to be a waiver of any such Event of Default, Event of Nonappropriation, event of default by the City under the Site Lease or acquiescence therein; and every power and remedy given by the Indenture may be exercised from time to time and as often as may be deemed expedient.

No Waiver of Default or Breach To Affect Another

No waiver of any Event of Default, Event of Nonappropriation or event of default by the City under the Site Lease will extend to or affect any subsequent or any other then existing Event of Default, Event of Nonappropriation, event of default by the City under the Site Lease, or will impair any rights or remedies consequent thereon.

Position of Parties Restored Upon Discontinuance of Proceedings

In case the Trustee or the Owners have proceeded to enforce any right under the Lease, the Site Lease or the Indenture and such proceedings have been discontinued or abandoned for any reason, or have been determined adversely to the Person or Persons enforcing the same, then and in every such case the City, the Trustee and the Owners will be restored to their former positions and rights under the Indenture with respect to the Trust Estate, and all rights, remedies and powers of the Trustee and the Owners will continue as if no such proceedings had been taken.

Purchase of Leased Property by Owner; Application of Certificates Toward Purchase Price

Upon the occurrence of an Event of Default or Event of Nonappropriation and the sale or lease of the Leased Property by the Trustee as described in the Lease, any Owner may bid for and purchase or lease the Leased Property; and, upon compliance with the terms of sale or lease, may hold, retain and possess and dispose of such property in his, her, its or their own absolute right without further accountability; and any purchaser or lessee at any such sale may, if permitted by law, after allowing for payment of the costs and expenses of the sale, compensation and other charges, in paying purchase or rent money, turn in Certificates then Outstanding in lieu of cash. Upon the happening of any such sale or lease, the Trustee may take any further lawful action with respect to the Leased Property which it deems to be in the best interest of the Owners, including but not limited to the enforcement of all rights and remedies set forth in the Lease, the Site Lease and the Indenture and the taking of all other courses of action permitted therein.

Supplemental Indentures Not Requiring Consent of Owners

The Trustee may, without the consent of, or notice to, the Owners, execute and deliver a Supplemental Indenture for any one or more or all of the following purposes:

- (a) to add to the covenants and agreements of the Trustee contained in the Indenture other covenants and agreements to be thereafter observed by the Trustee;
- (b) to cure any ambiguity, or to cure, correct or supplement any defect or omission or inconsistent provision contained in the Indenture, or to make any provisions with respect to matters arising under the Indenture or for any other purpose if such provisions are necessary or desirable and do not adversely affect the interests of the Owners;
- (c) to subject to the Indenture additional revenues, properties or collateral (including release and substitution of property permitted under the Lease);
- (d) to set forth the terms and conditions and other matters in connection with the initial delivery of Additional Certificates, including Additional Certificates bearing interest at a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term thereof and Additional Certificates which by their terms appreciate in value to a stated face amount at maturity;
- (e) to effect any change in connection with the preservation of the exclusion from gross income for federal income tax purposes interest on the Series 2017 Certificates; or
- (f) to effect any other changes in the Indenture which, in the opinion of Bond Counsel, do not materially adversely affect the rights of the Owners.

Supplemental Indentures Requiring Consent of Owners

Exclusive of Supplemental Indentures described under the immediately preceding caption, the written consent of the Owners of not less than a majority in aggregate principal amount of the Series 2017 Certificates Outstanding will be required for the execution and delivery by the Trustee of any

Supplemental Indenture; provided, however, that without the consent of the Owners of all the Series 2017 Certificates Outstanding nothing in the Indenture contained will permit, or be construed as permitting:

- (a) a change in the terms of redemption or maturity of the principal amount of or the interest on any Outstanding Certificate, or a reduction in the principal amount of or premium payable upon any redemption of any Outstanding Certificate or the rate of interest thereon, without the consent of the Owner of such Certificate;
- (b) the deprivation as to the Owner of any Certificate Outstanding of the lien created by the Indenture (other than as originally permitted thereby);
- (c) a privilege or priority of any Certificate or Certificates over any other Certificate or Certificates, except as permitted in the Indenture; or
- (d) a reduction in the percentage of the aggregate principal amount of the Series 2017 Certificates required for consent to any Supplemental Indenture.

If at any time the Trustee proposes to execute and deliver any Supplemental Indenture for any of the purposes described under this caption, the Trustee is to cause notice of the proposed execution and delivery of such Supplemental Indenture to be mailed to the Owners of the Series 2017 Certificates at the addresses last shown on the registration records of the Trustee. Such notice is to briefly set forth the nature of the proposed Supplemental Indenture and is to state that copies thereof are on file at the Operations Center of the Trustee for inspection by all Owners. If, within 60 days or such longer period as is prescribed by the Trustee following the mailing of such notice, the Owners of not less than a majority, or, with respect to the matters specified in clauses (a) through (b) of the immediately preceding paragraph, 100%, in aggregate principal amount of the Series 2017 Certificates Outstanding at the time of the execution of any such Supplemental Indenture have consented to and approved the execution thereof as provided in the Indenture, no Owner will have any right to object to any of the terms and provisions contained therein, or the operation thereof, or to enjoin or restrain the Trustee from executing the same or from taking any action as described in the provisions thereof.

Execution of Supplemental Indentures

Any Supplemental Indenture executed and delivered as described under the immediately preceding two captions will thereafter form a part of the Indenture; and all the terms and conditions contained in any such Supplemental Indenture will be deemed to be part of the Indenture for any and all purposes. In case of the execution and delivery of any Supplemental Indenture, express reference may be made thereto in the text of the Series 2017 Certificates delivered thereafter, if any, if deemed necessary or desirable by the Trustee. As a condition to executing any Supplemental Indenture, the Trustee will be entitled to receive and rely upon a written opinion of Bond Counsel to the effect that the execution thereof is authorized or permitted under the Indenture and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Certificates.

Amendments of the Lease or the Site Lease Not Requiring Consent of Owners

The Trustee may, without the consent of or notice to the Owners, amend, change or modify the Lease or the Site Lease as may be required:

- (a) by the provisions of the Lease, the Site Lease or the Indenture;

(b) for the purpose of curing any ambiguity or formal defect or omission in the Lease or the Site Lease;

(c) in order more precisely to identify the Site Leased Property or the Leased Property or to add additional or substituted improvements or properties acquired in accordance with the Lease;

(d) in order to provide for the acquisition, construction or installation of additional property under the Lease;

(e) in connection with the initial delivery of Additional Certificates, including Additional Certificates bearing interest at a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term thereof and Additional Certificates which by their terms appreciate in value to a stated face amount at maturity;

(f) in connection with any Supplemental Indenture permitted as described in “INDENTURE—Supplemental Indentures Not Requiring Consent of Owners” and “INDENTURE—Supplemental Indentures Requiring Consent of Owners” in this Appendix;

(g) to effect any change in connection with the preservation of the exclusion from gross income for federal income tax purposes of interest on the Series 2017 Certificates;

(h) to effect any change that (i) does not reduce the revenues available to the Trustee from the Lease below the amount required to make all the payments and transfers described in “THE SERIES 2017 CERTIFICATES—Security—Series 2017 Certificate Fund” in the body of this Official Statement and “INDENTURE—Rebate Fund” in this Appendix, (ii) does not reduce the value of the Leased Property, and (iii) does not adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2017 Certificates;

(i) to effect any change to any Project permitted by, and in accordance with the terms of, the Lease, any similar lease or agreement relating to any other Project; or

(j) to effect any other change in the Lease or the Site Lease which, in the opinion of Bond Counsel, does not materially adversely affect the rights of the Owners.

Amendments of the Lease or the Site Lease Requiring Consent of Owners

Except for the amendments, changes or modifications permitted as described under the immediately preceding caption, the Trustee is not permitted to consent to any other amendment, change or modification of the Lease or the Site Lease without notice to and the written approval or consent of the Owners of not less than a majority in aggregate principal amount of the Series 2017 Certificates Outstanding given and procured as described in “INDENTURE—Supplemental Indentures Requiring Consent of Owners” in this Appendix. If at any time the City requests the consent of the Trustee to any such proposed amendment, change or modification of the Lease, the Site Lease or the Agreement, the Trustee is to, upon receipt of amounts necessary to pay expenses, cause notice of such proposed amendment, change or modification to be given in the same manner as described in “INDENTURE—Supplemental Indentures Requiring Consent of Owners” in this Appendix. Such notice is to briefly set forth the nature of such proposed amendment, change or modification and is to state that copies of the instrument embodying the same are on file at the office of the Trustee designated therein for inspection by all Owners.

Discharge of Indenture

If, when the Series 2017 Certificates secured by the Indenture become due and payable in accordance with their terms or otherwise as provided in the Indenture, the whole amount of the principal of, premium, if any, and interest due and payable upon all of the Series 2017 Certificates is paid, or provision has been made for the payment of the same, together with all rebate payments due to the United States of America, the fees and expenses of the Trustee and all other amounts payable under the Indenture, then the right, title and interest of the Trustee in and to the Trust Estate and all covenants, agreements and other obligations of the Trustee to the Owners will thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee is to transfer and convey to (or to the order of) the City all property then held in trust by the Trustee as described in the Indenture, and the Trustee is to execute such documents as may be reasonably required by the City and is to turn over to (or to the order of) the City any surplus in any fund, account or subaccount created under the Indenture, except any escrow accounts theretofore established as described under this caption.

All or any portion of the Outstanding Certificates will prior to the maturity or redemption date thereof be deemed to have been paid (“defeased”) within the meaning and with the effect expressed in the immediately preceding paragraph if (a) in case such Certificates are to be redeemed on any date prior to their maturity, the Trustee has given notice of redemption of such Certificates on said redemption date, such notice to be given on a date and otherwise as described in “THE SERIES 2017 CERTIFICATES—Redemption—Sinking Fund Redemption” in the body of this Official Statement; and (b) there has been deposited in trust either moneys in an amount which will be sufficient, or Defeasance Securities which do not contain provisions permitting the redemption thereof at the option of the issuer, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys which, together with the moneys, if any, deposited with or held in trust at the same time, will be sufficient to pay when due the principal of, premium, if any, and interest due and to become due on said Certificates on and prior to the redemption date or maturity date thereof, as the case may be. Neither the Defeasance Securities nor moneys deposited in trust as described under this caption or principal or interest payments on any such Defeasance Securities is permitted to be withdrawn or used for any purpose other than, and is to be held in trust for, the payment of the principal of, premium, if any, and interest on said Certificates; provided any cash received from such principal or interest payments on such Defeasance Securities deposited in trust, if not then needed for such purpose, is to, to the extent practicable, be reinvested in Defeasance Securities of the type described in clause (b) of this paragraph maturing at the times and in amounts sufficient to pay when due the principal of, premium, if any, and interest to become due on said Certificates on or prior to such redemption date or maturity date thereof, as the case may be. At such time as any Certificates are deemed paid as aforesaid, such Certificates will no longer be secured by or entitled to the benefits of the Indenture, except for the purpose of exchange and transfer and any payment from such moneys or Defeasance Securities deposited in trust.

Prior to any discharge of the Indenture as described under this caption or the defeasance of any Certificates as described under this caption becoming effective, there is to be delivered to the Trustee an opinion of Bond Counsel, addressed to the Trustee to the effect that all requirements of the Indenture for such defeasance have been complied with and that such discharge or defeasance will not constitute a violation by the Trustee of its tax covenant described in “INDENTURE—Tax Covenant” in this Appendix.

In the event that there is a defeasance of only part of the Series 2017 Certificates of any maturity, the Trustee may institute a system to preserve the identity of the individual Certificates or portions thereof so defeased, regardless of changes in Certificate numbers attributable to transfers and exchanges of Certificates.

Further Assurances and Corrective Instruments

So long as the Indenture is in full force and effect, the Trustee will have full power to carry out the acts and agreements provided for in the Indenture and is to, from time to time, execute, acknowledge and deliver or cause to be executed, acknowledged and delivered such supplements to the Indenture and such further instruments as may reasonably be requested by the City for correcting any inadequate or incorrect description of the Trust Estate, or for otherwise carrying out the intention of or facilitating the performance of the Indenture.

Financial Obligations of Trustee Limited to Trust Estate

Notwithstanding any other provision of the Indenture, all financial obligations of the Trustee under the Indenture, except those resulting from its negligence or willful misconduct, are limited solely to the Trust Estate, and there are no assets available to pay the Series 2017 Certificates or any other obligation under the Indenture other than the Trust Estate.

SITE LEASE

Lease and Terms

The Site Lease provides that the City thereby leases to the Trustee and the Trustee thereby leases from the City, on the terms and conditions thereafter set forth, the Site Leased Property, subject to Permitted Encumbrances.

The term of the Site Lease is to commence on the date of the Site Lease and end on December 31, 20__ (the “Site Lease Termination Date”); provided that, if prior to the Site Lease Termination Date, the interest of the Trustee in the Site Leased Property has been conveyed to the City pursuant to provisions of the Lease relating to the City’s purchase option, then the term of the Site Lease will end on the date of such conveyance.

Rent and Payment

In the Site Lease, the City acknowledges receipt from the Trustee as rent and payment thereunder, in full, the lump-sum of \$19,620,000* and other good and valuable consideration.

Purpose

The Trustee is to use the Site Leased Property for the purpose of subletting the same to the City pursuant to the Lease; provided, that upon the occurrence of an Event of Nonappropriation or an Event of Default under the Lease or Event of Default under the Indenture, the City is to vacate the Site Leased Property as provided in the Lease, the Trustee may exercise the remedies provided in the Lease and the Indenture and the Trustee may use or sublet the Site Leased Property for any lawful purposes.

Owner in Fee

The City covenants in the Site Lease that it is the owner in fee of the Site Leased Property, subject only to Permitted Encumbrances.

* Preliminary; subject to change.

Assignments and Subleases

Unless an Event of Nonappropriation or an Event of Default under the Lease has occurred and except as may otherwise be provided in the Lease, the Trustee may not assign its rights under the Site Lease or sublet the Site Leased Property without the written consent of the City.

In the event that (a) the Lease is terminated for any reason, and (b) the Site Lease is not terminated, the Trustee may sublease the Site Leased Property or any portion thereof, or sell or assign its interest in the Site Lease. Except as provided in the Site Lease, the City and the Trustee agree therein that, except as may otherwise be provided in the Lease, neither the City nor the Trustee will sell, mortgage or encumber the Site Leased Property or any portion thereof during the term of the Site Lease.

Right of Entry

The City reserves the right in the Site Lease, so long as no Event of Nonappropriation or Event of Default has occurred under the Lease, for any of its duly authorized representatives to enter upon the Site Leased Property at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

Termination

The Trustee agrees in the Site Lease, upon the termination thereof, to quit and surrender the Site Leased Property to the City, and agrees therein that any fixtures, permanent improvements and structures existing as a part of the Site Leased Property at the time of the termination of the Site Lease are to remain thereon and all legal interests of the Trustee thereto are to vest in the City. The Trustee and any sublessee or assignee is to execute and deliver, upon request by the City, any instrument of transfer, conveyance or release necessary or appropriate to confirm the vesting of such legal interests in the City.

Default

In the event the Trustee is in default in the performance of any obligation on its part to be performed under the terms of the Site Lease, which default continues for 30 days following notice and demand for correction thereof to the Trustee, the City may exercise any and all remedies granted by law, except that no merger of the Site Lease and of the Lease will be deemed to occur as a result thereof and except for any other exceptions enumerated in the Lease. In addition, so long as the Lease is in effect, the Site Lease is not to be terminated except as described in "SITE LEASE—Termination" in this Appendix.

Quiet Enjoyment and Acknowledgment of Ownership

The Trustee at all times during the term of the Site Lease is to peaceably and quietly have, hold and enjoy the Site Leased Property, subject to the provisions of the Lease, and the City in the Site Lease acknowledges that the Trustee has a leasehold interest in the Site Leased Property, subject to the Lease.

Waiver of Personal Liability

All liabilities under the Site Lease on the part of the Trustee are solely liabilities of the Trustee, and in the Site Lease the City releases each and every, member, director, employee and officer of the Trustee of and from any personal or individual liability under the Site Lease. No member, director, employee or officer of the Trustee is at any time or under any circumstances to be individually or personally liable under the Site Lease for anything done or omitted to be done by the Trustee thereunder.

Taxes; Maintenance; Insurance

During the Lease Term of the Lease and in accordance with the provisions of the Lease, the City covenants and agrees in the Site Lease to perform its obligations under the Lease with respect to the payment of any and all assessments of any kind or character and all taxes levied or assessed upon the Site Leased Property, and all maintenance costs, insurance premiums and costs and utility charges in connection with the Site Leased Property, subject to the terms of the Lease.

In the event that (a) the Lease is terminated for any reason, (b) the Site Lease is not terminated, and (c) the Trustee subleases all or any portion of the Site Leased Property or sells an assignment of its interest in the Site Lease, the Trustee or any sublessee or assignee of the Site Leased Property is to, solely from the proceeds of such leasing or sale, obtain and keep in force all insurance that it is required to maintain under the Lease, pay or cause to be paid when due all taxes and assessments imposed thereon and maintain the Site Leased Property in good condition; provided the Trustee has no obligation to advance any of its own funds to maintain the insurance required under the Lease.

Damage, Destruction or Condemnation

The provisions of the Lease govern with respect to any damage, destruction or condemnation of the Site Leased Property during the Lease Term of the Lease. In the event that (a) the Lease is terminated for any reason; and (b) the Site Lease is not terminated, and (c) either (i) the Site Leased Property or any portion thereof is destroyed (in whole or in part) or damaged by fire or other casualty; or (ii) title to, or the temporary or permanent use of the Site Leased Property or any portion thereof or the estate of the City, the Trustee or any sublessee or assignee of the Trustee in the Site Leased Property or any portion thereof, is taken under the exercise of the power of eminent domain; or (iii) breach of warranty or any material defect with respect to the Site Leased Property becomes apparent; or (iv) title to or the use of all or any portion of the Site Leased Property is lost by reason of defect in the title thereto, the Trustee or any sublessee or assignee of the Trustee is to cause any Net Proceeds of any insurance, performance bonds, condemnation award or any Net Proceeds received as a consequence of default or breach of warranty under any Project Contract relating to the Site Leased Property or other contract relating to the Site Leased Property to be applied as described in "LEASE—Damage to, Condemnation of, Material Defect in or Loss of Title to Leased Property" in this Appendix.

Compliance With Requirements of Law

To the best knowledge of the City: (a) the Site Leased Property has at all times been operated in substantial compliance with all Requirements of Law; (b) all permits required by Requirements of Law in respect of the Site Leased Property have been obtained and are in full force and effect and the City is in substantial compliance with the material terms and conditions of such permits; (c) there is no pending litigation, investigation, administrative or other proceeding of any kind before or by any governmental authority or other Person relating to, or alleging, any violation of any Requirements of Law in connection with the Site Leased Property and there are no grounds on which any such litigation, investigation or proceedings might be commenced; and (d) the Site Leased Property is not subject to any judgment, injunction, writ, order or agreement respecting any Requirements of Law.

No Merger

The City and the Trustee intend that the legal doctrine of merger has no application to the Site Lease and that neither the execution and delivery of the Lease by the Trustee and the City nor the exercise of any remedies under the Site Lease or the Lease operates to terminate or extinguish the Site Lease or the Lease, except as specifically provided therein.

AGREEMENT TO CONSTRUCT

City's Obligations

The City is to construct the Improvements in and on the Site Leased Property and is to acquire and install the Equipment in the Improvements or in the Site Leased Property, as appropriate, promptly and with due diligence and in accordance with the terms of the Agreement to Construct, provided, however, that, if the performance by the City of such obligations is delayed by Force Majeure, the period for the commencement or completion thereof will be extended for a period equal to such delay.

Plans and Specifications

The City is to construct the Improvements and acquire and install the Equipment in accordance with the plans and specifications prepared by and currently in the possession of the City, a copy of which is attached to the Agreement to Construct as Exhibit A and any change orders made as described under this caption (which plans and specifications, as modified by such changes orders, are referred to as the "Plans and Specifications").

The City at any time may change the Plans and Specifications by a change order, written evidence of which is to be filed with the Plans and Specifications then in effect, upon the City's determination that such change order will not materially adversely affect the value of the Project or its intended use.

Completion Date

The City is to use its best efforts to cause the Completion Date to occur on or before _____, 201_ (the "Scheduled Completion Date"). The "Completion Date" will be deemed to have occurred when the City delivers a certificate to the Trustee stating that, to the best of the City's knowledge based upon the representations of the contractors, architects, engineers, vendors or other consultants and, except for any amounts estimated by the City to be necessary for payment of any Costs of the Project not then due and payable, the Project has been completed, and all Costs of the Project have been paid; provided, however, that the delivery of such certificate will not, and such certificate is to state that it does not, prejudice any rights against third parties which exist at the date of such certificate or which may subsequently come into being.

If the Completion Date does not occur by the Scheduled Completion Date for any reason other than Force Majeure, the Trustee, may, but will not be required to, terminate the Agreement to Construct, retain a Person other than the City to complete the Project and recover from the City (a) all reasonable costs incurred by or on behalf of the Trustee in completing the Project, net of any amounts that would otherwise have been paid to the City to complete the Project under the Agreement to Construct, plus (b) interest on the amount determined as described in clause (a) at the maximum rate of interest payable on any of the Series 2017 Certificates.

Subcontractor Guarantees

The City is to cause each Subcontractor that is responsible for the construction of any portion of the Improvements or for the acquisition or installation of any portion of the Equipment to bond or otherwise guarantee all work performed by it against defective workmanship and materials for a period of one year after the Completion Date, provided that such one year period will not begin with respect to any item that is not completed on the Completion Date until such item is completed. The City is to assign to

the Trustee any guarantee of workmanship and materials which it may receive but is to retain the right to enforce such guarantee directly.

Performance and Payment Bonds

The City is to require that each Subcontractor that is responsible for the construction of any portion of the Improvements provide a performance bond and a separate labor and material payment bond, which is to (a) be executed by a corporate surety licensed to transact business in the State, (b) be in customary form, (c) be in the amount payable to such subcontractor as described in its Project Contract and (d) be payable to the City. If, at any time prior to completion of the work covered by any such bond, the surety is disqualified from doing business within the State, a new bond is to be provided from an alternate surety licensed to transact business in the State. The amount of each bond is to be increased or decreased, as appropriate, to reflect change orders described under “AGREEMENT TO CONSTRUCT—Plans and Specifications” in this Appendix. The City assigns in the Agreement to Construct its rights to any proceeds under such bonds to the Trustee. A copy of each such bond and all modifications thereto is to be furnished to the Trustee.

Builder’s Risk Completed Value Insurance

The Subcontractor for any Project Contract is to procure and maintain, at its own cost and expense, during the term of the applicable Project Contract and until the property to which such insurance relates is insured by the City as described in the Lease, standard, all risk of loss builder’s risk completed value insurance upon such property in an amount at least equal to the total contract price for such contractor’s work. In the event of any change order resulting in the performance of additional work, the amount of such insurance is to be increased to include the cost of such additional work, as well as related materials and fixtures. The policy is to name the City and the Trustee as mortgagee/trustee and/or loss payees and/or additional insureds, as their respective interests may appear. A certificate of insurance evidencing such insurance is to be provided to the Trustee.

General Public Liability and Property Damage Insurance

The City is to require that each Subcontractor procure and maintain, at its own cost and expense, standard form comprehensive general public liability and property damage insurance during the duration of such Subcontractor’s Project Contract, in an amount acceptable to the City. Such policies are to name the City and the Trustee as mortgagee/trustee and/or loss payees and/or additional insureds, as their respective interests may appear, and are to include a provision prohibiting cancellation, termination or alteration without 60 days’ prior notice by certified mail to the City and the Trustee. A certificate of insurance evidencing such insurance is to be provided to the Trustee with respect to each Subcontractor upon the Trustee’s request. Such insurance is to provide protection from all claims for bodily injury, including death, property damage and contractual liability.

Workers’ Compensation Insurance

The City is to require that each Subcontractor that is responsible for construction of any portion of the Improvements procure and maintain, at its own cost and expense, workers’ compensation insurance during the term of its Project Contract, covering all persons working thereunder. The policy is to include the Trustee as an additional insured and as loss payee. Such insurance, if issued by a private carrier, is to contain a provision that such coverage will not be canceled, terminated or altered without 10 days’ prior written notice to the City and the Trustee. A certificate issued by the Colorado State Compensation Insurance Fund evidencing such coverage is to be provided by the City to the Trustee at its request, or if

such insurance is provided by a private carrier a completed certificate of insurance is to be provided to the Trustee at its request, with respect to each Subcontractor.

Compliance with Requirements of Law

The City is to construct, acquire and install the Project in a manner such that (a) all permits required by law in respect of the Project are to be obtained, maintained in full force and effect and complied with; (b) there is to be no hazardous substance, pollutant or contaminant (as those terms are defined in the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. § 9601, et seq., any applicable state law or regulations promulgated under either), solid or hazardous waste (as defined in the Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6901, et seq., any applicable state law or regulations promulgated under either), special waste, petroleum or petroleum derived substance, radioactive material or waste, polychlorinated biphenyls, asbestos or any constituent of any of the foregoing located on, in or under the Leased Property as a result of the Project in such manner as would constitute a violation of any Requirements of Law; (c) there is to be no disposal of any of the items referred to in clause (b) on, from, into or out of the Leased Property in connection with the Project in violation of any Requirements of Law; and (d) there is to be no spillage, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leeching, dumping, disposing, depositing or dispersing of any of the items referred to in clause (b) into the indoor or outdoor environment from, into or out of the Leased Property in connection with the Project, including but not limited to the movement of any such items through or in the air, soil, surface water, ground water from, into or out of the Leased Property or the abandonment or discard of barrels, containers or other open or closed receptacles containing any such items from, into or out of the Leased Property in violation of any Requirements of Law.

Defaults Under Project Contracts

In the event of any default under any Project Contract, or in the event of a breach of warranty with respect to any materials, workmanship or performance or with respect to the Project, which default or breach results in frustration of the purpose for which the Leased Property was intended, the City is to promptly proceed, either separately or in conjunction with others, to pursue diligently its remedies, including any remedy against the surety of any bond securing the performance of the Project Contract.

Assignment of Rights Under Subcontracts

The City in the Agreement to Construct assigns to the Trustee, and each Subcontract is to expressly provide that the Trustee will have, the right to enforce any Subcontract against the Subcontractor (a) following termination of the Lease and (b) in any case where, in the reasonable judgment of the Trustee, the City has failed to enforce the terms of such Subcontract in a manner consistent with the obligations of the City under the Agreement to Construct.

Fixed Price

As consideration for the design, construction and installation of the Project in accordance with the Agreement to Construct, including but not limited to the preparation of the Plans and Specifications, the Trustee is to pay the City, solely from the Trust Estate and upon receipt of requisitions therefore, the total amount to be deposited into the Construction Fund, pursuant to the Indenture, to pay the Costs of the Project, plus any earnings received from the investment of such amount pending disbursement to the City under the Agreement to Construct (the "Fixed Price"). The Fixed Price will not be adjusted up or down for change orders or for any other reason, it being the intention of the parties that the City will bear the cost of cost-overruns and will reap the benefit of cost savings in connection with the services and property

provided by it under the Agreement to Construct. The Fixed Price is to be allocated to various cost portions of the design, construction and installation of the Project generally as set forth in the Project Budget attached to the Agreement to Construct as Exhibit B (the “Project Budget”), which Project Budget, as modified by the City from time to time, is to serve as the basis for reviewing the City’s periodic requisitions for payment described under the immediately succeeding caption.

Requisitions for Payment

The City may request from time to time, payment of a portion of the Fixed Price for work performed pursuant to the Project Budget by delivering a requisition to the Trustee in the form attached as Appendix D to the Lease. The Trustee may rely conclusively on any such certificate and will not be required to make any independent investigation in connection therewith. The execution of any requisition certificate by the City constitutes, unto the Trustee, an irrevocable determination that all conditions precedent to the payments requested have been completed. The City is not to submit a requisition for payment of amounts that the City does not intend to pay to a Subcontractor or material supplier because of a dispute or other reason. Requisitions for materials or equipment are not to be submitted until the materials or equipment have been delivered and title thereto has been transferred to the City. The City warrants in the Agreement to Construct that title to all work covered by a requisition will pass to the Trustee no later than the time of payment and the City is to provide, in connection therewith, all lien waivers and title insurance endorsements sufficient to insure the Trustee’s title to all work included in an application for payment free and clear of all liens. The requisition for the final installment of the Fixed Price is to be accompanied by the certificate of completion described in “AGREEMENT TO CONSTRUCT—Completion Date” in this Appendix.

Events of Default

Any of the following will constitute an “Event of Default” under the Agreement to Construct:

(a) failure by the City to use its best efforts to cause the Completion Date to occur by the Scheduled Completion Date for any reason other than Force Majeure, or, if the City has used its best efforts to cause the Completion Date to occur by the Scheduled Completion Date but has failed to cause the same to occur, the failure by the City to use its best efforts to thereafter cause the Completion Date to occur;

(b) failure by the City to construct, acquire and install the Project in a manner required by the Agreement to Construct; and

(c) failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed, other than as referred to in clause (a) and (b) above, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied is given to the City by the Trustee, unless the Trustee agrees in writing to an extension of such time prior to its expiration; provided, however, that if the failure stated in the notice cannot be corrected within the applicable period, the Trustee is not to withhold its consent to an extension of such time if corrective action is instituted within the applicable period and diligently pursued until the default is corrected.

Whenever any Event of Default has happened and be continuing, the Trustee may, but is not required to pursue any remedy available at law or equity, including, without limitation, the remedy set forth in “AGREEMENT TO CONSTRUCT—Completion Date” in this Appendix with respect to defaults described in (a) above.

The Trustee may waive any Event of Default under the Agreement to Construct and its consequences. In the event that any agreement contained in the Agreement to Construct should be breached by either party and thereafter waived by the other party, such waiver will be limited to the particular breach so waived and will not be deemed to waive any other breach under the Agreement to Construct.

Limitations on Obligations of the City

Notwithstanding any other provision of the Agreement to Construct, (a) the obligations of the City under the Agreement to Construct are to constitute a special obligation of the City and the City's performance of such obligations will be limited to the availability of funds to pay the costs of such performance from (i) moneys paid to the City by the Trustee as described in the Agreement to Construct and (ii) funds appropriated by the Board for Base Rentals and Additional Rentals for the Fiscal Year in which such funds are to be expended; and (b) no provision of the Agreement to Construct is to be construed or interpreted (i) to directly or indirectly obligate the City to make any payment in any Fiscal Year in excess of amounts appropriated for such Fiscal Year; (ii) as creating a debt or multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City within the meaning of Article XI, Section 6 or Article X, Section 20 of the Colorado Constitution or any other constitutional or statutory limitation or provision; (iii) as a delegation of governmental powers by the City; (iv) as a loan or pledge of the credit or faith of the City or as creating any responsibility by the City for any debt or liability of any person, company or corporation within the meaning of Article XI, Section 1 of the Colorado Constitution; or (v) as a donation or grant by the City to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution.

Trustee's Rights in Trust for Benefit of Owners; Successor Trustee; Assignment by Trustee

The Trustee will hold its rights, title and interest in, to and under the Agreement to Construct in trust for the benefit of the Owners as described in the Indenture. Any successor trustee under the Indenture will automatically succeed to the rights, title, interest and obligations of the previous trustee under the Indenture in, to and under the Agreement. The Trustee is not permitted, except as otherwise described under this caption, to assign any of its rights, title or interest in, to or under the Agreement to Construct to any Person.

APPENDIX C
AUDITED FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2015

APPENDIX D

PROPOSED FORM OF CONTINUING DISCLOSURE UNDERTAKING

This Continuing Disclosure Undertaking (this “Undertaking”) is executed and delivered, as of April __, 2017, by the City of Northglenn, Colorado (the “City”) in connection with the issuance of Certificates of Participation, Series 2017, in the aggregate principal amount of \$19,620,000* dated as of the date of delivery (the “Series 2017 Certificates”). The Series 2017 Certificates are being issued pursuant to an Indenture of Trust entered into by the Board of City Commissioners (the “Indenture”) and the Trustee prior to the issuance of the Series 2017 Certificates. Capitalized terms used but not otherwise defined herein shall have the meanings assigned thereto in the Indenture.

In consideration of the issuance of the Series 2017 Certificates by the City and the purchase of such Series 2017 Certificates by the owners thereof, the City hereby covenants and agrees as follows:

Section 1. Purpose of This Agreement. This Agreement is executed and delivered by the City as of the date set forth below, for the benefit of the holders and owners (the “Certificateholders”) of the Series 2017 Certificates and in order to assist the Participating Underwriter (as defined below) in complying with the requirements of the Rule (as defined below).

Section 2. Definitions. The terms set forth below shall have the following meanings in this Agreement, unless the context clearly otherwise requires.

“*Agreement*” means the obligations of the City pursuant to Sections 4, 5 and 6 hereof.

“*Annual Financial Information*” means the financial information and operating data described in Exhibit I.

“*Annual Financial Information Disclosure*” means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4 hereof.

“*Audited Financial Statements*” means the audited consolidated financial statements of the City, prepared pursuant to the standards and as described in Exhibit I.

“*Commission*” means the Securities and Exchange Commission.

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

“*EMMA*” means the Electronic Municipal Market Access facility for municipal securities disclosure of the MSRB.

“*Exchange Act*” means the Securities Exchange Act of 1934, as amended.

“*Listed Event*” means the occurrence of any of the events with respect to the Series 2017 Certificates set forth in Exhibit II.

* Preliminary; subject to change.

“*Listed Events Disclosure*” means dissemination of a notice of a Listed Event as set forth in Section 6 hereof.

“*MSRB*” means the Municipal Securities Rulemaking Board.

“*Participating Underwriter*” means each broker, dealer or municipal securities dealer acting as an underwriter in any primary offering of the Series 2017 Certificates.

“*Prescribed Form*” means, with regard to the filing of Annual Financial Information, Audited Financial Statements and notices of Listed Events with the MSRB at www.emma.msrb.org (or such other address or addresses as the MSRB may from time to time specify), such electronic format, accompanied by such identifying information, as shall have been prescribed by the MSRB and which shall be in effect on the date of filing of such information.

“*Rule*” means Rule 15c2-12 adopted by the Commission under the Exchange Act, as the same may be amended from time to time.

“*State*” means the State of Colorado.

Section 3. CUSIP Number/Final Official Statement. The final CUSIP ^{1,©}, of the Series 2017 Certificates is . The final Official Statement relating to the Series 2017 Certificates is dated as of , 2017 (the “Final Official Statement”).

Section 4. Annual Financial Information Disclosure. Subject to Section 10 of this Agreement, the City hereby covenants that it will disseminate the Annual Financial Information and the Audited Financial Statements (in the form and by the dates set forth below and in Exhibit I) by the City’s delivery of such Annual Financial Information and Audited Financial Statements to the MSRB within 210 days of the completion date of the City’s fiscal year.

The City is required to deliver such information in Prescribed Form and by such time so that such entities receive the information by the dates specified.

If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the City will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs.

If any amendment is made to this Agreement, the Annual Financial Information for the year in which such amendment is made (or in any notice or supplement provided to the MSRB) shall contain a narrative description of the reasons for such amendment and its impact on the type of information being provided.

Section 5. Listed Events Disclosure. Subject to Section 10 of this Agreement, the City hereby covenants that it will disseminate in a timely manner, not in excess of 10 Business Days after the occurrence of the event, Listed Events Disclosure to the MSRB in Prescribed Form. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Series 2017 Certificates or defeasance of any Series 2017 Certificates need not be given under this Agreement any earlier than the notice (if any) of such redemption or defeasance is given to the owners of the Series 2017 Certificates pursuant to the

¹ The City takes no responsibility for the accuracy of the CUSIP numbers, which are included solely for the convenience of owners of the Series 2017 Certificates.

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Indenture. From and after the Effective Date, the City is required to deliver such Listed Events Disclosure in the same manner as provided by Section 4 of this Agreement.

Section 6. Duty To Update EMMA/MSRB. The City shall determine, in the manner it deems appropriate, whether there has occurred a change in the MSRB's e-mail address or filing procedures and requirements under EMMA each time it is required to file information with the MSRB.

Section 7. Consequences of Failure of the City To Provide Information. The City shall give notice in a timely manner, not in excess of 10 Business Days after the occurrence of the event, to the MSRB in Prescribed Form of any failure to provide Annual Financial Information Disclosure when the same is due hereunder.

In the event of a failure of the City to comply with any provision of this Agreement, the Certificateholder of any Series 2017 Certificate may seek specific performance by court order to cause the City to comply with its obligations under this Agreement. A default under this Agreement shall not be deemed an Event of Default under the Indenture or any other agreement, and the sole remedy under this Agreement in the event of any failure of the City to comply with this Agreement shall be an action to compel performance.

Section 8. Amendments; Waiver. Notwithstanding any other provision of this Agreement, the City may amend this Agreement, and any provision of this Agreement may be waived, if:

- (i) the amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the City or type of business conducted;
- (ii) this Agreement, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (iii) the amendment or waiver does not materially impair the interests of the Certificateholders of the Series 2017 Certificates, as determined either by parties unaffiliated with the City or the City (such as the Paying Agent) or by an approving vote of the Certificateholder Representative or of the Certificateholders of the Series 2017 Certificates holding a majority of the aggregate principal amount of the Series 2017 Certificates (excluding Series 2017 Certificates held by or on behalf of the City or its affiliates) at the time of the amendment, pursuant to the terms of the Indenture; or
- (iv) the amendment or waiver is otherwise permitted by the Rule.

Section 9. Termination of Agreement. The Agreement of the City shall be terminated hereunder when the City shall no longer have any legal liability under the terms of the Indenture pursuant to the terms of the Indenture for any obligation on or relating to the repayment of the Series 2017 Certificates. The City shall give notice to the MSRB in a timely manner and in Prescribed Form if this Section is applicable.

Section 10. Dissemination Agent. The Dissemination Agent shall transmit all information delivered to it by the City hereunder to the MSRB as provided in this Agreement. The City may, from time to time, appoint or engage a substitute Dissemination Agent to assist it in carrying out its obligations under this Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

Section 11. Additional Information. Nothing in this Agreement shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Agreement or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Listed Event, in addition to that which is required by this Agreement. If the City chooses to include any information from any document or notice of occurrence of a Listed Event in addition to that which is specifically required by this Agreement, the City shall not have any obligation under this Agreement to update such information or include it in any future disclosure or notice of the occurrence of a Listed Event.

Section 12. Beneficiaries. This Agreement has been executed in order to assist the Participating Underwriter in complying with the Rule; however, this Agreement shall inure solely to the benefit of the City, the Dissemination Agent, if any, the City, the Certificateholder Representative and the Certificateholders of the Series 2017 Certificates, and shall create no rights in any other person or entity.

Section 13. Recordkeeping. The City shall maintain records of all Annual Financial Information Disclosure and Listed Events Disclosure, including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

Section 15. Assignment. The City shall not transfer its obligations under the Indenture unless the transferee agrees to assume all obligations of the City under this Agreement or to execute a continuing disclosure agreement under the Rule.

Section 16. Governing Law. This Agreement shall be governed by the laws of the State.

EXECUTED as of the date first set forth above.

THE CITY OF NORTHGLENN, COLORADO

By _____
Mayor

ATTEST:

By _____
City Clerk

EXHIBIT I

ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED FINANCIAL STATEMENTS

“Annual Financial Information” means statistical and tabular material of the type contained in the final Official Statement pertaining to the Series 2017 Certificates appearing or incorporated by reference in Tables II, III, IV, V, VI, VII and VIII.

All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to the MSRB or filed with the Commission, and such information need not be provided in the exact format as shown in the Final Official Statement. The City shall clearly identify each such item of information included by reference.

Annual Financial Information will be provided to the MSRB within 210 days after the last day of the City’s fiscal year. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information. If Audited Financial Statements are not available when the Annual Financial Information is filed, unaudited financial statements shall be included, and Audited Financial Statements will be provided to the MSRB within 10 Business Days after availability to the City.

Audited Financial Statements will be prepared in accordance with generally accepted accounting principles in the United States as in effect from time to time.

If any change is made to the Annual Financial Information as permitted by Section 4 of the Agreement, including for this purpose a change made to the fiscal year end of the City, the City will disseminate a notice to the MSRB of such change in Prescribed Form as required by such Section 4.

EXHIBIT II

EVENTS WITH RESPECT TO THE SERIES 2017 CERTIFICATES FOR WHICH LISTED EVENTS DISCLOSURE IS REQUIRED

1. Principal and interest payment delinquencies
2. Nonpayment related defaults, if material
3. Unscheduled draws on debt service reserves reflecting financial difficulties
4. Unscheduled draws on credit enhancements reflecting financial difficulties
5. Substitution of credit or liquidity providers, or their failure to perform
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security
7. Modifications to rights of security holders, if material
8. Certificate calls, if material, and tender offers
9. Defeasances
10. Release, substitution or sale of property securing repayment of the securities, if material
11. Rating changes
12. Bankruptcy, insolvency, receivership or similar event of the City ²
13. The consummation of a merger, consolidation or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material
14. Appointment of a successor or additional Paying Agent or the change of name of a Paying Agent, if material.

² This event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the City in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the City, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the City.

APPENDIX E

ECONOMIC AND DEMOGRAPHIC INFORMATION

This portion of the Official Statement contains general information concerning historic economic and demographic conditions in the City and surrounding Adams County. Since only a small portion of the City is located in Weld County, economic information for Weld County is not provided herein. It is intended only to provide prospective investors with general information regarding the City's community. The information was obtained from the sources indicated and is limited to the time periods indicated. The information is historic in nature; it is not possible to predict whether the trends shown will continue in the future. The City makes no representation as to the accuracy or completeness of data obtained from parties other than the City.

Population and Median Age

The following table sets forth population statistics for the City of Northglenn, Colorado (the "City"), Adams County (the "County"), the Denver Metropolitan Area (the "DMA") and the State of Colorado (the "State").

Year	Northglenn	Percent Change	Population Adams County	Percent Change	DMA ¹	Colorado
1970	27,937	--	185,789	--	1,238,273	2,207,259
1980	29,847	6.84%	245,944	32.38%	1,618,461	2,889,964
1990	27,195	(8.89)	265,038	7.76	1,848,319	3,294,394
2000	31,575	16.11	363,857	37.28	2,400,570	4,301,261
2010	35,789	13.35	441,603	21.37	2,784,228	5,029,196
2015 ²	39,089	9.22	490,829	11.15	3,075,701	5,456,584

¹ The DMA includes the counties of Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas and Jefferson.

² Estimate.

Source: U.S. Department of Commerce, Bureau of the Census for years other than 2016; Colorado Division of Local Government, Demographic Section for 2015

Income

The following tables set forth historical median household effective buying income, the percentage of households by classification of effective buying income ("EBI") levels, and per capita personal income for the County, the DMA and the State. The City's median EBI income level has been historically higher than the State and national levels.

Median Household Effective Buying Income¹

	2012	2013	2014	2015	2016
Adams County	\$41,692	\$43,701	\$44,294	\$47,919	\$49,918
Colorado	43,515	43,718	47,469	49,949	52,345
United States	41,253	41,358	43,715	45,448	46,738

¹ As of January 1.

Source: The Nielsen Company, *Site Reports*, 2012-2016

**Percent of Households by
Effective Buying Income Groups – 2016 ¹**

	Less than \$25,000	\$25,000- \$49,999	\$50,000- \$99,999	\$100,000- \$149,999	\$150,000 and more
Adams County	18.56%	31.55%	36.39%	9.91%	3.60%
Colorado	20.38	27.70	33.85	11.61	6.45
United States	24.81	28.82	31.30	9.45	5.62

¹ As of January 1. Totals may not equal 100% due to rounding.

Source: The Nielsen Company, *Site Reports*, 2016

Per Capita Personal Income

	2011	2012	2013	2014	2015
Adams County	\$32,105	\$33,558	\$33,850	\$35,704	\$36,962
Colorado	42,946	45,073	46,792	49,768	50,899
United States	42,453	44,267	44,462	46,414	48,112

Source: United States Department of Commerce, Bureau of Economic Analysis

School Enrollment

The following table presents a five year history of school enrollment for Adams County Five Star School District, the school district serving the City.

District Enrollment

School Year	Enrollment	Percent Change
2012-2013	43,268	--
2013-2014	42,230	(2.40)
2014-2015	38,701	(8.36)
2015-2016	39,287	1.51
2016-2017	38,818	1.19

Source: Colorado Department of Education

Housing Stock

The following table sets forth information on housing units in the City and County.

	Housing Units			
	2000	2010	Percent Change	2014 ¹
Northglenn	31,575	35,789	13.35%	14,500
Adams County	132,594	163,136	23.03	166,821

¹ Estimate.

Source: U.S. Department of Commerce, Bureau of the Census, State of Colorado Department of Local Affairs

Building Permit Activity

Set forth in the following table is historical building permit activity for the City.

History of Building Permit Activity – City of Northglenn

Year	Non-Residential ¹		Residential	
	Permits	Valuation	Permits	Valuation
2012	239	\$1,495,044	68	\$ 5,928,573
2013	306	2,519,736	115	33,576,801
2014	362	2,401,427	69	11,553,176
2015	381	3,689,878	56	5,855,167
2016	447	3,501,940	158	22,198,702
2017 ²	16	81,957	7	136,154

¹ Includes residential additions/alterations, accessory, recreational and miscellaneous structures and electrical permits.

² Permits filed through January 24, 2017.

Source: City Building Department

Foreclosure Activity

Set forth in the following table is a history of foreclosures in Adams County.

History of Foreclosures - Adams County

Year	Foreclosures Filed	Percent Change
2012	3,182	--
2013	1,640	(48.46)%
2014	1,220	(25.61)
2015	762	(37.54)
2016	717	(5.91)
2017 ¹	24	--

¹ Foreclosures filed through January 18, 2017.

Source: Adams County Public Trustee

Retail Sales

The retail trade sector employs a large portion of the City's and County's work force and is important to the area's economy. The following table sets forth retail sales figures as reported by the State for the City, the County and the State.

Retail Sales

Year	City of Northglenn	Percent Change	Adams County	City as % of Adams County	Colorado	Percent Change
2011	\$579,533,566	--	\$18,415,242,376	3.15%	\$154,697,942,972	--
2012	620,224,510	7.02%	20,778,225,096	2.98	164,387,648,458	6.26%
2013	724,621,743	16.83	22,109,718,657	3.28	172,784,033,081	5.11
2014	807,315,548	11.41	23,168,485,508	3.48	182,709,977,954	5.74
2015	835,790,131	3.53	21,441,483,253	3.90	182,845,695,387	0.07

Source: State of Colorado, Department of Revenue, *Sales Tax Statistics*, 2011-2015

Employment

The following tables set forth employment statistics by industry and the most recent historical labor force estimates for the County.

Total Business Establishments and Employment - Adams County

Industry ¹	Second Quarter 2015		Second Quarter 2016		Quarterly Change	
	Units	Employment	Units	Employment	Units	Employment
Agriculture, forestry, fishing and hunting	40	1,182	46	1,165	6	(17)
Mining	59	607	62	572	3	(35)
Utilities	15	627	15	623	0	(4)
Construction	1,318	20,278	1,442	22,237	124	1,959
Manufacturing	474	13,667	483	13,588	9	(79)
Wholesale trade	1,031	16,219	1,040	16,326	9	107
Retail trade	1,005	19,834	1,050	20,303	45	469
Transportation and warehousing	537	13,852	560	14,390	23	538
Information	97	2,517	121	2,650	24	133
Finance and insurance	492	3,143	492	3,166	0	23
Real estate and rental and leasing	479	3,121	511	3,309	32	188
Professional and technical services	1,157	6,060	1,187	6,401	30	341
Management of companies and enterprises	77	1,464	79	1,660	2	196
Administrative and waste services	624	12,629	646	12,608	22	(21)
Educational services	132	1,271	135	1,027	3	(244)
Health care and social assistance	684	17,679	703	18,618	19	939
Arts, entertainment, and recreation	88	1,323	98	1,439	10	116
Accommodation and food services	719	15,065	723	15,814	4	749
Other services, except public administration	776	5,575	837	5,725	61	150
Non-classifiable	12	29	14	31	2	2
Government	124	35,703	122	36,618	(2)	915
Total	<u>9,940</u>	<u>191,847</u>	<u>10,366</u>	<u>198,268</u>	<u>426</u>	<u>6,421</u>

¹ Information provided herein reflects only those employers who are subject to state unemployment insurance law.

Source: State of Colorado, Division of Employment and Training, Colorado Employment and Wages Covered by Unemployment Insurance

Labor Force Estimates

Year	Adams County		Colorado	
	Labor Force	Percent Unemployed	Labor Force	Percent Unemployed
2011	236,385	9.9%	2,736,079	8.4%
2012	239,668	9.4	2,759,437	7.9
2013	242,899	8.1	2,780,536	6.8
2014	246,215	5.7	2,815,200	5.0
2015	247,538	4.3	2,828,529	3.9
2016 ¹	253,459	3.7	2,890,740	3.4

¹ Labor force averages through October 31, 2016.

Source: State of Colorado, Division of Employment and Training

Selected major employers in the DMA are set forth in the following table. No independent investigation has been made of, and there can be no representation as to, the stability or financial condition of the companies listed below, or the likelihood that such companies will maintain their status as major employers in the area.

Selected Major Employers in Adams County ¹

Firm	Product or Service	Estimated Number of Employees
UC Health: University of Colorado Hospital	Healthcare, Research	6,550
Children's Hospital Colorado	Healthcare	5,250
United Parcel Service	Parcel Delivery	2,680
Sturgeon Electric	Electrical Services	1,270
ADS Alliance Data Systems	Network and Credit Authorization Services	840
Shamrock Foods	Food Distribution	800
SROriginals	Bakery Product Manufacturer and Distributor	790
Centura Health: St. Anthony's North Hospital	Healthcare	790
Platte Valley Medical Center	Healthcare	650

¹ As of September, 2016.

Source: *Adams County Economic Development*, September 2016

APPENDIX F

BOOK-ENTRY-ONLY SYSTEM

The information in this section concerning The Depository Trust Company (“DTC”) New York, NY and DTC’s book-entry-only system has been obtained from DTC, and the City and the Underwriter take no responsibility for the accuracy thereof.

DTC will act as securities depository for the Series 2017 Certificates. The Series 2017 Certificates will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the Series 2017 Certificates, as set forth on the cover page hereof, in the aggregate principal amount of each maturity of the Series 2017 Certificates and deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation & Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a S&P Global Ratings rating of “AA+”. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com and www.dtc.org.

Purchases of the Series 2017 Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2017 Certificates on DTC’s records. The ownership interest of each actual purchaser of each Series 2017 Certificate (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2017 Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2017 Certificates, except in the event that use of the book entry-system for the Series 2017 Certificates is discontinued.

To facilitate subsequent transfers, all Series 2017 Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2017 Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of Series 2017 Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2017 Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants remain responsible for keeping accounts of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2017 Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2017 Certificates, such as redemptions, tenders, defaults, and proposed amendments to the Series 2017 Certificate documents. For example, Beneficial Owners of the Series 2017 Certificates may wish to ascertain that the nominee holding the Series 2017 Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices will be sent to DTC. If less than all of the Series 2017 Certificates within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2017 Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2017 Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2017 Certificates are to be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other name as may be requested by an authorized representative of DTC) is the responsibility of the City or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

A Beneficial Owner shall give notice to elect to have its Series 2017 Certificates purchased or tendered, through its Participant, to Tender or Remarketing Agent, and shall effect delivery of such Series 2017 Certificates by causing the Direct Participant to transfer the Participant's interest in the Series 2017 Certificates, on DTC's records, to Tender or Remarketing Agent. The requirement for physical delivery

of the Series 2017 Certificates in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2017 Certificates are transferred by Direct Participants on DTC's records and followed by a book-entry credit for tendered Series 2017 Certificates to Tender or Remarketing Agent's DTC account.

DTC may discontinue providing its services as securities depository with respect to the Series 2017 Certificates at any time by giving reasonable notice to the City or the Trustee. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2017 Certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book entry only transfers through DTC (or a successor securities depository). In that event, bond certificates will be printed and delivered to DTC.