

In the opinion of Butler Snow LLP, Bond Counsel, assuming continuous compliance with certain covenants described herein, the portion of the Base Rent which is designated in the Lease as interest and paid as interest on the Series 2020 Certificates is excludable from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date of delivery of the Series 2020 Certificates (the "Tax Code"), is excludable from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. Under the laws of the State of Colorado in effect on the date of delivery of the Series 2020 Certificates, the portion of the Base Rent which is designated in the Lease as interest and paid as interest on the Series 2020 Certificates is exempt from Colorado income tax. See "TAX MATTERS" herein.



\$64,250,000
STATE OF COLORADO
HIGHER EDUCATION
LEASE PURCHASE FINANCING PROGRAM
CERTIFICATES OF PARTICIPATION
SERIES 2020

Dated: Date of Delivery

Due: September 1, as shown on the inside cover

The State of Colorado Higher Education Lease Purchase Financing Program Certificates of Participation, Series 2020 (the "Series 2020 Certificates") are being executed and delivered as fully registered certificates in denominations of \$5,000, or any integral multiple thereof. The Series 2020 Certificates bear interest at the rates set forth herein, payable on September 1, 2021 and semiannually thereafter on March 1 and September 1 of each year, to and including the maturity dates shown on the inside cover hereof (unless the Series 2020 Certificates are redeemed earlier) by check or draft mailed to the registered owner of the Series 2020 Certificates, initially Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), securities depository for the Series 2020 Certificates.

Maturity, principal amount, interest rate, and price information for the Series 2020 Certificates is located on the inside cover page of this Official Statement.

The Series 2020 Certificates will be executed and delivered by Zions Bancorporation, National Association, as trustee (the "Trustee") pursuant to and secured by a State of Colorado Higher Education Lease Purchase Financing Program Master Trust Indenture (the "Master Indenture") dated February 24, 2021 as supplemented and amended by that certain State of Colorado Higher Education Lease Purchase Financing Program Supplemental Trust Indenture Series 2020 (the "Supplemental Indenture") dated February 24, 2021, as amended and supplemented from time to time (the Master Indenture and the Supplemental Indenture, collectively, the "Indenture"). The Series 2020 Certificates are authorized under State law to be executed and delivered pursuant to the Indenture. The Series 2020 Certificates, and additional series of certificates that may be executed and delivered from time to time pursuant to the Indenture will be paid and secured on a parity basis and will evidence undivided interests in the right to certain payments by the State under the annually renewable State of Colorado Higher Education Lease Purchase Financing Program Lease Purchase Agreement Series 2020 between the Trustee, as lessor, and the State of Colorado (the "State"), acting by and through the State Treasurer (the "Treasurer"), as lessee, dated February 24, 2021, and as amended and supplemented from time to time (the "Lease"). The Leased Property (as defined in the Lease) will consist of the land and the buildings, structures and improvements now or hereafter located on such land that the Board of Governors of the Colorado State University System, the Board of Trustees for Fort Lewis College and the Board of Regents of the University of Colorado, a body corporate (each an "Institution" and, collectively the "Institutions") have leased to the Trustee pursuant to individual site leases, the State of Colorado Higher Education Lease Purchase Financing Program Site Lease, dated February 24, 2021, and as amended and supplemented from time to time (each a "Site Lease" and collectively, the "Site Leases") and the Trustee has leased to the State pursuant to the Lease. The State will lease the Leased Property to the respective Institutions pursuant to three separate subleases, the State of Colorado Higher Education Lease Purchase Financing Program Sublease dated February 24, 2021, as amended and supplemented from time to time (each a "Sublease" and collectively, the "Subleases"). Pursuant to applicable statutes, the State will pay Rent under the Lease, subject to the terms of the Lease, from moneys in the State of Colorado Capital Construction Fund (the "Capital Construction Fund"), the State's General Fund (the "General Fund") or from any other legally available money.

The net proceeds of the Series 2020 Certificates will be used to pay the costs of certain projects as further described herein, to fund capitalized interest and to pay the costs of issuance of the Series 2020 Certificates.

Upon the occurrence of an Event of Default or Event of Nonappropriation under the Lease, the Trustee will be entitled to exercise certain remedies with respect to the Leased Property that the State has leased from the Trustee pursuant to the Lease, subject to the terms of the Lease, the Site Leases, the Subleases and the Indenture.

The Series 2020 Certificates are subject to redemption prior to their stated maturity date, as more fully described herein.

Payment of Rent by the State and all other payments under the Lease constitute currently appropriated expenditures of the State and shall be paid solely from legally available moneys in the Capital Construction Fund, the General Fund or from any other legally available money. The obligations of the State to pay Rent and all other obligations under the Lease are subject to annual appropriation by the Colorado General Assembly in its sole discretion and shall not be deemed or construed as creating an indebtedness of the State within the meaning of any provision of the State Constitution or the laws of the State concerning or limiting the creation of indebtedness of the State and shall not constitute a multiple fiscal year direct or indirect debt or other financial obligation of the State within the meaning of Section 3 of Article XI or Section 20(4) of Article X of the State Constitution or any other limitation or provision of the State Constitution, State statutes or other State law. In the event the State does not renew the Lease, the sole security available to the Trustee, as lessor under the Lease, shall be the Leased Property leased under the Lease, subject to the terms of the Lease, the Site Leases and the Subleases.

This cover page contains certain information for quick reference only. It is not a summary of the transaction. Each prospective investor should read this Official Statement in its entirety to obtain information essential to making an informed investment decision and should give particular attention to the section entitled "CERTAIN RISK FACTORS."

The Series 2020 Certificates are offered when, as and if delivered, subject to the approving opinion of Butler Snow LLP, Denver, Colorado, as Bond Counsel, and certain other conditions. Tate Law, P.C. has acted as counsel to the State in connection with the preparation of this Official Statement. Certain legal matters will be passed upon for the State by the office of the Attorney General of the State, as counsel to the State. Kline Alvarado Veio, PC, Denver, Colorado, has acted as counsel to the Underwriters. Hilltop Securities Inc., Denver, Colorado, has acted as municipal advisor to the State in connection with the offering, execution and delivery of the Series 2020 Certificates. It is expected that the Series 2020 Certificates will be executed and available for delivery through the facilities of DTC, on or about February 24, 2021.

Stifel

J.P. Morgan

Loop Capital Markets

Date of Official Statement: February 17, 2021.

MATURITY SCHEDULE
(CUSIP[®] 6-digit issuer number: 196737)

\$64,250,000
STATE OF COLORADO
HIGHER EDUCATION LEASE PURCHASE FINANCING PROGRAM
CERTIFICATES OF PARTICIPATION
SERIES 2020

<u>Maturing (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>CUSIP[®]</u>
2022	\$ 1,975,000	5.00%	0.130%	AA8
2023	2,085,000	5.00	0.170	AB6
2024	2,190,000	5.00	0.230	AC4
2025	2,305,000	5.00	0.320	AD2
2026	2,420,000	5.00	0.430	AE0
2027	2,545,000	5.00	0.530	AF7
2028	2,675,000	5.00	0.690	AG5
2029	2,815,000	5.00	0.800	AH3
2030	2,955,000	5.00	0.900	AJ9
2031	3,110,000	5.00	0.980	AK6
2032	3,250,000	4.00	1.100 ⁽¹⁾	AL4
2033	3,385,000	4.00	1.150 ⁽¹⁾	AM2
2034	3,520,000	4.00	1.220 ⁽¹⁾	AN0
2035	3,665,000	4.00	1.280 ⁽¹⁾	AP5
2036	3,815,000	4.00	1.350 ⁽¹⁾	AQ3
2037	3,970,000	4.00	1.410 ⁽¹⁾	AR1
2038	4,135,000	4.00	1.450 ⁽¹⁾	AS9
2039	4,300,000	4.00	1.490 ⁽¹⁾	AT7
2040	4,475,000	4.00	1.530 ⁽¹⁾	AU4
2041	4,660,000	4.00	1.570 ⁽¹⁾	AV2

⁽¹⁾ Priced to the first optional redemption date of September 1, 2031.

© CUSIP is a registered trademark of the American Bankers Association. The CUSIP data included herein has been provided by CUSIP Global Services, which is managed on behalf of the American Bankers Association by S&P Global Market Intelligence, and is provided solely for the convenience of the purchasers of the Series 2020 Certificates and only as of the issuance of the Series 2020 Certificates. None of the State, the Trustee or the underwriters of the Series 2020 Certificates (the "Underwriters") has any responsibility for the accuracy of such data now or at any time in the future. The CUSIP numbers for the Series 2020 Certificates may be changed after the issuance of the Series 2020 Certificates as the result of various subsequent actions, including, without limitation, a refunding of all or a portion of the Series 2020 Certificates or the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of the Series 2020 Certificates.

USE OF INFORMATION IN THIS OFFICIAL STATEMENT

This Official Statement, which includes the cover page and the Appendices, does not constitute an offer to sell or the solicitation of an offer to buy any of the Series 2020 Certificates in any jurisdiction in which it is unlawful to make such offer, solicitation, or sale. No dealer, salesperson, or other person has been authorized to give any information or to make any representations other than those contained in this Official Statement in connection with the offering of the Series 2020 Certificates, and if given or made, such information or representations must not be relied upon as having been authorized by the State of Colorado or the Underwriters.

The information set forth in this Official Statement has been obtained from the State, from the sources referenced throughout this Official Statement and from other sources believed to be reliable. No representation or warranty is made, however, as to the accuracy or completeness of information received from parties other than the State. In accordance with, and as part of, their responsibilities to investors under federal securities laws as applied to the facts and circumstances of this transaction, the Underwriters have reviewed the information in this Official Statement but do not guarantee its accuracy or completeness. This Official Statement contains, in part, estimates and matters of opinion which are not intended as statements of fact, and no representation or warranty is made as to the correctness of such estimates and opinions, or that they will be realized.

The information, estimates, and expressions of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement nor any sale of the Series 2020 Certificates shall, under any circumstances, create any implication that there has been no change in the affairs of the State or in the information, estimates, or opinions set forth herein, since the date of this Official Statement.

The Underwriters have reviewed the information in this Official Statement pursuant to their respective responsibilities to investors under the federal securities laws, but the Underwriters do not guarantee the accuracy or completeness of such information.

The Trustee has not participated in the preparation of this Official Statement or any other disclosure documents relating to the Series 2020 Certificates. The Trustee does not have and does not assume any responsibility as to the accuracy or completeness of any information contained in this Official Statement or any other such disclosure documents, except the information concerning and obtained from the Trustee for inclusion herein.

This Official Statement has been prepared only in connection with the original offering of the Series 2020 Certificates and may not be reproduced or used in whole or in part for any other purpose.

For purposes of compliance with Rule 15c2-12 of the United States Securities and Exchange Commission, as amended, and in effect on the date hereof, this Preliminary Official Statement constitutes an official statement of the State that has been deemed final by the State as of its date except for the omission of no more than the information permitted by Rule 15c2-12.

The Series 2020 Certificates have not been registered with the Securities and Exchange Commission due to certain exemptions contained in the Securities Act of 1933, as amended. In making an investment decision, investors must rely on their own examination of the State, the Series 2020 Certificates, and the terms of the offering, including the merits and risks involved. The Series 2020 Certificates have not been recommended by any federal or state securities commission or regulatory authority, and the foregoing authorities have neither reviewed nor confirmed the accuracy of this document.

THE PRICES AT WHICH THE SERIES 2020 CERTIFICATES ARE OFFERED TO THE PUBLIC BY THE UNDERWRITERS (AND THE YIELDS RESULTING THEREFROM) MAY VARY FROM THE INITIAL PUBLIC OFFERING PRICES OR YIELDS APPEARING ON THE COVER PAGE HEREOF. IN ADDITION, THE UNDERWRITERS MAY ALLOW CONCESSIONS OR DISCOUNTS FROM SUCH INITIAL PUBLIC OFFERING PRICES TO DEALERS AND OTHERS.

* * *

CAUTIONARY STATEMENTS
REGARDING
PROJECTIONS, ESTIMATES AND OTHER
FORWARD-LOOKING STATEMENTS IN
THIS OFFICIAL STATEMENT

This Official Statement, including but not limited to the material set forth under “PLAN OF FINANCING,” “CERTAIN RISK FACTORS,” “STATE FINANCIAL INFORMATION,” “DEBT AND CERTAIN OTHER FINANCIAL OBLIGATIONS,” “LITIGATION, GOVERNMENTAL IMMUNITY AND SELF-INSURANCE” and in Appendices E, F and I contains statements relating to future results that are “forward-looking statements.” When used in this Official Statement, the words “estimates,” “intends,” “expects,” “believes,” “anticipates,” “plans,” and similar expressions identify forward-looking statements. Any forward-looking statement is subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Inevitably, some assumptions used to develop the forward-looking statements will not be realized and unanticipated events and circumstances will occur. Therefore, it can be expected that there will be differences between forward-looking statements and actual results, and those differences may be material. The State does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations change or events, conditions, or circumstances on which these statements are based occur.

TABLE OF CONTENTS

	Page
INTRODUCTION	1
General	1
COVID-19 (Coronavirus)	2
Authority for Delivery	2
The General Fund and Capital Construction Fund	3
Purposes of the Series 2020 Certificates	3
The Projects	4
The Leased Property	4
Terms of the Series 2020 Certificates	5
Sources of Payment for the Series 2020 Certificates	6
Certain Risks to Owners of the Series 2020 Certificates	7
Availability of Continuing Information	7
State Economic and Demographic Information	7
Other Information	8
PLAN OF FINANCING	8
Sources and Uses of Funds	9
The Projects	9
THE SERIES 2020 CERTIFICATES	10
Generally	10
Book-Entry System	11
Redemption	11
BASE RENT AND SERIES 2020 CERTIFICATES PAYMENT SCHEDULE	13
SECURITY AND SOURCES OF PAYMENT	14
Payments by the State	14
Lease Term	15
Nonrenewal of the Lease Term	15
The Leased Property	16
Additional Series of Certificates	21
CERTAIN RISK FACTORS	23
Option to Renew the Lease Annually	23
Effect of a Nonrenewal of the Lease	24
Enforceability of Remedies	25
Effects on the Series 2020 Certificates of a Nonrenewal Event	26
Insurance of the Leased Property	26
Actions Under the Sublease	26
State Budgets and Revenue Forecasts	27
Impact of COVID-19 (Coronavirus)	27
Control of Remedies	31
Future Changes in Laws and Future Initiatives	32
Cyber Security Risks	32
Potential Limitation of Tax Exemption of Interest on Series 2020 Certificates	32
Secondary Market	33
THE STATE	33
General Profile	33

Organization.....	33
STATE FINANCIAL INFORMATION.....	34
The State Treasurer	34
Taxpayer’s Bill of Rights.....	34
State Funds.....	37
Budget Process and Other Considerations	37
Fiscal Controls and Financial Reporting.....	39
Basis of Accounting.....	40
Basis of Presentation of Financial Results and Estimates.....	40
Financial Audits.....	40
Investment and Deposit of State Funds.....	40
The State General Fund.....	41
The Capital Construction Fund	41
DEBT AND CERTAIN OTHER FINANCIAL OBLIGATIONS.....	41
The State, State Departments and Agencies	41
State Tax and Revenue Anticipation Notes	43
State Authorities.....	43
Pension and Post-Employment Benefits	43
LITIGATION, GOVERNMENTAL IMMUNITY AND SELF-INSURANCE.....	46
No Litigation Affecting the Series 2020 Certificates.....	46
Governmental Immunity	46
Self-Insurance	47
Current Litigation.....	47
TAX MATTERS.....	47
General Matters.....	47
Original Issue Premium	48
Changes in Federal and State Tax Law	48
IRS Audit Program.....	49
Information Reporting and Backup Withholding	49
UNDERWRITING	49
LEGAL MATTERS.....	50
RATINGS	50
MUNICIPAL ADVISOR.....	51
CONTINUING DISCLOSURE.....	51
Compliance with Other Continuing Disclosure Undertakings.....	51
MCDC Settlement Order with Securities and Exchange Commission	53
Additional Information	54
MISCELLANEOUS	54
OFFICIAL STATEMENT CERTIFICATION.....	55

APPENDICES

- Appendix A - State of Colorado Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2019
- Appendix B - Forms of Master Indenture, Supplemental Indenture, Lease, Site Lease and Sublease
- Appendix C - Form of Continuing Disclosure Undertaking
- Appendix D - Form of Bond Counsel Opinion
- Appendix E - The State General Fund
- Appendix F - OSPB December 2020 Revenue Forecast
- Appendix G - Leased Property Relating to the Series 2020 Certificates
- Appendix H - Certain State Economic and Demographic Information
- Appendix I - State Pension System
- Appendix J - DTC Book-Entry System

(THIS PAGE INTENTIONALLY LEFT BLANK)

OFFICIAL STATEMENT

\$64,250,000

STATE OF COLORADO HIGHER EDUCATION LEASE PURCHASE FINANCING PROGRAM CERTIFICATES OF PARTICIPATION SERIES 2020

INTRODUCTION

General

This Official Statement, including its cover page, inside front cover and appendices, provides information in connection with the delivery and sale of State of Colorado, Higher Education Lease Purchase Financing Program Certificates of Participation, Series 2020 (the “**Series 2020 Certificates**”).

The Series 2020 Certificates are being executed and delivered as fully registered certificates in denominations of \$5,000, or any integral multiple thereof. The Series 2020 Certificates bear interest at the rates set forth herein, payable on September 1, 2021 and semiannually thereafter on March 1 and September 1 of each year, to and including the maturity dates shown on the inside cover hereof (unless the Series 2020 Certificates are redeemed earlier) by check or draft mailed to the registered owner of the Series 2020 Certificates. The Series 2020 Certificates shall be delivered only in book-entry form registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“**DTC**”), acting as securities depository for the Series 2020 Certificates.

The Series 2020 Certificates will be executed and delivered by Zions Bancorporation, National Association, as trustee (the “**Trustee**”) pursuant to and secured by a State of Colorado Higher Education Lease Purchase Financing Program Master Trust Indenture (the “**Master Indenture**”) dated February 24, 2021 as supplemented and amended by that certain State of Colorado Higher Education Lease Purchase Financing Program Supplemental Trust Indenture Series 2020 (the “**Supplemental Indenture**”) dated February 24, 2021, as amended and supplemented from time to time (the Master Indenture and the Supplemental Indenture, collectively, the “**Indenture**”). The Series 2020 Certificates are authorized under State law to be executed and delivered pursuant to the Indenture. The Series 2020 Certificates, and additional series of certificates that may be executed and delivered from time to time pursuant to the Indenture (collectively, the “**Certificates**”) will be secured by the Trust Estate on a parity basis and will evidence undivided interests in the right to receive certain payments by the State under the annually renewable State of Colorado Higher Education Lease Purchase Financing Program Lease Purchase Agreement between the Trustee, as lessor, and the State of Colorado (the “**State**”), acting by and through the State Treasurer (the “**Treasurer**”), as lessee, dated February 24, 2021, and as amended and supplemented from time to time (the “**Lease**”). The Leased Property (as defined in the Lease) will consist of the land and the buildings, structures and improvements now or hereafter located on such land that the Board of Governors of the Colorado State University System, the Board of Trustees for Fort Lewis College and the Board of Regents of the University of Colorado, a body corporate (each an “**Institution**” and, collectively the “**Institutions**”) have leased to the Trustee pursuant to individual site leases, the State of Colorado Higher Education Lease Purchase Financing Program Site Lease, dated February 24, 2021, and as amended and supplemented from time to time (each a “**Site Lease**” and collectively, the “**Site Leases**”) and the Trustee has leased to the State pursuant to the Lease. The State will lease the Leased Property to the respective Institutions pursuant to three separate subleases, the State of Colorado Higher Education Lease Purchase Financing Program Sublease dated February 24, 2021, and as amended and supplemented from time to time (each a “**Sublease**” and collectively, the “**Subleases**”). Pursuant to applicable statutes,

the State will pay Rent under the Lease, subject to the terms of the Lease, from moneys in the State of Colorado Capital Construction Fund (the “**Capital Construction Fund**”), the State’s General Fund (the “**General Fund**”) or from any other legally available money.

Capitalized terms used herein and not otherwise defined have the meanings assigned to them in the Glossary to the Master Indenture attached as Appendix B hereto.

This introduction is not a summary of this Official Statement. It is only a summary description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page and appendices hereto, and the documents summarized or described herein. Each prospective investor should read this Official Statement in its entirety to obtain information essential to making an informed investment decision and should give particular attention to the section entitled “CERTAIN RISK FACTORS.” The offering of Series 2020 Certificates to potential investors is made only by means of the entire Official Statement.

COVID-19 (Coronavirus)

The spread of a strain of novel coronavirus called COVID-19 is currently altering the behavior of businesses and people in a manner that is having significant negative effects on global, national, state, and local economies, including the economy of the State. COVID-19 has caused a substantial reduction in revenues to the State while also necessitating a significant increase in expenditures for public health emergency response costs. In addition, several measures have been ordered by the Governor of the State (the “**Governor**”), the Colorado Department of Public Health and Environment (“**CDPHE**”) and local public health and other governmental entities in an effort to mitigate the effects of the pandemic and reduce the spread of COVID-19 in the State, including, among others, so called “safer at home” or “shelter-in-place” orders. The various public health measures are constantly changing in response to the status of the pandemic in the State, and the ever evolving impact of COVID 19 and the public health response thereto, has made economic, operational and financial planning and forecasting more difficult. Certain aspects of the current and prospective impact of COVID 19 on the operations and finances of the State are discussed in this Official Statement. Investors should review information regarding the COVID-19 pandemic in “CERTAIN RISK FACTORS—Impact of COVID-19 (Coronavirus)” and Appendices E -- “THE STATE GENERAL FUND” and F—“OSPB DECEMBER 2020 REVENUE FORECAST”. As discussed herein, COVID-19 has materially adversely impacted the finances of the State beginning in Fiscal Year 2019-20. Unless, otherwise noted, historical, financial, economic, and demographic data contained herein does not reflect the impact of COVID-19.

Authority for Delivery

The Series 2020 Certificates are being executed and delivered under authority granted by the constitution and laws of the State, and particularly Senate Bill 20-219 (“**SB 20-219**”) codified in Colorado Revised Statutes Section 24-82-803, *et seq.*, as amended (the “**Act**”), and the Supplemental Public Securities Act (Title 11, Article 57, Part 2, Colorado Revised Statutes).

SB 20-219

The Colorado General Assembly’s legislative declaration for the passage of SB 20-219 cites: the unprecedented economic situation of the State and the importance of funding the continuation of certain previously funded capital construction projects because of the declared disaster emergency due to the COVID-19 pandemic; the particular importance of funding the continuation of certain previously funded capital construction projects because there are cost escalations due to construction inflation when a project is postponed, there are repair, maintenance, and upkeep cost to minimize damage to the ongoing project or

existing infrastructure while funding is delayed, and there may be increased operational cost for any project continuation alternatives; and, funding the continuations of certain previously funded capital construction projects in a time of economic downturn helps boost local economies with construction projects that can commence quickly when the money is made available.

SB 20-219 authorizes, among other things, the creation of a lease-purchase agreement on existing facilities for the purpose of funding previously funded capital construction projects at State institutions of higher education. SB 20-219 directed the Capital Development Committee of the General Assembly to publish a list of specific projects authorized for funding pursuant to SB 20-219 and the cost of each project no later than August 15, 2020. Published on August 11, 2020, the list identified: Colorado State University, Shepardson Building Renovation and Addition (\$17,051,200) (the “**CSU Project**”); Fort Lewis College, Health Sciences Center (\$26,571,891) (the “**Ft. Lewis Project**”); and, University of Colorado, Anschutz Health Sciences Building (\$21,859,241) (the “**CU Anschutz Project**” and, collectively with the CSU Project and the Ft. Lewis Project, the “**Projects**”). To finance the Projects, pursuant to SB 20-219, the State is authorized to execute a lease-purchase agreement in an amount not to exceed \$65.5 million, plus reasonable and necessary administrative, monitoring and closing costs and interest, including capitalized interest and credit enhancement costs such as a debt service reserve fund or bond insurance. The annual repayment obligation may not exceed \$5.5 million and principal amortization may not occur before July 1, 2022. If the financing raises money in excess of what is required for the Projects, SB 20-219 directs that those moneys be credited to the Emergency Controlled Maintenance Account of the Capital Construction Fund and that the Capital Development Committee will specify the use of those excess funds on or before June 30, 2021.

The General Fund and Capital Construction Fund

The Series 2020 Certificates will be payable solely from amounts annually appropriated by the General Assembly to make payments under the Lease, as described in “Sources of Payment for the Series 2020 Certificates” under this caption. The Act requires that, to the extent appropriated, such payments by the State be made from any moneys that the General Assembly transfers from the State General Fund, the Capital Construction Fund and any other legally available sources of money. See “STATE FINANCIAL INFORMATION—The State General Fund” “—The Capital Construction Fund.”

Investors should closely review the financial and other information included in this Official Statement regarding the State, the State General Fund, and Capital Construction Fund to evaluate any risks of nonappropriation by the General Assembly. See “CERTAIN RISK FACTORS,” “STATE FINANCIAL INFORMATION” and Appendices A, E, F, G, H, and I hereto. In particular, investors should review information regarding the COVID-19 pandemic in “CERTAIN RISK FACTORS—Impact of COVID-19 (Coronavirus),” and Appendices E and F. As discussed herein, COVID-19 has materially adversely impacted the finances of the State beginning in Fiscal Year 2019-20. Unless, otherwise noted, historical financial, economic, and demographic data contained herein does not reflect the impact of COVID-19.

Purposes of the Series 2020 Certificates

Proceeds from the sale of the Series 2020 Certificates will be used to finance the costs of the Projects, as more fully described under this caption and “PLAN OF FINANCING—The Projects.” Proceeds of the Series 2020 Certificates will also be used to pay the costs of issuance associated with the Series 2020 Certificates. See “PLAN OF FINANCING—Sources and Uses of Funds” for a description of the estimated uses of proceeds of the Series 2020 Certificates.

The Projects

The Projects involve various capital projects at institutions of higher education described herein under “PLAN OF FINANCING—The Projects.”

The Leased Property

The Board of Governors of the Colorado State University System (“**CSU**”) is entering into the Site Lease titled the State of Colorado Higher Education Lease Purchase Financing Program Site Lease of Colorado State University Series 2020 by and between the State of Colorado, acting by and through CSU, as lessor and the Trustee, solely in its capacity as Trustee under the Indenture, as lessee dated February 24, 2021, as supplemented and amended from time to time (the “**CSU Site Lease**”) pursuant to which certain land owned by CSU and the buildings, structures and improvements now or hereafter located on such land (collectively, the “**CSU Leased Property**”) will be leased to the Trustee. See “SECURITY AND SOURCES OF PAYMENT—The Leased Property,” “CERTAIN RISK FACTORS—Effect of a Nonrenewal of the Lease” and Appendix G. The CSU Leased Property is being leased by the Trustee to the State, pursuant to the Lease. Pursuant to the State of Colorado Higher Education Lease Purchase Financing Program Sublease of Colorado State University Series 2020 by and between the State of Colorado acting by and through the State Treasurer, as sublessor and the State of Colorado, acting by and through CSU as sublessee, dated February 24, 2021, as amended and supplemented from time to time, (the “**CSU Sublease**”), the State will lease the CSU Leased Property to CSU. Any additional Leased Property that the State may choose in the future to lease under additional leases or amendments to the Lease will secure all holders of the Series 2020 Certificates under the Indenture, on a parity basis. Subject to approval from the State and following delivery of certain items to the State, CSU may substitute other property for any portion of the CSU Leased Property. “SECURITY AND SOURCES OF PAYMENT—The Leased Property—*Substitution of Leased Property*.” Upon any decision of the State not to appropriate funds to pay Base Rent under the Lease, the State would relinquish its right to use all of the Leased Property (including the CSU Leased Property) or any portion thereof through the term of the Lease. Further, upon any decision of the State not to appropriate funds to pay Base Rent under the Lease, CSU would lose its right to use all of the CSU Leased Property or any portion thereof through the term of the CSU Sublease unless it pays the Sublessee’s Purchase Option Price as described herein. See “SECURITY AND SOURCES OF PAYMENT—The Leased Property” and “BASE RENT AND SERIES 2020 CERTIFICATES PAYMENT SCHEDULE.”

The Board of Trustees for Fort Lewis College (“**Ft. Lewis**”) is entering into the Site Lease titled the State of Colorado Higher Education Lease Purchase Financing Program Site Lease of Fort Lewis College Series 2020 by and between Ft. Lewis, as lessor and with the Trustee, solely in its capacity as Trustee under the Indenture, as lessee dated February 24, 2021, as supplemented and amended from time to time (the “**Ft. Lewis Site Lease**”) pursuant to which certain land owned by Ft. Lewis and the buildings, structures and improvements now or hereafter located on such land (collectively, the “**Ft. Lewis Leased Property**”) will be leased to the Trustee. See “SECURITY AND SOURCES OF PAYMENT—The Leased Property,” “CERTAIN RISK FACTORS—Effect of a Nonrenewal of the Lease” and Appendix G. The Ft. Lewis Leased Property is being leased by the Trustee to the State, pursuant to the Lease. Pursuant to the State of Colorado Higher Education Lease Purchase Financing Program Sublease of Fort Lewis College Series 2020 by and between the State of Colorado, acting by and through the State Treasurer, as sublessor and the State of Colorado acting by and through Ft. Lewis as sublessee, dated February 24, 2021, as supplemented and amended from time to time (the “**Ft. Lewis Sublease**”), the State, as sublessor, will lease the Ft. Lewis Leased Property to Ft. Lewis, as sublessee. Any additional Leased Property which the State may choose in the future to lease under additional leases or amendments to the Lease will secure all holders of the Series 2020 Certificates under the Indenture, on a parity basis. Subject to approval from the State and following delivery of certain items to the State, Ft. Lewis may substitute other property for any portion

of the Ft. Lewis Leased Property. “SECURITY AND SOURCES OF PAYMENT—The Leased Property—*Substitution of Leased Property.*” Upon any decision of the State not to appropriate funds to pay Base Rent under the Lease, the State would relinquish its right to use all of the Leased Property (including the Ft. Lewis Leased Property) or any portion thereof through the term of the Lease. Further, upon any decision of the State not to appropriate funds to pay Base Rent under the Lease, Ft. Lewis would lose its right to use all of the Ft. Lewis Leased Property or any portion thereof through the term of the Ft. Lewis Sublease unless it pays the Sublessee’s Purchase Option Price as described herein. See “SECURITY AND SOURCES OF PAYMENT—The Leased Property” and “BASE RENT AND SERIES 2020 CERTIFICATES PAYMENT SCHEDULE.”

The Board of Regents of the University of Colorado, a body corporate (“CU”) is entering into the Site Lease titled the State of Colorado Higher Education Lease Purchase Financing Program Site Lease of the University of Colorado Series 2020 by and between CU as lessor and the Trustee, solely in its capacity as Trustee under the Indenture, as lessee dated February 24, 2021, as supplemented and amended from time to time (the “**CU Site Lease**” and, collectively with the CSU Site Lease and the Ft. Lewis Site Lease, the “**Site Leases**”) pursuant to which certain land owned by CU and the buildings, structures and improvements now or hereafter located on such land (collectively, the “**CU Leased Property**”) will be leased to the Trustee. See “SECURITY AND SOURCES OF PAYMENT—The Leased Property,” “CERTAIN RISK FACTORS—Effect of a Nonrenewal of the Lease” and Appendix G. The CU Leased Property is being leased by the Trustee to the State, pursuant to the Lease. Pursuant to the State of Colorado Higher Education Lease Purchase Financing Program Sublease of the University of Colorado Series 2020 by and between the State of Colorado, acting by and through the State Treasurer, as sublessor and the State of Colorado acting by and through CU as sublessee, dated February 24, 2021, as supplemented and amended from time to time (the “**CU Sublease**” and together with the CSU Sublease and the Ft. Lewis Sublease, the “**Subleases**”), as supplemented and amended from time to time, the State, as sublessor, will lease the CU Leased Property to CU, as sublessee. Any additional Leased Property which the State may choose in the future to lease under additional leases or amendments to the Lease will secure all holders of Series 2020 Certificates under the Indenture, on a parity basis. Subject to approval from the State and following delivery of certain items to the State, CU may substitute other property for any portion of the CU Leased Property. “SECURITY AND SOURCES OF PAYMENT—The Leased Property—*Substitution of Leased Property.*” Upon any decision of the State not to appropriate funds to pay Base Rent under the Lease, the State would relinquish its right to use all of the Leased Property (including the CU Leased Property) or any portion thereof through the term of the Lease. Further, upon any decision of the State not to appropriate funds to pay Base Rent under the Lease, CU would lose its right to use all of the CU Leased Property or any portion thereof through the term of the CU Sublease unless it pays the Sublessee’s Purchase Option Price as described herein. See “SECURITY AND SOURCES OF PAYMENT—The Leased Property” and “BASE RENT AND SERIES 2020 CERTIFICATES PAYMENT SCHEDULE.”

Terms of the Series 2020 Certificates

Payments

Principal of and premium, if any, on any Series 2020 Certificate is payable to the Owner thereof as shown on the registration records of the Trustee upon maturity or prior redemption thereof and upon presentation and surrender of the Series 2020 Certificates at the office of the Trustee. Interest on each Series 2020 Certificate shall be payable 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 fifteenth day of the calendar month immediately preceding the applicable Interest Payment Date (whether or not such day is a Business Day) (the “**Record Date**”); provided that, such interest payable to any Owner may be paid by alternative means agreed to by such Owner and the Trustee.

Denominations

The Series 2020 Certificates are deliverable in the authorized denomination of \$5,000 and integral multiples thereof.

Redemption

The Series 2020 Certificates are subject to optional, mandatory, and extraordinary redemption prior to their stated maturity date under certain circumstances described herein under “THE SERIES 2020 CERTIFICATES—Redemption.”

Sources of Payment for the Series 2020 Certificates

The Series 2020 Certificates are payable solely from the Trust Estate, which includes Base Rent annually appropriated by the General Assembly and other Lease Revenues received by the Trustee pursuant to the Lease and other moneys in the Trust Estate in accordance with the terms of the Indenture. See “SECURITY AND SOURCES OF PAYMENT.” The Lease provides that the obligation of the State to pay Base Rent and Additional Rent during the Lease Term shall, subject only to the other terms of the Lease, be absolute and unconditional and shall not be abated or offset for any reason related to the Leased Property and that, notwithstanding any dispute between the State and the Trustee or between the State or the Trustee and any other Person relating to the Leased Property, the State shall, during the Lease Term, pay all Rent when due; the State shall not withhold any Rent 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 Rent, provided, however, that the payment of any Rent shall not constitute a waiver by the State of any rights, claims or defenses which the State may assert; and no action or inaction on the part of the Trustee shall affect the State’s obligation to pay Rent during the Lease Term.

The Lease provides that an Event of Nonappropriation shall be deemed to have occurred, subject to the State’s right to cure pursuant to the Lease, if: (i) on June 30 of any Fiscal Year the General Assembly has, on such date, failed, for any reason, to appropriate sufficient amounts authorized and directed to be used to pay all Base Rent scheduled to be paid and all Additional Rent estimated to be payable in the next ensuing Fiscal Year; or (ii) on June 30 of the Fiscal Year in which such event occurred or on June 30 of any subsequent Fiscal Year in which such insufficiency became apparent, as applicable, if: (A) a Property Damage, Defect or Title Event has occurred; (B) the Net Proceeds received as a consequence of such event are not sufficient to repair, restore, modify, improve or replace the affected portion of the Leased Property in accordance with the Lease; and (C) the General Assembly has not appropriated amounts sufficient to proceed to repair, restore, modify, improve or replace or purchase the Leased Property under the Lease or the State has not substituted property pursuant to the Lease by June 30 of the Fiscal Year in which such Property Damage, Defect or Title Event occurred or by June 30 of any subsequent Fiscal Year in which the insufficiency of Net Proceeds to repair, restore, modify, improve or replace the affected portion of the Leased Property becomes apparent. Notwithstanding the description of an Event of Nonappropriation in the prior sentence, an Event of Nonappropriation shall not be deemed to occur if, on or before August 15 of the next ensuing Fiscal Year, (i) the General Assembly has appropriated amounts sufficient, or the State has substituted property in the manner required under the Lease, to avoid an Event of Nonappropriation; and (ii) the State has paid all Rent due during the period from June 30 through the date of such appropriation or substitution.

If an Event of Nonappropriation has occurred, the Trustee may exercise any of the remedies described in the Lease, including the sale or lease of the Trustee’s leasehold interest in the Leased Property, subject to the Sublessees’ purchase options under the Subleases. The net proceeds from the exercise of such remedies are to be applied in the following order of priority: (i) first, to pay Additional Rent due to

third parties other than the Trustee; (ii) second, to pay the fees and expenses of the Trustee determined in accordance with the Lease; (iii) third, to make payments to the Owners of the Certificates in accordance with the Indenture; and (iv) fourth, any remaining moneys shall be paid to the State. See Appendix B. There can be no assurance that such proceeds will be sufficient to pay all of the principal and interest due on the Series 2020 Certificates.

The State has the option to terminate the Lease and release the related Leased Property from the Indenture in connection with the defeasance of the related Certificates by paying the State's Purchase Option Price as described under "SECURITY AND SOURCES OF PAYMENT—The Leased Property—*State's Purchase Options*." The State and each Institution may also substitute other property for any portion of the Leased Property as described in "SECURITY AND SOURCES OF PAYMENT—The Leased Property—*Substitution of Leased Property*" and "*—Release of Portions of Leased Property*."

Payment of Rent and all other payments under the Lease shall constitute currently appropriated expenditures of the State and may be paid solely from the Capital Construction Fund, the General Fund or other legally available money. The obligations to pay Rent and all other obligations under the Lease are subject to appropriation by the General Assembly in its sole discretion, and shall not be deemed or construed as creating an indebtedness of the State within the meaning of any provision of the State Constitution or the laws of the State concerning or limiting the creation of indebtedness of the State and shall not constitute a multiple fiscal year direct or indirect debt or other financial obligation of the State within the meaning of Section 3 of Article XI or Section 20(4) of Article X of the State Constitution or any other limitation or provision of the State Constitution, State statutes or other State law. In the event the State does not renew the Lease, the sole security available to the Trustee, as lessor under the Lease and to the Trustee under the Indenture, shall be the Trust Estate, which includes the Leased Property leased under the Lease, subject to the terms of the Lease.

INVESTORS SHOULD NOT RELY ON ANY SPECIFIC ALLOCATION OF THE GENERAL FUND OR CAPITAL CONSTRUCTION FUND AS SOURCES OF FUNDS FOR ANY ANNUAL APPROPRIATION OR ALLOCATION BY THE GENERAL ASSEMBLY. SUCH ALLOCATIONS COULD CHANGE AT ANY TIME WHILE THE SERIES 2020 CERTIFICATES ARE OUTSTANDING.

Certain Risks to Owners of the Series 2020 Certificates

Certain factors described in this Official Statement could affect the payment of Base Rent under the Lease, the value of the Leased Property and the market price of the Series 2020 Certificates to an extent that cannot be determined at this time. Each prospective investor should read the Official Statement in its entirety to make an informed investment decision, giving particular attention to the section entitled "CERTAIN RISK FACTORS."

Availability of Continuing Information

Upon delivery of the Series 2020 Certificates, the State will execute a Continuing Disclosure Undertaking in which it will agree, for the benefit of the owners of the Series 2020 Certificates, to file such ongoing information regarding the State as described in "CONTINUING DISCLOSURE" herein. A form of the Continuing Disclosure Undertaking is attached hereto as Appendix C.

State Economic and Demographic Information

This Official Statement contains economic and demographic information about the State prepared and compiled by Development Research Partners for use by the State. See Appendix H—"CERTAIN STATE ECONOMIC AND DEMOGRAPHIC INFORMATION." **It is important to note that the**

information in Appendix H, such as employment figures, has changed materially since the date of such information. See “CERTAIN RISK FACTORS—Impact of COVID-19 (Coronavirus).” Development Research Partners, Inc. has consented to the inclusion of such information in this Official Statement. The State does not assume responsibility for the accuracy, completeness, or fairness of such information. The information in such Appendix has been included in the Official Statement in reliance upon the authority of Development Research Partners, Inc. as experts in the preparation of economic and demographic analyses. Potential investors should read such Appendix in its entirety for information with respect to the economic and demographic status of the State.

Other Information

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

The quotations from, and summaries and explanations of, the statutes, regulations and documents contained herein do not purport to be complete and reference is made to said laws, regulations, and documents for full and complete statements of their provisions. Copies, in reasonable quantity, of such laws, regulations and documents may be obtained during the offering period, upon request to the Underwriters at Stifel, as Representative of the Underwriters, 1401 Lawrence Street, Suite 900, Denver, Colorado 80202, Attention: Bryan Stelmack, telephone number: (303) 291-5288.

Any statements in this Official Statement involving matters of opinion, whether expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the State and the purchasers or holders of any of the Series 2020 Certificates.

PLAN OF FINANCING

The Series 2020 Certificates are being delivered pursuant to the Indenture and under authority granted by the Act. Each Series 2020 Certificate evidences an undivided interest in the right to receive certain payments by the State under the Lease. The Act authorizes the State Treasurer to enter the Lease for projects approved by the State, provided that the maximum total amount of annual lease payments payable by the State during any Fiscal Year under the Lease is less than the maximum amount allowed by the Act. See “INTRODUCTION—Authority for Delivery” and “BASE RENT AND SERIES 2020 CERTIFICATES PAYMENT SCHEDULE” herein.

Pursuant to the Indenture, proceeds of the Series 2020 Certificates in the estimated amounts set forth in the table below, will be deposited into the respective Project Accounts for the Institutions within the Project Fund, and used to pay a portion of the CSU Project, the Ft. Lewis Project and the CU Anschutz Project. No allocated investment earnings will be deposited to these three Project Accounts. In addition, if the financing raises money in excess of what is required for the Projects, those proceeds will be deposited into the Emergency Controlled Maintenance Account of the Capital Construction Fund held by the State pursuant to SB 20-219.

<u>Projects</u>	<u>Project Fund Accounts</u>
CSU Project	\$17,051,200
Ft. Lewis Project	26,571,891
CU Anschutz Project	<u>21,859,241</u>
Total from Series 2020 Certificates	<u>\$65,482,332</u>

Sources and Uses of Funds

The sources and uses of funds relating to the Series 2020 Certificates are set forth in the following table.

SOURCES OF FUNDS:	
Par amount	\$64,250,000.00
Premium.....	<u>16,799,542.85</u>
TOTAL SOURCES OF FUNDS	\$81,049,542.85
 USES OF FUNDS:	
Projects Authorized Under SB 20-219	\$77,482,332.00
Capitalized Interest.....	2,875,597.92
Costs of Issuance, including Underwriters’ discount ¹	<u>691,612.93</u>
TOTAL USES OF FUNDS.....	\$81,049,542.85

¹ Such amount (other than the Underwriters’ discount) shall be deposited to the Costs of Issuance Account and shall be used to pay costs of issuance including legal fees, rating agencies fees, printing costs and municipal advisors’ fees and a deposit to the State Expense Fund. For information concerning the Underwriters’ discount, see “UNDERWRITING.”

The Projects

The Act authorizes the creation of a lease-purchase agreement on existing facilities for the purpose of funding capital construction projects at the Institutions. The Projects to be funded, in part, with the proceeds of the Series 2020 Certificates will not be the Leased Property under the Lease, Site Leases or Subleases.

The CSU Project

The CSU Project is the renovation and addition to the Shepardson Hall building on the Fort Collins campus. Currently in the third of three phases, the CSU Project will revitalize and renovate the existing Shepardson Hall (46,800 gsf), built in 1938 and construct additions to the north and south ends of the building (approx. 40,500 gsf). Shepardson Hall has had limited upgrades since construction in 1938; the building is heated by the original steam radiator system. The building is structurally sound but building systems cannot support 21st century research and instruction. Teaching laboratories are antiquated, and classrooms are too small. The existing building width is too narrow to accommodate larger classrooms and floor-to-floor heights are not sufficient for laboratory remodels that would provide improved ventilation. Lab spaces and classrooms are now planned for the addition. Prior funds have been used to provide air conditioning and lighting improvements to select classrooms and a few other areas, but much of the building is not air conditioned. The project will entirely revitalize the existing building with a new floor plan, modern architectural finishes, new plumbing, mechanical, electrical and telecommunications systems. The existing building will house a new Student Success Center, computer labs, office space for the Department of Agricultural and Resource Economics, studio space for Horticulture and Landscape Architecture and the Dean’s office. Student demand is strong for agricultural degree programs, but growth is suppressed by the limited space and outdated condition of classrooms, studios, and laboratories for teaching. Current plans are to achieve the LEED Gold designation. Footings and foundations for the addition are in place and the CSU Project is approximately 38 percent complete. It is currently anticipated that Shepardson Hall will be substantially completed by August of 2022.

The Ft. Lewis Project

The Fort Lewis College Health Sciences Center project will renovate existing space in the Whalen Gymnasium and construct adjacent new space for its academic health and exercise programs. The new building will include spaces for adaptive exercise, human performance, biometrics, nutritional science, microbiology, wet research, and general teaching laboratories. Fort Lewis' Public Health major/minor includes coursework on epidemiology, disease control and prevention, and community health areas of expertise that will be in high demand due to the COVID-19 crisis. Through this programming, Fort Lewis trains health professionals to be prepared to resolve the health disparities of its underserved region. With over 40% of its students being Native American, the program has a special focus on serving the needs of Native American populations. The Ft. Lewis Project will provide required renovations in the existing building including a new fire alarm and expanded fire sprinkler systems. There is also a 3,653 SF renovation of the existing lobby included with the design that may be included with project construction. The total cost of the Ft. Lewis Project is \$32,861,279, which amount includes \$3,286,128 in Ft. Lewis College cash funds and a total of \$29,575,151 in state capital construction funding, which includes the \$26,571,891 to be generated with the proceeds from the Series 2020 Certificates.

Fort Lewis College is currently in the process of completing the design work and finalizing the asbestos abatement bid documents, to be ready to begin the construction phase of the project soon after funding authorization and is currently working with its design team and construction manager to assess the timing of funding availability to determine the most cost effective and otherwise advantageous asbestos abatement, demolition and construction start dates. Fort Lewis College anticipates a 2-year project duration between funding availability and completion.

The CU Anschutz Project

The Anschutz Health Sciences Building (AHSB) is a 390,901 gross square foot building adjacent to Research Tower II and the Research Quad on the Anschutz Medical Campus. The total cost of construction is about \$243 million. This amount has been funded in full with direct state capital support, donor support, campus reserves and borrowing, including proceeds of the Series 2020 Certificates being provided to CU. Approximately \$138 million of this project cost has previously been financed by CU. The project is designed to meet rapid changes in health sciences education, research and clinical care which emphasize interdisciplinary learning, innovation, collaboration, and discovery. This new facility will consolidate and upgrade seven different academic and research entities, house a new data center that will support campus-wide research and academic activities and provide auxiliary functions, including a 150-seat active learning classroom.

CU selected Anderson Mason Dale Architects and JE Dunn Construction to design and build the Anschutz Health Sciences Building and started design work in November 2017. Design work was completed in May 2018 and construction commenced February 2019. The overall construction is 57 percent complete. The superstructure of the eight-story building is complete, and the exterior finish system and interior construction work are ongoing. The Anschutz Health Sciences building is on track for substantial completion in late August 2021.

THE SERIES 2020 CERTIFICATES

Generally

General information describing the Series 2020 Certificates appears elsewhere in this Official Statement. That information should be read in conjunction with this summary, which is qualified in its

entirety by the forms of the Master Indenture, the Supplemental Indenture, the Lease, the Site Lease, and the Sublease all as attached in Appendix B hereto.

The Series 2020 Certificates will be dated as of the date of their delivery and will mature and bear interest (calculated based on a 360-day year of twelve 30-day months) payable on September 1, 2021 and semiannually thereafter on March 1 and September 1 of each year and as further described on the inside cover page of this Official Statement. Principal and premium, if any, is payable when due upon surrender of the Series 2020 Certificates at the office of the Trustee. The Series 2020 Certificates will be executed and delivered as fully registered certificates in the denomination of \$5,000 or any integral multiple thereof.

Book-Entry System

The Series 2020 Certificates will be in fully registered form (i.e., registered as to payment of both principal and interest) and will be registered initially in the name of Cede & Co., as nominee of DTC, which will serve as securities depository for the Series 2020 Certificates. Beneficial Ownership Interests in the Series 2020 Certificates, in non-certificated book-entry only form, may be purchased in authorized denominations of \$5,000 or any integral multiple thereof by or through DTC Participants. Beneficial Ownership Interests will be recorded in the name of the Beneficial Owners on the books of the DTC Participants from whom they are acquired, and transfers of such Beneficial Ownership Interests will be accomplished by entries made on the books of the DTC Participants acting on behalf of the Beneficial Owners. References herein to the Owners of the Certificates mean Cede & Co. or such other nominee as may be designated by DTC, and not the Beneficial Owners. For a more detailed description of the DTC book-entry system, see Appendix J—“DTC BOOK-ENTRY SYSTEM.”

Principal and interest payments with respect to the Series 2020 Certificates will be payable by the Trustee, as paying agent for the Series 2020 Certificates, to Cede & Co., as the Owner of the Series 2020 Certificates, for subsequent credit to the accounts of the Beneficial Owners as discussed in Appendix J—“DTC BOOK-ENTRY SYSTEM.”

None of the Trustee, the State, the Underwriters, or Bond Counsel has any responsibility or obligation to any Beneficial Owner with respect to (1) the accuracy of any records maintained by DTC or any DTC Participant, (2) the distribution by DTC or any DTC Participant of any notice that is permitted or required to be given to the Owners of the Series 2020 Certificates under the Indenture, (3) the payment by DTC or any DTC Participant of any amount received under the Indenture with respect to the Series 2020 Certificates, (4) any consent given or other action taken by DTC or its nominee as the Owner of the Series 2020 Certificates or (5) any other related matter.

Redemption

Optional Redemption

The Series 2020 Certificates maturing on and after September 1, 2032, are subject to redemption at the option of the State, in whole or in part and if in part in Authorized Denominations from the remaining maturities bearing interest at the same rates designated by the State and by lot within any remaining maturity bearing interest at the same rate designated for redemption, on any date on and after September 1, 2031, at a redemption price equal to the principal amount of the Series 2020 Certificates to be redeemed (with no premium), plus accrued interest to the redemption date.

Extraordinary Redemption upon Occurrence of Event of Nonappropriation or Event of Default

The Series 2020 Certificates shall be called for redemption in whole, at a redemption price determined pursuant to the Indenture, on any date, upon the termination of the Lease due to the occurrence

of an Event of Nonappropriation or an Event of Default under the Lease, at a redemption price equal to the lesser of: (i) the principal amount of the Series 2020 Certificates (with no premium), plus accrued interest, if any, to the redemption date; or (ii) the sum of (A) the amount, if any, received by the Trustee from the exercise of remedies under the Lease; and (B) the other amounts available in the Trust Estate for payment of the redemption price of the Series 2020 Certificates and all other Certificates that are subject to redemption upon the termination of the Lease due to the occurrence of an Event of Nonappropriation or an Event of Default under the Lease, which amounts shall be allocated among the Series 2020 Certificates and all other Certificates that are subject to extraordinary redemption upon the termination of the Lease due to the occurrence of an Event of Nonappropriation or the occurrence and continuation of an Event of Default under the Lease in proportion to the principal amount of each such Series 2020 Certificate. The payment of such redemption price of any Series 2020 Certificate pursuant to the Indenture shall be deemed to be the payment in full of such Series 2020 Certificate, and no Owner of any Series 2020 Certificate redeemed pursuant to this extraordinary redemption provision or any similar provision of any indenture supplementing the Indenture shall have any right to any payment from the Trustee or the State in excess of such redemption price.

In addition to any other notice required to be given under the Indenture, the Trustee shall, immediately upon obtaining knowledge of the termination of the Lease upon the occurrence of an Event of Nonappropriation or Event of Default under the Lease, notify the Owners of the Series 2020 Certificates and all other Certificates that are subject to redemption upon the termination of the Lease upon the occurrence of an Event of Nonappropriation or an Event of Default under such Lease (i) that such event has occurred and the Lease has been terminated; and (ii) whether or not the funds then available to it for such purpose are sufficient to pay the redemption price described above thereof. If the funds then available to the Trustee are sufficient to pay the redemption price described above, such redemption price shall be paid as soon as possible. If the funds then available to the Trustee are not sufficient to pay the redemption price of the Series 2020 Certificates described above, the Trustee shall (a) immediately 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 Leases; (b) subject to the applicable provisions of the Indenture, promptly begin to exercise and diligently pursue all remedies available to it under the Lease in connection with such Event of Nonappropriation or Event of Default. The remainder of the redemption price, if any, will be paid to the Owners of the Certificates subject to redemption 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 Series 2020 Certificates or portions thereof to be redeemed and specifying the terms of such redemption, shall be given by the Trustee at the written direction of the State Representative by mailing a copy of the redemption notice by United States registered first-class mail, at least 30 days, but not more than 60 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 that in the event that the Certificates to be redeemed are registered in the name of a securities depository, such notice may, in the alternative, be given by electronic means in accordance with the requirements of the securities depository. Failure to give such notice as required herein, 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 Indenture 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 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 is required to apply funds to the payment of the Series 2020 Certificates called for redemption, together with accrued interest thereon to the redemption date, and any required premium. The Trustee is required to pay to the Owners of Series 2020 Certificates so redeemed, the amounts due on the Series 2020 Certificates upon presentation and surrender of the Series 2020 Certificates.

BASE RENT AND SERIES 2020 CERTIFICATES PAYMENT SCHEDULE

The following table sets forth the State’s Base Rent obligations in connection with the Lease assuming that the Lease is renewed by the State for the full Lease Term and that there is no prior redemption or defeasance of Series 2020 Certificates other than mandatory sinking fund redemptions.

**Base Rent Obligations
(Totals may not add due to rounding)**

Fiscal Year (June 30)	Base Rent Series 2020 Certificates		Total Debt Service²
	Principal Component¹	Interest Component¹	
2022		\$2,875,598	\$2,875,598
2023	\$1,975,000	2,771,375	4,746,375
2024	2,085,000	2,669,875	4,754,875
2025	2,190,000	2,563,000	4,753,000
2026	2,305,000	2,450,625	4,755,625
2027	2,420,000	2,332,500	4,752,500
2028	2,545,000	2,208,375	4,753,375
2029	2,675,000	2,077,875	4,752,875
2030	2,815,000	1,940,625	4,755,625
2031	2,955,000	1,796,375	4,751,375
2032	3,110,000	1,644,750	4,754,750
2033	3,250,000	1,502,000	4,752,000
2034	3,385,000	1,369,300	4,754,300
2035	3,520,000	1,231,200	4,751,200
2036	3,665,000	1,087,500	4,752,500
2037	3,815,000	937,900	4,752,900
2038	3,970,000	782,200	4,752,200
2039	4,135,000	620,100	4,755,100
2040	4,300,000	451,400	4,751,400
2041	4,475,000	275,900	4,750,900
2042	4,660,000	93,200	4,753,200
TOTAL	64,250,000	33,681,673	<u>97,931,673</u>

¹ There will be credited against the amount of Base Rent otherwise payable under the related Lease the amount on deposit in the Certificate Fund that is not restricted by the Indenture to the payment of the redemption price of Certificates or the costs of defeasing Certificates.

² Amounts on deposit in the Capitalized Interest Fund will be used to pay the Base Rent due in Fiscal Year 2022 in the amount of \$2,875,597.92

SECURITY AND SOURCES OF PAYMENT

Payments by the State

Each Series 2020 Certificate evidences an undivided interest in the right to receive Lease Revenues pursuant to the Lease, including (a) with respect to the Lease: (i) the Base Rent; (ii) the State's Purchase Option Price, if paid (including any Net Proceeds applied to the payment of the State's Purchase Option Price pursuant to a Lease); (iii) any portion of the proceeds of Certificates deposited with or by the Trustee in the Certificate Fund to pay accrued or capitalized interest on the Certificates; (iv) earnings on moneys on deposit in any fund, account or subaccount and all other revenues from the Lease, to the extent such earnings or revenues are deposited into a fund, account or subaccount that is part of the Trust Estate; and (v) any other moneys to which the Trustee may be entitled for the benefit of the Owners; and (b) with respect to other Leases, similar amounts with respect thereto.

All covenants, stipulations, promises, agreements and obligations of the State or the Trustee, as the case may be, contained in the Lease are the covenants, stipulations, promises, agreements and obligations of the State or the Trustee, as the case may be, and not of any member, director, officer, employee, servant or other agent of the State 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 State or the Trustee or any natural person executing the Lease or any related document or instrument; provided that such person is acting within the scope of his or her employment, membership, directorship, office, or agency, as applicable, and not in a manner that constitutes gross negligence or willful misconduct.

As more fully described under the captions "CERTAIN RISK FACTORS" and in the form of the Lease attached hereto in Appendix B, following an Event of Nonappropriation, the Lease Term of the Lease will terminate on June 30 of any Fiscal Year in which the Event of Nonappropriation occurs.

Under the Act, Base Rent and Additional Rent must be paid from the amounts on deposit in the Capital Construction Fund, General Fund, and any other legally available sources. There is no obligation of the State to appropriate General Fund revenues, or any revenues, for purposes of paying Base Rent or Additional Rent under the Lease. See "STATE FINANCIAL INFORMATION" and Appendices A, E, F, H, and I hereto.

PAYMENT OF RENT AND ALL OTHER PAYMENTS BY THE STATE UNDER THE LEASE CONSTITUTE CURRENTLY APPROPRIATED EXPENDITURES OF THE STATE AND MAY BE PAID SOLELY FROM THE CAPITAL CONSTRUCTION FUND, THE GENERAL FUND AND ANY OTHER LEGALLY AVAILABLE MONEY. THE OBLIGATIONS OF THE STATE TO PAY RENT AND ALL OTHER OBLIGATIONS OF THE STATE UNDER THE LEASE ARE SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY IN ITS SOLE DISCRETION AND SHALL NOT BE DEEMED OR CONSTRUED AS CREATING AN INDEBTEDNESS OF THE STATE WITHIN THE MEANING OF ANY PROVISION OF THE STATE CONSTITUTION OR THE LAWS OF THE STATE CONCERNING OR LIMITING THE CREATION OF INDEBTEDNESS OF THE STATE AND SHALL NOT CONSTITUTE A MULTIPLE FISCAL YEAR DIRECT OR INDIRECT DEBT OR OTHER FINANCIAL OBLIGATION OF THE STATE WITHIN THE MEANING OF SECTION 3 OF ARTICLE XI OR SECTION 20(4) OF ARTICLE X OF THE STATE CONSTITUTION OR ANY OTHER LIMITATION OR PROVISION OF THE STATE CONSTITUTION, STATE STATUTES OR OTHER STATE LAW. IN THE EVENT THE STATE DOES NOT RENEW THE LEASE, THE SOLE SECURITY AVAILABLE TO THE TRUSTEE, AS LESSOR UNDER THE LEASE AND TRUSTEE UNDER THE INDENTURE, SHALL BE THE TRUST ESTATE THAT INCLUDES

THE LEASED PROPERTY LEASED UNDER THE LEASE, SUBJECT TO THE TERMS OF THE LEASE. THE STATE'S OBLIGATIONS UNDER THE LEASE SHALL BE SUBJECT TO THE STATE'S ANNUAL RIGHT TO TERMINATE THE LEASE UPON THE OCCURRENCE OF AN EVENT OF NONAPPROPRIATION. SEE "CERTAIN RISK FACTORS—OPTION TO RENEW THE LEASE ANNUALLY."

INVESTORS SHOULD NOT RELY ON ANY SPECIFIC ALLOCATION OF THE GENERAL FUND OR CAPITAL CONSTRUCTION FUND AS SOURCES OF FUNDS FOR ANY ANNUAL APPROPRIATION OR ALLOCATION BY THE GENERAL ASSEMBLY. SUCH ALLOCATIONS COULD CHANGE AT ANY TIME WHILE THE SERIES 2020 CERTIFICATES ARE OUTSTANDING.

Lease Term

The Lease Term is comprised of the Initial Term commencing on the date the Lease is executed and delivered and ending on June 30, 2021, and successive one year Renewal Terms, subject to the provisions described below. The Lease Term of the Lease shall expire upon the earliest of any of the following events: (a) the last day of the month in which the final Base Rent payment is scheduled to be paid in accordance with the Lease; (b) June 30 of the Initial Term or June 30 of any Renewal Term during which, in either case, an Event of Nonappropriation has occurred (provided that the Lease Term is not deemed to have been terminated if the Event of Nonappropriation is cured as provided in the Lease); (c) the conveyance of all of the Trustee's leasehold interest in the Leased Property to the State pursuant to the Lease; or (d) termination of the Lease following an Event of Default in accordance with Section 11.02(a) of the Lease.

Upon termination of the Lease Term, all unaccrued obligations of the State under the Lease shall terminate, but all obligations of the State that have accrued thereunder prior to such termination shall continue until they are discharged in full; and if the termination occurs because of the occurrence of an Event of Nonappropriation or an Event of Default, the State's right to possession of the Leased Property thereunder shall terminate and (i) the State shall, within 90 days, vacate the Leased Property; and (ii) if and to the extent the General Assembly has appropriated funds for payment of Rent payable during, or with respect to the State'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 State shall pay Base Rent to the Trustee and Additional Rent to the Person entitled thereto. If the termination occurs because of the occurrence of an Event of Nonappropriation or an Event of Default, the Trustee will be entitled to exercise certain remedies with respect to the Leased Property as further described in the forms of the Master Indenture, the Supplemental Indenture, the Lease and the respective Site Leases. The State does not have the right to terminate the Lease due to a default by the Trustee under the Lease.

Nonrenewal of the Lease Term

The State is not permitted to renew the Lease with respect to less than all of the Leased Property. Accordingly, a decision not to renew the Lease would mean the loss of the use by the State of all of the Leased Property. However, the Indenture and the Lease permit the State to purchase the Trustee's leasehold interest in the Leased Property in connection with the defeasance of all or a portion of the Series 2020 Certificates, as described in "SECURITY AND SOURCES OF PAYMENT—The Leased Property—*State's Purchase Options.*"

Upon a nonrenewal of the Lease Term by reason of an Event of Nonappropriation or an Event of Default and so long as the State has not exercised its purchase option with respect to all the related Leased Property, the State is required to vacate the Leased Property within 90 days. The Trustee may proceed to

exercise any remedies available to the Trustee for the benefit of the Owners of the Certificates (including the Series 2020 Certificates) and may exercise any other remedies available upon default as provided in the Leases, including the sale of or lease of the Trustee's interest under the Site Leases. See "CERTAIN RISK FACTORS."

The Lease places certain limitations on the availability of money damages against the State as a remedy in an Event of Default or an Event of Nonappropriation. For example, such Lease provides that a judgment requiring a payment of money may be entered against the State by reason of an Event of Nonappropriation only to the extent the State fails to vacate the Leased Property as required by the Lease and only as to certain liabilities as described in the Lease. All property, funds and rights acquired by the Trustee upon the nonrenewal of the Lease, along with other moneys then held by the Trustee under the Indenture (with certain exceptions and subject to certain priorities as provided in the Lease and the Indenture), are required to be used to redeem the related Certificates, if and to the extent any such moneys are realized. See "CERTAIN RISK FACTORS."

The Leased Property

The Lease

Pursuant to the Act, the State Treasurer, acting on behalf of the State, has the authority as he deems appropriate to determine what collateral to use for the Lease. The State Treasurer, working with the Institutions, has prepared a list of eligible State facilities that comprises the Leased Property under the Lease. The Leased Property consists of all or portions of approximately 5 buildings and facilities located on the campuses of the Institutions. The Leased Property has a current replacement value of \$68,916,249. See Appendix G—"LEASED PROPERTY RELATING TO THE CERTIFICATES" for a description of the Leased Property subject to the Site Leases, the Lease, and the Subleases. During the term of the Lease, title to the Leased Property shall remain with the respective Institution, subject to the provisions of the applicable Site Leases, Subleases, the Lease, the Indenture, and any other Permitted Encumbrances. Pursuant to the Lease, upon the occurrence and continuation of an Event of Default or Event of Nonappropriation under the Lease and the termination of the Lease as a result thereof, each Institution has the option to purchase its respective Leased Property that is subject to its Sublease as provided in that Sublease. The Trustee agrees to notify each Institution in writing upon the occurrence of an Event of Default or Event of Nonappropriation under the Lease. If all Base Rent scheduled to be paid through the end of the Scheduled Lease Term and all Additional Rent payable through the date of conveyance of the Trustee's interest in the Leased Property to the State pursuant to the Lease shall have been paid, all Certificates with the same series designation as the Lease have been paid in full in accordance with the Indenture and all other amounts payable pursuant to the Indenture and the Lease have been paid, the Trustee's interest in the Leased Property that remains subject to the Lease shall be assigned, transferred and conveyed to the State at the end of the Scheduled Lease Term in the manner described set forth in the Lease.

The Leased Property consists of the property leased by the Trustee to the State pursuant to the Lease. As described above, the State is not permitted to renew the Lease with respect to less than all of the Leased Property and a decision not to renew the Lease would mean a loss of all of the Leased Property for the State unless a purchase option for all or a portion of the Leased Property has been exercised by the State. See "SECURITY AND SOURCES OF PAYMENT—The Leased Property—*State's Purchase Options.*" The State may make substitutions, of Leased Property in accordance with the terms of the Lease as described in "Substitution of Leased Property" under this caption. **Owners of the Series 2020 Certificates should not assume that it will be possible for the Trustee to sell or lease its interest in the Leased Property, or any portion thereof, for an amount equal to the respective principal amounts of the Series 2020 Certificates plus accrued interest thereon. See "CERTAIN RISK FACTORS—Effect of Nonrenewal of a Lease" for a description of some of the factors that may impact the value of the Leased Property.**

The Site Leases

Each Site Lease between an Institution and the Trustee is substantially identical. The Trustee is not obligated to pay any rent under any of the Site Leases. Each Site Lease Term commences on the date the Site Lease is executed and delivered and shall expire upon the earliest of: (i) June 30, 2052; or (ii) the conveyance of all the Trustee's leasehold interest in the respective Leased Property subject to the Lease to the State pursuant to Article VIII of the Lease; or (iii) the conveyance of the Trustee's leasehold interest in the Leased Property subject to the Site Lease to the Institution as Site Lessor pursuant to the respective Sublease of the Institution. Pursuant to the Site Leases, each Institution and its successors and assigns are intended third party beneficiaries of the covenants of the State in Articles VI, VII and VIII and Sections 9.02, 9.03(a) and 12.02 and of the Trustee in Section 9.03(b) of the Lease (the "**Site Lessor Protection Provisions**"). If the Lease is terminated for any reason, the Site Lease is not terminated and the Trustee leases or subleases all or any portion of the related Leased Property or assigns an interest in the Site Lease, as a condition to such lease, sublease or assignment, the lessee, sublessee or assignee must execute an instrument, in form and substance reasonably satisfactory to the Institution, that contains substantially the same covenants as the Site Lessor Protection Provisions and names the Institution and its successors and assigns as intended third party beneficiaries of such covenants. Any provision of the Site Lease that is similar to any of the Site Lessor Protection Provisions shall not be interpreted to limit or restrict the rights of the Site Lessor. Except as otherwise permitted in the Site Lease, and except for Permitted Encumbrances, the Institution shall not 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. See Appendix B for the form of the Site Lease.

The Subleases

Each Sublease between the State and an Institution is substantially identical. The Institutions are not obligated to pay Base Rent and will be required to pay Additional Rent consisting of taxes, utilities, insurance, and other items as defined in the Master Indenture. Should an Institution fail to timely appropriate sufficient funds to pay Additional Rent and other costs identified in the Sublease, an Event of Nonappropriation by the Institution may occur under the Sublease that if not cured, could result in termination of the Sublease but will have no effect on the respective Site Lease or the State's obligations under the Lease.

The Sublease Term is comprised of the Initial Term (as defined in the Master Indenture) and successive one-year Renewal Terms, subject to expiration upon the earliest to occur of any of the following events: (i) termination of the Lease in accordance with its terms; or (ii) June 30 of the Initial Term or June 30 of any Renewal Term during which, in either case, an Event of Nonappropriation by the Institution under the Sublease has occurred; or (iii) termination of the Sublease following an Event of Default under the Sublease in accordance with Section 11.02(a) thereof; or (iv) the conveyance of all of the Trustee's leasehold interest in the Leased Property subject to the Lease to the State pursuant to Article VIII of the Lease; or (v) the conveyance of the Trustee's interest in the Leased Property to the Institution pursuant to Article VIII of the Sublease.

Subject to certain conditions and procedures similar to those granting the State the right to substitute Leased Property, including the requirement to pay all costs associated with a requested substitution, pursuant to the Sublease, an Institution may at any time substitute other real property for the Institution's Leased Property that is subject to its Sublease, Site Lease and the Lease. See "Substitution of Leased Property" in this section below.

After giving appropriate notice, an Institution may exercise an option to purchase all, but not less than all, of the Trustee's leasehold interest in its Leased Property subject to the Sublease (i) at any time

while the Lease remains in effect, in accordance with the provisions of the Sublease and the Lease; or (ii) following a termination of the Lease upon the occurrence of an Event of Default or an Event of Nonappropriation by paying to the Trustee the “Sublessee’s Purchase Option Price.” The Sublessee’s Purchase Option Price is an amount sufficient to pay all the Outstanding Attributable Certificates, as defined in the Site Leases, to redeem all the Outstanding Attributable Certificates in accordance with the applicable redemption provisions of the Indenture, or to defease all the Attributable Certificates in accordance with the defeasance provisions of the Indenture, on the closing date for the purchase of the Trustee’s leasehold interest in the Leased Property, and to pay all Additional Rent payable through the date of conveyance of such interest in the Leased Property to the Institution, including, but not limited to, all fees and expenses of the Trustee and all expenses of the State relating to the conveyance of the Trustee’s leasehold interest in the Leased Property and the payment of the Attributable Certificates.

Upon termination of a Sublease Term: (i) all unaccrued obligations of the Institution thereunder shall terminate, but all obligations of the Institution that have accrued hereunder prior to such termination shall continue until they are discharged in full; and (ii) if the termination occurs because of the occurrence of an Event of Nonappropriation or an Event of Default by the Institution under the Sublease or because of the termination of the Lease as a result of an Event of Nonappropriation or an Event of Default by the State under the Lease, and the Institution does not exercise its option to purchase the Trustee’s interest in the Leased Property pursuant to the Sublease, the Institution’s right to possession of the Leased Property shall terminate and (a) the Institution shall, within 90 days, vacate the Leased Property; and (b) if and to the extent the Governing Body of the Institution has appropriated funds for payment of Additional Rent payable during, or with respect to the Institution’s use of the Leased Property during, the period between termination of the Sublease Term and the date the Leased Property is vacated pursuant to (a), the Institution shall pay Additional Rent to the Person entitled thereto. See Appendix B for the form of the Sublease.

The CSU Leased Property

The CSU Leased Property is the B.W. Picket Arena, an 85,154 gross square foot facility on approximately 2.23 acres of land. The arena has a football field-sized indoor arena equipped with seating for 2000 spectators, concessions stands, ticket booths, a show office with crow’s nest, faculty offices, multimedia classroom, and a state of the art conference room. The arena recently underwent major renovations including new exterior siding. A part of the Equine Sciences Program, CSU uses the facility currently to generate revenue to host equestrian and other competitive national and collegiate events as well as to serve as part of the instructional system. The current replacement value of the CSU Leased Property is \$18,796,894. See Appendix G.

The Ft. Lewis Leased Property

The Ft. Lewis Leased Property consists of the Education/Business Hall, Pine Hall, and Skyhawk Hall. The Education /Business Hall was built in 2000, and consists of classrooms, computer labs, faculty and staff offices and programmatic support space. Pine Hall was built in 1961, significantly remodeled in 2008 and consists of classrooms, offices, and programmatic support space. Skyhawk Hall, built in 1998, consists of classrooms and laboratory space. The current replacement value of the Ft. Lewis Leased Property is \$25,867,802. See Appendix G.

The CU Leased Property

The CU Leased Property consists of the first two floors (53,773 gross-square feet, exclusive of building common areas) of the four-story Bioscience 2 building, a 111,323 gross-square-foot building constructed in 2015 on property acquired by CU from the Fitzsimons Redevelopment Authority (“**FRA**”).

The building supports various research functions essential to the operation of the Anschutz Medical Campus including Bioengineering, Clinimmune, and iC42.

CU acquired the site for the Bioscience 2 building from the FRA in exchange for a 30-year lease to the FRA of the third and fourth floors (39,801 gross-square feet) in the building. In the CU Site Lease, CU agrees and confirms that nothing contained therein, or in any documents or agreements related to the CU Anschutz Project shall adversely affect in any manner the use, occupancy, purchase option or any other right of the FRA under the lease agreement between CU and the FRA dated January 31, 2014, relating to the property leased by the FRA. Also, the FRA has the option to purchase the space it is leasing from CU in which event the CU Leased Property will be condominiumized into two ownership units.

The Bioscience 2 building is located in a special district. In the event of nonrenewal of the State's obligations under the Lease upon the occurrence of an Event of Nonappropriation or an Event of Default, and the State is required to vacate the Leased Property under the Lease, if CU does not pay the Sublessee's Purchase Option Price and does not remain in the CU Leased Property, a subsequent lessee may be subject to the terms of the special district including a requirement to make payments in lieu of taxes. The current replacement value of the CU Leased Property is \$24,251,553. See Appendix G.

State's Purchase Options

The Lease grants the State the option, at any time, to purchase the Trustee's leasehold interest in a portion of the Leased Property to the extent that an Institution exercises its purchase option under its respective Sublease while the Lease remains in effect. To the extent that an Institution has notified the State and the Trustee of its intention to exercise its purchase option in accordance with its Sublease, the State shall exercise its option to purchase the Trustee's leasehold interest in the Leased Property under the Lease that is subject to such Sublease. In order to exercise its option to purchase the Trustee's leasehold interest in a portion of the Leased Property pursuant to the Lease, the State shall (i) calculate, or request the Trustee to calculate, the Sublessee's Purchase Option Price based upon the closing date specified in the Sublessee's written notice to the State and the Trustee under the applicable Sublease, and whether the Outstanding Attributable Certificates will be paid or defeased on such closing date; (ii) exercise its option to redeem the Outstanding Attributable Certificates on the earliest practicable redemption date following receipt of such written notice; and (iii) remit, or cause the Institution to remit, the Sublessee's Purchase Option Price to the Trustee in immediately available funds on the closing date. Upon payment of the Sublessee's Purchase Option Price, the Trustee shall release the applicable Sublessee's Leased Property from the applicable Site Lease and the Lease in accordance with the Lease.

In addition, the Lease grants the State the option, at any time, to purchase all of the Trustee's leasehold interest in the Leased Property by paying to the Trustee the State's Purchase Option Price subject to the State simultaneously purchasing all other Leased Property subject to all other Leases, if any, pursuant to the terms of such other Leases. The "State's Purchase Option Price" for purposes of a purchase of all the Leased Property pursuant to the Lease is an amount sufficient to (i) pay all the Outstanding Certificates, to redeem all the Outstanding Certificates in accordance with the applicable redemption provisions of the Indenture or to defease all the Certificates in accordance with the defeasance provisions of the Indenture; and (ii) pay all Additional Rent payable through the date on which the Trustee's interest in the Leased Property is conveyed to the State or its designee pursuant to the Lease, including, but not limited to, all fees and expenses of the Trustee relating to the conveyance of the Trustee's interest in the Leased Property and the payment, redemption or defeasance of the Outstanding Certificates; provided, however, that if any portion of the Certificates has been paid, redeemed or defeased with the proceeds of another series of Certificates, Outstanding Certificates of the portion of the other series of Certificates the proceeds of which were used to pay, redeem or defease the Certificates shall be substituted for the Certificates that were paid,

redeemed or defeased, which substitution shall be accomplished in any reasonable manner selected by the State in its sole discretion.

In order to exercise its option to purchase all of the Leased Property as described in the previous paragraph, the State shall: (i) give written notice to the Trustee (A) stating that the State intends to purchase the Trustee's leasehold interest in all of the Leased Property as described in the previous paragraph; and (B) specifying a closing date for such purpose which is at least 30 days after the delivery of such notice; and (ii) pay the State's Purchase Option Price to the Trustee in immediately available funds on the closing date.

Pursuant to the Lease, the State also has an option to purchase any portion of the Trustee's leasehold interest in any portion of the Leased Property affected by a Property Damage, Defect or Title Event for which the costs of repair, restoration, modification, improvement or replacement are more than the Net Proceeds.

Substitution of Leased Property

The State is permitted under the Lease to substitute other property for any portion of the Leased Property upon delivery of the following to the Trustee:

(i) A certificate by the State certifying that, following such substitution, either (a) the Fair Market Value of the substituted property, determined as of the date of substitution, is equal to or greater than 90% of the Initial Value of the property for which it is substituted; or (b) the Fair Market Value of all of the Leased Property, determined as of the date of substitution, will be at least equal to 90% of the principal amount of the Certificates Outstanding as of the date of substitution. Such certifications of the State of the Fair Market Value of the substituted property may be based on and given in reliance upon certifications by the Sublessee that leased the applicable Leased Property to the Trustee pursuant to the applicable Site Lease.

(ii) A title insurance policy, an amendment or supplement to a previously issued title insurance policy or a commitment to issue such a policy, amendment or supplement that would comply with the Master Indenture if a Series of Certificates was being executed and delivered on the date the substitution occurs.

(iii) A certificate by the Sublessee certifying that (a) the useful life of the substituted property extends to or beyond the final maturity of the Certificates of the same Series designation as the Lease and (b) the substituted property is at least as essential to the Sublessee as the property for which it was substituted.

(iv) An opinion of Bond Counsel to the effect that such substitution is permitted by the Lease and will not cause the State to violate its covenant set forth in Section 9.04 of the Lease.

Pursuant to the Site Leases, each Institution and the Trustee shall execute and deliver any documents or instruments requested by the State to accomplish any substitution of Leased Property.

Release of Portions of the Leased Property

When the principal component of Base Rent paid by the State, plus the principal amount of any Certificates redeemed through optional redemption, or the total principal amount of Certificates paid or deemed to be paid pursuant to the Master Indenture, equals the amount set forth in Exhibit D of the Lease, the cost of the corresponding portion of the Leased Property set forth in Exhibit D (or of any property substituted for such portion of the Leased Property pursuant to any provision of the Lease) shall be deemed

to have been fully amortized and the Trustee shall execute and deliver to the State all documents necessary to release such portion of the Leased Property from the provisions of the applicable Site Lease and the Lease (or any property substituted for such portion of the Leased Property pursuant to any provision of the Lease) and the lien thereon granted to the Trustee pursuant to the Master Indenture; provided, however, that the Fair Market Value of the remaining Leased Property shall be at least equal to 90% of the aggregate principal amount of the Certificates Outstanding at the time of such release, as certified in writing by the State. Such certifications of the State of the Fair Market Value of the remaining Leased Property may be based on and given in reliance upon certifications by the Institutions as to the Fair Market Value of the Leased Property owned by such Institution.

It is currently contemplated that the Leased Property will be released, as described above, and as set forth in the Release Schedule, Exhibit D of the Lease, when the principal component of Base Rents paid by the State, plus the principal amount of Certificates redeemed through optional redemption, or the total principal amount of Certificates paid or deemed to be paid, totals the amount set forth below, the corresponding portion of the Leased Property will be deemed amortized and will be released from the lien of the applicable Site Lease, the Lease and the Master Indenture, provided, however, that the State certifies in writing that the Fair Market Value of the remaining Leased Property will be at least equal to 90% of the aggregate principal amount of the Certificates Outstanding at the time of such release. The schedule for the release of the Leased Property is:

- (i) \$13,520,000 for the release of the Ft. Lewis Leased Property consisting of Pine Hall and Skyhawk Hall and the CSU Leased Property;
- (ii) \$42,710,000 for the release of the CU Leased Property; and
- (iii) full payment or defeasance of all Outstanding Certificates for the release of the Ft. Lewis Leased Property consisting of the Education/Business Hall.

Upon such release of a portion of the Leased Property, the Trustee shall execute and deliver to the State all documents necessary or appropriate to convey the Trustee's leasehold interest in such portion of the Leased Property to the State or the State's designee, free of all restrictions and encumbrances imposed or created by the Lease, the applicable Site Lease or the Master Indenture, in substantially the manner provided for in the Lease. After such release and conveyance, the property so released and conveyed shall no longer be a part of the Leased Property for any purpose of the Lease, the applicable Site Lease, or the Master Indenture. The Trustee shall fully cooperate with the State on executing, delivering, and recording, at the State's expense, such documents as may be necessary to effectuate the provisions of this Section.

Insurance

The Leased Property is required to be insured by the State as described in "CERTAIN RISK FACTORS—Insurance of the Leased Property," and the insurance proceeds are required to be applied by the Trustee as described in the form of the Lease "- Property Damage, Defect or Title Defect," in Appendix B.

Additional Series of Certificates

So long as the Lease Term remains in effect and no Event of Nonappropriation or Event of Default has occurred and is continuing, one or more Series of Certificates may be executed and delivered as directed by the State, without the consent of, or notice to, the Owners of Outstanding Certificates, upon the terms and conditions as provided in the Master Indenture and a supplemental indenture. Additional Series of Certificates may be executed and delivered only upon satisfaction of each of the following conditions:

(i) The Trustee has received a form of Supplemental Indenture that specifies the following: (a) the Series designation, the aggregate principal amount, the Authorized Denominations, the dated date, the maturity dates, the interest rates, the redemption provisions, if any, the form and any variations from the terms set forth in the Master Indenture with respect to such Series of Certificates; (b) any amendment, supplement or restatement of the Glossary required or deemed by State to be advisable or desirable in connection with such Supplemental Indenture; and (c) any other provisions deemed by the State to be advisable or desirable and that do not violate and are not in conflict with the Master Indenture or any previous Supplemental Indenture.

(ii) The Trustee has received forms of a new Site Lease and Lease or amendments to an existing Site Lease and Lease adding any new Leased Property and/or amendments to an existing Site Lease and Lease removing or modifying any Leased Property that is to be removed or modified.

(iii) If the proceeds of such Series of Certificates are to be used to defease Outstanding Certificates pursuant to the Master Indenture, the Trustee shall have received a form of a defeasance escrow agreement and the other items required by the Master Indenture.

(iv) The State has certified to the Trustee that: (a) the Fair Market Value of the Leased Property after the execution and delivery of such Series of Certificates is at least equal to 90% of the principal amount of the Certificates that will be Outstanding after the execution and delivery of such Series of Certificates; and (b) no Event of Default or Event of Nonappropriation exists under any Lease. The certification of the State pursuant to clause (a) may be given based and in reliance upon certifications by the Sublessees that leased the Leased Property to the Trustee pursuant to Site Leases.

(v) The Trustee has received a standard leasehold title insurance policy, an amendment or supplement to a previously issued standard leasehold title insurance policy or a commitment to issue such a policy, amendment or supplement, which, when considered together with policies or amendments or supplements to policies received by the Trustee in connection with the execution and delivery of other Certificates, insure(s) 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 fee owner of such real estate, subject only to Permitted Encumbrances, in an amount that is not less than the lesser of the principal amount of the Certificates that will be Outstanding after the execution and delivery of such Series of Certificates or the insurable value of the real property included in the Leased Property after the execution and delivery of such Series of Certificates.

(vi) The State has directed the Trustee in writing as to the delivery of the Series of Certificates and the application of the proceeds of the Series of Certificates, including, but not limited to, the amount to be deposited into the Project Account established for each Institution, the amount, if any, of the Allocated Investment Earnings for each Project Account, the amount to be deposited into the Costs of Issuance Account and, if proceeds of such Series of Certificates are to be used to defease Outstanding Certificates pursuant to the Master Indenture, the amount to be deposited into the defeasance escrow account established pursuant to the Master Indenture.

(vii) The Trustee has received a written opinion of Bond Counsel to the effect that (a) the Certificates of such Series have been duly authorized, executed and delivered pursuant to the Act and the Indenture (including the Supplemental Indenture executed and delivered in connection with the execution and delivery of such Series of Certificates) and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any

Outstanding Certificate; and (b) the execution, sale and delivery of the Series of Certificates will not constitute an Event of Default or a Failure to Perform or cause any violation of the covenants set forth in the Indenture.

CERTAIN RISK FACTORS

THE PURCHASE AND OWNERSHIP OF THE SERIES 2020 CERTIFICATES ARE SUBJECT TO CERTAIN RISKS. EACH PROSPECTIVE INVESTOR IN THE SERIES 2020 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 THE PRINCIPAL OF AND INTEREST ON THE SERIES 2020 CERTIFICATES AND COULD ALSO AFFECT THE MARKET PRICE OF THE SERIES 2020 CERTIFICATES TO AN EXTENT THAT CANNOT BE DETERMINED.

Option to Renew the Lease Annually

The obligation of the State, as lessee, to make payments under the Lease does not constitute an obligation of the State to apply their respective general resources beyond the current fiscal year. The State is not obligated to pay Base Rent or Additional Rent under the Lease unless each year funds are appropriated by the Colorado General Assembly, notwithstanding the fact that sufficient funds may or may not be available for transfer from any other source. If, on or before June 30 of each Fiscal Year, the Colorado General Assembly does not specifically appropriate amounts sufficient to pay all Base Rent and Additional Rent, as estimated, for the next Fiscal Year, then an “Event of Nonappropriation” will occur. If an Event of Nonappropriation occurs, as described above or otherwise as provided in the Lease, the Lease Term of the Lease will be terminated. Notwithstanding the foregoing, an Event of Nonappropriation shall not be deemed to occur if, on or before August 15 of the next ensuing Fiscal Year, (i) the Colorado General Assembly has appropriated amounts sufficient to avoid an Event of Nonappropriation; and (ii) the State has paid all Rent due during the period from June 30 through the date of such appropriation. See the form of the Lease “—Event of Nonappropriation” in Appendix B.

INVESTORS SHOULD NOT RELY ON ANY SPECIFIC ALLOCATION OF THE GENERAL FUND OR CAPITAL CONSTRUCTION FUND AS SOURCES OF FUNDS FOR ANY ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY. SUCH ALLOCATIONS COULD CHANGE AT ANY TIME WHILE THE SERIES 2020 CERTIFICATES ARE OUTSTANDING.

There is no assurance that the State will renew the Lease from fiscal year to fiscal year and therefore not terminate the Lease, and the State has no obligation to do so. There is no penalty to the State (other than loss of the use of the Leased Property) if the State does not renew the Lease on an annual basis and therefore terminates all its obligations under the Lease. Various political and economic factors could lead to the failure to appropriate or budget sufficient funds to make the required payments under the Lease, and prospective investors should carefully consider any factors which may influence the budgetary process. The appropriation or allocation of funds may be affected by the continuing need of the State for the Leased Property. In addition, the ability of the State to maintain adequate revenues for its operations and obligations in general (including obligations associated with the Lease) is dependent upon several factors outside the State’s control, such as the economy, legislative changes and federal funding. Restrictions imposed under the State Constitution on the State’s revenues and spending apply to the collection and expenditure of certain revenues which may be used to pay Base Rent and Additional Rent, and also may impact the ability of the State to appropriate sufficient funds to pay Base Rent and Additional Rent each year. See “SECURITY AND SOURCES OF PAYMENT,” “STATE FINANCIAL INFORMATION” and Appendices A, E, F, and I hereto.

Payment of the principal of and interest, if any, on the Series 2020 Certificates upon the occurrence of an Event of Lease Default or an Event of Nonappropriation will be dependent upon (1) the portion of Base Rent for the then current Fiscal Year that has been specifically appropriated by the General Assembly, regardless of when the State vacates the Leased Property; (2) the portion of Additional Rent for the then current Fiscal Year that has been specifically appropriated by the General Assembly, but only to the extent such Additional Rent is payable prior to the date, or is attributable to the use of the Leased Property prior to the Date the State vacates the Leased Property; or and (3) any rental income from leasing (to others) the Leased Property. See “Effect of a Nonrenewal of a Lease” under this caption.

The State is not permitted to renew the Lease with respect to less than all of the Leased Property. Accordingly, a decision not to renew the Lease would mean the loss of the use of all of the Leased Property by the State. See “SECURITY AND SOURCES OF PAYMENT—The Leased Property.”

The Trustee, as Lessor or Trustee, has no obligation to, nor will it make any payment on the Certificates or otherwise pursuant to the Lease except to the extent of amounts in the Trust Estate under the Indenture.

Effect of a Nonrenewal of the Lease

General

In the event of nonrenewal of the State’s obligations under the Lease upon the occurrence of an Event of Nonappropriation or an Event of Default under such Lease, the State is required to vacate the Leased Property within 90 days under the Lease. The Trustee may proceed to lease the Leased Property or any portion thereof, including the sale of an assignment of the Trustee’s interest under the Site Leases, or exercise any other remedies available to the Trustee for the benefit of the Owners and may exercise one or any combination of the remedies available upon default as provided in the Indenture and the Lease. The Lease places certain limitations on the availability of money damages against the State as a remedy. For example, the Lease provides that a judgment requiring a payment of money may be entered against the State by reason of an Event of Nonappropriation or a failure to vacate the Leased Property following an Event of Nonappropriation, only to the extent described in the Lease. All property, funds and rights acquired by the Trustee upon the nonrenewal of the Lease, 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 the Certificates, if and to the extent any such moneys are realized. See the form of Lease “Events of Default” and “—Remedies on Default” in Appendix B and “THE SERIES 2020 CERTIFICATES—Redemption—*Extraordinary Redemption upon Occurrence of Event of Nonappropriation or Event of Default.*”

The moneys derived by the Trustee from the exercise of the remedies described above may be less than the aggregate principal amount of the Outstanding Certificates and accrued interest thereon. If any Certificates are redeemed subsequent to a termination of the Lease for an amount less than the aggregate principal amount thereof and accrued interest thereon, such partial payment will be deemed to constitute a redemption in full of such Series 2020 Certificates pursuant to the Indenture; and upon such a partial payment, no owner of any Series 2020 Certificate will have any further claims for payment upon the State or the Trustee. Further, owners of Series 2020 Certificates who purchase such Series 2020 Certificates at a premium should be aware that the unamortized premium of such Series 2020 Certificates are not payable under the Indenture in the event of an extraordinary redemption due to an Event of Nonappropriation or an Event of Default.

Factors Affecting Value of Leased Property

A potential purchaser of the Series 2020 Certificates should not assume that it will be possible to sell, lease or sublease the Leased Property or any portion thereof after a termination of the Lease Term for an amount equal to the aggregate principal amount of the Series 2020 Certificates then Outstanding plus accrued interest thereon. This may be due to the inability to recover certain of the costs incurred in connection with the execution and delivery of the Certificates or the acquisition of the Leased Property. The valuation of the Leased Property has not been based on any independent third-party appraisal or evaluation. See “SECURITY AND SOURCES OF PAYMENT—The Leased Property.”

The value of the Leased Property could also be adversely affected by the presence, or even by the alleged presence of, hazardous substances. As reflected in the footnotes to Appendix G, environmental site assessments (“ESAs”) have been prepared in connection with certain properties included as Leased Property. Copies of the ESAs with respect to the CSU Leased Property are available upon request by contacting Margaret Henry at Margaret.Henry@colostate.edu. Copies of the ESAs with respect to the Ft. Lewis Leased Property are available upon request by contacting Steven Schwartz at Schwartz_s@fortlewis.edu. Copies of the ESAs with respect to the CU Leased Property are available upon request by contacting Steve Zweck-Bronner at Steve.Zweck-Bronner@UCDENVER.EDU.

Present or future zoning requirements, restrictive covenants or other land use regulations may also restrict use of the Leased Property. Further, some of Leased Property is located in areas of the State with lower population and commercial densities, which could have a detrimental effect on the Trustee’s efforts to liquidate such properties. The State may also substitute other property for certain Leased Property as described in “SECURITY AND SOURCES OF PAYMENT—The Leased Property—*Substitution of Leased Property.*”

The Trustee may only be able to lease certain Leased Property to a lessee that will continue to use it for certain restricted purposes. Such restriction may limit the Trustee’s ability to obtain lease revenues for Owners in the event of nonrenewal of the State’s obligations under the Lease.

Upon termination of the Lease, there is no assurance of any payment of the principal of Series 2020 Certificates by the State or the Trustee.

Payment of the principal of and interest on the Series 2020 Certificates is paid from the State’s payment of the Base Rent and other sources identified in “SECURITY AND SOURCES OF PAYMENT,” which sources do not include any payments generated from the Leased Property. The State is not permitted to renew the Lease with respect to less than all of the Leased Property. Accordingly, a decision not to renew any Lease would mean the loss of use by the State of all of the Leased Property. Investors should be aware that value of the Leased Property could be affected if there are design or construction defects in any of the buildings subject to the Lease.

Enforceability of Remedies

Under the Lease, the Trustee has the right to terminate the Lease Term, take possession of and sell or lease its interest in all or any portion of the Leased Property upon an Event of Nonappropriation or an Event of Default, subject to the Institutions’ purchase options under the Subleases. However, the enforceability of the Lease is subject to applicable bankruptcy laws, equitable principles affecting the enforcement of creditors’ rights generally and liens securing such rights, and the police powers of the State. Because of the inherent police power of the State, a court in any action brought to enforce the remedy of the Trustee to take possession of the Leased Property may delay repossession for an indefinite period, even though the State may be in default under the Lease. The right of the Trustee to obtain possession of the

Leased Property and to sell, lease or sublease portions of its leasehold interest in the Leased Property could be delayed until appropriate alternative space is obtained by the State. As long as the Trustee is unable to take possession of the Leased Property, it will be unable to sell or re-lease the Leased Property as permitted under the Lease and the Indenture or to redeem or pay the Series 2020 Certificates except from funds otherwise available to the Trustee under the Indenture. See “SECURITY AND SOURCES OF PAYMENT.”

Effects on the Series 2020 Certificates of a Nonrenewal Event

Bond Counsel has expressed no opinion as to the effect of any termination of the State’s obligations under the Lease under certain circumstances as provided in the Lease upon the treatment for federal or State income tax purposes of any moneys received by the Owners of the Series 2020 Certificates, subsequent to such termination. See “TAX MATTERS.” If the Lease is terminated and the subject property is re-let to a lessee that is not a governmental entity, there is no assurance that the Series 2020 Certificates will be transferable without registration, or a transactional exemption from registration, under the federal securities law following the termination of the Lease.

Insurance of the Leased Property

The Lease requires that the State shall pay as Additional Rent, all of the expenses with respect to casualty and property damage insurance with respect to the Leased Property in an amount equal to the current replacement value of the Leased Property. Lease also requires that the State shall pay as Additional Rent, all of the expenses with respect to public liability insurance with respect to the activities to be undertaken by the State in connection with the Leased Property subject to the Leases: (1) to the extent such activities result in injuries for which immunity is available under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 *et seq.* or any successor statute, in an amount not less than the amounts for which the State may be liable to third parties thereunder and (2) for all other activities, in an amount not less than \$1,000,000 per occurrence. The Leases require the State to make the same Additional Rent payments with respect to insurance but permits the State, in its discretion, to have the required insurance coverage provided by the State and to have such required insurance provided under blanket insurance policies or through the State’s risk management program. See “LITIGATION, GOVERNMENTAL IMMUNITY AND SELF-INSURANCE—Self-Insurance.” There is no assurance that, in the event the Lease is terminated as a result of damage to or destruction or condemnation of the related Leased Property, moneys made available by reason of any such occurrence will be sufficient to redeem the Series 2020 Certificates at a price equal to the principal amount thereof outstanding. See “THE SERIES 2020 CERTIFICATES—Redemption.”

Actions Under the Sublease

Although the State’s payment of Rent under the Lease will not depend or be conditioned upon payment of Additional Rent under the Sublease, certain actions by an Institution in respect of the related Leased Property could have an adverse effect on the interests of the owners of the Series 2020 Certificates. For example, failure to operate or maintain the Leased Property under the Sublease in accordance with the terms thereof could diminish the value of that Leased Property; if, for whatever reason, the Lease is terminated or the Trustee exercises re-letting or sale remedies thereunder, that diminished value could adversely affect the Trustee’s ability to recoup rentals or obtain a sale price sufficient to pay the principal of and interest on all of the Certificates then Outstanding under the Indenture, including the Series 2020 Certificates, or to redeem the outstanding principal and interest in whole, as the case may be. Violations of environmental laws similarly could diminish the re-letting or sale value of the subject Leased Property and could lead to statutory remedies under applicable federal and state laws. Failure by an Institution to obtain the casualty and property insurance policies required by the Sublease could limit the principal amount of

outstanding Certificates (including the Series 2020 Certificates) redeemed upon the damage or destruction of the subject Leased Property under certain circumstances.

State Budgets and Revenue Forecasts

The State Constitution requires that expenditures for any such Fiscal Year not exceed revenues for such Fiscal Year. In addition, Section 24-75-201.1(1)(d), C.R.S., provides that for each Fiscal Year, a portion of the unrestricted General Fund year-end balance is to be retained as a reserve (the “**Unappropriated Reserve**”), and Section 24-75-201.1, C.R.S., provides that General Fund appropriations for each Fiscal Year, with certain exceptions, may not exceed specified amounts, as discussed in “STATE FINANCIAL INFORMATION—Budget Process and other Considerations—*Revenues and Unappropriated Amounts—Expenditures; The Balanced Budget and Statutory Spending Limitation.*”

The State relies on revenue estimation as the basis for budgeting and establishing aggregate funds available for expenditure for its appropriation process. By statute, the Governor’s Office of State Planning and Budgeting (“**OSPB**”) is responsible for developing the General Fund revenue estimate. The most recent OSPB revenue forecast was issued on December 18, 2020 (the “**OSPB December 2020 Revenue Forecast**”) and is included in this Official Statement. See “STATE FINANCIAL INFORMATION” and Appendix F—“OSPB DECEMBER 2020 REVENUE FORECAST.” The next OSPB revenue forecast will be released in March 2021. Due in part to the fact that the ever-evolving impact of COVID-19 has made forecasting more difficult, General Fund revenue projections in the new forecast may be materially different from the OSPB December 2020 Revenue Forecast. A revenue shortfall could adversely affect the State’s ability to appropriate sufficient amounts to pay Base Rent in subsequent years. If a revenue shortfall is projected for any forecasted years which would result in a budgetary shortfall, budget cuts will be necessary to ensure the balanced budget. See “CERTAIN RISK FACTORS” and Appendix E—“THE STATE GENERAL FUND.”

Prospective investors are cautioned that any forecast is subject to uncertainties, and inevitably some assumptions used to develop the forecasts will not be realized, and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasted and actual results, and such differences may be material. No representation or guaranty is made herein as to the accuracy of the forecasts. See also “Cautionary Statement Regarding Projections, Estimates and Other Forward-Looking Statements in this Official Statement” at the beginning of this Official Statement.

The State’s Fiscal Year budgets are not prepared on a cash basis, but rather are prepared using the modified accrual basis of accounting in accordance with the standards promulgated by the Governmental Accounting Standards Board (“**GASB**”), with certain statutory exceptions. The State could experience temporary and cumulative cash shortfalls as the result of differences in the timing of the actual receipt of revenues and payment of expenditures by the State compared to the inclusion of such revenues and expenditures in the State’s Fiscal Year budgets on the modified accrual basis, which does not take into account the timing of when such amounts are received or paid. See “STATE FINANCIAL INFORMATION—Budget Process and Other Considerations.”

Impact of COVID-19 (Coronavirus)

General

The spread of a novel strain of coronavirus called COVID-19 is currently altering the behavior of businesses and people in a manner that is having significant negative effects on global, national, state, and local economies, including the economy of Colorado. Throughout the nation, including Colorado, state and local governments and public health entities have issued orders, made recommendations and

implemented various measures intended to mitigate the effects of the pandemic, prevent further spread and protect against overwhelming health care resources, while also attempting to minimize the economic impact of the pandemic and the public health response thereto on individuals, businesses and governmental entities. So called “safer at home” or “stay at home” public health orders implemented throughout the nation, including Colorado, have either required or resulted in the closure or limited operation of many businesses and limited physical contact. These COVID-19 measures are changing rapidly.

State’s Actions

Beginning in March 2020, Colorado Governor Polis has issued numerous public health orders pertaining to COVID-19. Certain material orders are described below. The CDPHE provides information related to COVID-19 and related developments in the State of Colorado on its website, covid19.colorado.gov. Reference to such website is presented herein for informational purposes only and the information or links contained therein are not incorporated into, and are not part of, this Official Statement.

The primary current public health order of the Governor is Executive Order D 2020 235, issued October 30, 2020, as amended and extended by Executive Order D 2020 265 issued by the Governor on November 28, 2020, and as further amended and extended by Executive Order D 2021 023 issued by the Governor on January 25, 2021 (the “**COVID-19 Dial Framework Order**”) that combines, supersedes and replaces previous directives regarding stay at home public health orders (the Stay at Home Order, the Safer at Home Order, the Safer at Home Order and in the Vast, Great Outdoors Order and the Protect Our Neighbors Order) and provides directives for implementation of a framework (the “**COVID-19 Dial Framework**”), including a directive to the CDPHE to issue a public health order that reflects the complete Dial framework, that are intended to harmonize the prior shelter-in-place directives into a simplified framework referred to as the “**Dial.**” The original COVID-19 Dial Framework Order recognizes unique local circumstances and used a five-level dial to visualize a community’s success in containing the spread of COVID-19. Pursuant to the original COVID 19 Dial Framework Order, each county is assigned one of the six levels represented on the Dial (Level Green—Protect Our Neighbors; Level Blue—Cautious, Safer at Home; Level Yellow—Concern; Level Orange—High Risk; Level Red—Severe Risk; and Level Purple—Extreme Risk) ranging from least restrictive to most restrictive and defined by objective scientific metrics such as the number of new cases, percent positivity of COVID-19 tests and hospitalizations. Based on these metrics, the Dial assigns certain limitations and restrictions to contain the virus, including capacity limitations. A county may move between Dial levels based on the metrics and in consultation with State and local public health officials to ensure unique local conditions are appropriately considered, and may be removed from the restriction of the Dial framework entirely in the event of a major reduction in transmission or risk, in which case it would no longer be subject to the COVID-19 Dial Framework Order and corresponding public health orders. Any county having a status level of Blue or Yellow may apply for a local site specific variance of the COVID-19 Dial Framework Order. The COVID-19 Dial Framework Order and related CDPHE public health orders do not restrict a county or municipality from adopting more protective standards than those contained in such public health orders as necessary. However, the COVID-19 Dial Framework Order authorizes the CDPHE to restrict funding to any county which implements measures that are less restrictive than the standards approved by the CDPHE for each level if the county did not first obtain approval from the CDPHE to adopt such less restrictive standards. The Dial Framework Order will expire on February 24, 2021, unless extended further by the Governor.

On February 5, 2021 the Governor, with CDPHE and its Public Health Order 20-26, released a new COVID-19 Dial 2.0, effective February 6, 2021 (“**Dial 2.0**”). Dial 2.0 does not modify the COVID-19 Dial Framework Order and is an update that increases the incidence metrics for all levels on the Dial. Dial 2.0 is designed to allow counties to move more quickly into more restrictive levels or into less restrictive levels when metrics increase or decrease, respectively. The new metrics in Dial 2.0 will result in more counties

operating in Level Yellow and Level Blue and reduce the number of counties previously operating in Level Red and Level Orange. Since November 2020, the State has been distributing COVID-19 vaccines throughout the state, emphasizing people over 70 and frontline health care workers. The State recently announced that effective mid-February 2021, COVID-19 vaccines would be made available to Coloradans aged 65 or older. Unless extended, rescinded, superseded or amended in writing, CDPHE's Dial 2.0 Order will expire on March 8, 2021.

Financial Impact

On March 11, 2020, the Governor issued Executive Order D 2020 003 (which has been amended and extended by subsequent Executive Orders) declaring a disaster emergency pursuant to the Colorado Disaster Emergency Act (Section 24-33.5-701, et seq., C.R.S.), thereby triggering certain provisions under State law, including the use of the emergency reserve mandated by the Taxpayer's Bill of Rights or "TABOR." These Executive Orders also directed the use of various State funds for disaster emergency response purposes. On March 25, 2020, the Governor also requested the President of the United States to declare a major disaster for the State pursuant to the federal Stafford Disaster Relief and Emergency Assistance Act (HR 2707), which request was approved on March 28, 2020. The OSPB subsequently provided guidance to departments and agencies of the State regarding fiscal conservation to reduce the use of State resources for non-emergency purposes, and on April 30, 2020, in accordance with Section 24-75-201.5, C.R.S., the Governor issued Executive Order D 2020 050 (which was subsequently rescinded as discussed below) in anticipation that the interim revenue forecast that was to be released by the OSPB on May 12, 2020 (the "**OSPB May 2020 Revenue Forecast**"), would show rapidly declining revenues and that appropriated spending would result in the use of one-half or more of the required Unappropriated Reserve for Fiscal Year 2019-20. Such Executive Order (i) declared that there are not sufficient revenues available for expenditure during Fiscal Year 2019-20 to carry on the functions of the State government and to support its agencies and institutions such that the suspension of portions of programs and services set forth out in the Executive Order are necessary, (ii) directed the Director of the OSPB to submit in writing to the Joint Budget Committee of the General Assembly (the "**JBC**"), and to the members of the General Assembly the contents of such Executive Order for reducing such General Fund expenditures by \$228.7 million in an attempt to maintain the required Fiscal Year 2019-20 Unappropriated Reserve, and (iii) directed the suspension or discontinuance of portions of programs and services as specified therein through the end of Fiscal Year 2019-20. See APPENDIX E—THE STATE GENERAL FUND—General Fund Revenue Sources—General Fund Overview—Revenue Shortfalls" and "APPENDIX F—OSPB DECEMBER 2020 REVENUE FORECAST." Executive Order D 2020 050 was rescinded by the Governor following enactment of House Bill ("HB") 20 1360 (the annual Long Appropriation Bill), which included an addendum to the Fiscal Year 2019-20 budget that replicated the cuts made by such Executive Order and therefore made it unnecessary.

The State's unemployment rate increased from 2.5% in February 2020 to a peak of 12.2% in April 2020 primarily due to the impact of COVID-19 and has since declined to 6.4% in November 2020 as various employers in the State have re-opened. In addition, deadlines for filing federal and State income tax returns for 2019 were extended from April 15, 2020, to July 15, 2020, county treasurers were authorized to suspend or waive delinquent interest on delinquent property tax payments for 2020, and various filing and reporting deadlines in connection with the ad valorem property taxes were extended for 2020. On October 28, 2020, Governor Polis issued Executive Order D 2020 230, which directed the Unemployment Insurance Division to make one-time direct stimulus payments of \$375 to all qualifying individuals. The payments were to be processed by December 4, 2020 from the various fund transfers, including a \$168 million transfer from the State Disaster Emergency Fund. Further, on November 5, 2020, Governor Polis issued Executive Order D 2020 242, as extended and amended by subsequent Executive Orders, the most recent being D 2021 032 issued by the Governor on January 31, 2021 which extends the expedited unemployment insurance claim processing to provide relief to Coloradans affected by COVID-19. Recently, the State reported an increase

in the number of fraudulent unemployment insurance claims and indicated that it would be providing further guidance on tax reporting and contesting misreported income.

COVID-19 had a negative impact on State revenues in Fiscal Year 2019-20 and is forecast to continue to do so in subsequent Fiscal Years. The State is also incurring significant expenses in health care costs related to COVID-19 attributable to, among other things, (i) expanded testing of vulnerable populations, (ii) scaling up epidemiology and contact tracing, (iii) increasing testing capacity at the Colorado State Lab, including new equipment, supplies and personnel, (iv) improving coordination to rapidly respond to and contain disease outbreaks; and (v) distributing the newly approved COVID-19 vaccines. The State relies on revenue estimation as the basis for budgeting and establishing aggregate funds available for expenditure in connection with its appropriation process. By statute, the OSPB is responsible for developing the General Fund revenue estimate. The most recent OSPB revenue forecast, entitled “Colorado Economic and Fiscal Outlook,” was issued on December 18, 2020 (the “**OSPB December 2020 Revenue Forecast**”), and is included as Appendix F to this Official Statement. The OSPB December 2020 Revenue Forecast includes both a national and Colorado economic outlook, an outlook of revenue to the General Fund and the State’s cash funds, an outlook of the State budget and an outlook of the revenues. The OSPB December 2020 Revenue Forecast, Appendix F, explicitly incorporates the potential impact of COVID-19 in the assumptions used as the basis for its forecast and indicates that, due in large part to the impact of COVID-19, gross General Fund revenue in Fiscal Year 2019-20 was significantly less than was forecast by the OSPB immediately prior to the onset of the pandemic. General Fund Revenue is forecasted to have increased by 2.4% in Fiscal Year 2019-20 (as compared to Fiscal Year 2018-19), to decrease by 3.0% in Fiscal Year 2020-21 (as compared to Fiscal Year 2019-20), and to increase by 7.9% in Fiscal Year 2021-22 (as compared to Fiscal Year 2020-21) and to increase 3.5% in Fiscal Year 2022-23 (as compared to Fiscal Year 2021-22).

In an effort to reduce State expenses, on September 22, 2020, the Governor announced that, except for certain exempt employees, all State employees making \$50,000 or more will be required to take 1 to 4 furlough days before the end of 2020. The number of furlough days required to be taken by a State employee will depend upon such employee’s salary, with those employees with higher salaries being required to take more furlough days. The combined effect of the State’s budget reduction measures and the increased General Fund Revenues forecast in the OSPB December 2020 Revenue Forecast will likely result in the State having revenues in excess of those in the Fiscal Year 2020-21 budget that by law, will roll forward to successive budget years. See Appendix E—“THE STATE GENERAL FUND.” Investors are encouraged to review both Appendix E and Appendix F in their entirety.

The State’s emergency funding plans have entailed progressively identifying funding by source. The Governor’s office has formulated an emergency funding plan to cover the costs of its COVID-19 response, which entails progressively identifying funding by source. Agencies and the Governor’s office have been identifying all available federal funds to cover the COVID-19 response, including, without limitation, funds provided by the Family First Coronavirus Response Act (HR 6201), the CARES Act (HR 748), the Paycheck Protection Program and Health Care Enhancement Act (HR 266) and the Consolidated Appropriations Act, 2021 (HR 133). In a series of Executive Orders, the Governor has allocated federal funds received by the State under the CARES Act for various purposes. For costs not able to be covered by federal funds, agencies and the Governor’s office plan to use the State emergency funds. Finally, agencies have been working with the OSPB and the Joint Budget Committee to identify needs as part of the regular budget and planning process.

Legislative Measures.

The General Assembly took a variety of steps to reduce spending in Fiscal Year 2019-20 and Fiscal Year 2020-21 to develop a balanced budget for Fiscal Year 2020-21 based on the OSPB May 2020 Revenue

Forecast. Due to concerns regarding the spread of COVID-19, the General Assembly suspended the 2020 regular legislative session from March 16, 2020, through May 25, 2020, although the Joint Budget Committee continued to work with the Governor's office during this period to reduce spending and balance the budget for Fiscal Year 2019-20. After reconvening on May 26, 2020, the General Assembly, based upon recommendations of the Joint Budget Committee and OSPB, adopted legislation to balance the budget for Fiscal Year 2019-20 and provide a balanced budget for Fiscal Year 2020-21, including a reduction in the Unappropriated Reserve requirement for Fiscal Years 2019-20, 2020-21 and 2021-22 and a suspension of the State's annual distribution to the Public Employee's Retirement Association ("PERA") to fund unfunded actuarial accrued liabilities in the benefit plans administered by PERA for State employees Fiscal Year 2020-21. However, such legislation was based upon the OSPB May 2020 Revenue Forecast, and additional budget cuts and/or actions to increase the amount of money in the General Fund may be necessary to ensure a balanced budget for the Fiscal Year 2020-21 based upon the OSPB December 2020 Revenue Forecast and subsequent revenue forecasts. See also "CERTAIN RISK FACTORS—Budgets and Revenue Forecasts," "STATE FINANCIAL INFORMATION—State Budget Process and Other Considerations," "DEBT AND CERTAIN OTHER FINANCIAL OBLIGATIONS—Pension and Other Post-Employment Benefits," "APPENDIX E—THE STATE GENERAL FUND," "APPENDIX F—OSPB DECEMBER 2020 REVENUE FORECAST" and "APPENDIX I—STATE PENSION SYSTEM."

The Governor called a special session of the General Assembly that convened November 30, 2020, to consider (a) direct support and emergency tax relief to small businesses impacted by the COVID-19 pandemic, (b) housing and rental assistance to individuals and residential property owners impacted by the COVID-19 pandemic through existing funding mechanisms, (c) support for existing and new child care providers impacted by the COVID-19 pandemic through existing funding mechanisms, (d) expanding broadband and Wi-Fi access for educational purposes, especially for P-12 students and educators impacted by the COVID-19 pandemic, (e) support for the existing food pantry assistance grant program within the Department of Human Services to aid Colorado food pantries and food banks in the purchase and allocation of food to serve those who have experienced financial hardship caused by the COVID-19 pandemic, (f) assistance for individuals unable to pay their utility bills due to financial hardship caused by the COVID-19 pandemic, and (g) appropriating funding to the Disaster Emergency Fund for public health expenses associated with the COVID-19 pandemic.

The Treasurer is closely monitoring the General Fund cash flows and will evaluate potential cash management options, as necessary. There can be no assurances that the fiscal stress and cash pressures currently facing the State will not continue or become more difficult.

The State cannot predict (i) the duration or extent of the COVID-19 pandemic; (ii) the duration or expansion of related business closings, public health orders, regulations and legislation; and (iii) the extent to which, or the negative effect the COVID-19 pandemic will continue to have on global, national and local economies, including whether a recession may be triggered. While it is too early to determine with any confidence the possible full extent of the effect of COVID-19 on the State, the General Fund or the Capital Construction Fund, such impact is expected to be significant and to have a material adverse effect on the State's finances. Accordingly, the impact of COVID-19 could have a negative effect on the ability of the General Assembly to make payments under the Lease.

Control of Remedies

Under the Indenture, the Owners of a majority in principal amount of all the Series 2020 Certificates then Outstanding have the right, at any time, to the extent permitted by law, to direct the Trustee to act or refrain from acting or to direct the manner or timing of any action by the Trustee under the Indenture or the Lease or any Site Lease or to control any proceedings relating to the Indenture or the Lease or any Site Lease; provided that such direction is not otherwise than in accordance with the provisions of the Indenture.

See Section 7.06 of the form of Master Indenture attached in Appendix B hereto. The interests of Owners of the Series 2020 Certificates may vary from the interests of the Owners of other Series of Certificates for a variety of reasons.

Future Changes in Laws and Future Initiatives

Various Colorado laws, including the Act, apply to availability of funds for appropriation by the State, and other operations of the State. In addition, State law allows voter initiatives meeting certain conditions to be placed on the ballot, which initiatives may involve statutory or constitutional amendments. There is no assurance that there will not be future voter initiatives or changes in, interpretation of or additions to the applicable laws, provisions and regulations will not have a material effect, directly or indirectly, on the affairs of the State and its funds.

Cyber Security Risks

The State, like other large public and private entities, relies on a large and complex technology environment to conduct its operations. As a recipient and provider of personal, private or sensitive information, the State is a potential target for a variety of cyber threats, including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to the State's digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. Recognizing the potential damage that could be caused by any such attacks, the State has established the Governor's Office of Information Technology ("OIT") as the single source for the State's cybersecurity readiness and awareness. The OIT has promulgated a series of policies and standards for State agencies and information security and provides mandatory training for State employees except those in the Department of Law, who receive training from the Department's own cybersecurity specialist due to the nature of the work performed by that Department. In addition, the State has procured insurance coverage for data breaches and other security and privacy incidents. On October 7, 2020, the Colorado Department of Personnel & Administration ("DPA") became aware that a spreadsheet containing state employee personal information, including social security numbers, dates of birth, and other similar information, was inadvertently emailed to 38 benefit administrators at certain institutions of higher education. Upon learning this information, DPA requested the recipients delete the email and spreadsheet and confirm that they had done so. The email was delivered in encrypted fashion, so DPA believes the information was protected while in transit. DPA has stated that it has no evidence that employee information was misused or compromised in any fashion. Affected employees were notified and given information to take action to protect themselves against identity theft. In addition, employee computers at the Colorado Department of Transportation were the subject of a ransomware attack in February 2018. Nevertheless, no assurance can be given that the State's efforts to manage cyber threats and attacks will be successful or that any such attack will not materially impact the operations or finances of the State.

Potential Limitation of Tax Exemption of Interest on Series 2020 Certificates

From time to time, the President of the United States, the United States Congress and/or state legislatures have proposed and could propose in the future, legislation that, if enacted, could cause interest on the Series 2020 Certificates to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. Clarifications of the Internal Revenue Code of 1986, as amended, or court decisions may also cause interest on the Series 2020 Certificates to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation. The introduction or enactment of any such legislative proposals or any clarification of the Internal Revenue Code of 1986, as amended, or court decisions may also affect the market price for, or marketability of, the

Series 2020 Certificates. Prospective purchasers of the Series 2020 Certificates should consult their own tax advisors regarding any such pending or proposed federal or state tax legislation, regulations, or litigation, as to which Bond Counsel expresses no opinion. See “TAX MATTERS—Changes in Federal and State Tax Law.”

Secondary Market

While the Underwriters expect, insofar as possible, to maintain a secondary market in the Series 2020 Certificates, no assurance can be given concerning the future existence of such a secondary market or its maintenance by the Underwriters or others, and prospective purchasers of the Series 2020 Certificates should therefore be prepared, if necessary, to hold their Series 2020 Certificates to maturity or prior redemption, if any.

THE STATE

General Profile

Colorado became the 38th state of the United States of America when it was admitted to the union in 1876. Its borders encompass 103,718 square miles of the high plains and the Rocky Mountains, with elevations ranging from 3,315 to 14,433 feet above sea level. The current population of the State is approximately 5.8 million. The State’s major economic sectors include agriculture, professional and business services, manufacturing, technology, tourism, energy production and mining. Considerable economic activity is generated in support of these sectors by government, wholesale and retail trade, transportation, communications, public utilities, finance, insurance, real estate, and other services. See also Appendix A—“STATE OF COLORADO COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2019” and Appendix H—“CERTAIN STATE ECONOMIC AND DEMOGRAPHIC INFORMATION” for additional information about the State.

Organization

The State maintains a separation of powers utilizing three branches of government: executive, legislative and judicial. The executive branch comprises four major elected officials: the Governor, State Treasurer, Attorney General and Secretary of State. The chief executive power is allocated to the Governor, who has responsibility for administering the budget and managing the executive branch. The State Constitution empowers the General Assembly to establish up to 20 principal departments in the executive branch. Most departments of the State report directly to the Governor; however, the Departments of Treasury, Law and State report to their respective elected officials, and the Department of Education reports to the elected State Board of Education. The elected officials serve four-year terms. The current term of such officials commenced in January of 2019 (following the general election held in November of 2018) and will expire on the second Tuesday in January of 2023. No elected executive official may serve more than two consecutive terms in the same office.

The General Assembly is bicameral, consisting of the 35-member Senate and 65-member House of Representatives. Senators serve a term of four years and representatives serve a term of two years. No senator may serve more than two consecutive terms, and no representative may serve more than four consecutive terms. The State Constitution allocates to the General Assembly legislative responsibility for, among other things, appropriating State moneys to pay the expenses of State government. The General Assembly meets annually in regular session beginning no later than the second Wednesday of January of each year. Regular sessions may not exceed 120 calendar days. Special sessions may be convened by proclamation of the Governor or by written request of two-thirds of the members of each house to consider only those subjects for which the special session is requested.

STATE FINANCIAL INFORMATION

It is important for prospective investors to analyze the financial and overall status of the State, including the General Fund and Capital Construction Fund, in order to evaluate the likelihood of an Event of Default or an Event of Nonappropriation. See “SECURITY AND SOURCES OF PAYMENT” and “CERTAIN RISK FACTORS.” This section and the following section captioned “DEBT AND CERTAIN OTHER FINANCIAL OBLIGATIONS” have been included to provide prospective purchasers with information relating to such matters. See also Appendix A—“STATE OF COLORADO COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2019,” Appendix E—“THE STATE GENERAL FUND,” and Appendix F—“OSPB DECEMBER 2020 REVENUE FORECAST,” Appendix H—“CERTAIN STATE ECONOMIC AND DEMOGRAPHIC INFORMATION” and Appendix I—“STATE PENSION SYSTEM.” With the exception of the State economic and demographic information, which has been provided by Development Research Partners, Inc., the information in these sections and appendices has been provided by the State. Unless otherwise noted, historical financial, economic, and demographic data contained herein does not reflect the impact of COVID-19.

The State Treasurer

The State Constitution provides that the State Treasurer is to be the custodian of public funds in the State Treasurer’s care, subject to legislative direction concerning safekeeping and management of such funds. The State Treasurer is the head of the statutorily created Department of the Treasury (the “**State Treasury**”), which receives all State moneys collected by or otherwise coming into the hands of any officer, department, institution or agency of the State (except certain institutions of higher education). The State Treasurer deposits and disburses those moneys in the manner prescribed by law. Every officer, department, institution and agency of the State (except for certain institutions of higher education) tasked with the responsibility of collecting taxes, licenses, fees and permits imposed by law and of collecting or accepting tuition, rentals, receipts from the sale of property and other moneys accruing to the State from any source is required to transmit those moneys to the State Treasury under procedures prescribed by law or by fiscal rules promulgated by the Office of the State Controller (the “**State Controller**”). The State Treasurer and the State Controller may authorize any department, institution or agency collecting or receiving State moneys to deposit such moneys to a depository to the State Treasurer’s credit in lieu of transmitting such moneys to the State Treasury.

The State Treasurer has discretion to invest in a broad range of interest-bearing securities described by statute. See “Investment and Deposit of State Funds” in this section and Appendix E—“THE STATE GENERAL FUND—Investment of the State Pool.” All interest derived from the deposit and investment of State moneys must be credited to the General Fund unless otherwise expressly provided by law.

Taxpayer’s Bill of Rights

General. Article X, Section 20 of the State Constitution, entitled the Taxpayer’s Bill of Rights and commonly known as “TABOR,” imposes various fiscal limits and requirements on the State and its local governments, excluding “enterprises,” which are defined in TABOR as government-owned businesses authorized to issue their own revenue bonds and receiving less than 10% of their annual revenues in grants from all State and local governments combined. Certain limitations contained in TABOR may be exceeded with prior voter approval.

TABOR provides a limitation on the amount of revenue that may be kept by the State in any particular Fiscal Year, regardless of whether that revenue is actually spent during the Fiscal Year. This revenue limitation is effected through a limitation on “fiscal year spending” as discussed hereafter. Any

revenue received during a Fiscal Year in excess of the limitations provided for in TABOR must be refunded to the taxpayers during the next Fiscal Year unless voters approve a revenue change.

TABOR also requires prior voter approval for the following, with certain exceptions: (i) any new State tax, State tax rate increase, extension of an expiring State tax or State tax policy change directly causing a net revenue gain to the State; or (ii) the creation of any State “multiple fiscal year direct or indirect debt or other financial obligation.”

TABOR further requires the State to maintain an emergency reserve equal to 3% of its fiscal year spending (the “**TABOR Reserve**”), which may be expended only upon: (i) the declaration of a State emergency by passage of a joint resolution approved by a two-thirds majority of the members of both houses of the General Assembly and subsequently approved by the Governor; or (ii) the declaration of a disaster emergency by the Governor. The annual Long Appropriation Bill (the “**Long Bill**”) designates the resources that constitute the TABOR Reserve, which historically have consisted of portions of various State funds plus certain State real property. The OSPB December 2020 Revenue Forecast states that the TABOR Reserve requirement for Fiscal Years 2019-20 through 2022-23 have been estimated to be \$446.0 million, \$427.2 million, \$456.9 million and \$472.7 million respectively.

Fiscal Year Revenue and Spending Limits; Referendum C. As noted above, unless otherwise approved by the voters, TABOR limits annual increases in State revenues and fiscal year spending, with any excess revenues required to be refunded to taxpayers. Fiscal year spending is defined as all expenditures and reserve increases except those for refunds made in the current or next Fiscal Year or those from gifts, federal funds, collections for another government, pension contributions by employees and pension fund earnings, reserve transfers or expenditures, damage awards or property sales.

The maximum annual percentage change in State fiscal year spending is limited by TABOR to inflation (determined as the percentage change in U.S. Bureau of Labor Statistics Consumer Price Index for Denver, Boulder and Greeley, all items, all urban consumers, or its successor index) plus the percentage change in State population in the prior calendar year, adjusted for revenue changes approved by voters after 1991, being the base year for calculating fiscal year spending. The operation of TABOR created State budget challenges in the early years following its passage, and in 2005 several measures were passed by the General Assembly in an effort to address these challenges, including one, designated “Referendum C,” that was submitted to and approved by State voters and thereafter codified as Sections 24-77-103.6 and 24-77-106.5, C.R.S. Referendum C authorized the State to retain and spend any amount in excess of the TABOR limit in Fiscal Years 2005-06 through 2009-10. In addition, for Fiscal Years 2010-11 and thereafter, Referendum C created an Excess State Revenues Cap, or “ESRC,” as a voter- approved revenue change under TABOR that now serves as the limit on the State’s fiscal year revenue retention. The base for the ESRC was established as the highest annual State TABOR revenues received in Fiscal Years 2005-06 through 2009-10. This amount, which was determined to be the revenues received in Fiscal Year 2007-08, is then adjusted for each subsequent Fiscal Year for inflation, the percentage change in State population, the qualification or disqualification of enterprises and debt service changes, each having their respective meanings under TABOR and other applicable State law. However, per SB 17-267, the ESRC for Fiscal Year 2017-18 is an amount equal to (i) the ESRC for Fiscal Year 2016-17 calculated as provided above (ii) less \$200 million. For subsequent Fiscal Years, the ESRC is to be calculated as provided above utilizing the ESRC for Fiscal Year 2017-18 as the base amount.

SB 17-267, also (i) terminated the Hospital Provider Fee program and implemented the Healthcare Affordability and Sustainability Fee, which fee is exempt from TABOR as it is collected by an enterprise created by SB 17-267 within the Department of Health Care Policy and Financing; (ii) exempts retail marijuana from the 2.9% State sales tax, which results in less revenue subject to TABOR in Fiscal Years 2017-18 and thereafter; and (iii) extends and expands the income tax credit for business personal property

taxes paid, which is projected to reduce income tax collections in Fiscal Years 2018-19 and thereafter, but will be offset in part by the distribution of a portion of the special sales tax on retail marijuana sales to the General Fund on an ongoing basis.

As a result of Referendum C, the State was able to retain various amounts in excess of the previously applicable TABOR limit in Fiscal Years 2005-06 through 2013-14, and no refunds were required because such revenues were below the ESRC. In Fiscal Year 2014-15, TABOR revenues exceeded the TABOR limit and resulted in the State being \$150.0 million above the ESRC, thus triggering a TABOR refund. TABOR revenues again exceeded the TABOR limit in Fiscal Years 2015-16 and 2016-17 but were below the ESRC, and in Fiscal Year 2017-18, TABOR revenues exceeded the TABOR limit and resulted in the State being \$18.5 million above the ESRC, again triggering a TABOR refund. The OSPB December 2020 Revenue Forecast states that TABOR revenues are not forecasted to exceed the TABOR limit in Fiscal Years 2020-21 and 2021-22 but not to exceed the ESRC.

SB 17-267 also changed the TABOR refund mechanisms. Under prior law, the means by which revenues in excess of the ESRC could be refunded to taxpayers included: (i) a sales tax refund to all taxpayers; (ii) the earned income tax credit to qualified taxpayers; and (iii) a temporary income tax rate reduction, the particular refund mechanism used to be determined by the amount that needs to be refunded. Per SB 17-267, beginning with Fiscal Year 2017-18, there is added as the first refund mechanism the amount reimbursed by the State Treasurer to county treasurers in the year of the TABOR refund for local property tax revenue losses attributable to the property tax exemptions for qualifying seniors and disabled veterans. See also Appendix E—“THE STATE GENERAL FUND—General Fund Overview.”

Referendum C also created the “General Fund Exempt Account” within the General Fund, to which there is to be credited moneys equal to the amount of TABOR revenues in excess of the TABOR limit that the State retains for a given Fiscal Year pursuant to Referendum C. Such moneys may be appropriated or transferred by the General Assembly for the purposes of: (i) health care; (ii) public elementary, high school and higher education, including any related capital construction; (iii) retirement plans for firefighters and police officers if the General Assembly determines such funding to be necessary; and (iv) strategic transportation projects in the Colorado Department of Transportation Strategic Transportation Project Investment Program.

Voter Approval to Retain and Spend Certain Marijuana Taxes Associated with Proposition AA. At the general election held on November 3, 2015, the State’s voters authorized the State to retain and spend \$66.1 million in sales and excise taxes on the sale of marijuana and marijuana products (“Marijuana Taxes”) authorized by Proposition AA approved by the State’s voters in November of 2013 that otherwise would have been subject to a required refund to taxpayers in Fiscal Year 2015 16 pursuant to TABOR. HB 15-1367, which referred the measure to the State’s voters as Proposition BB, also provides for the allocation of the retained amount for public school capital construction, for various purposes such as law enforcement, youth programs and marijuana education and prevention programs and for use by the General Fund for any purpose. For more information on how these amounts are treated in the General Fund, see the discussion in “General Fund and State Education Fund Budget” in the OSPB December 2020 Revenue Forecast. SB 17-267 increased the special sales tax on retail marijuana sales from 10% to 15% effective July 1, 2017.

Effect of TABOR on the Series 2020 Certificates. Voter approval under TABOR is not required for the execution and delivery of the Series 2020 Certificates because the State’s obligations under the 2020 Lease are payable within any Fiscal Year only if amounts for such payments have been appropriated for such Fiscal Year. Therefore, such obligations are not a “multiple fiscal year direct or indirect ... debt or other financial obligation” within the meaning of TABOR.

State Funds

The principal operating fund of the State is the General Fund. All revenues and moneys not required by the State Constitution or statutes to be credited and paid into a special State fund are required to be credited and paid into the General Fund. The State also maintains several statutorily created special funds for which specific revenues are designated for specific purposes. See Appendix E—“THE STATE GENERAL FUND” and Appendix F—“OSPB DECEMBER 2020 REVENUE FORECAST.”

Budget Process and Other Considerations

Phase I (Executive). The budget process begins in June of each year when State departments reporting to the Governor prepare both operating and capital budgets for the Fiscal Year beginning 13 months later. In August, these budgets are submitted to the OSPB, a part of the Governor’s office, for review and analysis. The OSPB advises the Governor on departmental budget requests and overall budgetary status. Budget decisions are made by the Governor following consultation with affected departments and the OSPB. Such decisions are reflected in the first budget submitted in November for each department to the JBC, as described below. In January, the Governor makes additional budget recommendations to the JBC for the budget of all branches of the State government, except that the elected executive officials, the judicial branch and the legislative branch may make recommendations to the JBC for their own budgets.

Phase II (Legislative). The JBC, consisting of three members from each house of the General Assembly, develops the legislative budget proposal embodied in the Long Bill, which is introduced in and approved by the General Assembly. Following receipt of testimony by State departments and agencies, the JBC marks up the Long Bill and directs the manner in which appropriated funds are to be spent. The Long Bill includes: (i) General Fund appropriations, supported by general purpose revenue such as taxes; (ii) General Fund Exempt appropriations primarily funded by TABOR-exempt or excess TABOR revenues retained under Referendum C; (iii) cash fund appropriations supported primarily by grants, transfers and departmental fees for services; (iv) reappropriated amounts funded by transfers and earnings appropriated elsewhere in the Long Bill; and (v) estimates of federal funds to be expended that are not subject to legislative appropriation. The Long Bill usually is reported to the General Assembly in March or April with a narrative text. Under current practice, the Long Bill is reviewed and debated in party caucuses in each house. Amendments may be offered by each house, and the JBC generally is designated as a conference committee to reconcile differences. The Long Bill always has been adopted prior to commencement of the Fiscal Year in July. Specific bills creating new programs or amending tax policy are considered separately from the Long Bill in the legislative process. The General Assembly takes action on these specific bills, some of which include additional appropriations separate from the Long Bill.

Phase III (Executive). The Governor may approve or veto the Long Bill or any specific bills. In addition, the Governor may veto line items in the Long Bill or any other bill that contains an appropriation. The Governor’s vetoes are subject to override by a two-thirds majority of each house of the General Assembly.

Phase IV (Legislative). During the Fiscal Year for which appropriations have been made, the General Assembly may increase or decrease appropriations through supplemental appropriations. Any supplemental appropriations are considered amendments to the Long Bill and are subject to the line item veto of the Governor.

Revenues and Unappropriated Amounts. For each Fiscal Year, a statutorily defined amount of unrestricted General Fund year-end balances is required to be retained as a reserve (as previously defined, the “**Unappropriated Reserve**”), which may be used for possible deficiencies in General Fund revenues. Unrestricted General Fund revenues that exceed the required Unappropriated Reserve, based upon revenue

estimates, are then available for appropriation, unless they are obligated by statute for another purpose. In response to economic conditions and their effect on estimated General Fund revenues, the General Assembly periodically modifies the required amount of the Unappropriated Reserve. Set forth in the following table are the Unappropriated Reserve requirements for Fiscal Years 2015-16 through 2020-21. See also Appendix E—“THE STATE GENERAL FUND—General Fund Overview.”

**State of Colorado
Unappropriated Reserve Requirement**

<u>Fiscal Years</u>	<u>Unappropriated Reserve Requirement</u> ^{1,2}
2015-16	5.60
2016-17	6.00
2017-18	6.50
2018-19 ³	7.25
2019-20 ⁴	3.07
2020-21 ⁴	2.86

¹ The Unappropriated Reserve requirement, which is codified as Section 24-75-201.1(1)(d), C.R.S., is a percentage of the amount appropriated for expenditure from the General Fund in the applicable Fiscal Year. Per HB 16-1419 and SB 16-218, for Fiscal Year 2015-16 only, the percentage is of the amount subject to the appropriations limit minus the amount of income tax revenue required to be diverted to a reserve fund to fund severance tax refunds resulting from the ruling of the Colorado Supreme Court on April 25, 2016, in *BP America Production Company v. Colorado Department of Revenue*. See “General Fund Overview” table in Appendix E—“THE STATE GENERAL FUND—General Fund Overview” and the section of the OSPB December 2020 Revenue Forecast captioned “CASH FUND REVENUE FORECAST—Severance Tax Revenue.”

² Per SB 15-251, in Fiscal Years 2015-16 through 2017-18, General Fund appropriations for lease purchase agreement payments made in connection with certificates of participation sold to fund certain capital projects were made exempt from the reserve calculation requirement. See “DEBT AND CERTAIN OTHER FINANCIAL OBLIGATIONS—The State, State Departments and Agencies.”

³ Per SB 18-276, the Unappropriated Reserve requirement was increased to 7.25% starting with Fiscal Year 2018-19. The legislation also removed the exemption of General Fund appropriations for lease purchase agreement payments made in connection with certificates of participation from the reserve calculation requirement.

⁴ Per HB 20-1383, the Unappropriated Reserve requirement was reduced to 3.07% for Fiscal Year 2019 20 and 2.86% for Fiscal Years 2020 21 and 2021 22 and then reverts to 7.25% for Fiscal Years 2022 23 and thereafter. The Governor’s November 2020 budget request raises the Unappropriated Reserve requirement to 10.00% beginning in Fiscal Year 2021 22.

Source: State Treasurer’s Office.

The OSPB December 2020 Revenue Forecast states that the State ended Fiscal Year 2019-20 with reserves of \$1,825.2 million (preliminary), being \$1,462.8 million above the 3.07% Unappropriated Reserve requirement applicable to such Fiscal Year, and forecasts that the State will end Fiscal Year 2020-21 with reserves of \$2,144.7 million, being \$1,833.8 million above the 2.86% Unappropriated Reserve requirement currently applicable to such Fiscal Year. These figures are based on revenue and budget information available when the OSPB December 2020 Revenue Forecast was completed, and as such are subject to change in subsequent OSPB revenue forecasts based on new information on revenue and expenditures.

See also generally Appendix E—“THE STATE GENERAL FUND—General Fund Overview—Revenue Estimation; OSPB Revenue and Economic Forecasts” and Appendix F—“OSPB DECEMBER 2020 REVENUE FORECAST.”

Expenditures; The Balanced Budget and Statutory Spending Limitation. The State Constitution mandates that expenditures for any Fiscal Year may not exceed available resources for such Fiscal Year. Total unrestricted General Fund appropriations for each Fiscal Year are limited as provided in Section 24-75-201.1, C.R.S. For the Fiscal Years 2009-10 and thereafter, total General Fund appropriations are limited to: (i) such moneys as are necessary for reappraisals of any class or classes of taxable property for property

tax purposes as required by Section 39-1-105.5, C.R.S., plus (ii) an amount equal to 5% of Colorado personal income (as reported by the U.S. Bureau of Economic Analysis for the calendar year preceding the calendar year immediately preceding a given Fiscal Year).

Excluded from this appropriations limit are: (i) any General Fund appropriation that, as a result of any requirement of federal law, is made for any new program or service or for any increase in the level of service for any existing program beyond the existing level of service; (ii) any General Fund appropriation that, as a result of any requirement of a final State or federal court order, is made for any new program or service or for any increase in the level of service for an existing program beyond the existing level of service; or (iii) any General Fund appropriation of any moneys that are derived from any increase in the rate or amount of any tax or fee that is approved by a majority of the registered electors of the State voting at any general election.

The limitation on the level of General Fund appropriations may be exceeded for a given Fiscal Year upon the declaration of a State fiscal emergency by the General Assembly, which may be declared by the passage of a joint resolution approved by a two-thirds majority vote of the members of both houses of the General Assembly and approved by the Governor.

See “Taxpayer’s Bill of Rights” above for a discussion of spending limits imposed on the State by TABOR and changes to these limits as the result of the approval of Referendum C.

Fiscal Year Spending and Emergency Reserves. Through TABOR, the State Constitution imposes restrictions on increases in fiscal year spending without voter approval and requires the State to maintain a TABOR Reserve. See “Taxpayer’s Bill of Rights” in this section for a discussion of the effects of the State Constitution on the State’s financial operations.

Fiscal Controls and Financial Reporting

No moneys may be disbursed to pay any appropriations unless a commitment voucher has been prepared by the agency seeking payment and submitted to the central accounting system, which is managed by the Office of the State Controller, a division of the Department of Personnel & Administration. The State Controller is the head of the Office of the State Controller. The State Controller or his delegate have statutory responsibility for reviewing each commitment voucher submitted to determine whether the proposed expenditure is authorized by appropriation, whether the appropriation contains sufficient funds to pay the expenditure and whether the prices are fair and reasonable. All payments from the State Treasury are made by warrants or checks signed by the State Controller and countersigned by the State Treasurer, or by electronic funds transfer. The signature of the State Controller on a warrant or check is full authority for the State Treasurer to pay the warrant or check upon presentation.

The State Controller is appointed by the Executive Director of the Department of Personnel & Administration. Except for certain institutions of higher education which have elected to establish their own fiscal rules, the State Controller has statutory responsibility for coordinating all procedures for financial administration and financial control in order to integrate them into an adequate and unified system, conducting all central accounting and issuing warrants or checks for payment of claims against the State. The State Controller prepares a Comprehensive Annual Financial Report, or “CAFR,” in accordance with generally accepted accounting principles (“GAAP”) applicable to governmental entities, with certain statutory exceptions for budget compliance and reporting. The State’s CAFR for Fiscal Year 2018-19 CAFR (the “**Fiscal Year 2018-19 CAFR**”) is appended to this Official Statement and includes the most current annual financial statements for the State. The State believes that there will not be any material adverse change in the financial condition of the State with the release of the Fiscal Year 2019-20 CAFR. The State currently anticipates that, due to a late journal entry by a department, the Fiscal Year 2019-20

CAFR will be released sometime in February or March 2021. This anticipated date will result in a late filing of the audited annual financial statements for some of the State's outstanding issuances and the State filed a Notice of Late Filing with EMMA on January 26, 2021 and will post the CAFR as soon as it is available. See "CONTINUING DISCLOSURE."

Basis of Accounting

For a detailed description of the State's basis of accounting, see Note 1E to the financial statements in the State's Fiscal Year 2018-19 CAFR appended to this Official Statement.

Basis of Presentation of Financial Results and Estimates

The financial reports and financial schedules contained in this Official Statement are based on principles that may vary based on the requirements of the report or schedule. The fund level financial statements and revenue estimates are primarily prepared on the modified accrual basis of accounting. Revenue estimates are prepared for those revenues that are related primarily to the general taxing powers of the State, and to a lesser degree include intergovernmental transactions, fees for services and receipts from the federal government. The General Fund as defined in the financial statements includes revenues and expenditures for certain special cash receipts that are related to fees, permits and other charges rather than to the general taxing power of the State. See also Appendix E—"THE STATE GENERAL FUND—General" for a discussion of the distinction between the statutory General Fund and the GAAP General Fund.

Financial Audits

Financial and post-performance audits of all State agencies are performed by the State Auditor (the "Auditor") through the Auditor's staff as assisted by independent accounting firms selected solely by the Auditor. The Auditor is an employee of the legislative branch and is appointed for a term of five years by the General Assembly based on the recommendations of the Legislative Audit Committee of the General Assembly. The present Auditor has been appointed to a term expiring on June 30, 2021. The Legislative Audit Committee is comprised of members of both houses of the General Assembly and has responsibility to direct and review audits conducted by the Auditor.

The Office of the State Auditor, being the State's independent auditor, has not been engaged to perform and has not performed since the date of the State Auditor's report included herein, any procedures on the financial statements presented in the Fiscal Year 2018-19 CAFR, nor has the State Auditor performed any procedures relating to this Official Statement.

Investment and Deposit of State Funds

The State Treasurer is empowered by Articles 36 and 75 of Title 24, C.R.S., as well as other State statutes, to invest State funds in certain public and non-public fixed income securities. In making such investments, the State Treasurer is to use prudence and care to preserve the principal and to secure the maximum rate of interest consistent with safety and liquidity. The State Treasurer is also required to formulate investment policies regarding the liquidity, maturity, and diversification appropriate to each fund or pool of funds in the State Treasurer's custody available for investment. In accordance with this directive, the State Treasurer has developed standards for each portfolio to establish the asset allocation, the level of liquidity, the credit risk profile, the average maturity/duration and performance monitoring measures appropriate to the public purpose and goals of each State fund.

The State Treasurer is also authorized to deposit State funds in national or state chartered banks and savings and loan associations having a principal office in the State and designated as an eligible public

depository by the State Banking Board or the State Commissioner of Financial Services, respectively. To the extent that the deposits exceed applicable federal insurance limits, they are required to be collateralized with eligible collateral (as defined by statute) having a market value at all times equal to at least 100% of the amount of the deposit that exceeds federal insurance (102% for banks).

See also Notes 3 and 4 to the State’s Fiscal Year 2018-19 CAFR appended to this Official Statement and Appendix E—“THE STATE GENERAL FUND—Investment of the State Pool.”

The State General Fund

The General Fund is the principal operating fund of the State. All revenues and moneys not required by the State Constitution or statutes to be credited and paid into a special State fund are required to be credited and paid into the General Fund. To make the distinction between the statutory General Fund and the GAAP General Fund, the CAFR refers to the statutory General Fund as the General Purpose Revenue Fund. The revenues in the General Purpose Revenue Fund are not collected for a specific statutory use but rather are available for appropriation for any purpose by the General Assembly. See Appendix E—“THE STATE GENERAL FUND” for a discussion of the General Fund.

The Capital Construction Fund

The Capital Construction Fund consists of moneys transferred or credited thereto by the General Assembly. The Capital Development Committee (“**CDC**”) is charged with the review and oversight of capital projects above certain monetary thresholds. Established in statute, the CDC consists of three members from each house of the General Assembly and makes recommendations regarding the funding of capital requests to the JBC for inclusion in the capital construction section of the Long Bill. Moneys in the Capital Construction Fund may be appropriated for capital construction, capital renewal, controlled maintenance, or state highway reconstruction, repair, and maintenance projects except that any moneys transferred to the Capital Construction Fund for state highway reconstruction, repair, and maintenance projects may only be appropriated for such projects. Any appropriation for projects must be set forth in a single line item as a total sum. All unappropriated balances in the Capital Construction Fund at the close of any fiscal year must remain in the Capital Construction Fund and may not revert to the General Fund. All unexpended or unencumbered moneys from a Capital Construction Fund appropriation to a state agency or state institution of higher education for any fiscal year reverts to the Capital Construction Fund at the end of the period for which the moneys are appropriated. Except as otherwise provided, no portion of the unexpended balance of a state agency’s or state institution of higher education’s Capital Construction Fund appropriation may be used by the state agency or the state institution of higher education for any additional projects that are beyond the scope or design of the original project without further approval by the Capital Development Committee of such additional project. Anticipation warrants or checks may be issued against the revenues of the fund as provided by law. Except as otherwise provided, all interest earned from the investment of moneys in the Capital Construction Fund must remain in the fund and become a part thereof.

DEBT AND CERTAIN OTHER FINANCIAL OBLIGATIONS

The State, State Departments and Agencies

Generally. The State Constitution prohibits the State from incurring debt except for limited purposes, for limited periods of time and in inconsequential amounts. The State courts have defined debt to mean any obligation of the State requiring payment out of future years’ general revenues. Accordingly, the State currently has, and upon execution and delivery of the Series 2020 Certificates will have, no outstanding general obligation debt.

Governmental Activities. The State is authorized to and has entered into lease purchase agreements in connection with various public projects, some of which have been financed by the sale of certificates of participation in the revenues of the related lease purchase agreements. The obligations of the State to make lease payments under such agreements each Fiscal Year are contingent upon annual appropriations by the General Assembly. See Notes 11 and 12 to the State's Fiscal Year 2018-19 CAFR appended to this for a discussion of the outstanding lease-purchase agreements entered into by the State as of June 30, 2019, as well as the aggregate minimum lease payments due under such lease-purchase entered into by the State for Fiscal Years 2018-19 and thereafter, and also Note 21 to the Fiscal Year 2018-19 CAFR for a discussion of lease-purchase agreements entered into by the State June 30, 2019, but before publication of the Fiscal Year 2018-19 CAFR. Additionally, on June 2, 2020, the State executed and delivered its Rural Colorado Certificates of Participation Series 2020A in the aggregate principal amount of \$500,000,000, which are paid and secured by certain payments made by the State pursuant to a lease purchase agreement. On October 14, 2020, the State executed and delivered its National Western Center Certificates of Participation Series 2020A (Tax-Exempt) in the aggregate principal amount of \$68,670,000 and its National Western Center Certificates of Participation Series 2020B (Taxable) in the aggregate principal amount of \$44,225,000 which are paid and secured by certain payments made by the State pursuant to a lease purchase agreement. On December 9, 2020, the State executed and delivered one series of Building Excellent Schools Today (BEST) certificates of participation in the approximate aggregate principal amount of \$98,030,000, which will be paid and secured by certain payments made by the State pursuant to a lease purchase agreement. Finally, on or before June 30, 2021, the State anticipates executing and delivering a third tranche of its Rural Colorado certificates of participation in the approximate aggregate principal amount of \$500,000,000, which will be paid and secured by certain payments made by the State pursuant to a lease purchase agreement.

In addition to lease purchase agreements, the State is authorized to enter into lease or rental agreements for buildings and/or equipment, all of which contain a stipulation that continuation of the lease is subject to funding by the General Assembly. Historically, these agreements have been renewed in the normal course of business and are therefore treated as non-cancelable for financial reporting purposes. In addition, these agreements generally are entered into through private negotiation with lessors, banks, or other financial institutions rather than being publicly offered. See Notes 10 and 12 to the State's Fiscal Year 2018-19 CAFR appended to this Official Statement for a discussion of the outstanding lease/rental agreements entered into by the State as of June 30, 2019 as well as the aggregate minimum payment obligations under such agreements in Fiscal Year 2018-19 and thereafter.

State departments and agencies, including State institutions of higher education, are also authorized to and have entered into annually renewable lease purchase agreements, and to issue revenue bonds and notes, for the purchase of equipment, the construction of facilities and infrastructure and other business-type activities. With the exception of the University of Colorado, which is governed by an elected Board of Regents, the institutions of higher education are governed by boards whose members are appointed by the Governor with the consent of the State Senate. See Notes 11, 12 and 21 to the State's Fiscal Year 2018-19 CAFR appended to this Official Statement for a discussion of such bonds and notes outstanding as of June 30, 2019, and of those issued after June 30, 2019, but before publication of the Fiscal Year 2018-19 CAFR. The revenue bonds and certificates of participation listed in such Notes have in most cases been publicly offered, while the notes payable listed in such Notes have generally been private financings directly with banks or other financial institutions. The State has contingent moral obligations to intercept revenue and make certain debt payments on notes and bonds issued by State school districts in the event they fail to make a required payment to the holders of such notes and bonds. See Notes 19 and 21 to the State's Fiscal Year 2018-19 CAFR appended to this Official Statement.

See also the Statistical Section of the State's Fiscal Year 2018-19 CAFR for a ten year the total outstanding debt and related debt service expenditures of the State.

State Tax and Revenue Anticipation Notes

Under State law, the State Treasurer is authorized to issue and sell notes payable from the anticipated revenues of any one or more State funds or groups of accounts to meet temporary cash flow shortfalls. Since Fiscal Year 1984-85, the State has issued tax and revenue anticipation notes in order to fund cash flow shortfalls in the General Fund. For certain Fiscal Years, the State has also funded cash flow shortfalls by use of the proceeds of internal borrowing from State funds other than the General Fund. Since Fiscal Year 2003-04, the State has also issued education loan anticipation notes for local school districts in anticipation of local school district revenues to be collected at a later date. All tax and revenue anticipation notes previously issued by the State have been paid in full and on time.

On August 4, 2020, the State issued \$410 million in aggregate principal amount of its Education Loan Program Tax and Revenue Anticipation Notes, Series 2020A to meet cash flow shortages experienced by local school districts in the State. On August 6, 2020, the State issued \$600 million in aggregate principal amount of its General Fund Tax and Revenue Anticipation Notes, Series 2020, to fund anticipated cash flow shortfalls in the General Fund in Fiscal Year 2020-21. The State issued its Education Loan Program Tax and Revenue Anticipation Notes, Series 2020B in the principal amount of \$390,000,000 on January 28, 2021.

See also the Statistical Section of the State's Fiscal Year 2018-19 CAFR appended to this Official Statement for a ten year history of the total outstanding debt and related debt service expenditures of the State.

State Authorities

A number of State authorities have issued financial obligations to support activities related to the special purposes of such entities. Such obligations do not constitute a debt or liability of the State and the State Treasurer has no responsibility for such issuances, although pursuant to Section 22-30.5-408, C.R.S., the State may, but is not obligated to, appropriate moneys to cure unreplenished draws on debt service reserve funds for certain bonds issued by the Colorado Educational and Cultural Facilities Authority to fund facilities for charter schools. Generally, State authorities are legally separate, independent bodies governed by their own boards, some including ex-officio State officials and/or members appointed by the Governor or ranking members of the General Assembly (in most cases with the consent of the State Senate).

Pension and Post-Employment Benefits

General. The State provides post-employment benefits to its employees based on their work tenure and earnings history through a defined benefit pension plan (as more particularly defined in Appendix I—“STATE PENSION SYSTEM,” the “**State Division Plan**”). State employees hired after 2005 may, in lieu of participating in the State Division Plan, elect to participate in a defined contribution plan (the “**State Division DC Plan**”), although the majority of State employees participate in the State Division Plan. State employees may also elect to participate in a limited healthcare plan. Each plan is administered by the Public Employees' Retirement Association (“**PERA**”), which is a statutorily created legal entity that is separate from the State. PERA also administers plans for school districts, local governments, and other entities, each of which is considered a separate division of PERA and for which the State has no obligation to make contributions or fund benefits. The State does not participate in the federal Old-Age, Survivors and Disability Insurance (Social Security) program.

For a general description of the State Division Plan and PERA, see Appendix I—“STATE PENSION SYSTEM.” For a detailed discussion of the State Division Plan, the State Division DC Plan, the limited healthcare plan and PERA, see Notes 6, 7 and 8 to the State's Fiscal Year 2018-19 CAFR appended to this Official Statement, as well as PERA's Comprehensive Annual Financial Report for calendar year 2019 (the

“**PERA 2019 CAFR**”). The information in the State’s Fiscal Year 2018-19 CAFR regarding PERA is derived from PERA’s Comprehensive Annual Financial Report for calendar year 2018 while the information regarding PERA presented in this Official Statement is derived from the PERA 2019 CAFR.

The State Division Plan. The State Division Plan is funded with contributions made by the State and by each participating State employee at rates that are established by statute. The State has consistently made all statutorily required contributions to the State Division Plan. However, the State Division Plan remains significantly underfunded. In order to address the funding status of PERA’s defined benefit plans, including the State Division Plan, the General Assembly enacted SB 18-200, which made changes to the defined benefit plans administered by PERA with the goal of eliminating the UAAL of such plans and thereby reach a 100% funded ratio for each of such plans within a 30-year period. SB 18-200 made changes to certain benefit and contribution provisions of the defined benefit plans administered by PERA, including implementing a provision that automatically adjusts employee and employer contribution rates, annual cost of living increases and the State’s annual direct contribution to PERA within certain statutory parameters so as to stay with in the 30-year funding goal. Previously, such adjustments required action by the General Assembly.

The PERA 2019 CAFR reports that at December 31, 2019, the actuarial value of assets of the State Division Plan was approximately \$14.922 billion and the actuarial accrued liability, or “AAL,” of the Plan was approximately \$25.718 billion, resulting in an unfunded actuarial accrued liability, or “UAAL,” of approximately \$10.796 billion, a funded ratio of 58.0% and an amortization period, after consideration of HB 20-1379, of 27 years, all as further described in Appendix E—“STATE PENSION SYSTEM.” The actuarial value of assets for the State Division Plan uses an asset valuation method of smoothing the difference between the market value of assets and the actuarial value of assets to prevent extreme fluctuations that may result from short-term or cyclical economic and market conditions. Based on the market value of assets of the State Division Plan, at December 31, 2019, the Plan had an unfunded accrued liability of approximately \$9.898 billion and a funded ratio of 61.5%.

The funding status of the State Division Plan summarized above reflects the implementation by PERA in 2014 of GASB Statement No. 67, “Financial Reporting for Pension Plans—An Amendment of GASB Statement No. 25” (“**GASB 67**”), which establishes new standards for financial reporting and note disclosure by defined benefit pension plans administered through qualified trusts, such as the State Division Plan, and note disclosure requirements for defined contribution pension plans administered through qualified trusts, such as the State Division DC Plan.

Because the State’s annual contributions with respect to the State Division Plan are set by statute and funded in the State’s annual budget, such contributions are not affected in the short term by changes in the actuarial valuation of the Plan assets or the funding ratio of the Plan.

See generally Appendix I—“STATE PENSION SYSTEM” for further information regarding the State Division Plan.

The Health Care Trust Fund. The State also currently offers other post-employment health and life insurance benefits to its employees. The post-employment health insurance to State employees is provided through PERA’s Health Care Trust Fund, in which members from all divisions of PERA are eligible to participate. The Health Care Trust Fund is a cost-sharing, multiple employer plan under which PERA subsidizes a portion of the monthly premium for health insurance coverage for certain State retirees and the remaining amount of the premium is funded by the benefit recipient through an automatic deduction from the monthly retirement benefit. The Health Care Trust Fund is funded by a statutory allocation of moneys consisting of portions of, among other things, the employer statutorily required contributions, the amount paid by members and the amount of any reduction in the employer contribution rates to amortize

any overfunding in each Division’s trust fund. At December 31, 2019, the Health Care Trust Fund had a UAAL of approximately \$1.099 billion, a funded ratio of 24.1% and a 20-year amortization period. Because the Health Care Trust Fund is a cost-sharing, multiple employer plan, PERA’s actuary has not determined the portion of the unfunded actuarial accrued liability that applies to each Division participant. The benefit provided by the Health Care Trust Fund is a fixed limited subsidy of the retiree’s health care insurance premium payment, and the retiree bears all risk of medical cost inflation. See Notes 9 and 11 to the PERA 2019 CAFR for additional information regarding the Health Care Trust Fund.

Implementation of Changes in Pension Accounting Standards Applicable to the State—GASB 68 and GASB 75. GASB Statement No. 68, “Accounting and Financial Reporting for Pensions” (“**GASB 68**”), which is related to GASB 67 but is applicable to the State, is effective for fiscal years beginning after June 15, 2014, and accordingly was first implemented in the State’s Comprehensive Annual Financial Report for Fiscal Year 2014-15 (the “**Fiscal Year 2014-15 CAFR**”). GASB 68 revises and establishes new financial reporting requirements for most governments, such as the State, that provide their employees with pension benefits. GASB 68 requires cost-sharing employers participating in defined benefit plans to record their proportionate share of the unfunded pension liability. The State reported a net pension liability in the State’s Fiscal Year 2018-19 CAFR of approximately \$13.531 billion at June 30, 2019, compared to a reported net pension liability in the State’s Fiscal Year 2017-18 CAFR of approximately \$19.382 billion at June 30, 2018. These amounts were determined as of the calendar year-end that occurred within the Fiscal Year. Schedules presenting the State’s proportionate share of the net pension liability for its retirement plan as of December 31, 2013-2018, and a ten year history of the State’s contribution to PERA for the State and Judicial Divisions, are set forth in Note RSI-2 to the Required Supplementary Information in the State’s Fiscal Year 2018-19 CAFR. See also “Overall Financial Position and Results of Operations” in the Management’s Discussion and Analysis in the State’s Fiscal Year 2018-19 CAFR and Notes 1, 6, 7 and to the Financial Statements in the State’s Fiscal Year 2018-19 CAFR, as well as Appendix I—“STATE PENSION SYSTEM” and particularly the section thereof entitled “Implementation of Changes in Pension Accounting Standards Applicable to the State—GASB 68 and GASB 75.”

GASB Statement No. 75, “Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions” (“**GASB 75**”), is effective for fiscal years beginning after June 15, 2017, and accordingly was first implemented in the State’s Fiscal Year 2018-19 CAFR. GASB 75 requires, for purposes of governmental financial reporting, that the State recognize a liability for its proportionate share of the net Other Post-Employment Benefits (“**OPEB**”) liability (of all employers for benefits provided through the OPEB plan), i.e., the collective net OPEB liability. The State is also required to recognize OPEB expense and report deferred outflows of resources and deferred inflows of resources related to OPEB for its proportionate shares of collective OPEB expense and collective deferred outflows of resources and deferred inflows of resources related to OPEB. GASB 75 also requires additional footnote disclosures about the pension trust fund in the financial statements.

Impact of COVID-19 on State Distributions to PERA. Due to the actual and forecast impact of COVID-19 on the State’s revenues in Fiscal Years 2019-20 and 2020-21, HB 20-1379 suspended for Fiscal Year 2020-21 the State’s annual distribution to PERA to fund unfunded actuarial accrued liabilities in the benefit plans administered by PERA for State employees. See “APPENDIX I—STATE PENSION SYSTEM—Funding of the State Division Plan—Statutorily Required Contributions.”

Effect of Pension Liability on the Certificates. For a discussion of the State’s current pension liability, see the Management’s Discussion and Analysis in the Financial Section of the State’s Fiscal Year 2018-19 CAFR appended to this Official Statement under the caption “CONDITIONS EXPECTED TO AFFECT FUTURE OPERATIONS—Pension Plan Contributions.” No assurances can be given that the assumptions underlying the State’s current or future plans to address its pension liabilities will be realized or that actual events will not cause material changes to the pension data presented in this Official Statement

and the State's Fiscal Year 2018-19 CAFR or the State's ability to fully pay its obligations, including the Certificates.

LITIGATION, GOVERNMENTAL IMMUNITY AND SELF-INSURANCE

No Litigation Affecting the Series 2020 Certificates

There is no litigation pending, or to the knowledge of the State threatened, either seeking to restrain or enjoin the issuance or delivery of the Series 2020 Certificates or questioning or affecting the validity of the Series 2020 Certificates or the proceedings or authority under which they are to be issued. There is also no litigation pending, or to the State's knowledge threatened, that in any manner questions the right of the State Treasurer to adopt the State Resolution and to secure the Series 2020 Certificates in the manner provided in the State Resolution and the Indenture and Lease.

Governmental Immunity

The Colorado Governmental Immunity Act, Article 10 of Title 24, C.R.S. (the "**Immunity Act**"), provides that public entities and their employees acting within the course and scope of their employment are immune from liability for tort claims under State law based on the principle of sovereign immunity, except for those specifically identified events or occurrences defined in the Immunity Act. Whenever recovery is permitted, the Immunity Act also generally limits the maximum amount that may be recovered. For incidents occurring prior to July 1, 2013, the limits are \$150,000 for injury to one person in a single occurrence and an aggregate of \$600,000 for injury to two or more persons in a single occurrence, except that no one person may recover in excess of \$150,000; for incidents occurring on and after January 1, 2013, but before January 1, 2018, the maximum amounts that may be recovered under the Immunity Act are \$350,000 for injury to one person in a single occurrence and an aggregate of \$990,000 for injury to two or more persons in a single occurrence, except that no one person may recover in excess of \$350,000; and for incidents occurring on and after January 1, 2018, but before January 1, 2022, the maximum amounts that may be recovered under the Immunity Act are \$387,000 for injury to one person in a single occurrence and an aggregate of \$1,093,000 for injury to two or more persons in a single occurrence, except that no one person may recover in excess of \$387,000. These limits are subject to adjustment on January 1, 2022, and every four years thereafter based on the percentage change in the Consumer Price Index for Denver-Boulder-Greeley, or its successor index. In individual cases, the General Assembly may authorize the recovery from the State of amounts in excess of these limits by legislative action initiated either directly by the General Assembly or upon recommendation of the State Claims Board. The Immunity Act does not limit recovery against an employee who is acting outside the course and scope of his/her employment. The Immunity Act specifies the sources from which judgments against public entities may be collected and provides that public entities are not liable for punitive or exemplary damages. The Immunity Act does not prohibit claims in Colorado state court against public entities or their employees based on contract and may not prohibit such claims based on other common law theories. However, the Immunity Act does bar certain federal actions or claims against the State or State employees sued in their official capacities under federal statutes when such actions are brought in state court. The Eleventh Amendment to the U.S. Constitution bars certain federal actions or claims against the State or its employees sued in their official capacities under federal statutes when such actions are brought in federal court.

HB 12-1361 amended the Immunity Act by waiving sovereign immunity of the State in an action for injuries resulting from a prescribed fire started or maintained by the State or any of its employees on or after January 1, 2012. A prescribed fire is defined as the application of fire in accordance with a written prescription for vegetative fuels, but excluding a controlled burn used in farming industry to clear land of existing crop residue, kill weeds and weed seeds or to reduce fuel build-up and decrease the likelihood of a future fire.

Self-Insurance

In 1985, the General Assembly passed legislation creating a self-insurance fund, the Risk Management Fund, and established a mechanism for claims adjustment, investigation, and defense, as well as authorizing the settlement and payment of claims and judgments against the State. The General Assembly also utilizes the self-insurance fund for payment of State workers' compensation liabilities. The State currently maintains self-insurance for claims arising on or after September 15, 1985, under the Immunity Act and claims against the State, its officials or its employees arising under federal law. See Notes 1G, 9 and 19 and General Fund Components (in Supplementary Information) in the State's Fiscal Year 2018-19 CAFR appended to this Official Statement. Judgments awarded against the State for which there is no insurance coverage or that are not payable from the Risk Management Fund ordinarily require a legislative appropriation before they may be paid.

Current Litigation

For a description of pending material litigation in which the State is a defendant, see Note 19 to the State's Fiscal Year 2018-19 CAFR appended to this Official Statement. The State believes it has a reasonable possibility of favorable outcomes for the actions discussed in Note 19, but the ultimate outcome cannot presently be determined. Except as otherwise noted, no provision for a liability has been made in the financial statements related to the contingencies discussed in such Note.

TAX MATTERS

General Matters

In the opinion of Butler Snow LLP, under existing laws, regulations, rulings and judicial decisions, interest on the Series 2020 Certificates (including any original issue discount properly allocable to the owner of a Series 2020 Certificate) is excludable from gross income for federal income tax purposes and is excludable from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code. The opinion described above assumes the accuracy of certain representations and compliance by the State with covenants designed to satisfy the requirements of the Code that must be met subsequent to the issuance of the Series 2020 Certificates. Failure to comply with such requirements could cause interest on the Series 2020 Certificates to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2020 Certificates. The State has covenanted to comply with such requirements. Bond Counsel has expressed no opinion regarding other federal tax consequences arising with respect to the Series 2020 Certificates.

The opinion of Bond Counsel does not cover the treatment for federal income tax purposes of any monies received in payment of or in respect to the Series 2020 Certificates subsequent to the occurrence of an Indenture Event of Default, an Event of Lease Default or an Event of Nonappropriation.

The accrual or receipt of interest on the Series 2020 Certificates may otherwise affect the federal income tax liability of the owners of the Series 2020 Certificates. The extent of these other tax consequences will depend on such owners' particular tax status and other items of income or deduction. Bond Counsel has expressed no opinion regarding any such consequences. Purchasers of the Series 2020 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 2020 Certificates.

Bond Counsel is also of the opinion that, under the laws of the State of Colorado in effect as of the date of issuance of the Series 2020 Certificates, interest on the Series 2020 Certificates is exempt from Colorado income tax. Bond Counsel has expressed no opinion regarding other tax consequences arising with respect to the Series 2020 Certificates under the laws of the State of Colorado or any other state or jurisdiction.

Original Issue Premium

The Series 2020 Certificates that have an original yield below their respective interest rates, as shown on the inside cover of this Official Statement (collectively, the “Premium Certificates”), are being sold at a premium. An amount equal to the excess of the issue price of a Premium Certificate over its stated redemption price at maturity constitutes premium on such Premium Certificate. A purchaser of a Premium Certificate must amortize any premium over such Premium Certificate’s term using constant yield principles, based on the purchaser’s yield to maturity (or, in the case of Premium Certificates callable prior to their maturity, generally by amortizing the premium to the call date, based on the purchaser’s yield to the call date and giving effect to any call premium). As premium is amortized, the amount of the amortization offsets a corresponding amount of interest for the period, and the purchaser’s basis in such Premium Certificate is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Certificate prior to its maturity. Even though the purchaser’s basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium Certificates should consult their tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Certificate.

Changes in Federal and State Tax 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 2020 Certificates. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds 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 2020 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 2020 Certificates or the market value thereof would be impacted thereby. Purchasers of the Series 2020 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 2020 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.

Prospective purchasers of the Series 2020 Certificates are advised to consult their own tax advisors prior to any purchase of the Series 2020 Certificates as to the impact of the code upon their acquisition, holding or disposition of the Series 2020 Certificates.

IRS Audit Program

The Internal Revenue Service (the “**Service**”) has an ongoing program of auditing tax-exempt obligations to determine whether, in the view of the Service, interest on such tax-exempt obligations is includable in the gross income of the owners thereof for federal income tax purposes. No assurances can be given as to whether or not the Service will commence an audit of the Series 2020 Certificates. If an audit is commenced, the market value and marketability of the Series 2020 Certificates may be adversely affected. An adverse determination by the Service with respect to the tax-exempt status of interest on the Series 2020 Certificates could be expected to adversely impact the secondary market, if any, for the Series 2020 Certificates, and if a secondary market exists, would also be expected to adversely impact the price at which the Series 2020 Certificates can be sold. The Master Indenture and the Supplemental Indenture do not provide for any adjustment to the interest rates borne by the Series 2020 Certificates in the event of a change in the tax-exempt status of the Series 2020 Certificates. Under current audit procedures, the Service will treat the State as the taxpayer and the owners may have no right to participate in such procedures. The State Treasurer has covenanted in the Authorizing Resolution not to take any action that would cause the interest on the Series 2020 Certificates to lose its exclusion from gross income for federal income tax purposes. None of the State, the Financial Advisor or Bond Counsel is responsible for paying or reimbursing any Owner or Beneficial Owner for any audit or litigation costs relating to the Series 2020 Certificates.

There can be no assurance that an audit by the Service of the Series 2020 Certificates will not be commenced. However, the State has no reason to believe that any such audit, if commenced, would result in a conclusion of noncompliance with any applicable Service position, regulation or ruling. No rulings have been or will be sought from the Service with respect to any federal tax matters relating to the issuance, purchase, ownership, receipt, or accrual of interest upon, or disposition of the Series 2020 Certificates.

Information Reporting and Backup Withholding

As a result of the enactment of the Tax Increase Prevention and Reconciliation Act of 2005, interest on federally tax-exempt obligations such as the Series 2020 Certificates is subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments to any owner of the Series 2020 Certificates that fail to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. The reporting requirement does not in and of itself affect or alter the excludability of interest on the Series 2020 Certificates from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling federally tax-exempt obligations.

UNDERWRITING

The Series 2020 Certificates are to be purchased by the Underwriters listed on the front cover page of this Official Statement at a price equal to \$80,859,234.24 (representing the aggregate principal amount of the Series 2020 Certificates of \$64,250,000 plus original issue premium of \$16,799,542.85 less an aggregate underwriting discount of \$190,308.61). The Underwriters have agreed to accept delivery of and pay for all the Series 2020 Certificates if any are delivered, provided that the obligation to make such purchase is subject to certain terms and conditions set forth in the Certificate Purchase Agreement related to the Series 2020 Certificates, the approval of certain legal matters by counsel and certain other conditions. The Underwriters may offer and sell the Series 2020 Certificates to certain dealers (including dealers depositing such Series 2020 Certificates into investment funds) and others at prices lower than the public offering prices stated on the inside cover page hereof. The public offering prices set forth on the inside front cover hereof may be changed after the initial offering by the Underwriters.

The Underwriters and their respective affiliates are full-service financial institutions engaged in various activities that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriters and their respective affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriters and their respective affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the State. The Underwriters and their respective affiliates may make a market in credit default swaps with respect to municipal securities in the future. The Underwriters and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the State.

The following paragraph has been provided by J.P. Morgan Securities LLC for inclusion in the Official Statement and neither the State nor any Institution make any representation as to their accuracy or completeness.

J.P. Morgan Securities LLC (“**JPMS**”), one of the underwriters of the Series 2020 Certificates, has entered into negotiated dealer agreements (each, a “Dealer Agreement”) with each of Charles Schwab & Co., Inc. (“**CS&Co.**”) and LPL Financial LLC (“**LPL**”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement (if applicable to this transaction), each of CS&Co. and LPL will purchase Series 2020 Certificates from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2020 Certificates that such firm sells.

LEGAL MATTERS

Legal matters relating to the validity of the Series 2020 Certificates are subject to the approving opinion of Butler Snow LLP, Denver, Colorado, as Bond Counsel, which will be delivered with the Series 2020 Certificates, a form of which is attached hereto as Appendix D.

Tate Law, P.C. will pass upon certain legal matters relating to the Series 2020 Certificates as Special Counsel to the State. Tate Law, P.C. has not participated in any independent verification of the information concerning the financial condition or capabilities of the State contained in this Official Statement. Certain legal matters will be passed upon for the State by the office of the Attorney General of the State, as counsel to the State. Kline Alvarado Veio P.C., Denver, Colorado, has acted as counsel to the Underwriters. Payment of legal fees to Bond Counsel and Special Counsel are contingent upon the sale and delivery of the Series 2020 Certificates.

RATINGS

Standard & Poor’s Ratings Services (“**S&P**”) has assigned the Series 2020 Certificates a rating of “AA-” and Moody’s Investors Service has assigned the Series 2020 Certificates a rating of “Aa2”. No other ratings have been applied for.

A rating reflects only the views of the rating agency assigning such rating, and an explanation of the significance of such rating may be obtained from each such rating agency. The State makes no representation regarding any rating outlooks related to the Series 2020 Certificates or any other obligations of the State. The State has furnished to the rating agencies certain information and materials relating to the Series 2020 Certificates and the 2021 Leased Property, including certain information and materials which have not been included in this Official Statement. Generally, rating agencies base their ratings on such information and materials and on investigations, studies, and assumptions by the rating agencies. There is no assurance that any of the ratings will continue for any given period of time or that any of the ratings will

not be revised downward, suspended or withdrawn entirely by any such rating agency if, in its judgment, circumstances so warrant. Any such downward revision, suspension, or withdrawal of any such rating may have an adverse effect on the market price of the Series 2020 Certificates. Neither the State, the Municipal Advisor (hereinafter defined), nor any Underwriter undertakes any responsibility to oppose any such revision, suspension, or withdrawal.

MUNICIPAL ADVISOR

The State has retained Hilltop Securities Inc., Denver, Colorado as municipal advisors (the “**Municipal Advisor**”) in connection with the Series 2020 Certificates and with respect to the authorization, execution, and delivery of the Series 2020 Certificates. *The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement.* The Municipal Advisor will act as independent advisory firm and will not be engaged in underwriting or distributing the Series 2020 Certificates.

CONTINUING DISCLOSURE

Rule 15c2-12, adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, prohibits underwriters from purchasing or selling certain municipal securities unless the issuer of those securities, or an obligated person for whom financial or operating data is presented in the final official statement, has undertaken to provide continuing disclosure information for the benefit of the owners of those securities. In accordance with Rule 15c2-12, the State, acting by and through the State Treasurer, will enter into a Continuing Disclosure Undertaking on the Closing Date, the form of which is appended to this Official Statement, pursuant to which the State Treasurer will agree for the benefit of the Owners and Beneficial Owners of the Series 2020 Certificates to file with the MSRB via its EMMA website (a) certain annual financial information and the State’s audited annual financial statements not later than 270 days after the end of each Fiscal Year, commencing with the Fiscal Year ended June 30, 2020; and (b) notices of the occurrence of certain events affecting the State and the Certificates within ten business days of their occurrence. See Appendix C—“FORM OF CONTINUING DISCLOSURE UNDERTAKING” for a description of the annual information and the notices of events to be provided and other terms of the Continuing Disclosure Undertaking.

The obligations of the State Treasurer pursuant to the Continuing Disclosure Undertaking are for the benefit of the Owners and Beneficial Owners of the Series 2020 Certificates, and, if necessary, may be enforced by such Owners and Beneficial Owners by specific performance of such obligations by any judicial proceeding available. However, a breach of the State Treasurer’s obligations pursuant to the Continuing Disclosure Undertaking does not constitute an Indenture Event of Default or a Lease Event of Default, and none of the rights and remedies provided in the Indenture and the Lease for such defaults will be available to the Owners and Beneficial Owners of the Certificates in the event of a breach of the Continuing Disclosure Undertaking.

Compliance with Other Continuing Disclosure Undertakings

The State Treasurer has determined that during the previous five years, the State Treasurer and certain other State departments or agencies have not complied in all material respects with continuing disclosure undertakings entered into by such entities pursuant to Rule 15c2-12 in connection with municipal securities issued by or for the benefit of such entities by failing to file, or to file on a timely basis, on the EMMA website and its predecessor repositories, certain annual financial information, audited financial statements and/or notices of material events as required by those continuing disclosure undertakings. For

example, CDOT failed to file annual financial information and audited financial statements in respect of its outstanding obligations for Fiscal Year 2012-13.

Partially in response to the foregoing, the State Treasurer requested and the General Assembly enacted legislation in 2012 to provide the State Treasurer with statutory authority over debt issuance and post-issuance compliance with continuing disclosure undertakings entered into by the State, the State Treasurer and certain State departments and agencies that utilize the State's credit (collectively, the "**Included Entities**") in connection with financial obligations issued by or for the benefit of the Included Entities. Consistent with this authorization, the responsibility for compliance with the continuing disclosure undertakings entered into by the Included Entities has been centralized with the State Treasurer, which is intended to ensure future compliance with such continuing disclosure undertakings.

In early 2013, the State Treasurer retained Digital Assurance Certification, LLC ("**DAC Bond**"), as its disclosure dissemination agent for the purpose of assisting it with auditing past compliance, making remedial filings and ensuring ongoing compliance with its continuing disclosure filing requirements with the MSRB of all information required in the continuing disclosure undertakings entered into by the Included Entities, and plans to implement other procedures intended to ensure future material compliance with such continuing disclosure undertakings.

In addition, consistent with its statutory authorization and as a result of the circumstances described above, the State Treasurer's office carried out a comprehensive review of compliance by the State with the continuing disclosure undertakings entered into by the Included Entities for the purpose of determining instances of material noncompliance with such continuing disclosure undertakings. Instances of material noncompliance discovered by the State Treasurer's office have been addressed by making appropriate corrective filings or taking other remedial actions, either directly or by DAC Bond. The State also participated in the SEC's Municipal Continuing Disclosure Cooperation Initiative discussed in "MCDC Settlement Order with Securities and Exchange Commission" hereafter.

Due to various issues that were experienced by the State in connection with the implementation of a new integrated financial system as described in "STATE FINANCIAL INFORMATION—Fiscal Controls and Financial Reporting," the State's unaudited Basic Financial Statements for Fiscal Year 2014-15 and the State's Fiscal Year 2014-15 CAFR were not completed and released until late January 2016 and late April 2016, respectively. As a result, the State was unable to post its Fiscal Year 2014-15 audited financial statements on EMMA by December 31, 2015, as required by numerous continuing disclosure undertakings entered into by the Included Entities. Notice of such noncompliance was posted on EMMA on January 25, 2016, and the State's unaudited Basic Financial Statements for Fiscal Year 2014-15 and the State's Fiscal Year 2014-15 CAFR were subsequently posted on EMMA on February 1, 2016, and May 2, 2016, respectively. The State was also unable to post its Fiscal Year 2015-16 audited financial statements on EMMA by December 31, 2016, as required by such continuing disclosure undertakings. Notice of such noncompliance was posted on EMMA on January 16, 2017, and the State's unaudited Basic Financial Statements for Fiscal Year 2015-16 and the State's Fiscal Year 2015-16 CAFR were posted on EMMA on January 16, 2017, and March 8, 2017, respectively. The State was also unable to post its Fiscal Year 2016-17 audited financial statements on EMMA by January 26, 2018, as required by such continuing disclosure undertakings. A notice of late filing was posted on EMMA on January 25, 2018, and the State's unaudited Basic Financial Statements for Fiscal Year 2016-17 and the State's Fiscal Year 2016-17 CAFR were posted on EMMA on January 9, 2018, and February 8, 2018, respectively.

In addition to the State's financial statements for Fiscal Years 2014-15 and 2015-16 discussed above, certain operating data for the Department of Human Services for Fiscal Years 2014-15 and 2015-16 was not timely posted on EMMA (within 200 days of the end of the Fiscal Year) in connection with the Colorado State Department of Human Services (Division of State and Veterans Nursing Homes) Enterprise

System Revenue Anticipation Warrants, Series 2002A. Notices of failure to file such information for Fiscal Years 2014-15 and 2015-16 were posted on EMMA on January 21, 2016, and January 19, 2017, respectively. The State's unaudited Basic Financial Statements and CAFRs for Fiscal Years 2014-15 and 2015-16 were eventually posted on EMMA as discussed above, and the operating data for the Department of Human Services for both Fiscal Years 2014-15 and 2015-16 was posted on EMMA on March 28, 2017.

The OSPB December 2015 and March 2016 revenue forecasts were not timely posted on EMMA in connection with the State's Higher Education Federal Mineral Lease Certificates of Participation, Series 2014A. Both a notice of failure to timely file such revenue forecasts, together with the revenue forecasts, were posted on EMMA on May 16, 2016.

Further, as discussed in 'STATE FINANCIAL INFORMATION—Fiscal Controls and Financial Reporting,' the State currently anticipates that, due to a late journal entry by a department, the State's audited annual financial statements (the Fiscal Year 2019-20 CAFR) will be released sometime in February or March 2021. This anticipated date will result in a late filing of the audited annual financial statements for some of the State's outstanding issuances and the State filed a Notice of Late Filing with EMMA on January 26, 2021 and will post the CAFR as soon as it is available.

MCDC Settlement Order with Securities and Exchange Commission

In March of 2014, the Securities and Exchange Commission (the "**SEC**") announced its Municipal Continuing Disclosure Cooperation Initiative (the "**MCDC**") pursuant to which underwriters and municipal issuers could self-report instances where official statements of municipal issuers failed to report instances in which the issuer failed to comply in all material respects with its continuing disclosure undertakings. Pursuant to the MCDC, on or about November 26, 2014, the State Treasurer reported certain prior failures to the SEC.

In May of 2016, the State Treasurer, on behalf of CDOT, executed an Offer of Settlement (the "**Offer**") with the SEC under the MCDC, which Offer was accepted by the SEC on August 24, 2016, and became an order of the SEC (the "**Order**"). As described in the Order, CDOT participated in one negotiated offering in 2011 in which the final official statement stated in relevant part that during the past five years, CDOT had complied in all material respects with its continuing disclosure undertakings. Notwithstanding such statement, however, CDOT's audited financial statements for 2006, 2007, 2008, 2009 and 2010 were not filed until 2014 when it was discovered that such financial statements had not been filed previously with the Nationally Recognized Municipal Securities Information Repositories or the MSRB through the EMMA system, as applicable.

Pursuant to the Order, the State Treasurer agreed to (i) within 180 days of the entry of the Order, establish written policies and procedures and undertake periodic training regarding continuing disclosure obligations, including designation of an individual or officer responsible for ensuring compliance with such policies and procedures; (ii) within 180 days of the entry of the Order, comply with existing continuing disclosure undertakings, and, if not currently in compliance, update past delinquent filings; (iii) disclose in clear and conspicuous fashion the terms of the Offer in any official statement for an offering through the State Treasurer within five years of the institution of the proceedings; (iv) cooperate with any subsequent investigation by the SEC regarding false statements and/or material omissions and (v) not later than one year from the date of the institution of the proceedings, certify, in writing, compliance with the foregoing undertakings.

In a letter to the SEC dated August 22, 2017, the State Treasurer stated that written policies and procedures and periodic training regarding continuing disclosure obligations to effect compliance have been implemented. The State Treasurer also stated that the State was in compliance with all continuing disclosure

obligations, including updating past delinquent filings if the State Treasurer was not in compliance with its continuing disclosure obligations. The State Treasurer has and intends to continue to fully disclose in a clear and conspicuous fashion the terms of the settlement accompanying the Order in any final official statement for offering by the State Treasurer within five years of the institution of proceedings.

The State Treasurer has updated its continuing disclosure procedures in order to comply with the Order and to ensure filings are done in accordance with its continuing disclosure agreements.

Additional Information

Additional information concerning the matters discussed in this section may be obtained from the Colorado Attorney General's Office, 1300 Broadway, 6th Floor, Denver, Colorado 80203, Attention: Lori Ann F. Knutson, Esq., First Assistant Attorney General, telephone number: (720) 508-6153.

MISCELLANEOUS

The cover page, prefatory information and appendices to this Official Statement are integral parts hereof and must be read together with all other parts of this Official Statement. The descriptions of the documents, statutes, reports, or other instruments included herein do not purport to be comprehensive or definitive and are qualified in the entirety by reference to each such document, statute, report, or other instrument. During the offering period of the Series 2020 Certificates, copies of the Act and certain other documents referred to herein may be obtained from the source provided in "INTRODUCTION—Miscellaneous." So far as any statements made in this Official Statement involve matters of opinion, forecasts, projections, or estimates, whether or not expressly stated, they are set forth as such and not as representations of fact.

[Remainder of page intentionally left blank]

OFFICIAL STATEMENT CERTIFICATION

The preparation and distribution of this Official Statement have been authorized by the State Treasurer. This Official Statement is hereby approved by the Department of the Treasury as of the date on the cover page hereof.

**STATE OF COLORADO,
acting by and through the Department of the
Treasury**

By: David L. Young
Treasurer, State of Colorado

(THIS PAGE INTENTIONALLY LEFT BLANK)

APPENDIX A
State of Colorado Comprehensive Annual Financial Report
for the Fiscal Year ended June 30, 2019

(Pagination reflects the original printed document)

(THIS PAGE INTENTIONALLY LEFT BLANK)

APPENDIX B
**Forms of Master Indenture, Supplemental Indenture,
Lease, Site Lease and Sublease**

(Pagination reflects the original printed documents)

(THIS PAGE INTENTIONALLY LEFT BLANK)

After recording return to
Sarah P. Tasker
Butler Snow LLP
1801 California Street, Suite 5100
Denver, Colorado 80202

STATE OF COLORADO
HIGHER EDUCATION
LEASE PURCHASE FINANCING PROGRAM
MASTER TRUST INDENTURE

by

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
as Trustee

authorizing

State of Colorado
Higher Education
Lease Purchase Financing Program
Certificates of Participation

Dated as of February 24, 2021

TABLE OF CONTENTS

Page

ARTICLE I
SECURITY FOR CERTIFICATES

Section 1.01.	Trust Estate.....	1
Section 1.02.	Discharge of Master Indenture.....	2
Section 1.03.	Certificates Secured on a Parity Unless Otherwise Provided.....	2
Section 1.04.	Limited Obligations.....	2
Section 1.05.	Certificates Constitute a Contract.....	3

ARTICLE II
AUTHORIZATION, TERMS, EXECUTION AND DELIVERY OF CERTIFICATES

Section 2.01.	Authorization, Name and Amount.....	3
Section 2.02.	Purpose, Payment, Authorized Denominations and Numbering.....	3
Section 2.03.	Form of Certificates.....	4
Section 2.04.	Execution and Authentication of Certificates.....	4
Section 2.05.	Mutilated, Lost, Stolen or Destroyed Certificates.....	4
Section 2.06.	Registration of Certificates; Persons Treated as Owners; Transfer and Exchange of Certificates.....	5
Section 2.07.	Cancellation of Certificates.....	6
Section 2.08.	Negotiability.....	6
Section 2.09.	Conditions to Execution and Delivery of Certificates.....	6
Section 2.10.	Execution and Delivery of Supplemental Indenture, Site Lease, Lease, Amendment to Site Lease or Lease and Defeasance Escrow Agreement; Delivery of Certificates; Application of Proceeds.....	8

ARTICLE III
FUNDS AND ACCOUNTS

Section 3.01.	Certificate Fund.....	8
Section 3.02.	Project Fund.....	9
Section 3.03.	State Expense Fund.....	10
Section 3.04.	Rebate Fund.....	11
Section 3.05.	Nonpresentment of Certificates.....	13
Section 3.06.	Moneys to be Held in Trust.....	13
Section 3.07.	Repayment to the State from Trustee.....	13

ARTICLE IV
REDEMPTION OF CERTIFICATES

Section 4.01.	Redemption Provisions Set Forth in Supplemental Indentures.....	13
Section 4.02.	Notice of Redemption.....	13
Section 4.03.	Redemption Payments.....	14
Section 4.04.	Cancellation.....	14

Section 4.05.	Delivery of New Certificates Upon Partial Redemption of Certificates	14
---------------	--	----

ARTICLE V
INVESTMENTS

Section 5.01.	Investment of Moneys	15
Section 5.02.	Tax Certification.....	15

ARTICLE VI
CONCERNING THE TRUSTEE

Section 6.01.	Certifications, Representations and Agreements. The Trustee certifies, represents and agrees that:.....	16
Section 6.02.	Duties of the Trustee	17
Section 6.03.	Maintenance of Existence; Performance of Obligations.....	19
Section 6.04.	Tax Covenant	19
Section 6.05.	Sale or Encumbrance of Leased Property	20
Section 6.06.	Rights of Trustee under Leases and Site Leases	20
Section 6.07.	Defense of Trust Estate	20
Section 6.08.	Compensation of Trustee.....	20
Section 6.09.	Resignation or Replacement of Trustee.....	20
Section 6.10.	Conversion, Consolidation or Merger of Trustee.....	22
Section 6.11.	Intervention by Trustee	22

ARTICLE VII
DEFAULTS AND REMEDIES

Section 7.01.	Remedies of Trustee Upon the Occurrence of an Event of Default or Event of Nonappropriation.....	22
Section 7.02.	Remedies of Trustee Upon Material Breach by Sublessee of Site Lease.....	22
Section 7.03.	Failure to Perform by Trustee	23
Section 7.04.	Remedies of Owners Upon a Failure to Perform	23
Section 7.05.	Limitations Upon Rights and Remedies of Owners.....	23
Section 7.06.	Majority of Owners May Control Proceedings	24
Section 7.07.	Trustee to File Proofs of Claim in Receivership, Etc.....	24
Section 7.08.	Trustee May Enforce Remedies Without Certificates.....	24
Section 7.09.	No Remedy Exclusive	24
Section 7.10.	Waivers.....	24
Section 7.11.	Delay or Omission No Waiver	25
Section 7.12.	No Waiver of Default or Breach to Affect Another.....	25
Section 7.13.	Position of Parties Restored Upon Discontinuance of Proceedings.....	25
Section 7.14.	Purchase of Leased Property by Owner; Application of Certificates Toward Purchase Price.....	25
Section 7.15.	Use of Moneys Received from Exercise of Remedies.....	25

ARTICLE VIII
SUPPLEMENTAL INDENTURES

Section 8.01.	Supplemental Indentures Not Requiring Consent of Owners	27
Section 8.02.	Supplemental Indentures Requiring Consent of Owners.	27
Section 8.03.	Execution of Supplemental Indenture	28
Section 8.04.	Amendments of Leases or Site Leases Not Requiring Consent of Owners.....	28
Section 8.05.	Amendments of Leases or Site Leases Requiring Consent of Owners	29
Section 8.06.	Execution of Amendment of Lease or Site Lease	30

ARTICLE IX
MISCELLANEOUS

Section 9.01.	Discharge of Master Indenture.	30
Section 9.02.	Further Assurances and Corrective Instruments	31
Section 9.03.	Financial Obligations of Trustee Limited to Trust Estate	31
Section 9.04.	Evidence of Signature of Owners and Ownership of Certificates.....	31
Section 9.05.	Parties Interested Herein	32
Section 9.06.	Trustee Representative	32
Section 9.07.	Titles, Headings, Etc	32
Section 9.08.	Interpretation and Construction.....	32
Section 9.09.	Manner of Giving Notices.....	33
Section 9.10.	No Individual Liability	33
Section 9.11.	Events Occurring on Days that are not Business Days	33
Section 9.12.	Legal Description of Land Included in Leased Property	34
Section 9.13.	Severability.....	34
Section 9.14.	Applicable Law	34
Section 9.15.	Execution in Counterparts	34

APPENDIX A	FORM OF PROJECT ACCOUNT REQUISITION
APPENDIX B	GLOSSARY

**STATE OF COLORADO
HIGHER EDUCATION
LEASE PURCHASE FINANCING PROGRAM
MASTER TRUST INDENTURE**

This State of Colorado Higher Education Lease Purchase Financing Program Master Trust Indenture (this “Master Indenture”) is dated as of February 24, 2021, and is executed and delivered by Zions Bancorporation, National Association, a national banking association duly organized and validly existing under the laws of the United States, as trustee for the benefit of the Owners of the Certificates (the “Trustee”).

Capitalized terms used but not defined herein have the meanings assigned to them in the Glossary attached hereto, as such Glossary is amended, supplemented and restated from time to time.

RECITALS

This Master Indenture is being executed and delivered to provide for the execution, delivery and payment of and security for the Certificates, the proceeds of which will be used to finance Projects. The Certificates evidence undivided interests in the right to receive Lease Revenues. The Certificates will be executed and delivered in Series and Supplemental Indentures will be executed and delivered to provide additional terms applicable to each Series of Certificates.

AGREEMENT

The Trustee hereby declares for the benefit of the Owners as follows:

**ARTICLE I
SECURITY FOR CERTIFICATES**

Section 1.01. Trust Estate. The Trustee, in consideration of the premises, the purchase of the Certificates by the Owners and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on the Certificates and all other amounts payable to the Owners with respect to the Certificates, to secure the performance and observance of all the covenants and conditions set forth in the Certificates and the Indenture, and to declare the terms and conditions upon and subject to which the Certificates are executed, delivered and secured, has executed and delivered this Master Indenture and has granted, assigned, pledged, bargained, sold, alienated, remised, released, conveyed, set over and confirmed, and by these presents does grant, assign, pledge, bargain, sell, alienate, remise, release, convey, set over and confirm, in trust upon the terms set forth herein all and singular the following described property, franchises and income, including any title or interest therein acquired after these presents, all and singular the following described property, franchises and income, including any title therein acquired after these presents:

- (a) the Leased Property and the tenements, hereditaments, appurtenances, rights, privileges and immunities thereto belonging or appertaining, subject to the terms

of each Lease including, but not limited to, the terms of such Lease permitting the existence of Permitted Encumbrances;

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

(c) all Base Rent payable pursuant to each Lease;

(d) the State's Purchase Option Price paid pursuant to each Lease, if paid (including any Net Proceeds used to pay the State's Purchase Option Price);

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

(f) any and all other property, revenues or funds from time to time hereafter by delivery or by writing of any kind specially granted, assigned or pledged as and for additional security hereunder, by any Person in favor of the Trustee, which shall accept any and all such property and hold and apply the same subject to the terms hereof.

Section 1.02. Discharge of Master Indenture. If this Master Indenture is discharged in accordance with Section 9.01 hereof, the right, title and interest of the Trustee and the Owners in and to the Trust Estate shall terminate and be discharged; otherwise this Master Indenture is to be and remain in full force and effect.

Section 1.03. Certificates Secured on a Parity Unless Otherwise Provided. The Trust Estate shall be held by the Trustee for the equal and proportionate benefit of the Owners of all Outstanding Certificates, and any of them, without preference, priority or distinction as to lien or otherwise, except as expressly set forth in the Indenture.

Section 1.04. Limited Obligations.

(a) Payment of Rent and all other payments by the State under the Leases shall constitute currently appropriated expenditures of the State and shall be paid solely from the Capital Construction Fund, the General Fund or from any other legally available source of money. All obligations of the State under the Leases shall be subject to the action of the Colorado General Assembly in annually making moneys available for payments thereunder. The obligations of the State to pay Rent and all other obligations of the State under the Leases are subject to appropriation by the Colorado General Assembly in its sole discretion, and shall not be deemed or construed as creating an indebtedness of the State within the meaning of any provision of the State Constitution or the laws of the State concerning or limiting the creation of indebtedness of the State and shall not constitute a multiple fiscal year direct or indirect debt or other financial obligation of the State within the meaning of Section 20(4) of Article X of the State Constitution. In the event the State does not renew any Lease, the sole security available to the Trustee, as lessor under the Leases, shall be the Leased Property leased under the Leases, subject to the terms of the Leases.

(b) The Certificates evidence undivided interests in the right to receive Lease Revenues and shall be payable solely from the Trust Estate. No provision of the Certificates, the Indenture, any Lease, any Sublease, any Site Lease or any other document or instrument shall be construed or interpreted (i) to directly or indirectly obligate the State to make any payment in any Fiscal Year in excess of amounts appropriated by the Colorado General Assembly for Rent for such Fiscal Year; (ii) as creating a multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the State within the meaning of Section 3 of Article XI, Section 20 of Article X of the State Constitution or any other limitation or provision of the State Constitution, State statutes or other State law; (iii) as a delegation of governmental powers by the State; (iv) as a loan or pledge of the credit or faith of the State or as creating any responsibility by the State for any debt or liability of any person, company or corporation within the meaning of Section 1 of Article XI of the State Constitution; or (v) as a donation or grant by the State to, or in aid of, any person, company or corporation within the meaning of Section 2 of Article XI of the State Constitution.

(c) The provisions of this Section are hereby expressly incorporated into each Supplemental Indenture. The Certificates shall contain statements substantially in the form of subsections (a) and (b) of this Section.

Section 1.05. Certificates Constitute a Contract. The Certificates shall constitute a contract between the Trustee and the Owners. In no event shall any decision by the Colorado General Assembly not to appropriate any amounts payable under a Lease be construed to constitute an action impairing such contract.

ARTICLE II AUTHORIZATION, TERMS, EXECUTION AND DELIVERY OF CERTIFICATES

Section 2.01. Authorization, Name and Amount. No Certificates may be executed and delivered hereunder except in accordance with this Article. The Certificates shall be named “State of Colorado Higher Education Lease Purchase Financing Program Certificates of Participation,” followed by a Series designation selected by the State. The aggregate principal amount of Certificates that may be executed and delivered pursuant to the Lease Purchase Act shall be \$65,500,000.00 plus reasonable and necessary administrative, monitoring and closing costs and interests, including capitalized interest and credit enhancement costs such as a debt serve reserve fund or bond insurance.

Section 2.02. Purpose, Payment, Authorized Denominations and Numbering.

(a) The Certificates shall be sold, executed and delivered for the purpose of paying the Costs of the Projects and the Costs of Issuance, making deposits to funds, accounts and subaccounts held by the Trustee or, if proceeds of the applicable Series of Certificates are to be used to defease Outstanding Certificates pursuant to Section 9.01 hereof, making deposits to a defeasance escrow account and paying other costs associated with the defeasance.

(b) The Certificates shall be issuable only as fully registered Certificates in Authorized Denominations. 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 thereof and upon presentation and surrender at the offices of the Trustee, the address of which is set forth in Section 9.09 hereof. 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 ten 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. Form of Certificates. The Certificates of each Series shall be in substantially the form set forth in the Supplemental Indenture authorizing such Series of Certificates or an exhibit, appendix or other attachment thereto, with such changes thereto, not inconsistent with this Master Indenture or such Supplemental Indenture, as may be necessary or desirable and approved by the State.

Section 2.04. 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 executed and 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.

Section 2.05. 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 Series, date, maturity, interest rate 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 as it and 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 issuing 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 2.06. 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 to 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 Series, aggregate principal amount and of the same maturity, bearing a number or numbers not previously assigned.

(b) Fully registered Certificates may be exchanged by the Trustee for an equal aggregate principal amount of fully registered Certificates of the same Series, maturity and interest 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.

(f) Notwithstanding any other provision hereof, except as otherwise provided in a Supplemental Indenture with respect to one or more Series of Certificates, the 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 Certificates and principal of, premium, if any and interest on the Certificates shall be paid by wire transfer to DTC; provided, however, if at any time the State 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 Certificates, the State may, at its discretion, either (i) designate a substitute securities depository for DTC, whereupon the Trustee shall reregister the Certificates as directed by such substitute securities depository or (ii) terminate the book-entry registration system, whereupon the Trustee shall reregister the 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 Certificates are reregistered at the direction of any substitute securities depository, any beneficial owner of the Certificates or any other Person for (A) any determination made by the State 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 Certificates are reregistered.

Section 2.07. Cancellation of Certificates. Whenever any Outstanding Certificate shall be delivered to the Trustee for cancellation pursuant to this Master Indenture, upon payment thereof or for or after replacement pursuant to Section 2.05 or 2.06 hereof, such Certificate shall be promptly cancelled by the Trustee.

Section 2.08. 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.

Section 2.09. Conditions to Execution and Delivery of Certificates. No Series of Certificates may be executed and delivered unless each of the following conditions has been satisfied:

(a) The Trustee has received a form of Supplemental Indenture that specifies the following: (i) the Series designation, the aggregate principal amount, the Authorized Denominations, the dated date, the maturity dates, the interest rates, the redemption provisions, if any, the form and any variations from the terms set forth in this Master Indenture with respect to such Series of Certificates; (ii) any amendment, supplement or restatement of the Glossary required or deemed by State to be advisable or desirable in connection with such Supplemental Indenture; and (iii) any other provisions deemed by the State to be advisable or desirable and that do not violate and are not in conflict with this Master Indenture or any previous Supplemental Indenture.

(b) The Trustee has received forms of a new Site Lease and Lease or amendments to an existing Site Lease and Lease adding any new Leased Property and/or amendments to an existing Site Lease and Lease removing or modifying any Leased Property that is to be removed or modified.

(c) If the proceeds of such Series of Certificates are to be used to defease Outstanding Certificates pursuant to Section 9.01 hereof, the Trustee shall have received a form of a defeasance escrow agreement and the other items required by Section 9.01 hereof.

(d) The State has certified to the Trustee that: (i) the Fair Market Value of the Leased Property after the execution and delivery of such Series of Certificates is at least equal to 90% of the principal amount of the Certificates that will be Outstanding after the execution and delivery of such Series of Certificates; and (ii) no Event of Default or Event of Nonappropriation exists under any Lease. The certification of the State pursuant to clause (i) may be given based and in reliance upon certifications by the Sublessees that leased the Leased Property to the Trustee pursuant to Site Leases.

(e) The Trustee has received a standard leasehold title insurance policy, an amendment or supplement to a previously issued standard leasehold title insurance policy or a commitment to issue such a policy, amendment or supplement, which, when considered together with policies or amendments or supplements to policies received by the Trustee in connection with the execution and delivery of other Certificates, insure(s) 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 fee owner of such real estate, subject only to Permitted Encumbrances, in an amount that is not less than the lesser of the principal amount of the Certificates that will be Outstanding after the execution and delivery of such Series of Certificates or the insurable value of the real property included in the Leased Property after the execution and delivery of such Series of Certificates.

(f) The State has directed the Trustee in writing as to the delivery of the Series of Certificates and the application of the proceeds of the Series of Certificates, including, but not limited to, the amount to be deposited into the Project Account established for each Participating Institution, the amount, if any, of the Allocated Investment Earnings for each Project Account, the amount to be deposited into the Costs of Issuance Account and, if proceeds of such Series of Certificates are to be used to defease Outstanding Certificates pursuant to Section 9.01 hereof, the amount to be deposited into the defeasance escrow account established pursuant to Section 9.01 hereof.

(g) The Trustee has received a written opinion of Bond Counsel to the effect that (i) the Certificates of such Series have been duly authorized, executed and delivered pursuant to the Lease Purchase Act and the Indenture (including the Supplemental Indenture executed and delivered in connection with the execution and delivery of such Series of Certificates) and will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Outstanding Certificate, and (ii) the execution, sale and delivery of the Series of Certificates will not constitute an Event of

Default or a Failure to Perform or cause any violation of the covenants set forth in the Indenture.

Section 2.10. Execution and Delivery of Supplemental Indenture, Site Lease, Lease, Amendment to Site Lease or Lease and Defeasance Escrow Agreement; Delivery of Certificates; Application of Proceeds. If the conditions set forth in Section 2.09 hereof have been satisfied, the Trustee shall execute and deliver the Supplemental Indenture, any Site Lease, any Lease, any amendment to any existing Site Lease or Lease and any defeasance escrow agreement provided to it pursuant to Section 2.09 hereof in the form provided to it and shall deliver the Series of Certificates and apply the proceeds of the Series of Certificates as directed by the State.

ARTICLE III FUNDS AND ACCOUNTS

Section 3.01. Certificate Fund.

(a) ***Creation of Certificate Fund.*** A special fund is hereby created and established with the Trustee to be designated the State of Colorado Higher Education 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. Moneys on deposit in the Certificate Fund are part of the Trust Estate.

(b) ***Deposits into Interest Account of 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 execution and delivery of each Series of Certificates; (ii) that portion of each payment of Base Rent by the State which is designated and paid as the interest component thereof under the applicable Lease; (iii) any moneys transferred to the Interest Account of the Certificate Fund from the State Expense Fund pursuant to Section 3.03(c) hereof; and (iv) all other moneys received by the Trustee that are accompanied by directions from the State that such moneys are to be deposited into the Interest Account of the Certificate Fund.

(c) ***Deposits into Principal Account of Certificate Fund.*** There shall be deposited into the Principal Account of the Certificate Fund (i) that portion of each payment of Base Rent by the State which is designated and paid as the principal component thereof under the applicable Lease; (ii) any moneys transferred to the Principal Account of the Certificate Fund from the State Expense Fund pursuant to Section 3.03(c) hereof; and (iii) all other moneys received by the Trustee that are accompanied by directions from the State that such moneys are to be deposited into the Principal Account of the Certificate Fund.

(d) ***Use of Moneys in 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 in the Interest Account 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 execution and delivery of any series of Certificates shall be used solely to pay the first interest due on such Certificates; (iii) the State's Purchase Option Price and any other moneys transferred to the Certificate Fund with specific instructions that such moneys be used to pay the principal of or interest on, the redemption price of or the costs of defeasing particular Certificates shall be used solely for such purpose; and (iv) 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. Project Fund.

(a) ***Creation of Project Fund.*** A special fund is hereby created and established with the Trustee to be designated the State of Colorado Higher Education, Project Fund (the "Project Fund"), and, within such fund, the Costs of Issuance Account and a separate Project Account for each Project that is being financed for each Participating Institution with proceeds of each Series of Certificates. The names of the Project Accounts for the Projects to be financed with proceeds of each Series of Certificates shall include the Series designation of such Series of Certificates. The Trustee may establish such additional accounts within the Project Fund or such subaccounts within any of the existing or any future accounts of the Project Fund as may be necessary or desirable. Moneys on deposit in the Project Fund are not part of the Trust Estate, but shall be applied solely by the Trustee to pay Costs of the Project, except as otherwise expressly provided herein.

(b) ***Deposits into Accounts of Project Fund.***

(i) ***Proceeds of Certificates.*** Proceeds from the sale of each Series of Certificates shall be deposited into the Costs of Issuance Account and the Project Accounts in the amounts designated by the State in connection with the execution and delivery of such Series of Certificates. When the State designates the amount of proceeds from the sale of a Series of Certificates to be deposited into a Project Account, it shall also designate the Allocated Investment Earnings, if any, for such Project Account.

(ii) ***Earnings from Investment of Project Accounts.*** Earnings from the investment of moneys in all the Project Accounts when received shall be aggregated and allocated among the Project Accounts in proportion to the ratio of (A) the Allocated Investment Earnings for each Project Account that have not previously been deposited into such Project Account pursuant to this paragraph to (B) the Allocated Investment Earnings for all Project Accounts that have not previously been deposited into the Project Accounts pursuant to this paragraph. The amount of investment earnings so allocated to a Project Account shall be

deposited into such Project Account until the amount so deposited equals the Allocated Investment Earnings for such Project Account. After the amount of investment earnings allocated to a Project Account exceeds the Allocated Investment Earnings for such Project Account, the excess shall be deposited into the State Expense Fund or the Emergency Controlled Maintenance Account as directed in writing by the State.

(iii) *Other Deposits to Accounts.* There shall also be deposited into the Costs of Issuance Account and any Project Account any moneys received by the Trustee that are accompanied by instructions to deposit the same into such account.

(iv) *Transfers Between Project Accounts at Direction of State.* Notwithstanding any other provision hereof, the State may, at any time, direct the Trustee in writing to transfer any moneys held in any Project Account to any other Project Account.

(c) *Use of Moneys in Costs of Issuance Account.* Moneys held in the Costs of Issuance Account shall be used to pay Costs of Issuance as directed in writing by the State. The Trustee shall transfer any amounts held in the Costs of Issuance Account that are not required to pay Costs of Issuance to the Project Accounts or the State Expense Fund as directed in writing by the State.

(d) *Use of Moneys in Project Accounts.*

(i) Moneys held in each Project Account shall be disbursed to the State to pay, or reimburse the State for, Costs of the Project for which such Project Account was established upon receipt of a requisition in substantially the form attached hereto as Appendix A, signed by the State Representative.

(ii) Upon the receipt by the Trustee of a Completion Certificate, any remaining moneys held in the applicable Project Account shall be applied by the Trustee as directing in writing by the State, including, without limitation, transferring such remaining money to any other Project Account held in the Project Fund, to the Emergency Controlled Maintenance Account, to the State Expense Fund, or as otherwise directed in writing by the State.

(iii) Amounts on deposit in the Project Accounts are not part of the Trust Estate and shall not be applied to pay the principal of, premium, if any, or interest on any Certificates unless the State specifically directs the Trustee in writing to apply amounts on deposit therein to the payment of Certificates.

Section 3.03. State Expense Fund.

(a) *Creation of State Expense Fund.* A special fund is hereby created and established with the Trustee to be designated the State of Colorado Higher Education, State Expense Fund (the “State Expense Fund”). Moneys on deposit in the State Expense Fund are not part of the Trust Estate.

(b) ***Deposits into State Expense Fund.*** There shall be deposited into the State Expense Fund: (i) upon the execution and delivery of each Series of Certificates, proceeds from the sale of such Series of Certificates in the amount, if any, directed by the State; (ii) earnings from the investment of moneys in the Project Accounts allocated to such Project Account pursuant to Section 3.02(b)(ii) hereof, to the extent the earnings so allocated exceed the Allocated Investment Earnings for such Project Account and the State Representative directs that such excess shall be deposited into the State Expense Fund; (iii) any moneys transferred to the State Expense Fund from the Costs of Issuance Account of the Project Fund pursuant to Section 3.02(c) hereof; (iv) any moneys transferred to the State Expense Fund from a Project Account pursuant to Section 3.02(d)(ii) hereof; and (v) all other moneys received by the Trustee that are accompanied by instructions from the State to deposit the same into the State Expense Fund.

(c) ***Use of Moneys in State Expense Fund.*** Moneys held in the State Expense Fund shall be applied by the Trustee as directed in writing by the State to: (i) reimburse or compensate the State for costs and expenses incurred by the State in connection with the Leased Property, the Projects, the Certificates, the Leases, the Indenture, the Site Leases, the Subleases, Trustees fees and expenses, or any matter related thereto, including, but not limited to, a reasonable charge for the time of State employees and allocable overhead; (ii) pay Base Rent to the Trustee or Additional Rent to the appropriate recipient; (iii) make a deposit to the Certificate Fund, the Project Fund, the Rebate Fund or any account or subaccount of any such Fund; and (iv) pay the Costs of any Approved Project. Amounts on deposit in the State Expense Fund are not part of the Trust Estate and shall not be applied to pay the principal of, premium, if any, or interest on any Certificates unless the State specifically directs the Trustee in writing to apply amounts on deposit therein to the payment of Certificates.

Section 3.04. Rebate Fund.

(a) ***Creation of Rebate Fund.*** A special fund is hereby created and established with the Trustee to be designated the State of Colorado Higher Education, Certificates of Participation, Rebate Fund (the “Rebate Fund”). The Trustee shall create separate accounts within the Rebate Fund for each Series of Certificates (except that more than one Series may be combined for this purpose on the advice of Bond Counsel). Moneys on deposit in the Rebate Fund are not part of the Trust Estate.

(b) ***Deposits into Rebate Fund.*** There shall be deposited into the appropriate account of the Rebate Fund (i) any moneys transferred to the Rebate Fund from the State Expense Fund pursuant to Section 3.03(c) hereof; (ii) all amounts paid by the State pursuant to subsection (e) of this Section; and (iii) all other moneys received by the Trustee that are accompanied by instructions to deposit the same into the Rebate Fund.

(c) ***Use of Moneys in Rebate Fund.*** Not later than 60 days after the date designated in the tax compliance certificate or similar certificate executed and delivered by the State in connection with the execution and delivery of a Series of Certificates and every five years thereafter, the Trustee shall, at the written direction of the State, pay to the United States of America 90% of the amount required to be on deposit in the account

of the Rebate Fund established for such Series of Certificates as of such payment date. No later than 60 days after the final retirement of each Series of Certificates, the Trustee shall, at the written direction of the State, pay to the United States of America 100% of the amount required to be on deposit in the account of the Rebate Fund established for such Series of Certificates, which account 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 appropriate Internal Revenue Service Center. Each payment shall be accompanied by a copy of the Internal Revenue Form 8038-T executed by the State and a statement prepared by the State or its agent summarizing the determination of the amount to be paid to the United States of America. The Trustee acknowledges that the State 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 State, in the Leases, has agreed to make or cause to be made all rebate calculations required to provide the information required to transfer moneys to the Rebate Fund pursuant to subsection (b) of this Section. The Trustee shall make deposits to and disbursements from accounts of the Rebate Fund in accordance with the written directions of the State given pursuant to the tax compliance certificates or similar certificates (including any investment instructions attached thereto) executed and delivered by the State in connection with the execution and delivery of each Series of Certificates. The Trustee shall, at the written direction of the State, invest moneys in each account of the Rebate Fund pursuant to the investment instructions attached to such tax compliance certificates and shall deposit income from said investments promptly upon receipt thereof in such account of the Rebate Fund, all as set forth in such certificates. The Trustee shall conclusively be deemed to have complied with such tax compliance certificates if it follows the written directions of the State, including supplying all necessary information requested by the State in the manner set forth in the tax compliance certificates, and shall not be required to take any actions thereunder in the absence of written directions from the State. Such investment instructions may be superseded or amended by new instructions drafted by, and accompanied by an opinion of, Bond Counsel addressed to the Trustee to the effect that the use of such new instructions will not cause the interest on the related Series of Certificates to be includible in the gross income of the recipients thereof for purposes of federal income taxation. The State 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 Interest Account of the Certificate Fund.

(e) ***Payments by State.*** The State has agreed in the Leases, subject to the terms of the Leases, 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 State will pay to the Trustee as Additional Rent under the Leases 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 the Indenture or on or with respect to such Certificate. Except as otherwise required by State escheat laws, funds so held but unclaimed by an Owner shall be transferred to the Principal Account of the Certificate Fund and shall 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.

Section 3.06. Moneys to be Held in Trust. The Certificate Fund shall be held by the Trustee, for the benefit of the Owners as specified in the Indenture, subject to the terms of the Indenture. The Project Fund and the State Expense Fund shall be held for the benefit of the Site Lessors and the State, and shall not be part of the Trust Estate. The Rebate Fund and the accounts thereof 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 State from 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 hereunder shall be paid to the State.

In the event that a Lease is terminated for any reason prior to the payment in full of the Series of Certificates related to such Lease, the Trustee shall nevertheless remit to the State all amounts on deposit in the Project Accounts and the State Expense Fund relating to such Lease. Amounts on deposit in the Project Accounts and the State Expense Fund are not part of the Trust Estate and shall not be applied to pay the principal of, premium, if any, or interest on any Certificates unless the State specifically directs the Trustee in writing to apply amounts on deposit therein to the payment of Certificates.

ARTICLE IV REDEMPTION OF CERTIFICATES

Section 4.01. Redemption Provisions Set Forth in Supplemental Indentures. The terms on which each Series of Certificates are subject to redemption shall be as set forth in the Supplemental Indenture authorizing the execution and delivery of such Series of Certificates.

Section 4.02. 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 at the written direction of the State Representative by mailing a copy

of the redemption notice by United States certified or registered first-class mail, at least 30 days, but not more than 60 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 that in the event that the Certificates to be redeemed are registered in the name of a securities depository, such notice may, in the alternative, be given by electronic means in accordance with the requirements of the securities depository. Failure to give such notice as required herein, 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 given 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 redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Section 4.03. 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 certain redemptions, 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, upon presentation and surrender of the Certificates.

Section 4.04. Cancellation. All Certificates which have been redeemed shall not be reissued but shall be canceled by the Trustee in accordance with Section 2.07 hereof.

Section 4.05. 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 Series and maturity and of Authorized Denominations in an aggregate principal amount equal to the unredeemed portion thereof, shall be executed on behalf of and delivered by the Trustee.

ARTICLE V INVESTMENTS

Section 5.01. Investment of Moneys.

(a) All moneys held as part of any fund, account or subaccount created hereunder shall, subject to Sections 5.02 and 6.04 hereof, be invested and reinvested by the Trustee, at the written direction of the State, in Permitted Investments. The Trustee may conclusively presume that any investment so directed by the State is a Permitted Investment. Any and all such investments shall be held by or under the control of the Trustee. The Trustee may invest in Permitted Investments through its own investment department, through the investment department of any Trust Bank or trust company under common control with the Trustee or through the State Treasurer. The Trustee may sell or present for redemption any investments so purchased whenever it shall be necessary in order to provide moneys to meet any payment hereunder, and the Trustee shall not be liable or responsible for any loss, fee, tax or other charge resulting from any investment, reinvestment or liquidation hereunder.

(b) Except as otherwise provided below or by Article III hereof, investments shall at all times be a part of the fund, account or subaccount from which the moneys used to acquire such investments shall have come, and all earnings on such investments shall be credited to, and losses thereon shall be charged against, such fund, account or subaccount. Notwithstanding the preceding sentence:

(i) Earnings from investments of moneys held in the Project Accounts shall be deposited as provided in Section 3.02(b)(ii) hereof.

(ii) Earnings from investments of moneys held in the Rebate Fund shall be deposited as provided in Section 3.04(d) hereof.

(iii) Earnings from investments of moneys held in any defeasance escrow account established pursuant to Section 9.01 hereof shall be deposited as provided in the defeasance escrow agreement governing such defeasance escrow account.

(c) The Trustee shall sell and reduce to cash a sufficient amount of such investments in the respective funds, accounts and subaccounts whenever the cash balance in any Project Account is insufficient to pay a requisition when presented, whenever the cash balance in the Principal Account or Interest Account of the Certificate Fund is insufficient to pay the principal of or interest on the Certificates when due, or whenever the cash balance in any fund, account or subaccount is insufficient to satisfy the purposes of such fund, account or subaccount. In computing the amount in any fund, account or subaccount for any purpose hereunder, investments shall be valued at their Fair Market Value.

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. Certifications, Representations and Agreements. The Trustee certifies, represents and agrees that:

(a) The Trustee (i) is a commercial bank and 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) is authorized, under its articles of association and bylaws and applicable law, to act as trustee under the Indenture, to own and hold, in trust and as Trustee, the leasehold interest in the Leased Property, to lease the Leased Property leased to the Trustee pursuant to the Site Leases, to lease the Leased Property to the State pursuant to the Leases and to execute, deliver and perform its obligations under the Lease, the Indenture and the Site Leases.

(b) The execution, delivery and performance of the Leases, the Indenture and the Site Leases and the ownership of the Leased Property by the Trustee has been duly authorized by the Trustee.

(c) The Leases, the Indenture and the Site Leases have been duly executed and delivered by the Trustee and are valid and binding obligations enforceable against the Trustee in accordance with their respective 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 Leases, the Indenture, the Site Leases and the leasehold ownership interest of the Leased Property by the Trustee to the best of its knowledge 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 violate any Requirement of Law applicable to the Trustee, or, except as specifically provided in the Leases, the Indenture, the Subleases or the Site Leases, 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 the Leases, the Indenture, the Subleases or the Site Leases or to own the Leased Property.

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

Colorado General Assembly to appropriate funds in a manner that results in an Event of Nonappropriation is solely within the discretion of the Colorado General Assembly.

Section 6.02. Duties of the Trustee. The Trustee hereby accepts the trusts imposed upon it by the 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 Leases and the 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 Leases and the Indenture, and use the degree of care as a reasonable and prudent person would exercise under the circumstances in the conduct of the affairs of another. Notwithstanding the foregoing, the Trustee shall in all events be liable for damages and injury resulting from its negligence or willful misconduct.

(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 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 act upon an 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 of Counsel.

(c) The Trustee shall not be responsible for any recital herein, in this Master Indenture or any Certificate, Supplemental Indenture, Lease, Sublease or any offering document or other document related thereto, for collecting any insurance moneys, for the sufficiency of the security for the Certificates executed and delivered hereunder or intended to be secured hereby, or for the value of or title to the Leased Property. The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Certificates, except for information about the Trustee furnished by the Trustee, if any.

(d) The Trustee shall not be accountable for the use of any Certificates delivered to the Initial Purchaser thereof. The Trustee may become the Owner of Certificates with the same rights which it would have if not Trustee.

(e) The Trustee shall be protected in acting, without inquiry, upon any notice, request, consent, certificate, order, affidavit, letter, telegram or other paper or document reasonably believed by it to be genuine and to have been signed or sent by the proper person or persons. Any action taken by the Trustee pursuant to this Master 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 executed and 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 actions that are in accordance with the standard of care set forth in subsection (a) of this Section.

(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 under a Lease, except failure by the State to cause to be made any of the payments to the Trustee required to be made under such Lease, unless (i) an officer in the Trustee's Denver, Colorado corporate trust department has actual knowledge thereof or (ii) the Trustee has been notified in writing thereof by the State 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 the 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 the 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 the 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) Notwithstanding any other provision hereof, 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 from a majority of the Owners of all outstanding Certificates or indemnity from such Owners of the Certificates satisfactory to it that it will be repaid.

(l) Notwithstanding any other provision hereof, the Trustee shall not be directly or indirectly obligated, in its individual capacity, to make any payment of principal, interest or premium in respect to the Certificates.

(m) Records of the deposits to, withdrawals from and investment earnings on moneys in the funds and accounts held by the Trustee hereunder shall be retained by the Trustee until four years after the later of the final retirement of the related Series of Certificates or any obligations issued to refund the related Series of Certificates.

(n) The Trustee shall deliver written reports to the State within 15 days after the end of each calendar month that include at least the following information: (i) the balance in each fund, account and subaccount created hereunder as of the first day and the last day of such calendar month; (ii) all moneys received by the Trustee during such calendar month, broken down by source, including but not limited to earnings from the investment moneys held as part of any fund, account or subaccount created hereunder, and by the fund, account or subaccount into which such moneys are deposited; (iii) all disbursements from each fund, account and subaccount created hereunder during such calendar month; and (iv) all transfers to and from each fund, account and subaccount created hereunder during such calendar month.

(o) The Trustee shall notify the State within 10 days after any claim by any Owner or any other Person that any certification, representation or agreement of the Trustee set forth in Section 6.01 hereof is not accurate or complete or that the Trustee has failed to perform any of its duties or obligations under or has failed to comply with any provision of the Indenture, any Lease or any Site Lease.

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 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 State.

(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 the Indenture, the Leases or the Site Leases, and any other instrument or other arrangement to which it is a party.

Section 6.04. Tax Covenant. The Trustee shall not 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 if the State has informed the Trustee in writing 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. In furtherance of this covenant, the Trustee agrees, at the written direction of the State, to comply with the procedures set forth in the tax compliance certificate or similar certificate delivered by the State in connection with the execution and delivery of each Series of 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 execution and delivery, the interest on such series of Certificates is intended to be subject to federal income tax.

Section 6.05. Sale or Encumbrance of Leased Property. As long as there are any Outstanding Certificates, and as except otherwise permitted by the Indenture and except as the Leases otherwise specifically require, 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.

Section 6.06. Rights of Trustee under Leases and Site Leases. The Trustee hereby covenants for the benefit of the Owners that the Trustee will observe and comply with its obligations under the Leases and the Site Leases. Wherever in any Lease or Site Lease it is stated that the Trustee shall be notified or wherever any Lease or Site Lease gives the Trustee some right or privilege, such part of such Lease or Site Lease shall be as if it were set forth in full in this Master Indenture.

Section 6.07. Defense of Trust Estate. The Trustee shall at all times, to the extent permitted by law, 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 6.08. Compensation of Trustee. During the Lease Term for each Lease, the Trustee shall be entitled to compensation in the form of Additional Rent in accordance with such 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.

Section 6.09. Resignation or Replacement of Trustee.

(a) The present or any future Trustee may resign by giving written notice to a majority of the Owners of the principal amount of the outstanding Certificates and the State 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 State, for any reason upon delivery to the Trustee of an instrument signed by the State Representative seeking such removal, provided that the State 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 State. The State, 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 State, by an instrument or concurrent instruments signed by such Owners, or their attorneys in fact duly appointed. Any successor so appointed by the State 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 \$50,000,000. Any successor trustee shall execute, acknowledge and deliver to the present or then trustee an instrument accepting appointment as successor trustee hereunder, lessor under the Leases, lessee under the Site Leases, 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 the Indenture, the Leases and the Site Leases, 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 lessor under the Leases, and as lessee under the Site Leases, 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, the Indenture, the Leases and the Site Leases 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 the Indenture, the Lease and/or the Site Leases shall have been filed and/or recorded.

Section 6.10. 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 or substantially as a whole shall be the successor of the Trustee under the 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 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 6.11. Intervention by Trustee. In any judicial proceeding to which the State 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 10% in principal amount of Certificates Outstanding and provided indemnification in accordance with Section 6.02(k) hereof.

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, subject to the terms of the Subleases granting each Sublessee the option to purchase the Leased Property subject to its Sublease:

(a) the Trustee shall be entitled to apply any moneys in the Certificate Fund 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 shall, without any further demand or notice, exercise any of the remedies available to it under the Leases (provided that the Trustee may require, as a condition to taking any action, assurances from such Owners of the Certificates limiting its liability, or an agreement with the Owners of the Certificates indemnifying it for liability; 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 the Owners.

Moneys on deposit in the Rebate Fund and any defeasance escrow created in accordance with this Indenture are not part of the Trust Estate, and shall be applied by the Trustee only in accordance with the terms and provisions related to such funds and accounts contained herein.

Section 7.02. Remedies of Trustee Upon Material Breach by Sublessee of Site Lease. Upon a material breach by the Sublessee of a Site Lease, the Trustee may, and at the request of the Owners of a majority in principal amount of the Certificates then Outstanding 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 (provided that the Trustee may require, as a condition to taking any action, assurances from such Owners of the Certificates limiting its liability, or an agreement with the Owners of the Certificates indemnifying it for liability, resulting from such action in a form reasonably satisfactory to it and customarily required by trustees of Colorado municipal bond issues in similar circumstances).

Section 7.03. Failure to Perform by Trustee. Any of the following shall constitute a Failure to Perform:

- (a) default in the payment of the principal of, premium, if any, and interest on any Certificate when due to the extent such failure is not directly caused by an Event of Default or an Event of Nonappropriation;
- (b) failure of the Trustee to enforce and diligently pursue any remedy mandated under Section 7.01 or 7.02 hereof; and
- (c) failure by the Trustee to comply with any other provision of the Indenture within 30 days after receiving notice of noncompliance (subject to any right to indemnification applicable to the Trustee's compliance with such provision of the Indenture).

Section 7.04. Remedies of Owners Upon a Failure to Perform. Subject to the other provisions of this Article, upon the occurrence of any Failure to Perform, the Owner of any Certificate may:

- (a) commence proceedings in any court of competent jurisdiction to enforce the provisions of this Indenture against the Trustee;
- (b) subject to Section 6.09 hereof, cause the Trustee to be removed and replaced by a successor trustee; and
- (c) subject to Section 7.05 hereof, take any other action at law or in equity that may appear necessary or desirable to enforce the rights of such Owner.

Section 7.05. Limitations Upon Rights and Remedies of Owners. No Owner shall have any right to institute any suit, action or proceeding in equity or at law for the enforcement of the Leases or the Site Leases, unless (a) an Event of Default or Event of Nonappropriation or a breach by the Sublessee of a Site Lease has occurred of which the Trustee has been notified as provided in Section 6.02(g) hereof, or of which by Section 6.02(g) hereof it is deemed to have notice, (b) the Owners of not less than a majority in principal amount of Certificates then Outstanding shall have made written request to the Trustee to institute such suit, action or proceeding and shall have offered Trustee assurances from the Owners of the Certificates limiting its liability, or an agreement with the Owners of the Certificates indemnifying it for liability, resulting from such suit, action or proceeding in a form reasonably satisfactory to the Trustee and customarily required by trustees of Colorado municipal bond issues enforcing remedies under similar instruments; and (c) the Trustee has not, after reasonable opportunity, instituted such action, suit or proceedings in its own name.

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 Trustee to act or refrain from acting or to direct the manner or timing of any action by the Trustee under the Indenture or any Lease or Site Lease or to control any proceeding relating to the Indenture or any Lease or Site Lease; 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 State 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 Leases, the Site Leases and the 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 breach by a Sublessee of a 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 breach by a Sublessee of a 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 State 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 breach by a Sublessee of a 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, breach by a Sublessee of a Site Lease or Failure to Perform 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, breach by a Sublessee of a Site Lease or Failure to Perform, 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.

Section 7.12. No Waiver of Default or Breach to Affect Another. No waiver of any Event of Default, Event of Nonappropriation, breach by a Sublessee of a Site Lease or Failure to Perform by the Trustee shall extend to or affect any subsequent or any other then existing Event of Default, Event of Nonappropriation, breach by a Sublessee of a Site Lease or Failure to Perform 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 Leases, the Site Leases or the 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 State, 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 a Lease (but subject to the Sublessees' purchase options set forth in the Subleases), 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 and this Indenture and the taking of all other courses of action permitted herein or therein.

Section 7.15. Use of Moneys Received from Exercise of Remedies.

(a) Moneys received by the Trustee resulting from the exercise of remedies following an Event of Default or Event of Nonappropriation shall be applied in the following order of priority:

(i) *First*, to pay Additional Rent due to third parties other than the Trustee;

(ii) *Second*, to pay the fees and expenses of the Trustee determined in accordance with Section 9.06 of the 2020 Lease and similar provisions of other Leases;

(iii) *Third*, to make payments to the Owners of the Certificates in accordance with subsection (b) of this Section; and

(iv) *Fourth*, any remaining moneys shall be paid to the State.

(b) Moneys to be applied to make payment to the Owners of the Certificates pursuant to subsection (a)(iii) of this Section shall be applied in the following amounts and in the following order of priority:

(i) *First*, an amount equal to the interest component of Base Rent due under the Leases, plus interest on past due interest at the interest rate borne by the related Certificates, shall be paid to the Owners of the Certificates. If the amount available is not sufficient to pay all interest due to the Owners of the Certificates pursuant to the preceding sentence, the amount available shall be applied to pay such interest (including interest on past due interest) in the order in which the interest was originally due, with interest payable on the earliest Interest Payment Dates paid first. If the amount available is not sufficient to pay all such interest with respect to a particular Interest Payment Date, the amount available shall be paid to the Owners of the Certificates in proportion to the amount that would have been paid to them if the amount available had been sufficient.

(ii) *Second*, an amount equal to the principal component of Base Rent due under the Leases shall be paid to the Owners of the Certificates. If the amount available is not sufficient to pay all principal due to the Owners of the Certificates pursuant to the preceding sentence, the amount available shall be applied to pay such principal in the order in which it was originally due, with principal due on the earliest principal payment dates paid first. If the amount available is not sufficient to pay all such principal due on a particular principal payment date, the amount available shall be paid to the Owners of the Certificates in proportion to the amount of principal due to them on such principal payment date. For purposes of this paragraph, the principal component of the redemption price of Certificates subject to mandatory sinking fund redemption shall be treated as principal.

(iii) *Third*, an amount equal to the premium, if any, that would have been paid to the Owners of Certificates if their Certificates had been redeemed prior to maturity on the date on which payments are made pursuant to this subsection shall be paid to the Owners of the Certificates on which a premium would have been paid had their Certificates been redeemed prior to maturity on such date. If the amount available is not sufficient to pay an amount equal to all such premiums, the amount available shall be paid to the Owners of the

Certificates in proportion to the amount that would have been paid to them had the amount available been sufficient.

ARTICLE VIII SUPPLEMENTAL INDENTURES

Section 8.01. Supplemental Indentures Not Requiring Consent of Owners. The Trustee may, with the written consent of the State but 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 amend, modify or restate the Glossary attached hereto in any manner directed by the State in writing, provided that the State has certified in writing that, after such amendment, modification or restatement, the Glossary is accurate and that such amendment, modification or restatement does not materially modify the substantive provisions of the Indenture, the Leases or the Site Leases;
- (b) to add to the covenants and agreements of the Trustee contained in the Indenture other covenants and agreements to be thereafter observed by, and that are not adverse to the interest of, the Trustee;
- (c) to cure any ambiguity, or to cure, correct or supplement any defect or omission or inconsistent provision contained in the Indenture;
- (d) to add additional Leased Property, to release, substitute or modify Leased Property or to amend the description of Leased Property in accordance with the Leases;
- (e) to subject to the Indenture additional revenues, properties or collateral;
- (f) to set forth the terms and conditions and other matters in connection with the execution and delivery of any Series of Certificates pursuant to Article III hereof; or
- (g) 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
- (h) to effect any other changes in the Indenture if the State certifies in writing that such changes are necessary or desirable and do not materially adversely affect the interests of the Owners of the Certificates or the Trustee.

Section 8.02. Supplemental Indentures Requiring Consent of Owners.

(a) Exclusive of Supplemental Indentures under Section 8.01 hereof, the written consent of the State and 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 the 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. Such notice shall briefly set forth the nature of the proposed Supplemental Indenture and shall state that copies thereof are on file at the Denver, Colorado corporate trust office of the Trustee for inspection by all Owners. If, within 60 days or such longer period as shall be 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 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 executed and 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 the Lease Purchase Act 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 Leases or Site Leases Not Requiring Consent of Owners. The Trustee shall, at the written direction of the State without the consent of or notice

to the Owners, amend, change or modify any Lease or Site Lease, as determined by the State, as may be required:

- (a) by the provisions of the Leases, the Indenture or the Site Leases;
- (b) for the purpose of curing any ambiguity or formal defect or omission in the Leases, the Indenture or the Site Leases;
- (c) in order more precisely to identify the Leased Property; or
- (d) to add additional Leased Property, to release, substitute or modify Leased Property or to amend the description of Leased Property in accordance with the Leases or the Site Leases;
- (e) in connection with the execution and delivery of any Series of Certificates;
- (f) in connection with the redemption of any Certificates;
- (g) in connection with any Supplemental Indenture permitted by this Article;
- (h) 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;
- (i) to effect any change that (i) does not reduce the revenues available to the Trustee from the Leases below the amount required to make all the payments and transfers required by Article III hereof, (ii) does not reduce the Fair Market 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;
- (j) to effect any change to any Project permitted by the Lease Purchase Act;
- (k) to effect any other change in any Lease or the Site Lease if the State certifies in writing that such changes are necessary or desirable and do not materially adversely affect the interests of the Owners of the Certificates or the Trustee.

Section 8.05. Amendments of Leases or Site Leases 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 any Leases or 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 State shall request the consent of the Trustee to any such proposed amendment, change or modification of any Lease or 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 Amendment of Lease or Site Lease. As a condition to executing any amendment to any Lease or 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 the Indenture and the Lease or 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 Master Indenture.

(a) If, when the Certificates secured hereby shall become due and payable in accordance with their terms or otherwise as provided in this Master 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 hereunder, 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 State all property then held in trust by the Trustee pursuant to this Master Indenture, and the Trustee shall execute such documents as may be reasonably required by the State and shall turn over to (or to the order of) the State 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 there shall have been deposited in trust either moneys in an amount which shall be sufficient, or Federal 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. Neither the Federal Securities nor moneys deposited in trust pursuant to this Section or principal or interest payments on any such Federal Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal of, premium, if any, and interest on said Certificates; provided any cash received from such principal or interest payments on such Federal Securities deposited in trust, if not then needed for such purpose, shall, to the extent practicable, be reinvested in Federal 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 Federal Securities deposited in trust.

(c) Prior to any discharge of this Master 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 (i) a verification report from a certified public accountant verifying the deposit described in subsection (b) of this Section; and (ii) an opinion of Bond Counsel, addressed to the Trustee, to the effect that all requirements of this Master Indenture for such defeasance have been complied with and that such discharge or defeasance will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Certificates.

(d) In the event that there is a defeasance of only part of the Certificates of any maturity, the Trustee, at the expense of the State, 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. Further Assurances and Corrective Instruments. So long as the Indenture is in full force and effect, the Trustee shall have full power to carry out the acts and agreements provided to the Indenture and will 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 State 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.

Section 9.03. Financial Obligations of Trustee Limited to Trust Estate. Notwithstanding any other provision hereof, all financial obligations of the Trustee under the Indenture, except those resulting from a violation of the standard of care set forth in Section 6.02(a) hereof, are limited to the Trust Estate.

Section 9.04. Evidence of Signature of Owners and Ownership of Certificates.

(a) Any request, consent or other instrument which the 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 or the Trustee in accordance therewith.

Section 9.05. Parties Interested Herein. Nothing in the 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 State, any right, remedy or claim under or by reason of the Indenture or any covenant, condition or stipulation of the Indenture; and all the covenants, stipulations, promises and agreements in the Indenture contained by and on behalf of the Trustee shall be for the sole and exclusive benefit of the Owners, the State, the Trustee and their respective successors and assigns.

Section 9.06. Trustee Representative. Whenever under the provisions of the Indenture the approval of the Trustee is required or the Trustee is required to take some action at the request of the State or the Owners, unless otherwise provided, such approval or such request shall be given for the Trustee by the Trustee Representative, and the State and the Owners shall be authorized to act on any such approval or request.

Section 9.07. Titles, Headings, Etc. The titles and headings of the articles, sections and subdivisions of the 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 9.08. Interpretation and Construction. This Master Indenture and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Master Indenture. For purposes of this Master Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) All references in this Master Indenture to designated “Articles,” “Sections,” “subsections,” “paragraphs,” “clauses” and other subdivisions are to the designated Articles, Sections, subsections, paragraphs, clauses and other subdivisions of this Master Indenture. The words “herein,” “hereof,” “hereto,” “hereby,” “hereunder” and other words of similar import refer to this Master Indenture as a whole and not to any particular Article, Section or other subdivision.

(b) The terms defined in the Glossary have the meanings assigned to them in the Glossary and include the plural as well as the singular.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as in effect from time to time.

(d) The term “money” includes any cash, check, deposit, investment security or other form in which any of the foregoing are held hereunder.

(e) In the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding.”

Section 9.09. Manner of Giving Notices. All notices, certificates, directions or other communications hereunder shall be in writing and shall be deemed given when mailed by first class United States mail, postage prepaid, or when sent by facsimile transmission or electronic mail, addressed as follows:

If to the Trustee: Zions Bancorporation, National Association
1001 17th Street, Suite 850
Denver, Colorado 80202
Attention: Stephanie Nicholls

If to the State: Colorado State Treasurer
140 State Capitol
200 East Colfax Avenue
Denver, Colorado 80203
Attention: Deputy Treasurer

With a copy to: Colorado State Controller
1525 Sherman Street, 5th Floor
Denver, Colorado 80203
Attention: Robert Jaros

Any notice party may, by written notice to the others, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent, and may designate different means for such notices and communications.

Section 9.10. No Individual Liability. All covenants, stipulations, promises, agreements and obligations of the Trustee, as the case may be, contained in the Indenture shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Trustee and not of any member, director, officer, employee, servant or other agent of the Trustee in his or her individual capacity. 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 Trustee or any natural person executing the Indenture or any related document or instrument; provided, however, that such person is acting within the scope of his or her employment, membership, directorship or agency, as applicable, and not in a manner that constitutes gross negligence or willful misconduct.

Section 9.11. 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 the 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 the Indenture.

Section 9.12. Legal Description of Land Included in Leased Property. The legal description of the land included in the Leased Property subject to the 2020 Lease is set forth in Appendix B to the Series 2020 Supplemental Indenture. As additional Leased Property is leased pursuant to a Lease other than the 2020 Lease, legal descriptions of the land included in such additional Leased Property will be set forth in such Lease and in the Supplemental Indenture with the same Series designation as such Lease. If the land included in the Leased Property subject to a Lease is modified pursuant to the terms of such Lease or other land is substituted for land included in Leased Property subject to any Lease pursuant to the terms of such Lease, the legal descriptions set forth in the applicable Supplemental Indenture will be amended to describe the land included in such Leased Property after such modification or substitution.

Section 9.13. Severability. In the event that any provision of the 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 9.14. Applicable Law. The laws of the State and rules and regulations issued pursuant thereto, as the same may be amended from time to time, shall be applied in the interpretation, execution and enforcement of the Indenture. Any provision of the Indenture, whether or not incorporated in the Indenture by reference, which provides for arbitration by an extra-judicial body or person or which is otherwise in conflict with said laws, rules and regulations shall be considered null and void. Nothing contained in any provision hereof or incorporated in the Indenture by reference which purports to negate this Section in whole or in part shall be valid or enforceable or available in any action at law whether by way of complaint, defense or otherwise. Any provision rendered null and void by the operation of this Section will not invalidate the remainder of the Indenture to the extent that the Indenture is capable of execution. At all times during the performance of the Indenture, the Trustee shall strictly adhere to all applicable federal and State laws, rules and regulations that have been or may hereafter be established.

Section 9.15. Execution in Counterparts. This Master Indenture 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.

[remainder of page intentionally left blank]

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

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, as Trustee

By _____
Vice President, Zion Bank Division

[Signature Page to Master Indenture]

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

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by Stephanie Nicholls as an authorized signatory of Zions Bancorporation, National Association.

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

[SEAL]

 Notary Public

My commission expires:

APPENDIX A

FORM OF PROJECT ACCOUNT REQUISITION

Zions Bancorporation, National Association
Denver, Colorado 80202
Attention: Corporate Trust Services

Via Email: stephanie.nicholls@zionsbankcorp.com

With a copy to: denvercorporatetrust@zionsbankcorp.com

**State of Colorado
Higher Education
Lease Purchase Financing Program
Certificates of Participation**

Ladies and Gentlemen:

This Project Account Requisition is delivered by the State of Colorado, acting by and through the State Treasurer (the “State”), to Zions Bancorporation, National Association in its capacity as trustee (the “Trustee”) under the State of Colorado Higher Education Lease Purchase Financing Program Master Trust Indenture dated as of February 24, 2021 by the Trustee, as it may be supplemented or amended from time-to-time (the “Indenture”). Capitalized terms used but not defined herein have the meanings assigned to them in the Indenture.

The State, in accordance with the Indenture, hereby requisitions the dollar amount described below from each Project Account described below to pay, or reimburse the State for the payment of, Costs of the Project for which such Project Account was established. Such payment or reimbursement is a proper charge against the Project Account and has not been the basis of any previous withdrawal or requisition:

1. \$ _____ from Series _____ * Project Account of _____ **
2. \$ _____ from Series _____ * Project Account of _____ **

[REPEAT AS APPROPRIATE]

*insert Series designation of Project Account

** insert name of Participating Institution for which Project Account was established

Payment Instructions:

Payee:

Amount to Disburse: Disburse by [wire][check] to:

If by wire, wire information:

Bank:

ABA Routing Number:

Name on Account:

Account Number:

The State acknowledges that the Trustee cannot process such disbursement request until the Trustee is in receipt of a valid Form W-9 or W-8, as applicable, from each payee in accordance with Internal Revenue Service Regulations and the Foreign Account Tax Compliance Act. Each payee's Form W-9 or W-8, as applicable, is attached hereto unless previously provided.

The undersigned hereby certifies that he/she is the State Representative and is authorized to sign and deliver this requisition to the Trustee pursuant to the Indenture.

STATE OF COLORADO, ACTING BY AND
THROUGH THE STATE TREASURER

By _____
State Representative

Date: _____

APPENDIX B GLOSSARY

“*Additional Rent*” means (a) when used with respect to amounts payable by the State pursuant to the 2020 Lease, the costs and expenses incurred by the State in performing its obligations under the 2020 Lease other than its obligations with respect to Base Rent and the State’s Purchase Option Price; (b) when used with respect to amounts payable by the State pursuant to any other Lease, similar costs and expenses; and (c) when used with respect to amounts payable by a Sublessee pursuant to a Sublease, the costs and expenses incurred by the Sublessee in performing its obligations under such Sublease other than its obligations with respect to Base Rent, if any, and the Sublessee’s Purchase Option Price under such Sublease.

“*Allocated Investment Earnings*” means, when used with respect to any Project Account, the dollar amount, if any, designated by the State at the time such account is created of investment earnings from the Project Account that is to be deposited over time into such Project Account pursuant to Section 3.02(b)(ii) of the Master Indenture.

“*Approved Institution*” means a Colorado public institution of higher education for which an Approved Project has been specified by the Capital Development Committee.

“*Approved Project*” means a capital construction project for State Institutions of higher education that are continuations of previously funded projects as specified by the Capital Development Committee pursuant to the Lease Purchase Act.

“*Attributable Certificates*” means the amount of outstanding Certificates that are attributable to a Participating Institution, calculated as follows: (i) a principal amount of the Outstanding Certificates determined by multiplying the principal amount of all the then Outstanding Certificates by a fraction, the numerator of which is the net proceeds of the Certificates received by the Participating Institution and the denominator of which is the total net proceeds of the Certificates remitted to all the applicable Participating Institutions; and (ii) which principal amount shall be allocated among the maturities of the Outstanding Certificates in proportion to the principal amount of each maturity of the Outstanding Certificates, rounded to the nearest \$5,000 in principal amount of each such maturity. Notwithstanding the preceding sentence, if any portion of the Certificates has been paid, redeemed or defeased with the proceeds of another Series of Certificates, in applying this definition, Outstanding Certificates of the portion of the other Series of Certificates the proceeds of which were used to pay, redeem or defease outstanding Certificates shall be substituted for the Certificates that were paid, redeemed or defeased. The rounding pursuant to clause (ii) of the first sentence of this definition and the substitution of Outstanding Certificates of another Series of Certificates pursuant to the immediately preceding sentence shall be accomplished in any reasonable manner selected by the State in its sole discretion.

“*Authorized Denominations*” means \$5,000 and any integral multiple thereof or as designated in a Supplemental Indenture, provided that no Certificate may be in a denomination which exceeds the principal coming due on any maturity date and no individual Certificate may be executed and delivered for more than one maturity.

“*Base Rent*” means (a) when used with respect to amounts payable by the State pursuant to the 2020 Lease, the payments by the State pursuant to the 2020 Lease for and in consideration of the right to use the Leased Property during the Lease Term of the 2020 Lease that are designated as Base Rent in the 2020 Lease; (b) when used with respect to amounts payable by the State pursuant to any other Lease, similar payments pursuant to such Lease for and in consideration of the right to use the Leased Property during the Lease Term of such Lease that are designated as Base Rent in such Lease; and (c) when used with respect to amounts payable by a Sublessee pursuant to a Sublease, the payments, if any, by the Sublessee pursuant to such Sublease for and in consideration of the right to use the Leased Property subleased pursuant to such Sublease during the Sublease Term of such Sublease that are designated as Base Rent in such Sublease.

“*Base Rent Payment Date*” means, when used with respect to Base Rent payable pursuant to a Lease or Sublease, one of the dates in the “Base Rent Payment Date” column in the Exhibit to such Lease or Sublease that includes the schedule for payment of Base Rent payable pursuant to such Lease or Sublease.

“*Bond Counsel*” means (a) as of the date of execution and delivery of the Series 2020 Certificates, Butler Snow LLP, and (b) as of any other date, Butler Snow LLP or such other attorneys selected by the State 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.

“*C.R.S.*” means Colorado Revised Statutes, as amended.

“*Capital Construction Fund*” means the fund created pursuant to Section 24-75-302(1)(a), C.R.S.

“*Capital Development Committee*” means the joint committee of the Senate and House of Representatives known as the Capital Development Committee established pursuant to Section 2-3-1302 C.R.S.

“*Certificate Fund*” means the special fund created by Section 3.01 of the Master Indenture.

“*Certificates*” means all the certificates executed and delivered pursuant to the Master Indenture.

“*Completion Certificate*” means a written certification by the State stating that the Completion Date for a Project has occurred and that no further moneys in the Project Account established for such Project are required to pay, or reimburse the State for the payment of, Costs of such Project.

“*Completion Date*” means the date a Project is completed based on the policies and procedures of the Office of the State Architect, and upon the receipt of the Completion Certificate.

“Costs” or “Costs of a Project” means, with respect to each Project, the costs of construction materials, supplies, contractor and professional services billings and personal services, and other costs directly related to the Project that are incurred prior to the Completion Date for such Project.

“Costs of Issuance” means costs incurred in connection with the preparation, negotiation, execution and delivery of any Site Lease, Lease or Sublease, the Indenture, the Certificates or any other document related thereto and due diligence, title and other non-construction costs incurred with respect to the Leased Property and the Projects prior to the last Completion Date for a Project that are financed with the proceeds of such Certificates, including, but not limited to, any fees and expenses of the Trustee, any fees and expenses of any underwriter or financial advisor that provides services in connection with the execution and delivery of any Certificates, costs of environmental assessments or reports and title insurance, legal fees and expenses, costs incurred in obtaining ratings from rating agencies, Certificate insurance premiums, costs of immediately available funds, costs of publication, printing and engraving, accountants’ fees and recording and filing fees.

“Costs of Issuance Account” means the account of the Project Fund created by and designated as such in Section 3.02(a) of the Master Indenture.

“Emergency Controlled Maintenance Account” means the account created pursuant to Section 24-75-302(3.2), C.R.S.

“Event of Default” means (a) when the term is used in the 2020 Lease or is used to refer to an event occurring under the 2020 Lease, an event described in Section 11.01 of the 2020 Lease; (b) when the term is used in a Sublease with respect to Leased Property subject to the 2020 Lease or is used to refer to an event occurring under such a Sublease, an event described in Section 11.01 of such Sublease; (c) when the term is used in a Site Lease with respect to Leased Property subject to the 2020 Lease or is used to refer to an event occurring under such Site Lease, an event described in Section 11.01 of such Site Lease; (d) when the term is used in any other Lease, Sublease or Site Lease or is used to refer to an event occurring under any other Lease or Sublease or the Site Lease, any event similar to an event described in clause (a), (b) or (c) of this definition; and (e) when the term is used in the Indenture, an Event of Default under the 2020 Lease or any other Lease.

“Event of Nonappropriation” means (a) when the term is used in the 2020 Lease or is used to refer to an event occurring under the 2020 Lease, an event described in Section 5.04(b) of the 2020 Lease; (b) when the term is used in a Sublease with respect to Leased Property subject to the 2020 Lease or is used to refer to an event occurring under such a Sublease, an event described in Section 5.04(b) of such Sublease; (c) when the term is used in any other Lease or Sublease or is used to refer to an event occurring under any other Lease or Sublease, any similar event; and (d) when the term is used in the Indenture, an Event of Nonappropriation under the 2020 Lease or any other Lease.

“Failure to Perform” is defined in Section 7.03 of the Master Indenture.

“*Fair Market Value*” means the price at which a willing seller would sell and a willing buyer would buy property in an arm’s length transaction. For purposes of certifications, representations and agreements under a Lease or a Sublease, the State or a Sublessee may assume that the certified replacement value of real property determined by the State Department of Personnel, Division of Risk Management, is the Fair Market Value of such real property.

“*Federal Securities*” means non-callable bills, certificates of indebtedness, notes or bonds which are direct obligations of, or the principal of and interest on which are unconditionally guaranteed by, the United States of America.

“*Fiscal Year*” means the State’s fiscal year, which begins on July 1 of each year and ends on June 30 of the following year.

“*Force Majeure*” means any event that is not within the control of the State, 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.

“*Glossary*” means this Glossary as it may be amended, supplemented or restated from time to time.

“*Governing Body*” means, (a) when used with respect to the University of Colorado, the Regents of the University of Colorado, a body corporate; (b) when used with respect to Colorado State University, the Board of Governors of the Colorado State University System acting by and through Colorado State University; (c) when used with respect to Fort Lewis College, the Board of Trustees for Fort Lewis College; and (d) when used with respect to any other Participating Institution, the legislative body of such Participating Institution.

“*Higher Education Lease Purchase Agreement*” means a lease purchase agreement entered into by the State as lessee pursuant to the Lease Purchase Act.

“*Indenture*” means, collectively, the Master Indenture and all Supplemental Indentures.

“*Initial Purchaser*” means the Person who initially purchases a Series of Certificates pursuant to a certificate purchase agreement or otherwise.

“*Initial Term*” means, with respect to each Lease and Sublease, the period commencing on the date the Lease or Sublease is executed and delivered (unless a different commencement date is specifically set forth in such Lease or Sublease) and ending on the following June 30.

“*Initial Value*” means (a) with respect to a Sublessee’s Leased Property that is subject to the 2020 Lease, the amount shown as the Initial Value of Leased Property for the Sublessee’s Leased Property in Exhibit B to the 2020 Lease; and (b) with respect to a Sublessee’s Leased Property that is subject to another Lease, the amount identified in such Lease or any exhibit thereto as the Initial Value of such Lease Property on the date such Lease is executed and delivered.

“Interest Payment Date” means (a) with respect to the Series 2020 Certificates, each March 1 and September 1 of each year, commencing on September 1, 2021; and (b) with respect to other Certificates, unless this definition is amended prior to the execution and delivery of such other Certificates, the same dates but commencing on the first March 1 or September 1 that is at least 75 days after the original dated date of such Certificates.

“Land” means (a) with respect to the land included in the Leased Property subject to the 2020 Lease, the land described in Exhibit A to the 2020 Lease, subject to the terms of the 2020 Lease relating to modifications and substitutions of Leased Property; (b) with respect to land included in a Sublessee’s Leased Property subject to the 2020 Lease, the land described in Exhibit A to such Sublease, subject to the terms of such Sublease relating to modifications and substitutions of Leased Property; (c) with respect to the land included in a Site Lessor’s Leased Property subject to the 2020 Lease, the land described in Exhibit A to such Site Lease, subject to the terms of such Site Lease relating to modifications and substitutions of Leased Property; and (d) with respect to the land included in the Leased Property subject to any other Lease, Sublease or Site Lease, the land described in the such Lease, Sublease or Site Lease on the date such Lease, Sublease or Site Lease is executed and delivered, subject to the terms of such Lease, Sublease or Site Lease relating to modifications and substitutions of Leased Property.

“Lease” means (a) when the term is used in a particular Higher Education Lease Purchase Agreement to refer to “this Lease,” the particular Higher Education Lease Purchase Agreement in which the term is used; and (b) when the term is preceded by the Series designation of the Lease, the Higher Education Lease Purchase Agreement with that Series designation.

“Lease Purchase Act” means Senate Bill 20-219, which has been codified as §24-82-803, C.R.S.

“Lease Revenues” means, (a) with respect to the 2020 Lease: (i) the Base Rent, (ii) the State’s Purchase Option Price, if paid (including any Net Proceeds applied to the payment of the State’s Purchase Option Price pursuant to a Lease), (iii) any portion of the proceeds of Certificates deposited with or by the Trustee in the Certificate Fund to pay accrued or capitalized interest on the Certificates, (iv) earnings on moneys on deposit in any fund, account or subaccount and all other revenues from the 2020 Lease, to the extent such earnings or revenues are deposited into a fund, account or subaccount that is part of the Trust Estate, and (v) any other moneys to which the Trustee may be entitled for the benefit of the Owners; and (b) with respect to other Leases, similar amounts with respect thereto.

“Lease Term” means the period of time during which a Lease is in force and effect, as set forth in Section 3.01 of the 2020 Lease and any similar provision of any other Lease.

“Leased Property” means (a) when the term is used in a particular Lease or to refer to property leased pursuant to a particular Lease, the Land and the buildings, structures and improvements now or hereafter located on such Land (including any fee interest, leasehold estate or other interest therein) that are leased by the Trustee to the State pursuant to such Lease, subject to the terms of such Lease relating to modifications and substitutions of Leased Property; (b) when the term is used in a particular Sublease, the Land and the buildings, structures and improvements now or hereafter located on such Land (including any fee interest, leasehold estate

or other interest therein) that are subleased by the State to the Sublessee pursuant to the Sublease, subject to the terms of such Sublease relating to modifications and substitutions of Leased Property; (c) when the term is used in a particular Site Lease, the Land and the buildings, structures and improvements located on such Land (including any fee interest, leasehold estate or other interest therein) that are leased by the Site Lessor to the Trustee pursuant to such Site Lease; (d) when the term is used together with a possessive reference to a particular Sublessee or Site Lessor, the Land and the buildings, structures and improvements now or hereafter located on such Land (including any fee interest, leasehold estate or other interest therein) leased to such Sublessee under a Sublease or leased by such Site Lessor under a Site Lease; and (e) when the term is used in other contexts, all the property (including any fee interest, leasehold estate or other interest therein and the Land and the building, structures and improvements now or hereafter located on such Land) leased by the Trustee to the State pursuant to all the Leases, subject to the terms of the Leases relating to modifications and substitutions of Leased Property.

“*Master Indenture*” means the State of Colorado Higher Education Lease Purchase Financing Program, Master Trust Indenture dated as of February 24, 2021 by the Trustee, as it may be supplemented and amended from time-to-time by a Supplemental Indenture or otherwise.

“*Net Proceeds*” means the gross proceeds received from any insurance, performance bond, condemnation award or contract or any source as a consequence of a Property Damage, Defect or Title Event minus any expenses incurred in connection with the collection of such gross proceeds.

“*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 executed under Section 2.05 or 2.06 of the Master Indenture;
- (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);
- (d) Certificates which are due and for which the Trustee holds funds for the benefit of the Owner thereof pursuant to Section 3.05 of the Master Indenture;
- (e) Certificates which are otherwise deemed discharged pursuant to Section 9.01 of the Master Indenture; and
- (f) Certificates held by the State.

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

“*Participating Institution*” means an Approved Institution the Project of which is being financed, in whole or in part, from proceeds of a Series of Certificates.

“*Participating Institution Representative*” means a Person identified as such in the Participating Institution’s Sublease.

“*Permitted Encumbrances*” means, as of any particular time, (a) liens for taxes and assessments not then delinquent, or liens which may remain unpaid pursuant to Section 7.02(b) of the 2020 Lease or any similar provision of any other Lease; (b) the Leases, the Indenture, the Subleases and the Site Leases; (c) easements, licenses, rights-of-way, rights and privileges, restrictions and exceptions which a State Representative certifies will not materially adversely affect the value, or interfere with or impair the effective use or operation, of the Leased Property, including easements granted pursuant to Section 7.03 of the 2020 Lease or any similar provision of any other Lease; (d) any financing statements filed with respect to the Trustee’s interest in the Leased Property, the Leases, the Subleases or the Site Leases; (e) any encumbrance represented by financing statements filed to perfect purchase money security interests in any portion of or all of the Leased Property; (f) any claim filed pursuant to § 38-26-107, C.R.S.; (g) any applicable zoning requirements; (h) such minor defects, irregularities, encumbrances and clouds on title as normally exist with respect to property of the general character of the Leased Property and as do not, as certified by the Sublessee that leased the Leased Property to the Trustee, materially impair title to the Leased Property; and (i) all other encumbrances appearing of record as of the date of execution and delivery of the 2020 Lease.

“*Permitted Investments*” means any investment which is a lawful investment permitted for the investment of funds of the State by the laws of the State under § 24-75-601.1, C.R.S. or any successor thereto.

“*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 (a) when the term is used to refer to a Project financed with the proceeds of a Series of Certificates, an Approved Project that is financed with the proceeds of such Series of Certificates; (b) when the term is used in a particular Lease, an Approved Project that is financed with proceeds of Certificates with the same Series designation as the Lease; (c) when the term is used together with a possessive reference to a Participating Institution, the Approved Project that is identified as the Project of such Participating Institution in a Lease, a Sublease, a Site Lease, the Indenture or other document; and (d) when the term is used in other contexts, all the Approved Projects financed with proceeds of Certificates.

“*Project Fund*” means the special fund created by Section 3.02 of the Master Indenture.

“*Project Account*” means an account of the Project Fund that is to be used to fund a particular Project.

“*Property Damage, Defect or Title Event*” means an event of the following events (a) any portion of the Leased Property is destroyed or damaged by fire or other casualty, (b) title to, or the temporary or permanent use of, any portion of the Leased Property or the estate of the State

or the Trustee in any portion of the Leased Property, is taken under the exercise of the power of eminent domain by any governmental body or by any Person acting under governmental authority, (c) a breach of warranty or any material defect with respect to any portion of the Leased Property becomes apparent or (d) title to or the use of any portion of the Leased Property is lost by reason of a defect in the title thereto.

“Proportionate Share” means (a) when the term is used to refer to a Participating Institution’s share of an amount payable (or another amount to be allocated among Participating Institutions) pursuant to a particular Lease, the share determined by multiplying the total amount by a fraction, the numerator of which is the costs of the Participating Institution’s Project financed with the proceeds of Certificates or Allocated Investment Earnings from Project Accounts with the same Series designation as such Lease and the denominator of which is sum of the costs all Participating Institutions’ Projects financed with the proceeds of Certificates or Allocated Investment Earnings from Project Accounts with the same Series designation as such Lease; and (b) when the term is used to refer to a Participating Institution’s share of the sum of all amounts payable (or all other amounts to be allocated among Participating Institutions) pursuant to all the Leases for a particular category of cost or expense (or for a particular purpose), the share determined by multiplying the sum of all such amounts by a fraction, the numerator of which is the costs of the Participating Institution’s Project financed with the proceeds of Certificates and Allocated Investment Earnings and the denominator of which is sum of the costs all Participating Institutions’ Projects financed with the proceeds of all Certificates and Allocated Investment Earnings.

“Rating Agency” means S&P, but only if S&P then maintains a rating on any Outstanding Certificates at the request of the State, and Moody’s, but only if Moody’s then maintains a rating on any Outstanding Certificates at the request of the State.

“Rebate Fund” means the special fund created by Section 3.04 of the Master Indenture.

“Record Date” means, (a) with respect to each Interest Payment Date that occurs on the first day of a calendar month, the fifteenth day of the immediately preceding calendar month (whether or not a Business Day); and (b) with respect to each Interest Payment Date that occurs a day other than the first day of a calendar month, the first day of the month (whether or not a Business Day) in which the Interest Payment Date occurs.

“Renewal Term” means, with respect to each Lease and Sublease, each twelve-month period, commencing on July 1 of each year and ending on June 30 of such year, for which the State renews a Lease Term or a Sublessee renews a Sublease after the Initial Term of such Lease or Sublease.

“Rent” means Base Rent and Additional Rent, collectively.

“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.

“*Scheduled Lease Term*” means the period that begins on the first day of the Initial Term of a Lease and ends on (a) in the case of the 2020 Lease, the date described in Section 3.01(b)(i) of the 2020 Lease and (b) in the case of any other Lease, the date described in any similar provisions of that Lease.

“*Scheduled Site Lease Term*” means the period that begins on the first day of the Site Lease Term of a Site Lease and ends on (a) in the case of a Site Lease pursuant to which Leased Property is leased to the Trustee that is leased by the State pursuant to the 2020 Lease, the date described in Section 3.01(a)(i) of such Site Lease and (b) in the case of any other Site Lease, the date described in any similar provision of that Site Lease.

“*Scheduled Sublease Term*” means the period that begins on the first day of the Initial Term of a Sublease and ends on (a) in the case of Subleases with respect to the Leased Property subject to the 2020 Lease, the date described in Section 3.01(b)(i) of such Sublease and (b) with respect to any other Sublease, the date described in any similar provisions of that Sublease.

“*Series*” means, when used to refer to Certificates, the Series 2020 Certificates or any series of Certificates authorized by and identified as such in any Supplemental Indenture; when used to refer to a Lease, the 2020 Lease or any other Lease identified by a series designation.

“*Series 2020 Supplemental Indenture*” means the State of Colorado Higher Education Lease Purchase Financing Program, Series 2020 Supplemental Trust Indenture dated as of February 24, 2021 by the Trustee.

“*Site Lease*” means a lease pursuant to which a Sublessee has leased the Leased Property to the Trustee. When the term is preceded by a possessive, it means the Site Lease pursuant to which the particular Participating Institution has leased the applicable Leased Property to the Trustee.

“*Site Lease Term*” means the period of time during which a Site Lease is in force and effect as set forth in Section 3.01 of each of the Site Leases with respect to the Leased Property that is subject to the 2020 Lease and any similar provision of any other Site Lease.

“*Site Lessor*” means a Participating Institution that has leased the Leased Property to the Trustee pursuant to a Site Lease in its capacity as lessor under such Site 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 Section 2.02(c) of the Master Indenture.

“*State*” means (a) when used with respect to a party to a Lease, a Sublease or a related document, the State of Colorado, acting by and through the State Treasurer; and (b) when used in any other context, the State of Colorado.

“*State Representative*” means the (a) the State Treasurer; (b) the Deputy State Treasurer; or (c) any other officer or employee of the State authorized by law or by a writing signed by the State Treasurer to act as a State Representative under the Leases, the Indenture, the Subleases and the Site Leases.

“*State’s Purchase Option Price*” means (a) when the term is used to refer to the State’s Purchase Option Price under the 2020 Lease, the amount that the State must pay to purchase the interest of the Trustee in all the Leased Property subject to the 2020 Lease pursuant to Section 8.01 of the 2020 Lease or a portion of the Leased Property subject to the 2020 Lease pursuant to Section 8.02 of the 2020 Lease; and (b) when the term is used to refer to the State’s Purchase Option Price under any other Lease, the amount that the State must pay to purchase the interest of the Trustee all the Leased Property subject to such Lease or a portion of the Leased Property subject to such Lease, as applicable, pursuant to any similar provision(s) of that Lease.

“*Sublease*” means a sublease pursuant to which a Sublessee subleases its Leased Property from the State.

“*Sublease Term*” means the period of time during which a Sublease is in force and effect as set forth in Section 3.01 of each of the Subleases with respect to the Leased Property that is subject to the 2020 Lease and any similar provision of any other Sublease.

“*Sublessee*” means (a) when the term is used in a particular Lease, a Sublessee that has leased Leased Property to the Trustee in connection with the execution and delivery of Certificates with the same Series designation as the Lease; (b) when the term is used in a particular Sublease, the Sublessee that is subleasing the Leased Property subject to the Sublease from the State pursuant to the Sublease; and (c) when the term is used in the Indenture or another document, any Sublessee that has leased Leased Property to the Trustee in connection with the execution and delivery of Certificates.

“*Sublessee’s Purchase Option Price*” means (a) when the term is used to refer to the Sublessee’s Purchase Option Price under any Sublease with respect to Leased Property subject to the 2020 Lease, the amount that the Sublessee must pay to purchase the interest of the Trustee in all the Leased Property subject to such Sublease following an Event of Default or Event of Nonappropriation under the 2020 Lease pursuant to Section 8.01 of such Sublessee’s Sublease and the termination of the 2020 Lease as a result thereof; and (b) when the term is used to refer to the Sublessee’s Purchase Option Price under any Sublease with respect to Leased Property subject to any other Lease, the amount that the Sublessee must pay to purchase the interest of the Trustee in all the Leased Property subject to such Sublease following an Event of Default or Event of Nonappropriation under such Lease pursuant to any similar provision of that Sublease.

“*Supplemental Indenture*” means any indenture supplementing or amending the Indenture that is adopted pursuant to Article VIII of the Master Indenture.

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

“*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 Section 1.01 of the Master Indenture. The Trust Estate does not include the Project Fund, the State Expense Fund, the Rebate Fund or any defeasance escrow account established pursuant to Section 9.01 of the Master Indenture.

“*Trustee*” means Zions Bancorporation, National Association, acting in the capacity of trustee pursuant to the Indenture, and any successor thereto appointed under the Indenture.

“*Trustee Representative*” means any officer of the Trustee; and any other person or persons designated to act on behalf of the Trustee under the Leases, the Indenture, the Subleases and the Site Leases by a written certificate furnished to the State Treasurer 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 State Treasurer.

“*2020 Lease*” means the State of Colorado Higher Education Lease Purchase Financing Program Lease Purchase Agreement Series 2020, dated as of February 24, 2021 between the Trustee and the State.

“*2020 Leased Property*” means the Leased Property subject to the 2020 Lease.

“*2020 Participating Institutions*” means the Participating Institutions for which Projects are financed with proceeds of the Series 2020 Certificates.

“*2020 Project Accounts*” means the Project Accounts into which proceeds of the Series 2020 Certificates are deposited.

“*2020 Projects*” means the Projects financed with proceeds of the Series 2020 Certificates.

“*2020 Site Leases*” means, collectively, the Site Leases between the Trustee and the 2020 Participating Institutions as Site Lessors.

“*2020 Subleases*” means, collectively, the Subleases between the State and the 2020 Participating Institutions as Sublessees.

(THIS PAGE INTENTIONALLY LEFT BLANK)

After recording return to
Sarah P. Tasker
Butler Snow LLP
1801 California Street, Suite 5100
Denver, Colorado 80202

STATE OF COLORADO
HIGHER EDUCATION
LEASE PURCHASE FINANCING PROGRAM
SUPPLEMENTAL TRUST INDENTURE
SERIES 2020

by

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
as Trustee

authorizing

State of Colorado
Higher Education
Lease Purchase Financing Program
Certificates of Participation
Series 2020

Dated as of February 24, 2021

TABLE OF CONTENTS

Page

ARTICLE I AUTHORIZATION AND TERMS OF SERIES 2020 CERTIFICATES; PROJECT ACCOUNTS

Section 1.01.	Authorization and Name	1
Section 1.02.	Principal Amounts, Dated Dates, Maturity Dates and Interest	1
Section 1.03.	Extraordinary Redemption	2
Section 1.04.	[Reserved]	3
Section 1.05.	Optional Redemption	3
Section 1.06.	Form of Certificates	4
Section 1.07.	Project Accounts	4

ARTICLE II CERTIFICATIONS, REPRESENTATIONS AND AGREEMENTS OF TRUSTEE

ARTICLE III MISCELLANEOUS

Section 3.01.	Titles, Headings, Etc	4
Section 3.02.	Interpretation and Construction	4
Section 3.03.	Execution in Counterparts	5
Section 3.04.	Incorporation of Certain Miscellaneous Provisions of Master Indenture	5
APPENDIX A	FORM OF SERIES 2020 CERTIFICATE	

**STATE OF COLORADO
HIGHER EDUCATION
LEASE PURCHASE FINANCING PROGRAM
SUPPLEMENTAL TRUST INDENTURE
SERIES 2020**

This State of Colorado Higher Education Lease Purchase Financing Program Supplemental Trust Indenture Series 2020 (this “Series 2020 Supplemental Indenture”) is dated as of February 24, 2021, and is executed and delivered by Zions Bancorporation, National Association, a national banking association duly organized and validly existing under the laws of the United States, as trustee for the benefit of the Owners of the Certificates (the “Trustee”).

Capitalized terms used but not defined herein have the meanings assigned to them in the Glossary attached to the State of Colorado Higher Education Lease Purchase Financing Program Master Trust Indenture dated as of February 24, 2021, as such Glossary is amended, supplemented and restated from time to time.

RECITALS

The Master Indenture has been executed and delivered to provide for the issuance and payment of and security for Certificates. This Series 2020 Supplemental Indenture is a Supplemental Indenture and is being executed to provide additional terms applicable to the Series 2020 Certificates.

AGREEMENT

The Trustee hereby declares for the benefit of the Owners as follows:

**ARTICLE I
AUTHORIZATION AND TERMS OF SERIES 2020 CERTIFICATES;
PROJECT ACCOUNTS**

Section 1.01. Authorization and Name. The following Series 2020 Certificates shall be executed and delivered pursuant to this Series 2020 Supplemental Indenture: State of Colorado, Higher Education Lease Purchase Financing Program, Certificates of Participation, Series 2020 in the aggregate principal amount of \$64,250,000.

Section 1.02. Principal Amounts, Dated Dates, Maturity Dates and Interest.

(a) The aggregate principal amount of the Series 2020 Certificates shall be \$64,250,000.

(b) The Series 2020 Certificates executed and delivered on the date the Series 2020 Certificates are first executed and delivered, shall be dated the date they are originally executed and delivered and shall bear interest from such date. Any Series 2020 Certificate executed and delivered upon transfer and exchange of another Series 2020 Certificate shall be dated as of its date of authentication and shall bear interest from the Interest Payment Date next preceding its date of authentication, unless the date of

authentication is an Interest Payment Date in which case such Series 2020 Certificate shall bear interest from such Interest Payment Date or unless the date of authentication precedes the first Interest Payment Date in which case such Series 2020 Certificate shall bear interest from its the date the Series 2020 Certificates are first executed and delivered.

(c) Interest on the Series 2020 Certificates shall be calculated based on a 360-day year consisting of twelve 30-day months.

(d) The Series 2020 Certificates shall mature on the dates and in the principal amounts, and shall bear interest at the per annum rates, set forth below:

Maturity Date (September 1)	Principal Amount	Interest Rate
2022	\$1,975,000	5.000%
2023	2,085,000	5.000
2024	2,190,000	5.000
2025	2,305,000	5.000
2026	2,420,000	5.000
2027	2,545,000	5.000
2028	2,675,000	5.000
2029	2,815,000	5.000
2030	2,955,000	5.000
2031	3,110,000	5.000
2032	3,250,000	4.000
2033	3,385,000	4.000
2034	3,520,000	4.000
2035	3,665,000	4.000
2036	3,815,000	4.000
2037	3,970,000	4.000
2038	4,135,000	4.000
2039	4,300,000	4.000
2040	4,475,000	4.000
2041	4,660,000	4.000

Section 1.03. Extraordinary Redemption.

(a) The Series 2020 Certificates shall be called for redemption in whole, at a redemption price determined pursuant to subsection (b) of this Section, on any date, upon the termination of the 2020 Lease due to the occurrence of an Event of Nonappropriation or an Event of Default under the 2020 Lease.

(b) The redemption price for any redemption pursuant to this Section shall be the lesser of (i) the principal amount of the Series 2020 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 2020 Lease and (B) the other amounts available in the Trust Estate for payment of the redemption price of the Series 2020 Certificates and all other Certificates that are subject to redemption upon the termination of the 2020 Lease due to the occurrence of an Event of Nonappropriation or Event of Default thereunder, which amounts shall be allocated among the Series 2020 Certificates and all other Certificates that are subject to extraordinary redemption upon the termination of the 2020 Lease due to the occurrence of an Event of Nonappropriation or Event of Default thereunder, in proportion to the principal amount of each such Certificate. **The payment of the redemption price of any Series 2020 Certificate pursuant to this Section and any similar provision of any other Supplemental Indenture shall be deemed to be the payment in full of such Series 2020 Certificate and no Owner of any Series 2020 Certificate redeemed pursuant to this Section or any similar provision of any other Supplemental Indenture shall have any right to any payment from the Trustee or the State in excess of such redemption price.**

(c) In addition to any other notice required to be given under the Indenture, the Trustee shall, immediately upon obtaining knowledge of the termination of the 2020 Lease upon the occurrence of an Event of Nonappropriation or an Event of Default thereunder, notify the Owners of the Series 2020 Certificates and all other Certificates that are subject to redemption upon the termination of the 2020 Lease upon the occurrence of an Event of Nonappropriation or Event of Default thereunder, (i) that such event has occurred and the 2020 Lease has been terminated, 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 or any similar provision of any other Supplemental Indenture. 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 possible. 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) immediately 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 2020 Lease and (B) subject to the applicable provisions of the Indenture, immediately begin to exercise and shall diligently pursue all remedies available to it under the 2020 Lease in connection with such Event of Nonappropriation or Event of Default. The remainder of the redemption price, if any, shall be paid to the Owners of the Certificates subject to redemption if and when funds become available to the Trustee from the exercise of such remedies.

Section 1.04. [Reserved].

Section 1.05. Optional Redemption. The Series 2020 Certificates maturing on and after September 1, 2032, are subject to redemption at the option of the State, in whole or in part and if in part in Authorized Denominations from the remaining maturities bearing interest at the same interest rate designated by the State, and by lot within any remaining maturity bearing interest at the same interest rate designated for redemption, on any date on and after September 1, 2031, at a redemption price equal to the principal amount of the Series 2020 Certificates to be redeemed (with no premium), plus accrued interest to the redemption date.

Section 1.06. Form of Certificates. The Series 2020 Certificates shall be in substantially the form set forth in Appendix A hereto, with such changes thereto not inconsistent with the Indenture, as may be necessary or desirable and approved by the State. Although attached as an appendix for the convenience of the reader, Appendix A is an integral part of this Series 2020 Supplemental Indenture and is incorporated herein as if set forth in full in the body hereof.

Section 1.07. Project Accounts. Proceeds from the sale of the Series 2020 Certificates shall be deposited into the following Project Accounts:

(a) \$21,859,241 shall be deposited in the “University of Colorado, Series 2020 Certificates, Project Account” hereby created within the Project Fund, to be applied to pay or reimburse Costs of the Project for the University of Colorado in accordance with the Master Indenture. No Allocated Investment Earnings shall be deposited to such Project Account.

(b) \$17,051,200 shall be deposited in the “Colorado State University, Series 2020 Certificates, Project Account” hereby created within the Project Fund, to be applied to pay or reimburse Costs of the Project for Colorado State University in accordance with the Master Indenture. No Allocated Investment Earnings shall be deposited to such Project Account.

(c) \$26,571,891 shall be deposited in the “Fort Lewis College, Series 2020 Certificates, Project Account” hereby created within the Project Fund, to be applied to pay Costs of the Project for Fort Lewis College in accordance with the Master Indenture. No Allocated Investment Earnings shall be deposited to such Project Account.

ARTICLE II CERTIFICATIONS, REPRESENTATIONS AND AGREEMENTS OF TRUSTEE

The Trustee hereby certifies, represents and agrees that all the certifications, representations and agreements of the Trustee set forth in Section 6.01 of the Master Indenture are true and accurate and makes the same certifications, representations and agreements under this Series 2020 Supplemental Indenture as if set forth in full herein.

ARTICLE III MISCELLANEOUS

Section 3.01. Titles, Headings, Etc. The titles and headings of the articles, sections and subdivisions of this Series 2020 Supplemental 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 3.02. Interpretation and Construction. This Series 2020 Supplemental Indenture and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Series 2020 Supplemental Indenture. For purposes of this Series 2020 Supplemental Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(a) All references in this Series 2020 Supplemental Indenture to designated “Articles,” “Sections,” “subsections,” “paragraphs,” “clauses” and other subdivisions are to the designated Articles, Sections, subsections, paragraphs, clauses and other subdivisions of this Series 2020 Supplemental Indenture. The words “herein,” “hereof,” “hereto,” “hereby,” “hereunder” and other words of similar import refer to this Series 2020 Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision.

(b) The terms defined in the Glossary have the meanings assigned to them in and include the plural as well as the singular.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as in effect from time to time.

(d) The term “money” includes any cash, check, deposit, investment security or other funds in which any of the foregoing are held hereunder.

(e) In the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding.”

Section 3.03. Execution in Counterparts. This Series 2020 Supplemental Indenture 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 3.04. Incorporation of Certain Miscellaneous Provisions of Master Indenture. The provisions of Sections 9.02, 9.03, 9.04, 9.05, 9.06, 9.09, 9.10, 9.11, 9.13 and 9.14 of the Master Indenture (a) apply to the Master Indenture as supplemented by this Series 2020 Supplemental Indenture and to the Master Indenture and this Series 2020 Supplemental Indenture as they may be supplemented or amended by Supplemental Indenture or otherwise in the future and (b) are incorporated herein by this reference as if set forth in full herein.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Trustee has executed this Series 2020 Supplemental Indenture as of the date first above written.

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, as Trustee

By _____
Authorized Signatory

[Signature Page to Series 2020 Supplemental Indenture]

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

The foregoing instrument was acknowledged before me this ____ day of _____, 2021,
 by Stephanie Nicholls as an authorized signatory of Zions Bancorporation, National Association.

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

[SEAL]

 Notary Public

APPENDIX A

FORM OF SERIES 2020 CERTIFICATE

No. R- _____

\$ _____

**STATE OF COLORADO
HIGHER EDUCATION
LEASE PURCHASE FINANCING PROGRAM
CERTIFICATES OF PARTICIPATION
SERIES 2020**

Interest Rate	Maturity Date	Original Dated Date	CUSIP
_____ %	September 1, 20__	February 24, 2021	

REGISTERED OWNER: ****CEDE & CO.****
Tax Identification Number: _____

PRINCIPAL SUM: **** _____ DOLLARS****

THIS CERTIFIES THAT the registered owner specified above, or registered assigns, has an undivided interest in rights to receive certain revenues payable by the State of Colorado (the “State”) under the State of Colorado, Higher Education Lease Purchase Financing Program Lease Purchase Agreement, Series 2020, dated as of February 24, 2021 (the “2020 Lease”), by and between Zions Bancorporation, National Association, Denver, Colorado (which bank, under the Indenture, defined below, is referred to as the “Trustee”), as lessor, and the State, acting by and through the State Treasurer, as lessee. The interest of the registered owner of this certificate is secured as provided in the State of Colorado Higher Education Lease Purchase Financing Program Master Trust Indenture (the “Master Indenture”), as supplemented by the State of Colorado Higher Education Lease Purchase Financing Program Supplemental Indenture Series 2020 (the “Series 2020 Supplemental Indenture” and, together with the Master Indenture, the “Indenture”), each dated as of February 24, 2021, by the Trustee, pursuant to which certain rights of the Trustee as lessor under the 2020 Lease and certain rights of the Trustee in the property leased to the State pursuant to the 2020 Lease (as described in the 2020 Lease, the “2020 Leased Property”) have been placed in trust for the benefit of the registered owners (the “Owners”) of the State of Colorado, Higher Education Lease Purchase Financing Program, Certificates of Participation, Series 2020 (the “Series 2020 Certificates”) and any additional Series of Certificates issued pursuant to the Indenture (together with the Series 2020 Certificates, the “Certificates”) evidencing undivided interests in the right to receive revenues payable by State under the 2020 Lease. Capitalized terms used but not defined herein have the meaning assigned to them in the Glossary attached to the Master Indenture.

This Certificate bears interest, matures, is payable, is subject to redemption, and is transferable as provided in the Indenture.

Payment of Principal and Interest

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 thereof and upon presentation and surrender at the offices of the Trustee, the address of which is set forth in the Indenture. 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 ten 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.

No provision of the Certificates, the Indenture, the 2020 Lease, the 2020 Site Leases or the 2020 Subleases shall be construed or interpreted (a) to directly or indirectly obligate the State 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 State 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 State; (d) as a loan or pledge of the credit or faith of the State or as creating any responsibility by the State 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 State to, or in aid of, any person, company or corporation within the meaning of Article XI, Section 2 of the Colorado Constitution.

Base Rent and Additional Rent; Termination of Lease

Under the 2020 Lease, the Leased Property has been leased by the Trustee to the State; and the State has agreed, subject to the terms of the 2020 Lease, to pay directly to the Trustee Base Rent in consideration for its right to use the Leased Property, which Base Rent is part of the Trust Estate. In addition to the Base Rent, the State has agreed, subject to the terms of the 2020 Lease, to make certain other payments as Additional Rent with respect to costs and expenses incurred by the State in performing its obligations under the 2020 Lease other than its obligations with respect to Base Rent and the State's Purchase Option Price.

The Lease Term of the 2020 Lease is comprised of the Initial Term commencing on the date the 2020 Lease is executed and delivered and ending on June 30 of that Fiscal Year and successive one year Renewal Terms, subject to the provisions described below. The Lease Term of the 2020 Lease shall expire upon the earliest of any of the following events: (a) the last day of

the month in which the final Base Rent payment is scheduled to be paid in accordance with the 2020 Lease; (b) June 30 of the Initial Term or June 30 of any Renewal Term during which, in either case, an Event of Nonappropriation has occurred (provided that the Lease Term shall not be deemed to have been terminated if the Event of Nonappropriation is cured as provided in the 2020 Lease); (c) the conveyance of all of the Trustee's leasehold interest in the Leased Property to the State pursuant to the 2020 Lease; or (d) termination of the 2020 Lease following an Event of Default in accordance the 2020 Lease.

Upon termination of the Lease Term, all unaccrued obligations of the State under the 2020 Lease shall terminate, but all obligations of the State that have accrued thereunder prior to such termination shall continue until they are discharged in full; and if the termination occurs because of the occurrence of an Event of Nonappropriation or an Event of Default, the State's right to possession of the Leased Property thereunder shall terminate and (i) the State is required, within 90 days, to vacate the Leased Property; and (ii) if and to the extent the Colorado General Assembly has appropriated funds for payment of Rent payable during, or with respect to the State'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 State is required to pay Base Rent to the Trustee and Additional Rent to the Person entitled thereto. If the termination occurs because of the occurrence of an Event of Nonappropriation or an Event of Default, the Trustee will be entitled to exercise certain remedies with respect to the Leased Property.

Redemption of Series 2020 Certificates

The Series 2020 Certificates are subject to optional redemption, mandatory sinking fund redemption and extraordinary redemption in accordance with the terms and provisions set forth in the Series 2020 Supplemental Indenture.

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, at least 30 days, but not more than 60 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 that in the event that the Certificates to be redeemed are registered in the name of a securities depository, such notice may, in the alternative, be given by electronic means in accordance with the requirements of the securities depository. Failure to give such notice as required herein, 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 this Section 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 redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Supplements to Indenture

The Indenture permits supplements to the Indenture by the Trustee 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 Trustee to execute supplements to the Indenture without the consent of the Owners of the Certificates for certain purposes, including, without limitation, the execution and delivery of additional Series of Certificates.

Amendments of 2020 Lease, Site Leases

The Indenture permits amendments to the 2020 Lease or 2020 Site Leases 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 Indenture. The Indenture also contains provisions permitting amendments to the 2020 Lease or 2020 Site Leases without the consent of the Owners of the Certificates for certain purposes, including without limitation, the execution and delivery of additional Series of Certificates.

Additional Certificates

The Master Indenture permits the execution and delivery of Series of Certificates in addition to the Series 2020 Certificates secured by the Trust Estate on parity with the Series 2020 Certificates, without notice to or approval of the owners of the Outstanding Series 2020 Certificates, as directed by the State and upon satisfaction of certain conditions, all as provided in the Master Indenture. If any Certificates in addition to the Series 2020 Certificates are executed and delivered, the 2020 Lease must be amended to include as Leased Property thereunder such additional Leased Property, if any, as may be leased by the State in connection with the execution and delivery of such additional Series Certificates.

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.

[Remainder of page intentionally left blank]

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.

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, 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: _____

NOTICE: 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.

Signature Guaranteed by a Member of a Medallion Signature Program:

Address of transferee:

Social Security or other tax identification number of transferee:

(THIS PAGE INTENTIONALLY LEFT BLANK)

After recording return to
Sarah P. Tasker
Butler Snow LLP
1801 California Street, Suite 5100
Denver, Colorado 80202

STATE OF COLORADO
HIGHER EDUCATION
LEASE PURCHASE FINANCING PROGRAM
LEASE PURCHASE AGREEMENT
SERIES 2020
by and between

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
solely in its capacity as Trustee under the Indenture identified herein,
as lessor

and

STATE OF COLORADO,
acting by and through the State Treasurer,
as lessee

Dated as of February 24, 2021

(THIS PAGE INTENTIONALLY LEFT BLANK)

TABLE OF CONTENTS

Page

**ARTICLE I
CERTIFICATIONS, REPRESENTATIONS AND AGREEMENTS**

Section 1.01.	Representations, Covenants and Warranties by Trustee.....	5
Section 1.02.	Certifications, Representations and Agreements by State.....	5

**ARTICLE II
DEMISING CLAUSE; ENJOYMENT OF LEASED PROPERTY**

Section 2.01.	Demising Clause.....	7
Section 2.02.	Enjoyment of Leased Property.....	7

**ARTICLE III
LEASE TERM; TERMINATION OF LEASE**

Section 3.01.	Lease Term.....	7
Section 3.02.	Effect of Termination of Lease Term.....	8

**ARTICLE IV
COSTS OF THE PROJECTS**

**ARTICLE V
RENT; EVENT OF NONAPPROPRIATION**

Section 5.01.	Base Rent.....	8
Section 5.02.	Additional Rent.....	9
Section 5.03.	Unconditional Obligation.....	9
Section 5.04.	Event of Nonappropriation.....	9
Section 5.05.	Limitations on Obligations of the State.....	11

**ARTICLE VI
OPERATION, MAINTENANCE AND INSURANCE OF LEASED PROPERTY**

Section 6.01.	Taxes, Utilities and Insurance.....	12
Section 6.02.	Maintenance and Operation of Leased Property.....	13

**ARTICLE VII
TITLE TO LEASED PROPERTY; ENCUMBRANCES, EASEMENTS,
MODIFICATIONS, SUBSTITUTION, DAMAGE, PERSONAL PROPERTY**

Section 7.01.	Title to Leased Property.....	13
Section 7.02.	Limitations on Disposition of and Encumbrances on Leased Property.....	13
Section 7.03.	Granting of Easements.....	14
Section 7.04.	Subleasing and Other Grants of Use.....	14
Section 7.05.	Modification of Leased Property.....	15
Section 7.06.	Substitution of Other Property for Leased Property.....	15

Section 7.07.	Property Damage, Defect or Title Event.....	16
Section 7.08.	Personal Property of Sublessee.....	17

**ARTICLE VIII
STATE’S PURCHASE OPTIONS;
CONVEYANCE TO STATE AT END OF LEASE TERM;
SUBLESSEES’ PURCHASE OPTIONS**

Section 8.01.	State’s Purchase Options.....	17
Section 8.02.	State’s Option to Purchase Affected Leased Property Following Property Damage, Defect or Title Event.	18
Section 8.03.	Conveyance of Trustee’s Interest in all or a portion of the Leased Property	19
Section 8.04.	Conveyance of Trustee’s Interest in the Leased Property to State at End of Scheduled Lease Term.....	19
Section 8.05.	Sublessees’ Purchase Options.....	20
Section 8.06.	Release of Portions of the Leased Property	20

**ARTICLE IX
GENERAL COVENANTS**

Section 9.01.	Further Assurances and Corrective Instruments	21
Section 9.02.	Compliance with Requirements of Law	21
Section 9.03.	Participation in Legal Actions.	21
Section 9.04.	Tax Covenant of the State.....	22
Section 9.05.	Continuing Disclosure Covenant	22
Section 9.06.	Payment of Fees and Expenses of the Trustee.....	23
Section 9.07.	Payments to Rebate Fund; Rebate Calculations	23
Section 9.08.	Investment of Funds.....	23

**ARTICLE X
LIMITS ON OBLIGATIONS OF TRUSTEE**

Section 10.01.	Disclaimer of Warranties	23
Section 10.02.	Financial Obligations of Trustee Limited to Trust Estate.....	23

**ARTICLE XI
EVENTS OF DEFAULT AND REMEDIES**

Section 11.01.	Events of Default Defined.	24
Section 11.02.	Remedies on Default.....	25
Section 11.03.	Limitations on Remedies	25
Section 11.04.	No Remedy Exclusive.....	25
Section 11.05.	Waivers.	26

**ARTICLE XII
TRANSFERS OF INTERESTS IN LEASE OR LEASED PROPERTY**

Section 12.01.	Trustee’s Rights, Title and Interest in Trust for Benefit of Owners; Successor Trustee; Assignment by Trustee	26
Section 12.02.	Transfer of the State’s Interest in Lease and Leased Property Prohibited.....	26

**ARTICLE XIII
MISCELLANEOUS**

Section 13.01.	Binding Effect.....	27
Section 13.02.	Interpretation and Construction	27
Section 13.03.	Acknowledgement of Indenture.....	27
Section 13.04.	Trustee, State and Participating Institution Representatives.....	27
Section 13.05.	Manner of Giving Notices	28
Section 13.06.	No Individual Liability	28
Section 13.07.	Amendments, Changes and Modifications	28
Section 13.08.	Events Occurring on Days that are not Business Days.....	29
Section 13.09.	Legal Description of Land Included in Leased Property; Initial Value of Lease Property of each Sublessee.....	29
Section 13.10.	Merger.....	29
Section 13.11.	Severability	29
Section 13.12.	Captions	29
Section 13.13.	Applicable Law	29
Section 13.14.	State Controller’s Approval	30
Section 13.15.	Non-Discrimination	30
Section 13.16.	Vendor Offset.....	30
Section 13.17.	Employee Financial Interest	30
Section 13.18.	Execution in Counterparts.....	30

EXHIBIT A	LEGAL DESCRIPTION OF LEASED PROPERTY
EXHIBIT B	INITIAL VALUE OF LEASED PROPERTY
EXHIBIT C	BASE RENT PAYMENT SCHEDULE
EXHIBIT D	AMORTIZATION AND RELEASE SCHEDULE
EXHIBIT E	FORM OF RELEASE

**STATE OF COLORADO
HIGHER EDUCATION
LEASE PURCHASE FINANCING PROGRAM
LEASE PURCHASE AGREEMENT
SERIES 2020**

This State of Colorado Higher Education Lease Purchase Financing Program, Lease Purchase Agreement Series 2020 (this “Lease”) is dated as of February 24, 2021 and is entered into by and between Zions Bancorporation, National Association, 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 (the “Trustee”), as lessor, and the State of Colorado, acting by and through the State Treasurer (the “State”), as lessee.

Capitalized terms used but not defined in this Lease have the meanings assigned to them in the Glossary attached to the State of Colorado Higher Education Lease Purchase Financing Program Master Trust Indenture dated as of February 24, 2021, as such Glossary may be amended, supplemented and restated from time to time.

RECITALS

A. The State is authorized by the Lease Purchase Act to execute a Higher Education Lease Purchase Agreement with a commercial bank as trustee to finance Approved Projects for Approved Institutions.

B. The State and the Governing Boards of the Participating Institutions are authorized pursuant to the Lease Purchase Act to enter into ancillary agreements and instruments that are necessary or appropriate in connection with a Higher Education Lease Purchase Agreement, including, but not limited to, deeds, ground leases, subleases, easements or other instruments relating to the real property on which the facilities are located.

C. Each Participating Institution is an Approved Institution with an Approved Project. Each Participating Institution that is a Sublessee has leased its Leased Property to the Trustee in its capacity as trustee under the Indenture pursuant to a Site Lease. The State will lease the Leased Property from the Trustee in its capacity as trustee under the Indenture pursuant to this Lease. Each Sublessee will sublease its Leased Property from the State pursuant to a Sublease.

D. Certificates will be issued pursuant to the Indenture. Proceeds of the Certificates will be used pursuant to the terms of the Indenture to finance all or a portion of the Costs of the Project for each Participating Institution. The first Series of Certificates issued pursuant to the Indenture are the Series 2020 Certificates.

AGREEMENT

For and in consideration of the mutual covenants and the representations, covenants and warranties herein contained, the parties hereto hereby agree as follows:

ARTICLE I
CERTIFICATIONS, REPRESENTATIONS AND AGREEMENTS

Section 1.01. Representations, Covenants and Warranties by Trustee. The Trustee hereby certifies, represents and agrees that all the certifications, representations and agreements of the Trustee set forth in Section 6.01 of the Master Indenture are true and accurate and makes the same certifications, representations and agreements under this Lease as if set forth in full herein.

Section 1.02. Certifications, Representations and Agreements by State. The State certifies, represents and agrees that:

(a) Each Participating Institution is an Approved Institution. Each of the Projects of the Participating Institutions to be financed with proceeds of the Series 2020 Certificates is an Approved Project. This Lease is a Higher Education Lease Purchase Agreement.

(b) The financing pursuant to this Lease and the Series 2020 Certificates complies with the applicable provisions of the Lease Purchase Act with respect to the maximum amount of principal to be raised through a Higher Education Lease Purchase Agreement. The anticipated total State-funded payments for principal and interest components of amounts payable under this Lease does not exceed \$5,500,000, with principal amortization not occurring before July 1, 2022.

(c) The maximum amount of principal raised pursuant to this Lease is not in excess \$65,500,000 plus reasonable and necessary administrative, monitoring and closing costs and interests, including capitalized interest and credit enhancement costs such as a debt serve reserve fund or bond insurance, as required by the Lease Purchase Act.

(d) The Projects that are being financed were specified by the Capital Development Committee as required by the Leased Purchase Act.

(e) The State is authorized under the Lease Purchase Act to lease the Leased Property from the Trustee and to execute, deliver and perform its obligations under this Lease.

(f) The State has received all approvals and consents required for the State's execution, delivery and performance of its obligations under this Lease and for the financing of the Projects pursuant to this Lease and the Indenture.

(g) This Lease has been duly executed and delivered by the State and is enforceable against the State 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.

(h) The execution, delivery and performance of this Lease by the State 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 State is now a party or by which the State is bound, or constitute a default under any of the foregoing or, except as specifically provided in this Lease, the Indenture, the Subleases or the Site Leases, result in the creation or imposition of a lien or encumbrance whatsoever upon any of the property or assets of the State.

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

(j) The Participating Institutions are State public institutions of higher education and benefits received by the Participating Institutions accrue to the State. The Participating Institutions and the State will receive economic and other benefits by the leasing of the Leased Property by the State pursuant to this Lease. The initial Leased Property is, and any Leased Property substituted for the initial Leased Property will be, property that is necessary and essential to the purposes and operations of the Sublessees and the State. The State expects that the Leased Property will adequately serve the needs for which it is being leased throughout the Scheduled Lease Term.

(k) The Base Rent payable in each Fiscal Year during the Lease Term is not more than the fair value of the use of the Leased Property during such Fiscal Year. The Rent payable in any Fiscal Year during the Lease Term does not exceed a reasonable amount so as to place the State under an economic compulsion (i) to continue this Lease beyond such 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 Trustee's leasehold interest in the Leased Property hereunder. The State's Purchase Option Price of the Leased Property pursuant to Section 8.01 hereof or any portion of the Leased Property pursuant to Section 8.02 hereof is the State's best estimate of the fair purchase price of the Trustee's leasehold interest in such Leased Property at the time of exercise of the State's option to purchase the Trustee's leasehold interest in such Leased Property by paying the State's Purchase Option Price. In making the representations, covenants and warranties set forth above in this subsection, the State has given due consideration to the Projects, the purposes for which the Leased Property will be used by the State and the Sublessees, the benefits to the State and the Sublessees from the use of the Leased Property, the State's options to purchase the Leased Property hereunder and the terms of this Lease governing the use of the Leased Property.

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

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

(n) The certifications, representation and agreements with respect to matters relevant to the exclusion of interest on the Series 2020 Certificates from gross income for federal income tax purposes set forth in the Tax Compliance Certificate executed by the State in connection with the issuance of the Series 2020 Certificates are hereby incorporated in the Lease as if set forth in full in this subsection.

ARTICLE II DEMISING CLAUSE; ENJOYMENT OF LEASED PROPERTY

Section 2.01. Demising Clause. The Trustee demises and leases the land described in Exhibit A hereto (the “Land” for purposes of this Lease) and the buildings, structures and improvements now and hereafter located on the Land, except as otherwise set forth in Exhibit A (the “Leased Property” for purposes of this Lease) to the State in accordance with the terms of this Lease, subject only to Permitted Encumbrances, to have and to hold for the Lease Term.

Section 2.02. Enjoyment of Leased Property. The Trustee covenants that, during the Lease Term and so long as no Event of Default hereunder shall have occurred, the State 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 III LEASE TERM; TERMINATION OF LEASE

Section 3.01. 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) The 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 Rent payment is scheduled to be paid in accordance with Exhibit C hereto;

(ii) June 30 of the Initial Term or June 30 of any Renewal Term during which, in either case, an Event of Nonappropriation has occurred (provided that the Lease Term shall not be deemed to have been terminated if the Event of Nonappropriation is cured as provided in Section 5.04(c) hereof);

(iii) the conveyance of all of the Trustee’s leasehold interest in the Leased Property to the State pursuant to Article VIII hereof; or

(iv) termination of this Lease following an Event of Default in accordance with Section 11.02(a) hereof.

Section 3.02. Effect of Termination of Lease Term. Upon termination of the Lease Term:

(a) all unaccrued obligations of the State hereunder shall terminate, but all obligations of the State 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 State's right to possession of the Leased Property hereunder shall terminate and (i) the State shall, within 90 days, vacate the Leased Property; and (ii) if and to the extent the Colorado General Assembly has appropriated funds for payment of Rent payable during, or with respect to the State'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 State shall pay Base Rent to the Trustee and Additional Rent to the Person entitled thereto.

(c) Upon termination of the Lease Term any moneys received by the Trustee in excess of the amounts necessary to terminate and discharge the Indenture, shall be paid to the State.

(d) The State shall not have the right to terminate this Lease due to a default by the Trustee under this Lease.

ARTICLE IV COSTS OF THE PROJECTS

The net proceeds from the sale of the Certificates shall be used to pay the Costs of the Projects in accordance with the Lease Purchase Act. In the event of any excess money as a result of the issuance of the Certificates, the Capital Development Committee shall specify what any remainder money must be used for.

ARTICLE V RENT; EVENT OF NONAPPROPRIATION

Section 5.01. Base Rent.

(a) The State shall, subject only to the other Sections of this Article, pay Base Rent directly to the Trustee during the Lease Term in immediately available funds in the amounts and on the Base Rent Payment Dates set forth in Exhibit C hereto, as it may be modified from time to time; provided, however, that there shall be credited against the amount of Base Rent payable on any Base Rent Payment Date the amount on deposit in the Certificate Fund that is not restricted by the Indenture to the payment of the redemption price of Certificates or the costs of defeasing Certificates. Thirty days prior to each Base Rent Payment Date, the Trustee shall notify the State as to the exact amounts that will be credited against the Base Rent due on such date. If further amounts that are to be credited against Base Rent accrue during such 30-day period, such amounts shall be carried over to be applied as a reduction of the Base Rent payable on the next succeeding Base Rent Payment Date.

(b) A portion of each payment of Base Rent is paid as, and represents payment of, interest and principal, as applicable, and Exhibit C hereto, as from time to time amended and supplemented, sets forth the interest and principal components of each payment of Base Rent. Upon receipt by the Trustee of each payment of Base Rent, the Trustee shall apply the amount of each Base Rent payment in the following manner and order:

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

(ii) SECOND, the remaining portion of such payment of Base Rent designated and paid as principal under Exhibit C thereto, as from time to time amended or supplemented, shall be deposited in the Principal Account of the Certificate Fund.

Section 5.02. Additional Rent. The State shall, subject only to Sections 6.01(b) and 7.02(b) hereof and the other Sections of this Article, pay Additional Rent directly to the Persons to which it is 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 5.03. Unconditional Obligations. The obligation of the State to pay Base Rent during the Lease Term shall, subject only to the other Sections of this Article, and the obligation of the State to pay Additional Rent during the Lease Term shall, subject only to Sections 6.01(b) and 7.02(b) hereof, the other Sections of this Article, including, without limitation, Sections 5.04 and 5.05 hereof and Section 13.16 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 State and the Trustee or between the State or the Trustee and any other Person relating to the Leased Property, the State shall, during the Lease Term, pay all Rent when due; the State shall not withhold any Rent 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 Rent, provided, however, that the payment of any Rent shall not constitute a waiver by the State of any rights, claims or defenses which the State may assert; and no action or inaction on the part of the Trustee shall affect the State's obligation to pay Rent during the Lease Term.

Section 5.04. Event of Nonappropriation.

(a) The officer of the State who is responsible for formulating budget proposals with respect to payment of Rent is hereby directed (i) to estimate the Additional Rent payable in the next ensuing Fiscal Year prior to the submission of each annual budget proposal to the Colorado General Assembly during the Lease Term and (ii) to include in each annual budget proposal submitted to the Colorado General Assembly during the Lease Term the entire amount of Base Rent scheduled to be paid and the Additional Rent estimated to be payable during the next ensuing Fiscal Year; it being the intention of the State that any decision to continue or to terminate this Lease shall be made solely by the

Colorado General Assembly, in its sole discretion, and not by any other department, agency or official of the State.

(b) An Event of Nonappropriation shall be deemed to have occurred, subject to the State's right to cure pursuant to subsection (c) of this Section, if:

(i) On June 30 of any Fiscal Year if the Colorado General Assembly has, on such date, failed, for any reason, to appropriate sufficient amounts authorized and directed to be used to pay all Base Rent scheduled to be paid and all Additional Rent estimated to be payable in the next ensuing Fiscal Year; or

(ii) on June 30 of the Fiscal Year in which such event occurred or on June 30 of any subsequent Fiscal Year in which such insufficiency became apparent, as applicable, if:

(A) a Property Damage, Defect or Title Event has occurred,

(B) the Net Proceeds received as a consequence of such event are not sufficient to repair, restore, modify, improve or replace the affected portion of the Leased Property in accordance with Section 7.07 hereof, and

(C) the Colorado General Assembly has not appropriated amounts sufficient to proceed under clause (i)(A) or clause (i)(C) of Section 7.07(c) hereof or the State has not substituted property pursuant to clause (i)(B) of Section 7.07(c) hereof by June 30 of the Fiscal Year in which such Property Damage, Defect or Title Event occurred or by June 30 of any subsequent Fiscal Year in which the insufficiency of Net Proceeds to repair, restore, modify, improve or replace the affected portion of the Leased Property becomes apparent.

(c) Notwithstanding subsection (b) of this Section, an Event of Nonappropriation shall not be deemed to occur if, on or before August 15 of the next ensuing Fiscal Year, (i) the Colorado General Assembly has appropriated amounts sufficient, or the State has substituted property in the manner required, to avoid an Event of Nonappropriation under subsection (b) of this Section and (ii) the State has paid all Rent due during the period from June 30 through the date of such appropriation or substitution.

(d) If the State shall determine to exercise its annual right to terminate this Lease effective on June 30 of any Fiscal Year, the State shall give written notice to such effect to the Trustee not later than April 1 of such Fiscal Year; provided, however, that a failure to give such notice shall not (i) constitute an Event of Default, (ii) prevent the State from terminating this Lease or (iii) result in any liability on the part of the State.

(e) At the written request of the Trustee, the State shall furnish the Trustee with copies of all appropriation measures relating to Rent or the Purchase Option Price promptly upon the adoption thereof by the Colorado General Assembly, but not later than 30 days following the adoption thereof by the Colorado General Assembly; provided however, that a failure to furnish copies of such measures shall not (i) constitute an Event of Default, (ii)

prevent the State from terminating this Lease or (iii) result in any liability on the part of the State.

Section 5.05. Limitations on Obligations of the State.

(a) Payment of Rent and all other payments by the State shall constitute currently appropriated expenditures of the State and may be paid from legally available moneys in the Capital Construction Fund, the General Fund or from any other legally available source of money. All obligations of the State under this Lease shall be subject to the action of the Colorado General Assembly in annually making moneys available for payments hereunder. The obligations of the State to pay Rent and all other obligations of the State hereunder are subject to appropriation by the Colorado General Assembly in its sole discretion, and shall not be deemed or construed as creating an indebtedness of the State within the meaning of any provision of the State Constitution or the laws of the State concerning or limiting the creation of indebtedness of the State and shall not constitute a multiple fiscal year direct or indirect debt or other financial obligation of the State within the meaning Section 20(4) of Article X of the State Constitution. In the event the State does not renew this Lease, the sole security available to the Trustee, as lessor under this Lease and Trustee under the Indenture, shall be the Trust Estate, which includes the Leased Property.

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

(c) The Certificates evidence undivided interests in the right to receive Lease Revenues and shall be payable solely from the Trust Estate. No provision of the Certificates, the Indenture, any Lease, any Sublease, any Site Lease or any other document or instrument shall be construed or interpreted (i) to directly or indirectly obligate the State to make any payment in any Fiscal Year in excess of amounts appropriated by the Colorado General Assembly for Rent for such Fiscal Year; (ii) as creating a multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the State within the meaning of Section 3 of Article XI, Section 20 of Article X of the State Constitution or any other limitation or provision of the State Constitution, State statutes or other State law; (iii) as a delegation of governmental powers by the State; (iv) as a loan or pledge of the credit or faith of the State or as creating any responsibility by the State for any debt or liability of any person, company or corporation within the meaning of Section 1 of Article XI of the State Constitution; or (v) as a donation or grant by the State to, or in aid of, any person, company or corporation within the meaning of Section 2 of Article XI of the State Constitution.

(d) The State shall be under no obligation whatsoever to exercise its option to purchase the Trustee's leasehold interest in the Leased Property pursuant to Article VIII hereof.

(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 State, nor shall any provision of this Lease restrict the future issuance of any obligations of the State, payable from any class or source of

moneys of the State; provided, however, that the restrictions set forth in the Indenture shall apply to the issuance of Certificates.

ARTICLE VI

OPERATION, MAINTENANCE AND INSURANCE OF LEASED PROPERTY

Section 6.01. Taxes, Utilities and Insurance.

(a) Subject to annual appropriation by the Colorado General Assembly, the State shall pay, or shall cause to be paid, as Additional Rent, 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 Leased Property;

(iv) public liability insurance with respect to the activities to be undertaken by the State and the Participating Institutions in connection with the Leased Property and this Lease: (A) to the extent such activities result in injuries for which immunity is available under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 et seq. or any successor statute, in an amount not less than the amounts for which the State and the Participating Institutions may be liable to third parties thereunder and (B) for all other activities, in an amount not less than \$1,000,000 per occurrence.

(b) Except for Permitted Encumbrances, the State 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 State or the Sublessee shall first notify the Trustee of the intention of the State or the Sublessee to do so, the State or the Sublessee 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 State or the Sublessee that, in the opinion of Independent Counsel, whose fees and expenses shall be paid by the State or the Sublessee, as applicable, 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 State or the Sublessee, the Trustee will cooperate fully with the State and the Sublessee 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 State; (ii) each insurance policy shall be provided by an insurer that, at the time such policy is obtained or renewed, is rated "A" by A.M. Best or in the two highest rating categories of S&P and Moody's; (iii) each insurance policy shall be so written or endorsed as to make losses, if any, payable to the State, the Sublessee and the Trustee, as their respective interests may appear; (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 State, the Sublessee or the Trustee without first giving written notice thereof to the State, the Sublessee and the Trustee at least 30 days in advance of such cancellation or modification; (v) upon written request, each insurance policy, or each certificate evidencing such policy, shall be provided to 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, under no circumstance, be contingent on the degree of damage sustained at other property owned or leased by the State or any Sublessee; and (vii) each insurance policy shall explicitly waive any co-insurance penalty.

(d) The insurance required by this Section may be provided under blanket insurance policies which insure not only the risks required to be insured hereunder but also other similar risks or through a self-insurance program.

Section 6.02. Maintenance and Operation of Leased Property. The State 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 7.05 and 7.07 hereof.

ARTICLE VII

TITLE TO LEASED PROPERTY; ENCUMBRANCES, EASEMENTS, MODIFICATIONS, SUBSTITUTION, DAMAGE, PERSONAL PROPERTY

Section 7.01. Title to Leased Property. At all times during the Lease Term, title to the Leased Property shall remain in the applicable Participating Institution, subject to the applicable Site Leases, this Lease, the Subleases, the Indenture, and any other Permitted Encumbrances. A leasehold estate in the Leased Property and any and all additions and modifications thereto and replacements thereof shall be held in the name of the Trustee until the Trustee's interest in the Leased Property is conveyed or otherwise disposed of as provided herein or in the Subleases.

Section 7.02. Limitations on Disposition of and Encumbrances on Leased Property.

(a) Except as otherwise permitted in this Article or Article VIII or XI hereof and except for Permitted Encumbrances, (i) neither the Trustee nor the State 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 State 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 State or the Sublessee shall first notify the Trustee of the intention of the State or the Sublessee to do so, the State or the Sublessee 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 State and, if the Sublessee has notified the Trustee pursuant to this Section, the Sublessee that, in the opinion of Independent Counsel, whose fees shall be paid by the State or the Sublessee, as applicable, 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 State or the Sublessee of the right to continue to contest such item. At the request of the State or the Sublessee, the Trustee will cooperate fully with the State and the Sublessee in any such contest.

Section 7.03. Granting of Easements. As long as no Event of Nonappropriation or Event of Default shall have happened and be continuing, the Trustee shall, at the request of the State or the Sublessee:

(a) 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 Leased Property, free from this Lease, the Indenture and the Subleases and any security interest or other encumbrance created hereunder or thereunder;

(b) consent to the release of existing easements, licenses, rights-of-way and other rights and privileges with respect to the Leased Property, free from this Lease, the Indenture and the Subleases and any security interest or other encumbrance created hereunder or thereunder, with or without consideration; and

(c) 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 State Representative or the Participating Institution Representative of the Sublessee 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.

Section 7.04. Subleasing and Other Grants of Use. The State may sublease each Sublessee's Leased Property to such Sublessee pursuant to a Sublease and such Sublessee may

further sublease or otherwise grant the right to use such Leased Property to another Person, but only if:

(a) the Sublease includes a covenant by the Sublessee that is substantially similar to the covenant of the State in Section 9.04 hereof;

(b) the sublease or grant of use by the Sublessee complies with the covenant in the Sublease described in clause (a) above; and

(c) the obligations of the State under this Lease shall remain obligations of the State, and the State shall maintain its direct relationship with the Trustee, notwithstanding any such Sublease, sublease or grant of use.

Section 7.05. Modification of Leased Property. The Sublessee, at its own expense, may remodel, or make additions, modifications or improvements to, the Leased Property, provided that: (a) such remodeling, additions, modifications and improvements (i) shall not in any way damage such portion of 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, additions, modifications and improvements shall be at least as great as the value of the Leased Property prior thereto; (c) the Leased Property, after such remodeling, additions, modifications and improvements, shall continue to be used as provided in, and shall otherwise be subject to the terms of, this Lease.

Section 7.06. Substitution of Other Property for Leased Property. The State may at any time substitute other property for any portion of the Leased Property upon delivery to the Trustee of the items listed below. Upon delivery thereof, the Trustee shall execute and deliver any documents or instruments requested by the State to accomplish the substitution. The items are:

(a) A certificate by the State certifying that, following such substitution, either (i) the Fair Market Value of the substituted property, determined as of the date of substitution, is equal to or greater than 90% of the Initial Value of the property for which it is substituted; or (ii) the Fair Market Value of all of the Leased Property, determined as of the date of substitution, will be at least equal to 90% of the principal amount of the Certificates Outstanding as of the date of substitution. Such certifications of the State of the Fair Market Value of the substituted property may be based on and given in reliance upon certifications by the Sublessee that leased the applicable Leased Property to the Trustee pursuant to the applicable Site Lease.

(b) A title insurance policy, an amendment or supplement to a previously issued title insurance policy or a commitment to issue such a policy, amendment or supplement that would comply with Section 2.09(e) of the Master Indenture if a Series of Certificates was being executed and delivered on the date the substitution occurs.

(c) A certificate by the Sublessee certifying that (i) the useful life of the substituted property extends to or beyond the final maturity of the Certificates of the same Series designation as this Lease and (ii) the substituted property is at least as essential to the Sublessee as the property for which it was substituted.

(d) An opinion of Bond Counsel to the effect that such substitution is permitted by this Lease and will not cause the State to violate its covenant set forth in Section 9.04 hereof.

Section 7.07. Property Damage, Defect or Title Event.

(a) If a Property Damage, Defect or Title Event occurs with respect to any portion of the Leased Property, the Net Proceeds received as a consequence thereof 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 portion of the Leased Property affected by the Property Damage, Defect or Title Event are equal to or less than the Net Proceeds, the Net Proceeds shall be used promptly to repair, restore, modify, improve or replace the affected portion of the Leased Property and any excess shall be delivered to the State.

(c) If the costs of the repair, restoration, modification, improvement or replacement of the portion of the Leased Property affected by the Property Damage, Defect or Title Event are more than the Net Proceeds, then:

(i) the State shall elect one of the following alternatives:

(A) to promptly to repair, restore, modify or improve or replace the affected portion of the Leased Property with property of a value equal to or in excess of the value of such portion of the Leased Property, in which case the Net Proceeds shall be used to pay a portion of the costs thereof and the State shall, subject to Article V hereof, pay the remainder of such costs as Additional Rent;

(B) to substitute property for the affected portion of the Leased Property pursuant to Section 7.06 hereof, in which case the Net Proceeds shall be delivered to the State; or

(C) to purchase the affected portion of the Leased Property pursuant to Section 8.02 hereof, in which case the Net Proceeds shall be used to pay the State's Purchase Option Price pursuant to Section 8.02 hereof.

(ii) If, by June 30 of the Fiscal Year in which a Property Damage, Defect or Title Event occurred (or June 30 of any subsequent Fiscal Year in which the insufficiency of Net Proceeds to repair, restore, modify, improve or replace the affected portion of the Leased Property becomes apparent), the State has not appropriated amounts sufficient to proceed under clause (i)(A) or (i)(C) of this subsection or has not substituted property pursuant to clause (i)(B) of this subsection, an Event of Nonappropriation shall be deemed to have occurred.

(d) The State 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 any portion of the Leased Property without the written consent of the Trustee.

(e) No Property Damage, Defect or Title Event shall affect the obligation of the State to pay Rent hereunder except to the extent Certificates are paid, redeemed or defeased pursuant to Section 8.02 hereof.

Section 7.08. Personal Property of Sublessee. The Sublessee, at its own expense, may install equipment and other personal property in or on any portion of 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 VIII
STATE'S PURCHASE OPTIONS;
CONVEYANCE TO STATE AT END OF LEASE TERM;
SUBLESSEES' PURCHASE OPTIONS**

Section 8.01. State's Purchase Options.

(a) The State is hereby granted the option, at any time, to purchase the Trustee's leasehold interest in a portion of the Leased Property to the extent that a Participating Institution exercises its purchase option under Section 8.01(a)(i) of the applicable Participating Institutions Sublease while this Lease remains in effect. To the extent that the Participating Institution has notified the State and the Trustee of its intention to exercise its purchase option in accordance with Section 8.01(a)(i) of its Sublease, the State shall exercise its option to purchase the Trustee's leasehold interest in the Leased Property subject to such Sublease.

In order to exercise its option to purchase the Trustee's leasehold interest in a portion of the Leased Property pursuant to this Section 8.01(a), the State shall (i) calculate, or request the Trustee to calculate, the Sublessee's Purchase Option Price based upon the closing date specified in the Sublessee's written notice to the State and the Trustee pursuant to Section 8.01 of the Sublease, and whether the Attributable Certificates will be paid or defeased on such closing date, (ii) exercise its option to redeem the outstanding Attributable Certificates on the earliest practicable redemption date following receipt of such written notice, and (iii) remit, or cause the Participating Institution to remit, the Sublessee's Purchase Option Price to the Trustee in immediately available funds on the closing date. Upon payment of the Sublessee's Purchase Option Price, the Trustee shall release the applicable Sublessee's Leased Property from the applicable Site Lease and this Lease in accordance with Section 8.03 hereof.

(b) The State is hereby granted the option, at any time, to purchase all of the Trustee's leasehold interest in the Leased Property by paying to the Trustee the State's Purchase Option Price (defined below), provided that the State simultaneously purchases all other Leased Property subject to all other Leases, if any, pursuant to the terms of such

other Leases. The “State’s Purchase Option Price” for purposes of a purchase of all the Leased Property pursuant to this Section is an amount sufficient (i) to pay all the Outstanding Certificates, to redeem all the Outstanding Certificates in accordance with the applicable redemption provisions of the Indenture or to defease all the Certificates in accordance with the defeasance provisions of the Indenture, and (ii) to pay all Additional Rent payable through the date on which the Trustee’s interest in the Leased Property is conveyed to the State 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 Trustee’s interest in the Leased Property and the payment, redemption or defeasance of the Outstanding Certificates; provided, however, that if any portion of the Certificates has been paid, redeemed or defeased with the proceeds of another Series of Certificates, in applying this subsection, Outstanding Certificates of the portion of the other Series of Certificates the proceeds of which were used to pay, redeem or defease the Certificates shall be substituted for the Certificates that were paid, redeemed or defeased, which substitution shall be accomplished in any reasonable manner selected by the State in its sole discretion.

In order to exercise its option to purchase all of the Leased Property pursuant to this Section 8.01(b), the State shall (i) give written notice to the Trustee (A) stating that the State intends to purchase the Trustee’s leasehold interest in all of the Leased Property pursuant to this Section, and (B) specifying a closing date for such purpose which is at least 30 days after the delivery of such notice; and (ii) pay the State’s Purchase Option Price to the Trustee in immediately available funds on the closing date.

Section 8.02. State’s Option to Purchase Affected Leased Property Following Property Damage, Defect or Title Event.

(a) The State is hereby granted the option to purchase the Trustee’s leasehold interest in any portion of the Leased Property affected by a Property Damage, Defect or Title Event for which the costs of repair, restoration, modification, improvement or replacement are more than the Net Proceeds, by electing alternative (C) under 7.07(c)(i) hereof by paying to the Trustee the “State’s Purchase Option Price,” which, for purposes of a purchase of the affected portion of the Leased Property pursuant to this Section, is an amount sufficient (i) to pay all the Affected Certificates (defined below in this subsection), to redeem all the Affected Certificates in accordance with the applicable redemption provisions of the Indenture or to defease all the Affected Certificates in accordance with the defeasance provisions of the Indenture, and (ii) to pay all Additional Rent payable through the date of conveyance of such portion of the Leased Property to the State or its designee pursuant to this Article, including, but not limited to, all fees and expenses of the Trustee relating to the conveyance of such portion of the Leased Property and the payment, redemption or defeasance of the Affected Certificates.

As used in this subsection, the term “*Affected Certificates*” means, subject to the next sentence, (i) a principal amount of the Outstanding Series 2020 Certificates determined by multiplying the principal amount of all the Outstanding Series 2020 Certificates by a fraction, the numerator of which is the Fair Market Value of the portion of the Leased Property to be purchased before the occurrence of the Damage, Defect or Title Event and the denominator of which is the Fair Market Value of all the Leased

Property subject to the 2020 Lease; and (ii) which principal amount shall be allocated among the maturities of the Outstanding Series 2020 Certificates in proportion to the principal amount of each maturity of the Outstanding Series 2020 Certificates, rounded to the nearest \$5,000 in principal amount of each such maturity. Notwithstanding the preceding sentence, if any portion of the Series 2020 Certificates has been paid, redeemed or defeased with the proceeds of another Series of Certificates, in applying this definition, Outstanding Certificates of the portion of the other Series of Certificates the proceeds of which were used to pay, redeem or defease the Series 2020 Certificates shall be substituted for the Series 2020 Certificates that were paid, redeemed or defeased. The rounding pursuant to clause (ii) of the first sentence of this definition and the substitution of Outstanding Certificates of another Series of Certificates pursuant to the immediately preceding sentence shall be accomplished in any reasonable manner selected by the State in its sole discretion.

(b) In order to exercise its option to purchase the Trustee's leasehold interest in the affected portion of the Leased Property pursuant to this Section, the State must: (i) give written notice to the Trustee prior to the end of the Scheduled Lease Term (A) stating that the State intends to purchase the affected portion of the Leased Property pursuant to this Section 8.02, (B) identifying the affected portion of the Leased Property that will be purchased; (C) specifying a closing date for such purchase; and (ii) pay the portion of the State's Purchase Option Price in excess of the Net Proceeds to the Trustee in immediately available funds on the closing date.

Section 8.03. Conveyance of Trustee's Interest in all or a portion of the Leased Property. At the closing of any purchase of the Trustee's interest in all or any portion of the Leased Property pursuant to Section 8.01 or 8.02 hereof, the Trustee shall execute and deliver to the State or its designee, or in the case of a purchase pursuant to Section 8.01(a) hereof, to the applicable Participating Institution or its designee, all necessary documents releasing and terminating the applicable Site Leases and applicable Leases, and releasing, assigning, transferring and conveying to the State or its designee, or in the case of a purchase pursuant to Section 8.01(a) hereof, to the applicable Participating Institution or its designee, the Trustee's leasehold interest in the applicable Leased Property, as they then exist, subject only to the following: (i) Permitted Encumbrances, other than this Lease, the Indenture, the Subleases and the Site Lease pursuant to which the Leased Property was leased to the Trustee; (ii) all liens, encumbrances and restrictions created or suffered to exist by the Trustee as required or permitted by this Lease, the Indenture and Site Lease pursuant to which the Leased Property was leased to the Trustee or arising as a result of any action taken or omitted to be taken by the Trustee as required or permitted by this Lease, the Indenture and Site Lease pursuant to which the Leased Property was leased to the Trustee; (iii) any lien or encumbrance created or suffered to exist by action of the State or any Sublessee of the Leased Property to be purchased; and (iv) those liens and encumbrances (if any) to which the Leased Property purchased by the State pursuant to this Article was subject when acquired by the Trustee.

Section 8.04. Conveyance of Trustee's Interest in the Leased Property to State at End of Scheduled Lease Term. If all Base Rent scheduled to be paid through the end of the Scheduled Lease Term and all Additional Rent payable through the date of conveyance of the Trustee's interest in the Leased Property to the State pursuant to this Section shall have been paid,

all Certificates with the same Series designation as this Lease have been paid in full in accordance with the Indenture and all other amounts payable pursuant to the Indenture and this Lease have been paid, the Trustee's interest in the Leased Property that remains subject to this Lease shall be assigned, transferred and conveyed to the State, or the State's designee, at the end of the Scheduled Lease Term in the manner described in Section 8.03 hereof without any additional payment by the State.

Section 8.05. Sublessees' Purchase Options. Upon the occurrence and continuation of an Event of Default or Event of Nonappropriation under this Lease and the termination of this Lease as a result thereof, each Sublessee has the option to purchase the Leased Property that is subject to its Sublease as provided in Article VIII of such Sublease. The Trustee agrees to notify each Sublessee in writing upon a termination of this Lease as the result of the occurrence of an Event of Default or Event of Nonappropriation under this Lease, subject to Section 6.02(g) of the Master Indenture, and to comply with the provisions of Article VIII of each Sublease.

Section 8.06. Release of Portions of the Leased Property When the principal component of Base Rent paid by the State, plus the principal amount of any Certificates redeemed through optional redemption, or the total principal amount of Certificates paid or deemed to be paid pursuant to Section 9.01(b) of the Master Indenture, equals the amount set forth in Exhibit D hereto, the cost of the corresponding portion of the Leased Property set forth in Exhibit D (or of any property substituted for such portion of the Leased Property pursuant to any provision of this Lease) shall be deemed to have been fully amortized and the Trustee shall execute and deliver to the State all documents necessary to release such portion of the Leased Property from the provisions of the applicable Site Lease and this Lease (or any property substituted for such portion of the Leased Property pursuant to any provision of this Lease) and the lien thereon granted to the Trustee pursuant to the Master Indenture; provided, however, that the Fair Market Value of the remaining Leased Property shall be at least equal to 90% of the aggregate principal amount of the Certificates Outstanding at the time of such release, as certified in writing by the State. Such certifications of the State of the Fair Market Value of the remaining Leased Property may be based on and given in reliance upon certifications by the Participating Institutions as to the Fair Market Value of the Leased Property owned by such Participating Institution. Upon such release of a portion of the Leased Property, the Trustee shall execute and deliver to the State all documents necessary or appropriate to convey the Trustee's leasehold interest in such portion of the Leased Property to the State or the State's designee, free of all restrictions and encumbrances imposed or created by this Lease, the applicable Site Lease or the Master Indenture, in substantially the manner provided in Section 8.03 hereof. After such release and conveyance, the property so released and conveyed shall no longer be a part of the Leased Property for any purpose of this Lease, the applicable Site Lease or the Master Indenture. The Trustee shall fully cooperate with the State in executing, delivering and recording, at the State's expense, such documents as may be necessary to effectuate the provisions of this Section. Attached hereto as Exhibit E is a form of release that may be utilized by the parties in connection with the release of Leased Property from the applicable Site Lease and this Lease.

ARTICLE IX GENERAL COVENANTS

Section 9.01. 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 State shall have full power to carry out the acts and agreements provided herein and the State and the Trustee, at the written request of the other, 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 9.02. Compliance with Requirements of Law. On and after the date hereof, neither the State nor the Trustee shall take any action with respect to the Leased Property that violates the terms hereof or is contrary to the provisions of any Requirement of Law. Without limiting the generality of the preceding sentence, the State, in particular, 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 State'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 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 9.03. Participation in Legal Actions.

(a) At the request of and at the cost of the State (payable as Additional Rent hereunder), the Trustee shall join and cooperate fully in any legal action in which the State or a Sublessee 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 enjoyment of the Leased Property by the State or such Sublessee; or that involves the imposition of any charges, costs or other obligations with respect to the State's execution, delivery and performance of its obligations under this Lease or such

Sublessee's execution, delivery and performance of its obligations under a Site Lease or Sublease.

(b) At the request of the Trustee and upon a determination by the State that such action is in the best interests of the State, the State shall, at the cost of the State (payable as Additional Rent 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 or acceptance of this Lease, the Indenture, the Site Leases by the Trustee or the performance of its obligations hereunder or thereunder.

Section 9.04. Tax Covenant of the State. The State covenants for the benefit of the Owners of the Certificates that it will not take any action or omit to take any action with respect to the Certificates, the proceeds thereof, any other funds of the State, or any facilities financed or refinanced with the proceeds of the Certificates (except for the possible exercise of the State's right to terminate this Lease as provided herein) if such action or omission (i) would cause the interest on the Certificates to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (ii) would cause interest on the Certificates to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, or (iii) would cause interest on the Certificates to lose its exclusion from Colorado taxable income or to lose its exclusion from Colorado alternative minimum taxable income under present Colorado law. Subject to the State's right to terminate this Lease as provided herein, the foregoing covenant 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 State in fulfilling the above covenant under the Tax Code and Colorado law have been met.

The State will require each Sublessee to covenant that such Sublessee will not use its Project in a manner that (i) would cause the interest on the Certificates to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (ii) would cause interest on the Certificates to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, or (iii) would cause interest on the Certificates to lose its exclusion from Colorado taxable income or to lose its exclusion from Colorado alternative minimum taxable income under present Colorado law.

To the extent proceeds of Certificates are used to reimburse the State for Costs of the Projects incurred by or on behalf of the State prior to the date such Certificates are issued, the State covenants that it shall comply with all applicable provisions of the Tax Code so that such reimbursement will comply with the State's covenant set forth in this Section 9.04.

Section 9.05. Continuing Disclosure Covenant. The State covenants for the benefit of the Owners of the Certificates to comply with the terms of each Continuing Disclosure Undertaking entered into by the State in connection with the execution and delivery of the Certificates, provided that a failure of the State to do so shall not constitute an Event of Default. The Trustee shall have no power or duty to enforce this Section. Unless otherwise required by

law, no Certificate Owner shall be entitled to damages for the State's non-compliance with its obligations under this Section.

Section 9.06. Payment of Fees and Expenses of the Trustee. The State shall pay as Additional Rent the reasonable fees and expenses of the Trustee, including any fees and expenses of legal counsel, in connection with all the Leased Property, all the Projects, all the Leases, the Indenture, the Certificates, all the Site Leases, all the Subleases or any matter related thereto, including, but not limited to, costs of defending any claim or action brought against the Trustee or its directors, officers, employees or agents relating to the foregoing. The State shall not, however, pay any fees and expenses incurred in connection with any action or omission, or any liability incurred in connection with any action or omission, that constituted willful misconduct or negligence of the Trustee or its directors, officers, employees or agents.

Section 9.07. Payments to Rebate Fund; Rebate Calculations. The State shall pay to the Trustee as Additional Rent the amount required to be paid to the United States of America on any date on which a rebate payment is due to the extent the amount on deposit in the Rebate Fund is not sufficient. The State also agrees to make or cause to be made all rebate calculations required pursuant to the Indenture and to pay the costs as Additional Rent.

Section 9.08. Investment of Funds. By authorizing the execution and delivery of this Lease, the State specifically authorizes the investment of moneys held by the Trustee in Permitted Investments (as defined in the Indenture), including Permitted Investments where the period from the date of purchase thereof to the maturity date is in excess of five years. The Trustee shall not be liable for any losses on such Permitted Investments.

ARTICLE X LIMITS ON OBLIGATIONS OF TRUSTEE

Section 10.01. 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. In no event shall the Trustee be liable for any incidental, special or consequential damage in connection with or arising out of this Lease or the existence, furnishing, functioning or use by the State of any item, product or service provided for herein.

Section 10.02. Financial Obligations of Trustee Limited to Trust Estate. Notwithstanding any other provision hereof, all financial obligations of the Trustee under this Lease, except those resulting from its willful misconduct or negligence, are limited to the Trust Estate and Section 6.02(k) of the Master Indenture.

**ARTICLE XI
EVENTS OF DEFAULT AND REMEDIES**

Section 11.01. Events of Default Defined.

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

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

(ii) failure by the State to vacate the Leased Property within 90 days following an Event of Nonappropriation in accordance with Section 3.02(b) hereof;

(iii) any sublease, assignment, encumbrance, conveyance or other transfer of the interest of the State in all or any portion of this Lease or the Leased Property in violation of Section 12.02(a) hereof or any succession to all or any portion of the interest of the State in the Leased Property in violation of Section 12.02(b) hereof;

(iv) failure by the State 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) or (iii) above (and other than a failure to comply with Section 9.05 hereof), for a period of 30 days after written notice, specifying such failure and requesting that it be remedied shall be given to the State by the Trustee, unless the Trustee shall consent 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

(v) the occurrence of an Event of Default under any other Lease (as the term “Event of Default” is defined in such other Lease).

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

(i) the State shall be obligated to pay Rent only during the Lease Term, except as otherwise expressly provided in Section 3.02(b)(ii) hereof; and

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

the State from carrying out such agreement, except that the settlement of strikes, lockouts and other industrial disturbances shall be solely within the discretion of the State.

Section 11.02. Remedies on Default. Whenever any Event of Default shall have happened and be continuing, the Trustee may take one or any combination of the following remedial steps:

(a) terminate the Lease Term and give notice to the State to immediately vacate the Leased Property in the manner provided in Section 3.02(b) hereof;

(b) sell or lease its interest in all or any portion of the Leased Property, subject to the Sublessees' purchase options under the Subleases;

(c) recover any of the following from the State that is not recovered pursuant to subsection (b) of this Section:

(i) the portion of Rent payable pursuant to Section 3.02(b)(ii) hereof;

(ii) the portion of Base Rent for the then current Fiscal Year that has been specifically appropriated by the Colorado General Assembly, regardless of when the State vacates the Leased Property; and

(iii) the portion of the Additional Rent for the then current Fiscal Year that has been specifically appropriated by the Colorado General Assembly, but only to the extent such Additional Rent are payable prior to the date, or are attributable to the use of the Leased Property prior to the date, the State vacates the Leased Property;

(d) 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 XII hereof by specific performance, writ of mandamus or other injunctive relief; and

(e) 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 State set forth in Sections 5.05 and 11.03 hereof.

Section 11.03. Limitations on Remedies. A judgment requiring a payment of money may be entered against the State by reason of an Event of Default only as to the State's liabilities described in Section 11.02(c) hereof. A judgment requiring a payment of money may be entered against the State by reason of an Event of Nonappropriation, or a failure to vacate the Leased Property following an Event of Nonappropriation, only to the extent provided in Section 11.02(c)(i) hereof.

Section 11.04. No Remedy Exclusive. Subject to Section 11.03 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 11.05. 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 11.01(a)(i) hereof, any subsequent payment by the State of Base Rent then due and owing shall be paid to the Trustee to be applied in accordance with the terms of the Indenture.

**ARTICLE XII
TRANSFERS OF INTERESTS IN LEASE OR LEASED PROPERTY**

Section 12.01. Trustee's Rights, 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 rights, 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 Rent 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 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 rights, title or interest in, to or under this Lease.

Section 12.02. Transfer of the State's Interest in Lease and Leased Property Prohibited.

(a) Except as otherwise permitted by Section 7.04 hereof with respect to subleasing or grants of use of the Leased Property, Section 7.06 with respect to substitutions of other property for Leased Property and 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 State 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 State may transfer its interest in the Leased Property after, and only after, this Lease has terminated and the Trustee's leasehold interest in the Leased Property has been conveyed to the State pursuant to Article VIII hereof.

**ARTICLE XIII
MISCELLANEOUS**

Section 13.01. Binding Effect. This Lease shall inure to the benefit of and shall be binding upon the Trustee and the State and their respective successors and assigns, subject, however, to the limitations set forth in Article XII hereof. The Participating Institution that leased the Leased Property to the Trustee and its successors and assigns is an intended third-party beneficiary of the covenants of the State in Articles VI, VII and VIII and Sections 9.02, 9.03(a) and 12.02 hereof and of the Trustee in Article VIII and Section 9.03(b) 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 13.02. Interpretation and Construction. This Lease and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Lease. For purposes of this Lease, except as otherwise expressly provided or unless the context otherwise requires:

(a) All references in this Lease to designated “Articles,” “Sections,” “subsections,” “paragraphs,” “clauses” and other subdivisions are to the designated Articles, Sections, subsections, paragraphs, clauses and other subdivisions of this Lease. The words “herein,” “hereof,” “hereto,” “hereby,” “hereunder” and other words of similar import refer to this Lease as a whole and not to any particular Article, Section or other subdivision.

(b) The terms defined in the Glossary have the meanings assigned to them in the Glossary and include the plural as well as the singular.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as in effect from time to time.

(d) The term “money” includes any cash, check, deposit, investment security or other form in which any of the foregoing are held hereunder.

(e) In the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding.”

Section 13.03. Acknowledgement of Indenture. The State has received a copy of, and acknowledges the terms of, the Indenture.

Section 13.04. Trustee, State and Participating Institution Representatives. Whenever under the provisions hereof the approval of the Trustee, the State or a Participating Institution is required, or the Trustee, the State or a Participating Institution 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, for the State by the State Representative and by the Participating Institution by the Participating Institution Representative identified in the

Participating Institution's Sublease and the Trustee, the State and the Participating Institutions shall be authorized to act on any such approval or request.

Section 13.05. Manner of Giving Notices. All notices, certificates, directions or other communications hereunder shall be in writing and shall be deemed given when mailed by first class United States mail, postage prepaid, or when sent by facsimile transmission or electronic mail, addressed as follows:

If to the Trustee: Zions Bancorporation, National Association
1001 17th Street, Suite 850
Denver, Colorado 80202
Attention: Corporate Trust Services
Stephanie Nicholls

If to the State: Colorado State Treasurer
140 State Capitol
200 East Colfax Avenue
Denver, Colorado 80203
Attention: Deputy Treasurer

With a copy to: Colorado State Controller
1525 Sherman Street, 5th Floor
Denver, Colorado 80203
Attention: Robert Jaros

Any notice party may, by written notice to the others, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent, and may designate different means for such notices and communications.

Section 13.06. No Individual Liability. All covenants, stipulations, promises, agreements and obligations of the State or the Trustee, as the case may be, contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the State or the Trustee, as the case may be, and not of any member, director, officer, employee, servant or other agent of the State 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 State or the Trustee or any natural person executing this Lease or any related document or instrument; provided that such person is acting within the scope of his or her employment, membership, directorship or agency, as applicable, and not in a manner that constitutes gross negligence or willful misconduct.

Section 13.07. Amendments, Changes and Modifications. Except as otherwise provided herein or in the Indenture, this Lease may only be amended, changed, modified or altered by a written instrument executed by the State and the Trustee; and the Trustee shall, if and when requested by the State, execute and deliver any amendment to this Lease proposed by the State,

which does not adversely affect the interests of the Trustee, upon delivery to the Trustee of an opinion of Bond Counsel stating that such amendment does not violate the Indenture or the Leases.

Section 13.08. 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 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 13.09. Legal Description of Land Included in Leased Property; Initial Value of Lease Property of each Sublessee. The legal description of the land included in the Leased Property subject to this Lease is set forth in Exhibit A hereto. The Initial Value of the Leased Property subject to this Lease of each Sublessee is set forth in Exhibit B hereto. If the land included in the Leased Property subject to this Lease is modified pursuant to the terms of this Lease or other land is substituted for land included in the Leased Property subject to this Lease pursuant to the terms of this Lease, the legal description set forth in Exhibit A hereto will be amended to describe the land included in the Leased Property subject to this Lease after such modification or substitution.

Section 13.10. Merger. The Trustee and the State intend that the legal doctrine of merger shall have no application to this Lease, any Site Lease pursuant to which the Leased Property was leased to the Trustee or any Sublease and that none of the execution and delivery of this Lease by the Trustee and the State, any such Site Lease by a Participating Institution and the Trustee or any Sublease by the State and a Sublessee or the exercise of any remedies by any party under this Lease, any Site Lease or any Sublease shall operate to terminate or extinguish this Lease, any Site Lease or any Sublease.

Section 13.11. Severability. In the event that any provision of this Lease, other than the obligation of the State to pay Rent hereunder and the obligation of the Trustee to provide quiet enjoyment of the Leased Property and to convey the Leased Property to the State pursuant to Article VIII 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 13.12. 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 13.13. Applicable Law. The laws of the State and rules and regulations issued pursuant thereto, as the same may be amended from time to time, shall be applied in the interpretation, execution and enforcement of this Lease. Any provision of this Lease, whether or not incorporated herein by reference, which provides for arbitration by an extra-judicial body or person or which is otherwise in conflict with said laws, rules and regulations shall be considered null and void. Nothing contained in any provision hereof or incorporated herein by reference which purports to negate this Section in whole or in part shall be valid or enforceable or available in any action at law whether by way of complaint, defense or otherwise. Any provision rendered null and void by the operation of this Section will not invalidate the remainder of this Lease to the extent that this Lease is capable of execution. At all times during the performance of this Lease, the

Trustee shall strictly adhere to all applicable federal and State laws, rules and regulations that have been or may hereafter be established.

Section 13.14. State Controller's Approval. This Lease shall not be deemed valid until it has been approved by the State Controller or such assistant as the State Controller may designate. Financial obligations of the State payable after the current Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted and otherwise made available.

Section 13.15. Non-Discrimination. The Trustee agrees to comply with the letter and the spirit of all applicable State and federal laws respecting discrimination and unfair employment practices.

Section 13.16. Vendor Offset. Pursuant to C.R.S. §§ 24-30-202(1) and 24-30-202.4, the State Controller may withhold payment of certain amounts owed by State agencies under the State's vendor offset intercept system for (a) unpaid child support debts or child support arrearages; (b) unpaid balances of tax, accrued interest, or other charges specified in C.R.S. § 39-21-101 et seq.; (c) unpaid balances of tax, accrued interest or other charges specified in C.R.S. § 39-21-101 et seq.; (d) unpaid loans due to the Student Loan Division of the Department of Higher Education; (e) amounts required to be paid to the Unemployment Compensation Fund; and (f) other unpaid debts certified by the State Controller as owing to the State as a result of final agency determination or judicial action.

Section 13.17. Employee Financial Interest. The signatories to this Lease aver that, to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described herein.

Section 13.18. 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.

[remainder of page intentionally left blank]

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

ZIONS BANCORPORATION, NATIONAL
ASSOCIATION, solely in its capacity as trustee
under the Indenture

By _____
Vice President, Zions Bank Division

STATE OF COLORADO
Jared S. Polis, Governor
Department of the Treasury

By _____
David L. Young, Treasurer

DEPARTMENT OF LAW
ATTORNEY GENERAL
Philip J. Weiser, Attorney General

By _____
First Assistant Attorney General

STATE OF COLORADO
Jared S. Polis, Governor
STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By _____
State Controller

REAL ESTATE PROGRAMS
STATE OF COLORADO
Jared S. Polis, Governor
DEPARTMENT OF PERSONNEL & ADMINISTRATION
Office of the State Architect, For the Executive Director

By _____
Real Estate Program Manager

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

The foregoing instrument was acknowledged before me this ___ day of February, 2021 by Stephanie Nicholls as an authorized signatory of Zions Bancorporation, National Association.

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

[NOTARIAL SEAL]

Notary

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

The foregoing instrument was acknowledged before me this ___ day of February, 2021, by David L. Young, Treasurer, acting on behalf of the State of Colorado, acting by and through the Department of the Treasury.

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

[NOTARIAL SEAL]

Notary

My commission expires:

EXHIBIT A

LEGAL DESCRIPTION OF LEASED PROPERTY

The Leased Property consists of the Land and the buildings, structures and improvements now and hereafter located on the Land, except as set forth below, as amended from time to time, which Leased Property was leased to the Trustee pursuant to the 2020 Site Leases from the Board of Trustees for Fort Lewis College, the Board of Governors of the Colorado State University System acting by and through Colorado State University, and the Regents of the University of Colorado, as applicable.

Description of Fort Lewis College Leased Property (Consisting of Parcel A, Parcel B and Parcel C)

Parcel A:

A description of a parcel of land being within a portion of a tract of land described in Reception No. 237979, recorded on 03/26/1954, La Plata County Clerk and Recorder, State of Colorado, located in the Southeast Quarter of the Southeast Quarter of Section 20, Township 35 North, Range 9 West of the New Mexico Principal Meridian, City of Durango, County of La Plata, State of Colorado, said description more particularly described as follows:

Basis of Bearings:

Bearings are based on a line between a found 2" aluminum cap on a ¾" rebar marked "Roundtree ENGR T35N S 1/16 20/21 R 9W 1982 PELS 9185" at the Northeast Corner of the Southeast Quarter of the Southeast Quarter of Section 20 and a found 3 ¼" aluminum cap on a ¾" rebar marked "GOFF ENGR & Surveying unlawful to disturb T35N R9W ¼ S29/S28 Survey Monument PLS 18450" at the East ¼ Corner of Section 29, Township 35 North, Range 9 West, New Mexico Principal Meridian, State of Colorado, having a bearing of S01° 12' 40" W:

Commencing at said found 2" aluminum cap on a ¾" rebar, thence S09° 29' 08" W, a distance of 331.00 feet to a set No. 5 rebar 18" long with a red plastic cap marked "HCL PLS 38539", also being the Point of Beginning;

Thence, S 01° 59' 47" W, through said tract of land, a distance of 149.00 feet to a set PK Nail with 1" diameter aluminum washer marked "HCL PLS 38539";

Thence, N 88° 00' 13W", continuing through said tract of land, a distance of 106.00 feet to a set No. 5 rebar 18" long with a red plastic cap marked "HCL PLS 38539";

Thence, N 01° 59' 47E", continuing through said tract of land, a distance of 149.00 feet to a set No. 5 rebar 18" long with a red plastic cap marked "HCL PLS 38539";

Thence, S 88° 00' 13E", continuing through said tract of land, a distance of 106.00 feet to said Point of Beginning.

Description of premises, building and improvements located on Parcel A.

A building known as Pine Hall is located on Parcel A, and consists of classrooms, offices and programmatic support space. Pine Hall is part of the Leased Property.

Parcel B:

A description of a parcel of land being within a portion of a tract of land described in Reception No. 237979, recorded on 03/26/1954, La Plata County Clerk and Recorder, State of Colorado, located in the Southeast Quarter of the Southeast Quarter of Section 20, Township 35 South, Range 9 West of the New Mexico Principal Meridian, City of Durango, County of La Plata, State of Colorado, said description more particularly described as follows:

Basis of Bearings:

Bearings are based on a line between a found 2" aluminum cap on a ¾" rebar marked "Roundtree ENGR T35N S 1/16 20/21 R 9W 1982 PELS 9185" at the Northeast Corner of the Southeast Quarter of the Southeast Quarter of Section 20 and a found 3 ¼" aluminum cap on a ¾" rebar marked "GOFF ENGR & Surveying unlawful to disturb T35N R9W ¼ S29/S28 Survey Monument PLS 18450" at the East ¼ Corner of Section 29, Township 35 North, Range 9 West, New Mexico Principal Meridian, State of Colorado, having a bearing of S01° 12' 40" W:

Commencing at said found 2" aluminum cap on a ¾" rebar, thence S 38° 43' 42" W, a distance of 1,326.81 feet to a set No. 5 rebar with a red plastic cap marked "HCL PLS 38539", also being the Point of Beginning;

Thence, S 01° 11' 12" E, through said tract of land, a distance of 127.00 feet to a set PK Nail with 1" diameter aluminum washer marked "HCL PLS 38539";

Thence, S88° 48' 48" W, continuing through said tract of land, a distance of 96.00 feet to a set PK Nail with 1" diameter washer marked "HCL PLS 38539";

Thence, N 01° 11' 12" W, continuing through said tract of land, distance of 33.00 feet to a set No. 5 rebar 18" long with a red plastic cap marked "HCL PLS 38539";

Thence, S 88° 48' 48" W, continuing through said tract of land, a distance of 81.00 feet to a set No. 5 rebar 18" long with a red plastic cap marked "HCL PLS 38539";

Thence, N 01° 11' 12" W, continuing through said tract of land, a distance of 94.00 feet to a set No. 5 rebar 18" long with a red plastic cap marked "HCL PLS 38539";

Thence, N 88° 48' 48" E, continuing through said tract of land, a distance of 177.00 feet to the Point of Beginning.

Description of premises, building and improvements located on Parcel B.

A building known as Skyhawk Hall is located on Parcel B, and consists of classrooms and laboratory space. Skyhawk Hall is part of the Leased Property.

Parcel C:

A description of a parcel of land being within a portion of a tract of land described in Reception No. 237979, recorded on 03/26/1954, La Plata County Clerk and Recorder, State of Colorado, located in the Northeast Quarter of the Northeast Quarter of Section 29, Township 35 North, Range 9 West of the New Mexico Principal Meridian, City of Durango, County of La Plata, State of Colorado; said description more particularly described as follows:

Basis of Bearings:

Bearings are based on a line between a found 3 ¼ " aluminum cap on a ¾" rebar marked "GOFF ENGR & Surveying Unlawful to Disturb T35N R9W ¼ S29/S28 Survey Monument PLS 18450" at the East ¼

Corner of Section 29 and a found 2" aluminum cap on a ¾" rebar marked "Roundtree ENGR T35N S1/16 20/21 1982 R9W 1982 PELS 9185" at the Northeast Corner of the Southeast Quarter of the Southeast Quarter of Section 20, Township 35 North, Range 9 West, New Mexico Principal Meridian, State of Colorado, having a bearing of N 01° 12' 40" E:

Commencing at said found 3 ¼" aluminum cap on a ¾" rebar, thence N 23° 01' 34" W, a distance of 1,685.17 feet to a set PK Nail with 1" aluminum washer marked "HCL PLS 38539", also being the Point of Beginning;

Thence, S76° 14' 11" W, through said tract of land, a distance of 228.00 feet to a set No. 5 rebar 18" long with a red plastic cap marked "HCL PLS 38539";

Thence, N 13° 45' 49" W, through said tract of land, a distance of 279.00 feet to a set No. 5 rebar 18" long with a red plastic cap marked "HCL PLS 38539";

Thence, N 76° 14' 11" E, through said tract of land, a distance of 228.00 feet set PK Nail with 1" aluminum washer marked "HCL PLS 38539";

Thence, S 31° 45' 49" E, through said tract of land, a distance of 279.00 feet to said Point of Beginning.

Description of premises, building and improvements located on Parcel C.

A building known as the Education/Business Hall is located on Parcel C, and consists of classrooms, computer labs, faculty and staff offices and programmatic support space. The Education/Business Hall is part of the Leased Property.

Description of Colorado State University Leased Property
(Consisting of one parcel)

B.W. Pickett Equine Center Building Legal Description

A parcel of land located in the Northeast quarter (NE ¼) of Section Seventeen (17), Township Seven North (T.7.N.), Range Sixty-nine West (R.69.W.), of the Sixth Principal Meridian (6th P.M.), County of Larimer, State of Colorado and being more particularly described as follows:

COMMENCING at the East quarter corner of said Section 17,
THENCE North 40°15' 42" West a distance of 691.2 feet to the point of beginning (POB);
THENCE North 90° 00' 00" West a distance of 315.6 feet;
THENCE North 00° 00' 00" East a distance of 309.4 feet;
THENCE South 89° 49' 30" East a distance of 315.2feet;
THENCE South 00° 03' 52" East a distance of 308.4 feet to the POB.

Description of premises, building and improvements located on parcel:

A building known as the B.W. Pickett Equine Center is located on this parcel, and consists of approximately 85,154 square feet. The Equine Center has an indoor arena equipped with seating for 2000 spectators, concessions stands, ticket booths, a show office, faculty office, multimedia classroom and a conference room. The B.W. Pickett Equine Center is part of the Leased Property.

Description of University of Colorado Leased Property
(Consisting of one parcel)

Lot 1 in Block 1, in Colorado Science and Technology Park at Fitzsimmons Subdivision Filing No. 4, County of Adams, State of Colorado.

Description of premises, building and improvements located on parcel:

The Bioscience 2 Building is located on this parcel. The Leased Property consists of the first and second floors of the Bioscience 2 Building located on this parcel. The third and fourth floors of the building located on this parcel are not subject to this Lease.

EXHIBIT B

INITIAL VALUE OF LEASED PROPERTY

Fort Lewis College:

Pine Hall: \$1,426,597

Skyhawk Hall: \$3,009,532

Education/Business Hall: \$21,431,673

Colorado State University:

B.W. Pickett Equine Center: \$18,796,894

University of Colorado:

Bioscience 2 Building (floors 1 and 2 only): \$24,251,553

EXHIBIT C
BASE RENT PAYMENT SCHEDULE

<u>Date</u>	<u>Base Rent Principal Component</u>	<u>Base Rent Interest Component</u>	<u>Total Base Rent</u>	<u>Annual Base Rent</u>
09/01/2021		\$1,465,222.92	1,465,222.92	
03/01/2022		1,410,375.00	1,410,375.00	2,875,597.92
09/01/2022	\$1,975,000.00	1,410,375.00	3,385,375.00	
03/01/2023		1,361,000.00	1,361,000.00	4,746,375.00
09/01/2023	2,085,000.00	1,361,000.00	3,446,000.00	
03/01/2024		1,308,875.00	1,308,875.00	4,754,875.00
09/01/2024	2,190,000.00	1,308,875.00	3,498,875.00	
03/01/2025		1,254,125.00	1,254,125.00	4,753,000.00
09/01/2025	2,305,000.00	1,254,125.00	3,559,125.00	
03/01/2026		1,196,500.00	1,196,500.00	4,755,625.00
09/01/2026	2,420,000.00	1,196,500.00	3,616,500.00	
03/01/2027		1,136,000.00	1,136,000.00	4,752,500.00
09/01/2027	2,545,000.00	1,136,000.00	3,681,000.00	
03/01/2028		1,072,375.00	1,072,375.00	4,753,375.00
09/01/2028	2,675,000.00	1,072,375.00	3,747,375.00	
03/01/2029		1,005,500.00	1,005,500.00	4,752,875.00
09/01/2029	2,815,000.00	1,005,500.00	3,820,500.00	
03/01/2030		935,125.00	935,125.00	4,755,625.00
09/01/2030	2,955,000.00	935,125.00	3,890,125.00	
03/01/2031		861,250.00	861,250.00	4,751,375.00
09/01/2031	3,110,000.00	861,250.00	3,971,250.00	
03/01/2032		783,500.00	783,500.00	4,754,750.00
09/01/2032	3,250,000.00	783,500.00	4,033,500.00	
03/01/2033		718,500.00	718,500.00	4,752,000.00
09/01/2033	3,385,000.00	718,500.00	4,103,500.00	
03/01/2034		650,800.00	650,800.00	4,754,300.00
09/01/2034	3,520,000.00	650,800.00	4,170,800.00	
03/01/2035		580,400.00	580,400.00	4,751,200.00
09/01/2035	3,665,000.00	580,400.00	4,245,400.00	
03/01/2036		507,100.00	507,100.00	4,752,500.00
09/01/2036	3,815,000.00	507,100.00	4,322,100.00	
03/01/2037		430,800.00	430,800.00	4,752,900.00
09/01/2037	3,970,000.00	430,800.00	4,400,800.00	
03/01/2038		351,400.00	351,400.00	4,752,200.00
09/01/2038	4,135,000.00	351,400.00	4,486,400.00	
03/01/2039		268,700.00	268,700.00	4,755,100.00
09/01/2039	4,300,000.00	268,700.00	4,568,700.00	
03/01/2040		182,700.00	182,700.00	4,751,400.00
09/01/2040	4,475,000.00	182,700.00	4,657,700.00	
03/01/2041		93,200.00	93,200.00	4,750,900.00
09/01/2041	4,660,000.00	93,200.00	4,753,200.00	

EXHIBIT D

RELEASE AND AMORTIZATION SCHEDULE

TOTAL AMOUNTS OF BASE RENT PRINCIPAL PAYMENTS AND OPTIONAL PRIOR REDEMPTIONS WHICH MUST BE MADE OR OF CERTIFICATES WHICH MUST BE PAID OR DEFEASED, TO RELEASE ⁽¹⁾	PORTION OF THE LEASED PROPERTY TO BE RELEASED
\$13,520,000	Pine Hall, Skyhawk Hall B.W. Pickett Equine Center
\$42,710,000	Bioscience 2 Building (floors 1 and 2 only)
Payment or Defeasance of all Outstanding Certificates	Education/Business Hall

(1) Pursuant to Section 8.06 of this Lease, when the principal component of Base Rents paid by the State, plus the principal amount of Certificates redeemed through optional redemption, or the total principal amount of Certificates paid or deemed to be paid, totals the amount set forth in this column, the corresponding portion of the Leased Property will be deemed amortized and shall be released from the lien of the applicable Site Lease, this Lease and the Master Indenture, provided, however, that the Fair Market Value of the remaining Leased Property shall be at least equal to 90% of the aggregate principal amount of the Certificates Outstanding at the time of such release, as certified in writing by the State.

EXHIBIT E

FORM OF RELEASE

PARTIAL RELEASE OF INDENTURE, LEASE PURCHASE AGREEMENT AND SITE LEASE

THE UNDERSIGNED certifies, acknowledges and agrees on behalf of ZIONS BANCORPORATION, NATIONAL ASSOCIATION, solely in its capacity as Trustee (the "Trustee") under the State of Colorado Higher Education Lease Purchase Financing Program Master Trust Indenture dated as of February 24, 2021 (the "Master Indenture"), and the State of Colorado Higher Education Lease Purchase Financing Program Supplemental Trust Indenture Series 2020 dated as of February 24, 2021 (the "Series 2020 Supplemental Indenture" and together with the Master Indenture, the "Indenture"), and as Lessee under the State of Colorado Higher Education Lease Purchase Financing Program Site Lease of [PARTICIPATING INSTITUTION] Series 2020, dated as of February 24, 2021 (the "Site Lease"), between [PARTICIPATING INSTITUTION] (the "Participating Institution"), as lessor, and the Trustee, as lessee, and as Lessor under the State of Colorado Higher Education Lease Purchase Financing Program Lease Purchase Agreement Series 2020, dated as of February 24, 2021 (the "Lease"), between the Trustee as lessor, and the State of Colorado (the "State"), acting by and through the State Treasurer, as lessee, recorded in the real estate records of the [COUNTY], as follows:

- State of Colorado Higher Education Lease Purchase Financing Program Site Lease of [PARTICIPATING INSTITUTION] Series 2020 recorded February 24, 2021, at Reception No. [____], [COUNTY];
- State of Colorado Higher Education Lease Purchase Financing Program Lease Purchase Agreement Series 2020 recorded February 24, 2021, at Reception No. [____], [COUNTY];
- State of Colorado Higher Education Lease Purchase Financing Program Master Trust Indenture recorded February 24, 2021, at Reception No. [____], [COUNTY];
- State of Colorado Higher Education Lease Purchase Financing Program Supplemental Trust Indenture recorded February 24, 2021, at Reception No. [____], [COUNTY].

WHEREAS, the Trustee, the State, and [PARTICIPATING INSTITUTION] now desire to release certain real property located in [COUNTY], Colorado, which property is more particularly described on **Exhibit A** attached hereto and by this reference incorporated herein.

WHEREAS, Section 8.06 of the Lease provides that when the principal component of the of Base Rent paid by the State, plus the principal amount of any Certificates redeemed through optional redemption, or the total principal amount of Certificates paid or deemed to be paid pursuant to Section 9.01(b) of the Master Indenture, equals the amount set forth in **Exhibit D** of the Lease, the cost of the corresponding portion of the Leased Property set forth in **Exhibit D** of the Lease (or of any property substituted for such portion of the Leased Property pursuant to any

provision of the Lease) shall be deemed to have been fully amortized and the Trustee shall execute and deliver to the State all documents necessary to release such portion of the Leased Property from the provisions of the applicable Site Lease and the Lease (or any property substituted for such portion of the Leased Property pursuant to any provision of the Lease) and the lien thereon granted to the Trustee pursuant to the Master Indenture; provided, however, that the Fair Market Value of the remaining Leased Property shall be at least equal to 90% of the aggregate principal amount of the Certificates Outstanding at the time of such release, as certified in writing by the State.

WHEREAS, the State has certified in writing to the satisfaction of the Trustee that the Fair Market Value of the remaining Leased Property is at least equal to 90% of the aggregate principal amount of the Certificates Outstanding.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Effective as of the date hereof, the Trustee does hereby remise, release and quitclaim unto the present owner or owners of said real property, and unto the heirs, successors and assigns of such owner or owners forever, all the right, title and interest which the Trustee has under and by virtue of the Indenture, the Site Lease, and the Lease in the real estate described in **Exhibit A** hereto, to have and to hold the same, with all the privileges and appurtenances thereunto belonging forever.

2. This Partial Release may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

3. Except as otherwise provided herein, defined terms herein have the meanings set forth in the Indenture and the Lease.

(remainder of page intentionally left blank)

Dated: _____, 20__.

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, solely in its capacity as Trustee under the Indenture, as Lessee under the Site Lease, and as Lessor under the Lease

By: _____
Vice President, Zions Bank Division

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing Partial Release of Indenture, Lease Purchase Agreement and Site Lease was acknowledged before me this ___ day of _____, 20__, by _____, a Vice President of Zions Bancorporation, National Association.

Witness my hand and official seal.

Notary Public

[SEAL]

Acknowledged by:

STATE OF COLORADO
_____, Governor
Department of the Treasury

By _____
_____, Treasurer

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

The foregoing Partial Release of Indenture, Lease Purchase Agreement and Site Lease was acknowledged before me this ___ day of _____, 20___, by _____, by the Treasurer, acting on behalf of the State of Colorado, acting by and through the Department of Treasury.

Witness my hand and official seal.

Notary Public

[SEAL]

Acknowledged by:

[PARTICIPATING INSTITUTION]

By _____,
_____, Title

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

The foregoing Partial Release of Indenture, Lease Purchase Agreement and Site Lease was acknowledged before me this ___ day of ____, 20___, by _____, by the _____ of the [PARTICIPATING INSTITUTION].

Witness my hand and official seal.

Notary Public

[SEAL]

EXHIBIT A

LEGAL DESCRIPTION OF RELEASED PROPERTY

(End of Form of Release)

After recording return to
Sarah P. Tasker
Butler Snow LLP
1801 California Street, Suite 5100
Denver, Colorado 80202

STATE OF COLORADO
HIGHER EDUCATION
LEASE PURCHASE FINANCING PROGRAM
SITE LEASE OF [PARTICIPATING INSTITUTION]
SERIES 2020

by and between

[PARTICIPATING INSTITUTION]

as lessor

and

ZIONS BANCORPORATION, NATIONAL ASSOCIATION,
solely in its capacity as Trustee under the Indenture identified herein,
as lessee

Dated as of February 24, 2021

TABLE OF CONTENTS

Page

**ARTICLE I
CERTIFICATIONS, REPRESENTATIONS AND AGREEMENTS**

Section 1.01. Representations, Covenants and Warranties by Trustee..... 2
Section 1.02. Certifications, Representations and Agreements by Site Lessor 2

**ARTICLE II
DEMISING CLAUSE; ENJOYMENT OF LEASED PROPERTY**

Section 2.01. Demising Clause 3
Section 2.02. Enjoyment of Leased Property 3

**ARTICLE III
SITE LEASE TERM; TERMINATION OF SITE LEASE**

Section 3.01. Site Lease Term. 4
Section 3.02. Effect of Termination of Site Lease Term 4

**ARTICLE IV
SITE LESSOR IS THIRD PARTY BENEFICIARY OF
CERTAIN COVENANTS OF STATE IN 2020 LEASE**

**ARTICLE V
RENT**

**ARTICLE VI
PURPOSE**

Section 6.01. Purpose..... 5

**ARTICLE VII
TITLE TO LEASED PROPERTY; ENCUMBRANCES, EASEMENTS,
MODIFICATIONS, SUBSTITUTION, DAMAGE, PERSONAL PROPERTY**

Section 7.01. Title to Leased Property..... 5
Section 7.02. Limitations on Disposition of and Encumbrances on Leased Property 5
Section 7.03. Granting of Easements..... 5
Section 7.04. Subleasing and Other Grants of Use..... 5
Section 7.05. Substitution of Other Property for Leased Property 5
Section 7.06. Property Damage, Defect or Title Event 6
Section 7.07. Personal Property of Trustee, State and Others 6

**ARTICLE VIII
LICENSES AND SHARED UTILITIES**

Section 8.01. Access Licenses 6

Section 8.02. Appurtenant Staging Areas Licenses	6
Section 8.03. Offsite Parking Licenses	7
Section 8.04. Shared Utilities	7

**ARTICLE IX
GENERAL COVENANTS**

Section 9.01. Further Assurances and Corrective Instruments	8
Section 9.02. Compliance with Requirements of Law	8
Section 9.03. Participation in Legal Actions	8

**ARTICLE X
LIMITS ON OBLIGATIONS**

Section 10.01. Disclaimer of Warranties	8
Section 10.02. Financial Obligations of Trustee Limited to Trust Estate.....	8

**ARTICLE XI
EVENTS OF DEFAULT AND REMEDIES**

Section 11.01. Event of Default Defined	9
Section 11.02. Remedies on Default.....	9
Section 11.03. No Remedy Exclusive	9
Section 11.04. Waivers	10

**ARTICLE XII
TRANSFERS OF INTERESTS IN SITE LEASE OR LEASED PROPERTY**

Section 12.01. Assignment by Site Lessor	10
Section 12.02. Transfer of the Trustee’s Interest in Site Lease and Leased Property Prohibited	10
Section 12.03. Conveyance of Trustee’s Interest in the Leased Property to State or Sublessee.	10

**ARTICLE XIII
MISCELLANEOUS**

Section 13.01. Binding Effect.....	10
Section 13.02. Interpretation and Construction	10
Section 13.03. Acknowledgement of 2020 Lease and Site Lessor’s 2020 Sublease.....	11
Section 13.04. Trustee, State and Participating Institution Representatives	11
Section 13.05. Manner of Giving Notices	11
Section 13.06. No Individual Liability	12
Section 13.07. Amendments, Changes and Modifications	12
Section 13.08. Events Occurring on Days that are not Business Days.....	12
Section 13.09. Legal Description of Land Included in Leased Property	12
Section 13.10. Merger.....	12
Section 13.11. Severability	12
Section 13.12. Captions	13
Section 13.13. Applicable Law.....	13

Section 13.14. Execution in Counterparts 13
Section 13.15. Estimated Value of Leased Property 13

EXHIBIT A LEGAL DESCRIPTION OF LEASED PROPERTY

**STATE OF COLORADO
HIGHER EDUCATION LEASE PURCHASE FINANCING PROGRAM
SITE LEASE OF [PARTICIPATING INSTITUTION]
SERIES 2020**

This State of Colorado Higher Education Lease Purchase Financing Program Site Lease of [Participating Institution], Series 2020 (this “Site Lease”) is dated as of February 24, 2021 and is entered into by and between the [Participating Institution] (the “Site Lessor”), as lessor, and Zions Bancorporation, National Association, 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 (the “Trustee”), as lessee.

Capitalized terms used but not defined in this Site Lease have the meanings assigned to them in the Glossary attached to the State of Colorado Higher Education Lease Purchase Financing Program Master Trust Indenture dated as of February 24, 2021, as such Glossary may be amended, supplemented and restated from time to time.

RECITALS

A. The State is authorized by the Lease Purchase Act to execute a Higher Education Lease Purchase Agreement with a commercial bank as trustee to finance Approved Projects for Approved Institutions.

B. The State and the Governing Bodies of the Approved Institutions are authorized pursuant to the Lease Purchase Act to enter into ancillary agreements and instruments as deemed necessary or appropriate in connection with a Higher Education Lease Purchase Agreement, including, but not limited to, deeds, ground leases, subleases, easements or other instruments relating to the real property on which the facilities are located.

C. The Site Lessor is an Approved Institution with an Approved Project and is a Participating Institution.

D. The Site Lessor owns the land described in attached Exhibit A hereto (the “Land”) and the buildings, structures and improvements now or hereafter located on the Land (the Land and such buildings, structures and improvements, collectively, are referred to as the “Leased Property”).

E. The Site Lessor will lease the Leased Property subject to this Site Lease to the Trustee in its capacity as trustee under the Indenture pursuant to this Site Lease. The State will lease the Site Lessor’s Leased Property and other Leased Property subject to other Site Leases from the Trustee in its capacity as trustee under the Indenture pursuant to the 2020 Lease. The Site Lessor, as Sublessee, will sublease its Leased Property from the State pursuant to a Sublease.

F. Certificates will be issued pursuant to the Indenture. Proceeds of the Certificates will be used pursuant to the terms of the Indenture to finance all or a portion of the Costs of the Project of the Site Lessor and of other Participating Institutions. The first Series of Certificates issued pursuant to the Indenture are the Series 2020 Certificates.

G. Proceeds of the Series 2020 Certificates will be deposited into the Site Lessor's Project Account held by the Trustee under the Indenture to finance the Site Lessor's Project.

AGREEMENT

For and in consideration of the mutual covenants and the representations, covenants and warranties herein contained, the parties hereto hereby agree as follows:

ARTICLE I CERTIFICATIONS, REPRESENTATIONS AND AGREEMENTS

Section 1.01. Representations, Covenants and Warranties by Trustee. The Trustee hereby certifies, represents and agrees that all the certifications, representations and agreements of the Trustee set forth in Section 6.01 of the Master Indenture are true and accurate and makes the same certifications, representations and agreements under this Site Lease as if set forth in full herein.

Section 1.02. Certifications, Representations and Agreements by Site Lessor. The Site Lessor certifies, represents and agrees that:

(a) The Site Lessor is an institution of higher education as described in Section 23-1-102(2), C.R.S. that is duly organized, validly existing and in good standing under the laws of the State of Colorado and is authorized under the Lease Purchase Act and its authorizing statutes to lease the Leased Property to the Trustee pursuant to this Site Lease and to execute, deliver and perform its obligations under this Site Lease.

(b) The Site Lessor is the owner of the fee interest in the Leased Property, subject only to Permitted Encumbrances.

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

(d) The Site Lessor has received all approvals and consents required for the Site Lessor's execution, delivery and performance of its obligations under this Site Lease.

(e) This Site Lease has been duly executed and delivered by the Site Lessor and is enforceable against the Site Lessor 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 this Site Lease 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 Site Lessor is now a party or by which the Site Lessor is bound, or constitute a default under any of the foregoing or,

except as specifically provided in the 2020 Lease, the Indenture and the Site Lessor's 2020 Sublease, result in the creation or imposition of a lien or encumbrance whatsoever upon any of the property or assets of the Site Lessor.

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

(h) The Site Lessor is a public institution of higher education and benefits received by the Site Lessor accrue to the State. The Site Lessor will receive economic and other benefits by the leasing of the Leased Property by the Site Lessor pursuant to this Site Lease. The initial Leased Property leased pursuant to this Site Lease is, and any Leased Property substituted for the initial Leased Property will be, property that is necessary and essential to the purposes and operations of the Site Lessor. The Site Lessor expects that the Leased Property will adequately serve the needs for which it is being leased throughout the Scheduled Site Lease Term.

(i) The Site Lessor is not aware of any current violation of any Requirement of Law relating to the Leased Property.

(j) [For CU Site Lease Only - It is hereby agreed and confirmed by the Site Lessor that nothing contained in this Site Lease or in any documents and agreements related to the Site Lessor's Project shall adversely affect in any manner the use, occupancy, purchase option or any other right of the Fitzsimmons Redevelopment Authority ("FRA") under the Lease Agreement, dated January 31, 2014, between The Regents of the University of Colorado, as lessor, and FRA, as lessee, relating to Suites 300 and 400 on the 3rd and 4th floors of the Bioscience 2 building located at 12705 East Montview Blvd, Aurora, Colorado.]

ARTICLE II DEMISING CLAUSE; ENJOYMENT OF LEASED PROPERTY

Section 2.01. Demising Clause. The Site Lessor demises and leases the land described in Exhibit A hereto (the "Land" for purposes of this Site Lease) and the buildings, structures and improvements now or hereafter located on the Land (the "Leased Property" for purposes of this Site Lease) to the Trustee in accordance with the terms of this Site Lease, subject only to Permitted Encumbrances, to have and to hold for the Site Lease Term.

Section 2.02. Enjoyment of Leased Property. The Site Lessor covenants that, during the Site Lease Term and so long as no Event of Default hereunder shall have occurred, the Trustee shall peaceably and quietly have, hold and enjoy the Leased Property without suit, trouble or hindrance from the Site Lessor, except as expressly required or permitted by this Site Lease.

**ARTICLE III
SITE LEASE TERM; TERMINATION OF SITE LEASE**

Section 3.01. Site Lease Term.

(a) The Site Lease Term shall commence on the date this Site Lease is executed and delivered and shall expire upon the earliest of any of the following events:

(i) June 30, 2052;

(ii) the conveyance of all the Trustee's leasehold interest in the Leased Property subject to the 2020 Lease to the State pursuant to Article VIII of the 2020 Lease; or

(iii) the conveyance of the Trustee's leasehold interest in the Leased Property subject to this Site Lease to the Site Lessor as Sublessee pursuant to Article VIII of the Site Lessor's 2020 Sublease.

Section 3.02. Effect of Termination of Site Lease Term. Upon termination of the Site Lease Term, all unaccrued obligations of the Trustee hereunder shall terminate, but all obligations of the Trustee that have accrued hereunder prior to such termination shall continue until they are discharged in full.

**ARTICLE IV
SITE LESSOR IS THIRD PARTY BENEFICIARY OF
CERTAIN COVENANTS OF STATE IN 2020 LEASE**

The Site Lessor and its successors and assigns are intended third party beneficiaries of the covenants of the State in Articles VI, VII and VIII and Sections 9.02, 9.03(a) and 12.02 and of the Trustee in Section 9.03(b) of the 2020 Lease (the "Site Lessor Protection Provisions"). If the 2020 Lease is terminated for any reason, this Site Lease is not terminated and the Trustee leases or subleases all or any portion of the Leased Property or assigns an interest in this Site Lease, as a condition to such lease, sublease or assignment, the lessee, sublessee or assignee must execute an instrument, in form and substance reasonably satisfactory to the Site Lessor, that contains substantially the same covenants as the Site Lessor Protection Provisions and names the Site Lessor and its successors and assigns as intended third party beneficiaries of such covenants. Any provision of this Site Lease that is similar to any of the Site Lessor Protection Provisions shall not be interpreted to limit or restrict the rights of the Site Lessor under this Article.

**ARTICLE V
RENT**

The Trustee is not obligated to pay any Rent under this Site Lease. The consideration to the Site Lessor for the right of the Trustee to use the Leased Property during the Site Lease Term is the deposit of a portion of the proceeds of the Series 2020 Certificates into the Site Lessor's Project Account held by the Trustee under the Indenture to finance the Site Lessor's Project. The provisions of Article IV of this Site Lease are intended to assure that the State or another lessee, sublessee or assignee pays Additional Rent in accordance with the 2020 Lease or an

amount equal to the Additional Rent that would have been paid under the 2020 Lease or under another instrument executed and delivered pursuant to Article IV hereof.

ARTICLE VI PURPOSE

Section 6.01. Purpose. The Trustee shall use the Leased Property solely for the purpose of subleasing the Leased Property to the State pursuant to the 2020 Lease, and for such purposes as may be incidental thereto, subject to the provisions of this Site Lease, the 2020 Lease, the Site Lessor's 2020 Sublease and the Indenture.

ARTICLE VII TITLE TO LEASED PROPERTY; ENCUMBRANCES, EASEMENTS, MODIFICATIONS, SUBSTITUTION, DAMAGE, PERSONAL PROPERTY

Section 7.01. Title to Leased Property. Title to the Leased Property shall be held in the name of the Site Lessor, subject to this Site Lease, the 2020 Lease, the Site Lessor's 2020 Sublease and the Indenture.

Section 7.02. Limitations on Disposition of and Encumbrances on Leased Property. Except as otherwise permitted in this Article or Article VIII or XI hereof and except for Permitted Encumbrances, the Site Lessor shall not 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.

Section 7.03. Granting of Easements. The Site Lessor shall, at the request of the Trustee or the State, consent to grants of easements, licenses, rights-of-way and other rights or privileges in the nature of easements with respect to the Leased Property on the same terms and in the same manner as the Trustee is required to do so pursuant to Section 7.03 of the 2020 Lease.

Section 7.04. Subleasing and Other Grants of Use. The Trustee is expressly authorized to lease or sublease the Leased Property to the State pursuant to the 2020 Lease and the State is expressly authorized to sublease the Leased Property to the Site Lessor as Sublessee pursuant to the Site Lessor's 2020 Sublease. The Trustee is expressly authorized to lease or sublease the Leased Property, to sell or assign its leasehold interest in the Leased Property, or to create other interests in the Leased Property for the benefit of any Person in connection with the exercise of the Trustee's remedies under the 2020 Lease and the Indenture following an Event of Default or an Event of Nonappropriation under the 2020 Lease, subject to the terms and provisions of the Site Lessor's 2020 Sublease.

Section 7.05. Substitution of Other Property for Leased Property. If the State substitutes other real property under the 2020 Lease for any portion of the Site Lessor's Leased Property, the property so substituted under the 2020 Lease shall also be substituted for Leased Property under this Site Lease in any manner and on any terms determined by the State in its sole discretion. The Site Lessor and the Trustee shall execute and deliver any documents or instruments requested by the State to accomplish any such substitution.

Section 7.06. Property Damage, Defect or Title Event. If a Property Damage, Defect or Title Event occurs with respect to any portion of the Leased Property, the Net Proceeds received as a consequence thereof shall be deposited and used in accordance with Section 7.07 of the 2020 Lease.

Section 7.07. Personal Property of Trustee, State and Others. The Trustee, the State and any other Person who has the right to use the Leased Property under this Site Lease, the 2020 Lease or the Site Lessor's 2020 Sublease, at its own expense, may install equipment and other personal property in or on any portion of 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 VIII LICENSES AND SHARED UTILITIES

Section 8.01. Access Licenses. The Site Lessor grants to the Trustee and its subtenants, successors and assigns, and their respective tenants, customers, employees and invitees, during the Site Lease Term, a non-exclusive blanket license over, upon and through the roadways, drive lanes, parking areas and sidewalks now or hereafter located on real property owned by the Site Lessor that is adjacent to but not included in the Leased Property (the "Access Area") for the purpose of walking upon, moving equipment and goods and supplies through and driving vehicles upon, over and across all of the sidewalk areas, entrances, drives, lanes and parking areas, alleys and other areas for ingress and egress to and from the Leased Property; provided that such license shall not conflict with or adversely affect the use of the Access Area by the Site Lessor and its subtenants, successors and assigns, and their respective tenants, customers, employees and invitees. The Trustee grants to the Site Lessor and its subtenants, successors and assigns, and their respective tenants, customers, employees and invitees, a non-exclusive blanket license over, upon and through the roadways, drive lanes, parking areas and sidewalks now or hereafter located on the Leased Property for the purpose of walking upon, moving equipment and goods and supplies through and driving vehicles upon, over and across all of the sidewalk areas, entrances, drives, lanes and parking areas, alleys and other areas for ingress and egress to and from the Access Area; provided that such license shall not conflict with or adversely affect the Trustee's use of the Leased Property.

Section 8.02. Appurtenant Staging Areas Licenses. The Site Lessor grants to the Trustee and its subtenants, successors and assigns, and their respective tenants, customers, employees and invitees, during the Site Lease Term, non-exclusive licenses over, upon and through real property owned by the Site Lessor that is adjacent to but not included in the Leased Property (the "Appurtenant Staging Area") for the purposes of constructing, placing, operating and maintaining all necessary pipes, vents, conduits, transformers, utility boxes, air conditioning units, wires and utilities necessary to maintain and operate the Leased Property and for the maintenance of any nonmaterial encroachments of the improvements constituting the Leased Property; provided that such license shall not adversely affect the use of the Appurtenant Staging Area by the Site Lessor and its subtenants, successors and assigns, and the tenants, customers, employees and invitees. The Trustee grants to the Site Lessor and its subtenants, successors and assigns, and their respective tenants, customers, employees and invitees, during the Site Lease

Term, non-exclusive licenses over, upon and through the Leased Property for the purposes of constructing, placing, operating and maintaining all necessary pipes, vents, conduits, wires and utilities necessary to maintain and operate the Appurtenant Staging Area and for the maintenance of any nonmaterial encroachments of the improvements constituting the Appurtenant Staging Area; provided that such license shall not adversely affect the use of the Leased Property by the Trustee and its subtenants, successors and assigns, and their respective tenants, customers, employees and invitees.

Section 8.03. Offsite Parking Licenses. The Site Lessor grants to the Trustee and its subtenants, successors and assigns, and their respective tenants, customers, employees and invitees, during the Site Lease Term, a non-exclusive license for the use of areas designated as parking areas, and access to and from such parking areas, now or hereafter located on real property owned by the Site Lessor that is adjacent to but not included in the Leased Property (the “Offsite Parking Area”) for the purpose of parking of passenger vehicles (buses and similar vehicles excluded) in connection with the use of the Leased Property by the Trustee and its subtenants, successors and assigns, and their respective tenants, customers, employees and invitees; provided that such license shall not conflict with or adversely affect the use of the Offsite Parking Area by the Site Lessor and its subtenants, successors and assigns, and their respective tenants, customers, employees and invitees; and provided, further that, the Site Lessor reserves the right to implement and enforce reasonable rules and regulations for the use of the Offsite Parking Area, including, without limitation: (a) to direct and regulate vehicular traffic and provide safe vehicular access to and from the Offsite Parking Area; (b) to specify and enforce rules and regulations with regard to the use of the Offsite Parking Area spaces; (c) to designate certain parking spaces to be used only by handicapped drivers, employees or visitors; (d) to implement and enforce parking fees and fines; and (e) to restrict time periods for permitted parking. The Trustee grants to the Site Lessor and its subtenants, successors and assigns, and their respective tenants, customers, employees and invitees, during the Site Lease Term, a non-exclusive license for the use of areas designated as parking areas, and access to and from such parking areas, now or hereafter located on the Leased Property (the “Onsite Parking Area”) for the purpose of parking of passenger vehicles (buses and similar vehicles excluded) in connection with the use of other real property owned by Site Lessor that is adjacent to but not included in the Leased Property; provided that such license shall not conflict with or adversely affect the use of the Onsite Parking Area by the Trustee and its subtenants, successors and assigns, and their respective tenants, customers, employees and invitees; and provided, further that, the Trustee reserves the right to implement and enforce reasonable rules and regulations for the use of the Onsite Parking Area similar to those implemented and enforced by the Site Lessor with respect to the Offsite Parking Area.

Section 8.04. Shared Utilities. The Site Lessor agrees to provide the Leased Property with all gas, water, steam, electricity, heat, power and other utilities provided by Site Lessor to the Leased Property on the date hereof on a continuous basis except for periods of repair. The Site Lessor shall be entitled to reimbursement for its actual and reasonable costs incurred in providing such utilities, determined in a fair and reasonable manner based on the use of such utilities by the Leased Property or portions thereof, the operational, maintenance and repair costs of such utilities elements and any costs to acquire or relocate any easements or lines relating to or used in connection with the operation of such utilities. Pursuant to the 2020 Lease, the State has agreed to reimburse the Trustee for such costs during the Lease Term of the 2020 Lease.

Pursuant to the Site Lessor's 2020 Sublease, the Site Lessor, as Sublessee, has agreed to reimburse the State for such costs during the Sublease Term of the Site Lessor's 2020 Sublease. If, (a) the 2020 Lease is terminated for any reason, (b) this Site Lease is not terminated and (c) the Trustee leases or subleases all or any portion of the Leased Property or assigns an interest in this Site Lease, the lessee, sublessee or assignee, as a condition to such lease, sublease or assignment, must agree to reimburse the Site Lessor for such costs.

ARTICLE IX GENERAL COVENANTS

Section 9.01. Further Assurances and Corrective Instruments. So long as this Site Lease is in full force and effect, the Trustee and the Site Lessor shall have full power to carry out the acts and agreements provided herein and the Site Lessor and the Trustee, at the written request of the other, 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 Site Lease.

Section 9.02. Compliance with Requirements of Law. On and after the date hereof, the Site Lessor shall not take any action with respect to the Leased Property that violates the terms hereof or is contrary to the provisions of any Requirement of Law.

Section 9.03. Participation in Legal Actions. At the request of and at the cost of the State, the Site Lessor shall join and cooperate fully in any legal action in which the Trustee or the State 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 enjoyment of the Leased Property by the Trustee or the State; or that involves the imposition of any charges, costs or other obligations with respect to the Trustee's execution, delivery and performance of its obligations under this Site Lease or the State's execution, delivery and performance of its obligations under the 2020 Lease.

ARTICLE X LIMITS ON OBLIGATIONS

Section 10.01. Disclaimer of Warranties. THE SITE LESSOR 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. In no event shall the Site Lessor be liable for any incidental, special or consequential damage in connection with or arising out of this Site Lease or the existence, furnishing, functioning or use by the Trustee of any item, product or service provided for herein.

Section 10.02. Financial Obligations of Trustee Limited to Trust Estate. Notwithstanding any other provision hereof, 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 and Section 6.02(k) of the Master Indenture.

ARTICLE XI EVENTS OF DEFAULT AND REMEDIES

Section 11.01. Event of Default Defined. An “Event of Default” under this Site Lease shall be deemed to have occurred upon failure by the Trustee to observe and perform any covenant, condition or agreement on its part to be observed or performed for a period of 30 days after written notice, specifying such failure and requesting that it be remedied shall be given to the Trustee by the Site Lessor, unless the Site Lessor shall consent in writing to an extension of such time prior to its expiration; provided, however, that:

(a) if the failure stated in the notice cannot be corrected within the applicable period, the Site Lessor 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; and

(b) if, by reason of Force Majeure, the Trustee shall be unable in whole or in part to carry out any agreement on its part herein contained the Trustee shall not be deemed in default during the continuance of such inability; provided, however, that the Trustee shall, as promptly as legally and reasonably possible, remedy the cause or causes preventing the Trustee from carrying out such agreement, except that the settlement of strikes, lockouts and other industrial disturbances shall be solely within the discretion of the Trustee.

Section 11.02. Remedies on Default. Whenever any Event of Default shall have happened and be continuing, the Site Lessor may take one or any combination of the following remedial steps:

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

(b) 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 Site Lease, subject, however, to the limitations on the obligations of the Trustee set forth in Section 10.02 hereof.

Any provision of this Site Lease to the contrary notwithstanding, so long as any of the Series 2020 Certificates are Outstanding, this Site Lease shall not be terminated except as described in Section 3.01 hereof.

Section 11.03. No Remedy Exclusive. Subject to Section 10.02 hereof, no remedy herein conferred upon or reserved to the Site Lessor 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 Site Lessor 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 11.04. Waivers. The Site Lessor may waive any Event of Default under this Site 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.

ARTICLE XII TRANSFERS OF INTERESTS IN SITE LEASE OR LEASED PROPERTY

Section 12.01. Assignment by Site Lessor. The Site Lessor shall not, except as otherwise provided elsewhere in this Site Lease, assign, convey or otherwise transfer to any Person any of the Site Lessor's interest in the Leased Property or the Site Lessor's rights, title or interest in, to or under this Site Lease.

Section 12.02. Transfer of the Trustee's Interest in Site Lease and Leased Property Prohibited. Except as otherwise permitted by Section 7.04 hereof with respect to subleasing or grants of use of the Leased Property and Section 7.05 hereof with respect to substitutions or as otherwise required by law, the Trustee shall not sublease, assign, encumber, convey or otherwise transfer all or any portion of its interest in this Site Lease or the Leased Property to any Person, whether now in existence or organized hereafter.

Section 12.03. Conveyance of Trustee's Interest in the Leased Property to State or Sublessee. The parties recognize and agree that upon conveyance by the Trustee to the State of the Trustee's interest in the Leased Property pursuant to Article VIII of the 2020 Lease or conveyance by the Trustee to the Sublessee of the Trustee's interest in the Leased Property pursuant Article VIII of the Site Lessor's 2020 Sublease, this Site Lease shall terminate.

ARTICLE XIII MISCELLANEOUS

Section 13.01. Binding Effect. This Site Lease shall inure to the benefit of and shall be binding upon the Trustee and the Site Lessor and their respective successors and assigns, including, but not limited to, the State under the 2020 Lease and the Site Lessor in its capacity as Sublessee under its 2020 Sublease, subject, however, to the limitations set forth in Article XII hereof. This Site 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 Site Lease.

Section 13.02. Interpretation and Construction. This Site Lease and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Site Lease. For purposes of this Site Lease, except as otherwise expressly provided or unless the context otherwise requires:

- (a) All references in this Site Lease to designated "Articles," "Sections," "subsections," "paragraphs," "clauses" and other subdivisions are to the designated

Articles, Sections, subsections, paragraphs, clauses and other subdivisions of this Site Lease. The words “herein,” “hereof,” “hereto,” “hereby,” “hereunder” and other words of similar import refer to this Site Lease as a whole and not to any particular Article, Section or other subdivision.

(b) The terms defined in the Glossary have the meanings assigned to them in the Glossary and include the plural as well as the singular.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as in effect from time to time.

(d) The term “money” includes any cash, check, deposit, investment security or other form in which any of the foregoing are held hereunder.

(e) In the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding.”

Section 13.03. Acknowledgement of 2020 Lease and Site Lessor’s 2020 Sublease.

The Trustee has received a copy of, and acknowledges the terms of, the 2020 Lease and the Site Lessor’s 2020 Sublease.

Section 13.04. Trustee, State and Participating Institution Representatives.

Whenever under the provisions hereof the approval of the Trustee, the State or the Site Lessor is required, or the Trustee, the State or the Site Lessor 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, for the State by the State Representative and by the Site Lessor by the Participating Institution Representative identified in the Site Lessor’s 2020 Sublease and the Trustee, the State and the Site Lessor shall be authorized to act on any such approval or request.

Section 13.05. Manner of Giving Notices. All notices, certificates, directions or other communications hereunder shall be in writing and shall be deemed given when mailed by first class United States mail, postage prepaid, or when sent by facsimile transmission or electronic mail, addressed as follows:

If to the Trustee:	Zions Bancorporation, National Association 1001 17 th Street, Suite 850 Denver, Colorado 80202 Attention: Stephanie Nicholls
--------------------	--

If to the Site Lessor:

Any notice party may, by written notice to the others, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent, and may designate different means for such notices and communications.

Section 13.06. No Individual Liability. All covenants, stipulations, promises, agreements and obligations of the Site Lessor or the Trustee, as the case may be, contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the Site Lessor or the Trustee, as the case may be, and not of any member, director, officer, employee, servant or other agent of the Site Lessor 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 Site Lessor or the Trustee or any natural person executing this Site Lease or any related document or instrument; provided that such person is acting within the scope of his or her employment, membership, directorship or agency, as applicable, and not in a manner that constitutes gross negligence or willful misconduct.

Section 13.07. Amendments, Changes and Modifications. Except as otherwise provided herein or in the Indenture, this Site Lease may only be amended, changed, modified or altered by a written instrument executed by the Site Lessor and the Trustee; and the Trustee shall, if and when requested by the State, execute and deliver any amendment to this Site Lease proposed by the State, which does not adversely affect the interests of the Trustee, upon delivery to the Trustee of an opinion of Bond Counsel stating that such amendment does not violate the Indenture or the Leases.

Section 13.08. 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 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 13.09. Legal Description of Land Included in Leased Property. The legal description of the land included in the Leased Property subject to this Site Lease is set forth in Exhibit A hereto. If the land included in the Leased Property subject to this Site Lease is modified pursuant to the terms of this Site Lease or other land is substituted for land included in the Leased Property subject to this Site Lease pursuant to the terms of this Site Lease, the legal description set forth in Exhibit A hereto will be amended to describe the land included in the Leased Property subject to this Site Lease after such modification or substitution.

Section 13.10. Merger. The Site Lessor and the Trustee intend that the legal doctrine of merger shall have no application to this Site Lease, the 2020 Lease or the Sublessee's 2020 Sublease and that none of the execution and delivery of the this Site Lease by the Site Lessor and the Trustee, the 2020 Lease by the Trustee and the State or the Site Lessor's 2020 Sublease by the State and the Site Lessor as Sublessor or the exercise of any remedies by any party under this Site Lease, the 2020 Lease or the Site Lessor's 2020 Sublease shall operate to terminate or extinguish this Site Lease, the 2020 Lease, or the Site Lessor's 2020 Sublease.

Section 13.11. Severability. In the event that any provision of this Site Lease, other than the obligation of the Site Lessor to provide quiet enjoyment of the Leased Property, 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 13.12. 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 Site Lease.

Section 13.13. Applicable Law. The laws of the State and rules and regulations issued pursuant thereto, as the same may be amended from time to time, shall be applied in the interpretation, execution and enforcement of this Site Lease. Any provision of this Site Lease, whether or not incorporated herein by reference, which provides for arbitration by an extra-judicial body or person or which is otherwise in conflict with said laws, rules and regulations shall be considered null and void. Nothing contained in any provision hereof or incorporated herein by reference which purports to negate this Section in whole or in part shall be valid or enforceable or available in any action at law whether by way of complaint, defense or otherwise. Any provision rendered null and void by the operation of this Section will not invalidate the remainder of this Site Lease to the extent that this Site Lease is capable of execution. At all times during the performance of this Site Lease, the Site Lessor and the Trustee shall strictly adhere to all applicable federal and State laws, rules and regulations that have been or may hereafter be established.

Section 13.14. Execution in Counterparts. This Site 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.

Section 13.15. Estimated Value of Leased Property. The Site Lessor estimates that the value of the Leased Property as of the date of this Site Lease is \$ _____.

[remainder of page intentionally left blank]

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

ZIONS BANCORPORATION, NATIONAL ASSOCIATION, solely in its capacity as trustee under the Indenture

By _____
Vice President, Zions Bank Division

[PARTICIPATING INSTITUTION]

By _____
Name:
Title:

APPROVALS:

STATE OF COLORADO
Jared S. Polis, Governor
Department of the Treasury

By _____
David L. Young, Treasurer

DEPARTMENT OF LAW
ATTORNEY GENERAL
Philip J. Weiser, Attorney General

STATE OF COLORADO
Jared S. Polis, Governor
STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By _____
First Assistant Attorney General

By _____
State Controller

REAL ESTATE PROGRAMS
STATE OF COLORADO
Jared S. Polis, Governor
DEPARTMENT OF PERSONNEL & ADMINISTRATION
Office of the State Architect, For the Executive Director

By _____
State Real Estate Program Manager

[Signature Page to Site Lease of Participating Institution]

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

The foregoing instrument was acknowledged before me this ___ day of _____, 2021 by Stephanie Nicholls as an authorized signatory of Zions Bancorporation, National Association.

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

[NOTARIAL SEAL]

Notary

STATE OF COLORADO

)

) ss.

COUNTY OF _____

)

The foregoing instrument was acknowledged before me this ___ day of _____, 2021,
by _____, acting on behalf of the [Participating Institution].

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

[NOTARIAL SEAL]

Notary

EXHIBIT A
LEGAL DESCRIPTION OF LEASED PROPERTY

(THIS PAGE INTENTIONALLY LEFT BLANK)

After recording return to
Sarah P. Tasker
Butler Snow LLP
1801 California Street, Suite 5100
Denver, Colorado 80202

STATE OF COLORADO
HIGHER EDUCATION
LEASE PURCHASE FINANCING PROGRAM
SUBLEASE OF [PARTICIPATING INSTITUTION]
SERIES 2020

by and between

STATE OF COLORADO,
acting by and through the State Treasurer,
as sublessor

and

STATE OF COLORADO
acting by and through the
[GOVERNING BODY] OF THE
[PARTICIPATING INSTITUTION],
as sublessee

Dated as of February 24, 2021

TABLE OF CONTENTS

Page

**ARTICLE I
CERTIFICATIONS, REPRESENTATIONS AND AGREEMENTS**

Section 1.01. Certifications, Representations and Agreements by State 2
Section 1.02. Certifications, Representations and Agreements by Sublessee 2

**ARTICLE II
DEMISING CLAUSE; ENJOYMENT OF LEASED PROPERTY**

Section 2.01. Demising Clause 4
Section 2.02. Enjoyment of Leased Property 4

**ARTICLE III
SUBLEASE TERM; TERMINATION OF SUBLEASE**

Section 3.01. Sublease Term 4
Section 3.02. Effect of Termination of Sublease Term 5

**ARTICLE IV
COSTS OF SUBLESSEE’S PROJECT**

Section 4.01. Costs of Sublessee’s Project 5

**ARTICLE V
RENT; EVENT OF NONAPPROPRIATION**

Section 5.01. Base Rent 5
Section 5.02. Additional Rent 6
Section 5.03. Unconditional Obligations 6
Section 5.04. Event of Nonappropriation 6
Section 5.05. Limitations on Obligations of the Sublessee 8
Section 5.06. No Right to Compel Payment of Rent by State or Another Participating
Institution 8

**ARTICLE VI
OPERATION, MAINTENANCE AND INSURANCE OF LEASED PROPERTY**

Section 6.01. Taxes, Utilities and Insurance 8
Section 6.02. Maintenance and Operation of Leased Property 10

**ARTICLE VII
TITLE TO LEASED PROPERTY; ENCUMBRANCES, EASEMENTS, MODIFICATIONS,
SUBSTITUTION, DAMAGE, PERSONAL PROPERTY**

Section 7.01. Title to Leased Property 10
Section 7.02. Limitations on Disposition of and Encumbrances on Leased Property 10
Section 7.03. Granting of Easements 11
Section 7.04. Subleasing and Other Grants of Use 11

Section 7.05. Modification of Leased Property	11
Section 7.06. Substitution of Other Property for Leased Property	12
Section 7.07. Property Damage, Defect or Title Event.....	12
Section 7.08. Personal Property of State or Sublessee.....	13

**ARTICLE VIII
SUBLESSEE’S PURCHASE OPTION;
CONVEYANCE TO SUBLESSEE UPON CONVEYANCE TO STATE**

Section 8.01. Sublessee’s Purchase Option.	14
Section 8.02. Conveyance of Trustee’s Interest in Leased Property	15
Section 8.03. Conveyance to Sublessee upon Conveyance to State.....	15

**ARTICLE IX
GENERAL COVENANTS**

Section 9.01. Further Assurances and Corrective Instruments	16
Section 9.02. Compliance with Requirements of Law	16
Section 9.03. Participation in Legal Actions.	16
Section 9.04. Tax Covenant of Sublessee	17
Section 9.05. Fees and Expenses of Trustee; State Expenses; Deposits to Rebate Fund; Rebate Calculations	17
Section 9.06. Investment of Funds.....	17

**ARTICLE X
LIMITS ON OBLIGATIONS OF STATE**

Section 10.01. Disclaimer of Warranties	18
Section 10.02. Limitation of Obligations of State.	18

**ARTICLE XI
EVENTS OF DEFAULT AND REMEDIES**

Section 11.01. Events of Default Defined.	18
Section 11.02. Remedies on Default.....	19
Section 11.03. Limitations on Remedies	20
Section 11.04. No Remedy Exclusive.....	20
Section 11.05. Waivers	20

**ARTICLE XII
TRANSFERS OF INTERESTS IN SUBLEASE OR LEASED PROPERTY**

Section 12.01. Transfer of the Sublessee’s Interest in Sublease Lease and Leased Property Prohibited.....	20
--	----

**ARTICLE XIII
MISCELLANEOUS**

Section 13.01. Binding Effect.....	21
Section 13.02. Interpretation and Construction	21
Section 13.03. Acknowledgement of and Subordination to 2020 Lease and Indenture	21
Section 13.04. Trustee, State and Sublessee’s Participating Institution Representatives.....	21

Section 13.05. Manner of Giving Notices	22
Section 13.06. No Individual Liability	22
Section 13.07. Amendments, Changes and Modifications	22
Section 13.08. State May Rely on Certifications, Representations and Agreements of Sublessee.....	22
Section 13.09. Events Occurring on Days that are not Business Days.....	22
Section 13.10. Legal Description of Land Included in Leased Property; Initial Value of Lease Property of each Sublessee	23
Section 13.11. Merger.....	23
Section 13.12. Severability	23
Section 13.13. Captions	23
Section 13.14. Applicable Law	23
Section 13.15. Execution in Counterparts.....	23
Section 13.16. State Controller’s Approval	23
Section 13.17. Non-Discrimination	24
Section 13.18. Vendor Offset.....	24
Section 13.19. Employee Financial Interest	24
 EXHIBIT A LEGAL DESCRIPTION OF LEASED PROPERTY.....	 A-1

**STATE OF COLORADO
HIGHER EDUCATION
LEASE PURCHASE FINANCING PROGRAM
SUBLEASE OF [PARTICIPATING INSTITUTION]
SERIES 2020**

This State of Colorado Higher Education Lease Purchase Financing Program Sublease of [Participating Institution] Series 2020 (this “Sublease”) is dated as of February 24, 2021 and is entered into by and between the State of Colorado, acting by and through the State Treasurer (the “State”), as sublessor, and the State of Colorado, acting by and through the [Governing Body of the Participating Institution], as sublessee (the “Sublessee”).

Capitalized terms used but not defined in this Sublease have the meanings assigned to them in the Glossary attached to the State of Colorado Higher Education Lease Purchase Financing Program Master Trust Indenture dated as of February 24, 2021, as such Glossary may be amended, supplemented and restated from time to time.

RECITALS

A. The State is authorized by the Lease Purchase Act to execute a Higher Education Lease Purchase Agreement with a commercial bank as trustee to finance Approved Projects for Approved Institutions.

B. The State and the Governing Bodies of the Approved Institutions are authorized pursuant to the Lease Purchase Act to enter into ancillary agreements and instruments as deemed necessary or appropriate in connection with a Higher Education Lease Purchase Agreement, including, but not limited to, deeds, ground leases, subleases, easements or other instruments relating to the real property on which the facilities are located.

C. The Sublessee is an Approved Institution with an Approved Project and is a Participating Institution. The Sublessee has leased its Leased Property to the Trustee in its capacity as trustee under the Indenture pursuant to a Site Lease. The State will lease the Sublessee’s Leased Property and other Leased Property subject to other Subleases from the Trustee in its capacity as trustee under the Indenture pursuant to the 2020 Lease. The Sublessee will sublease its Leased Property from the State pursuant to this Sublease.

D. Certificates will be issued pursuant to the Indenture. Proceeds of the Certificates will be used to finance all or a portion of the Costs of the Project or Projects of the Sublessee and of other Participating Institutions. The first Series of Certificates issued pursuant to the Indenture are the Series 2020 Certificates.

AGREEMENT

For and in consideration of the mutual covenants and the representations, covenants and warranties herein contained, the parties hereto hereby agree as follows:

ARTICLE I
CERTIFICATIONS, REPRESENTATIONS AND AGREEMENTS

Section 1.01. Certifications, Representations and Agreements by State. The State hereby certifies, represents and agrees that:

(a) The State is authorized under the Lease Purchase Act to lease the Leased Property to the Sublessee pursuant to this Sublease and to execute, deliver and perform its obligations under this Sublease.

(b) This Sublease has been duly executed and delivered by the State and is enforceable against the State 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.

(c) The execution, delivery and performance of the terms of this Sublease by the State 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 State is now a party or by which the State is bound, or constitute a default under any of the foregoing or, except as specifically provided in the 2020 Lease, the Indenture, this Sublease or the 2020 Site Lease pursuant to which the Sublessee leased the Leased Property to the Trustee, result in the creation or imposition of a lien or encumbrance whatsoever upon any of the property or assets of the State.

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

Section 1.02. Certifications, Representations and Agreements by Sublessee. The Sublessee certifies, represents and agrees that:

(a) The Sublessee is an institution of higher education as described in C.R.S. § Section 23-1-102(2) that is duly organized, validly existing and in good standing under Colorado and is authorized under the Lease Purchase Act and its governing statutes to lease the Leased Property to the Trustee pursuant to a Site Lease, to lease the Leased Property from the State pursuant to this Sublease and to execute, deliver and perform its obligations under this Sublease and 2020 Site Lease pursuant to which the Sublessee leased the Leased Property to the Trustee.

(b) The execution, delivery and performance of this Sublease and the 2020 Site Lease pursuant to which the Sublessee leased the Leased Property to the Trustee have been duly authorized by the Governing Body of the Sublessee.

(c) The Sublessee has received all approvals and consents required for the Sublessee's execution, delivery and performance of its obligations under this Sublease

and the 2020 Site Lease pursuant to which the Sublessee leased the Leased Property to the Trustee.

(d) This Sublease and the 2020 Site Lease pursuant to which the Sublessee leased the Leased Property to the Trustee have been duly executed and delivered by the Sublessee and are enforceable against the Sublessee in accordance with their respective 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.

(e) The execution, delivery and performance of this Sublease and the 2020 Site Lease by the Sublessee 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 Sublessee is now a party or by which the Sublessee is bound, or constitute a default under any of the foregoing or, except as specifically provided in the 2020 Lease, the Indenture, this Sublease or the 2020 Site Lease, result in the creation or imposition of a lien or encumbrance whatsoever upon any of the property or assets of the Sublessee.

(f) There is no litigation or proceeding pending or threatened against the Sublessee affecting the right of the Sublessee to execute, deliver or perform its obligations under this Sublease or the 2020 Site Lease pursuant to which the Sublessee leased the Leased Property to the Trustee.

(g) The Sublessee will receive economic and other benefits by the subleasing of the Leased Property by the Sublessee pursuant to this Sublease. The initial Leased Property is, and any Leased Property substituted for the initial Leased Property will be, property that is necessary and essential to the purposes and operations of the Sublessee. The Sublessee expects that the Leased Property will adequately serve the needs for which it is being subleased throughout the Scheduled Sublease Term.

(h) The amount shown as the Initial Value of Leased Property in Exhibit B of the 2020 Lease for the Sublessee's Leased Property is the Fair Market Value of the Sublessee's Leased Property on the date this Sublease is executed and delivered.

(i) The Rent payable by the Sublessee under this Sublease in each Fiscal Year during the Sublease Term of this Sublease does not exceed a reasonable amount so as to place the Sublessee under an economic compulsion (i) to continue this Sublease beyond any Fiscal Year, (ii) not to exercise its right to terminate this Sublease at any time through an Event of Nonappropriation or (iii) to exercise its option to purchase the Trustee's leasehold interest in the Leased Property hereunder. The Sublessee's Purchase Option Price pursuant to Section 8.01 hereof is the Sublessee's best estimate of the fair purchase price of the Trustee's leasehold interest in the Leased Property at the time of exercise of the Sublessee's option to purchase the Trustee's interest in the Leased Property by paying the Sublessee's Purchase Option Price. In making the representations,

covenants and warranties set forth above in this subsection and the immediately preceding subsection of this Section, the Sublessee has given due consideration to the Sublessee's Project, the purposes for which the Leased Property will be used by the Sublessee, the benefits to the Sublessee from the use of the Leased Property, the Sublessee's option to purchase the Leased Property hereunder and the terms of this Sublease governing the use of the Leased Property.

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

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

ARTICLE II DEMISING CLAUSE; ENJOYMENT OF LEASED PROPERTY

Section 2.01. Demising Clause. The State demises and leases the State's leasehold estate under the 2020 Lease in the land described in Exhibit A hereto (the "Land" for purposes of this Sublease) and the buildings, structures and improvements now or hereafter located on the Land (the "Leased Property" for purposes of this Sublease) to the Sublessee in accordance with the terms of this Sublease, subject only to Permitted Encumbrances, to have and to hold for the Sublease Term.

Section 2.02. Enjoyment of Leased Property. The State covenants that, during the Sublease Term and so long as no Event of Default hereunder shall have occurred, the Sublessee shall peaceably and quietly have, hold and enjoy the Leased Property without suit, trouble or hindrance from the State, except as expressly required or permitted by this Sublease.

ARTICLE III SUBLEASE TERM; TERMINATION OF SUBLEASE

Section 3.01. Sublease Term.

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

(b) The Sublease Term shall expire upon the earliest of any of the following events:

(i) termination of the 2020 Lease in accordance with its terms;

(ii) June 30 of the Initial Term or June 30 of any Renewal Term during which, in either case, an Event of Nonappropriation under this Sublease has occurred;

(iii) termination of this Sublease following an Event of Default under this Sublease in accordance with Section 11.02(a) hereof;

(iv) the conveyance of all of the Trustee's leasehold interest in the Leased Property subject to the 2020 Lease to the State pursuant to Article VIII of the 2020 Lease; or

(v) the conveyance of the Trustee's interest in the Leased Property to the Sublessee pursuant to Article VIII hereof.

Section 3.02. Effect of Termination of Sublease Term. Upon termination of the Sublease Term:

(a) all unaccrued obligations of the Sublessee hereunder shall terminate, but all obligations of the Sublessee 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 under this Sublease or because of the termination of the 2020 Lease as a result of an Event of Nonappropriation or an Event of Default under the 2020 Lease, and the Sublessee does not exercise its option to purchase the Trustee's interest in the Leased Property pursuant to Article VIII hereof, the Sublessee's right to possession of the Leased Property hereunder shall terminate and (i) the Sublessee shall, within 90 days, vacate the Leased Property; and (ii) if and to the extent the Governing Body of the Sublessee has appropriated funds for payment of Additional Rent payable during, or with respect to the Sublessee's use of the Leased Property during, the period between termination of the Sublease Term and the date the Leased Property is vacated pursuant to clause (i), the Sublessee shall pay Additional Rent to the Person entitled thereto.

ARTICLE IV COSTS OF SUBLESSEE'S PROJECT

Section 4.01. Costs of Sublessee's Project. In consideration of the Trustee's right to use the Leased Property under the 2020 Site Lease pursuant to which the Sublessee leased the Leased Property to the Trustee, the Trustee shall deposit proceeds of the Series 2020 Certificates into the Sublessee's Project Account held by the Trustee under the Indenture, to be applied as provided therein. The State shall requisition amounts on deposit in the Sublessee's Project Account to pay or reimburse the State for the Costs of the Sublessee's Project in accordance with the terms and provisions of the Indenture.

ARTICLE V RENT; EVENT OF NONAPPROPRIATION

Section 5.01. Base Rent.

(a) The Sublessee is not obligated to pay Base Rent under this Sublease. Notwithstanding any provisions to the contrary contained herein, any references to the

Sublessee's obligation to pay Rent hereunder shall mean the payment of Additional Rent, and shall not be construed to require the Sublessee to pay Base Rent hereunder.

Section 5.02. Additional Rent. The Sublessee shall, subject only to Sections 6.01(b) and 7.02(b) hereof and the other Sections of this Article, pay Additional Rent in immediately available funds in the amounts and on the dates on which it is due. The Sublessee shall pay all Additional Rent payable pursuant to Article VI and Section 7.02(a)(ii) hereof and all other Additional Rent that specifically relates to the Leased Property subject to this Sublease directly to the Persons to which it is owed. The Sublessee shall pay its Proportionate Share of any Additional Rent that does not specifically relate to the Leased Property subject to this Sublease that the State, in its sole discretion, determines should be paid by the Sublessees and/or other Participating Institutions, to the State within 14 days of notice from the State or the Trustee of the amount due. The State's determinations as to whether any Additional Rent is specifically related to the Leased Property subject to this Sublease and as to whether any Additional Rent not specifically related to the Leased Property subject to this Sublease should be paid by the Sublessees and/or other Participating Institutions, shall be binding on and shall not be subject to dispute or negotiation by the Sublessee.

Section 5.03. Unconditional Obligations. The obligation of the Sublessee to pay Additional Rent during the Sublease Term shall, subject only to Sections 6.01(b) and 7.02(b) hereof and the other Sections of this Article, including, without limitation, Sections 5.04 and 5.05 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 Sublessee and the State or between the Sublessee or the State and any other Person relating to the Leased Property, the Sublessee shall, during the Sublease Term, pay all Additional Rent when due; the Sublessee shall not withhold any Additional Rent payable during the Sublease Term pending final resolution of such dispute and shall not assert any right of set-off or counter-claim against its obligation to pay Additional Rent, provided, however, that the payment of any Additional Rent shall not constitute a waiver by the Sublessee of any rights, claims or defenses which the Sublessee may assert; and no action or inaction on the part of the State shall affect the Sublessee's obligation to pay Additional Rent during the Sublease Term.

Section 5.04. Event of Nonappropriation.

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

(b) An Event of Nonappropriation shall be deemed to have occurred, subject to the Sublessee's right to cure pursuant to subsection (c) of this Section:

(i) On June 30 of any Fiscal Year if the Governing Body of the Sublessee has, on such date, failed, for any reason, to appropriate sufficient amounts authorized and directed to be used to pay all Additional Rent estimated to be payable in the next ensuing Fiscal Year; or

(ii) On June 30 of the Fiscal Year in which such event occurred or on June 30 of any subsequent Fiscal Year in which such insufficiency became apparent, as applicable, if:

(A) a Property Damage, Defect or Title Event has occurred,

(B) the Net Proceeds received as a consequence of such Property Damage, Defect or Title Event are not sufficient to repair, restore, modify, improve or replace the affected portion of the Leased Property in accordance with Section 7.07 hereof, and

(C) the Governing Body of the Sublessee has not appropriated amounts sufficient to proceed under clause (i)(A) of Section 7.07(c) hereof or the Sublessee has not substituted property pursuant to clause (i)(B) of Section 7.07(c) hereof by June 30 of the Fiscal Year in which such Property Damage, Defect or Title Event occurred or by June 30 of any subsequent Fiscal Year in which the insufficiency of Net Proceeds to repair, restore, modify, improve or replace the affected portion of the Leased Property becomes apparent.

(c) Notwithstanding subsection (b) of this Section, an Event of Nonappropriation shall not be deemed to occur if, on or before August 1 of the next ensuing Fiscal Year, (i) the Governing Body of the Sublessee has appropriated amounts sufficient, or the Sublessee has substituted property in the manner required, to avoid an Event of Nonappropriation under subsection (b) of this Section and (ii) the Sublessee has paid all Rent due during the period from June 30 through the date of such appropriation or substitution.

(d) If the Sublessee shall determine to exercise its annual right to terminate this Sublease effective on June 30 of any Fiscal Year, the Sublessee shall give written notice to such effect to the State not later than March 1 of such Fiscal Year; provided, however, that a failure to give such notice shall not (i) constitute an Event of Default, (ii) prevent the Sublessee from terminating this Sublease or (iii) result in any liability on the part of the Sublessee.

(e) The Sublessee shall furnish the State with copies of all appropriation measures relating to Rent or the Purchase Option Price promptly upon the adoption thereof by the Governing Body of the Sublessee, but not later than 20 days following the adoption thereof by the Governing Body of the Sublessee; provided however, that a failure to furnish copies of such measures shall not (i) constitute an Event of Default, (ii) prevent the Sublessee from terminating this Sublease or (iii) result in any liability on the part of the Sublessee.

Section 5.05. Limitations on Obligations of the Sublessee.

(a) Payment of Rent and all other payments by the Sublessee shall constitute currently appropriated expenditures of the Sublessee. All obligations of the Sublessee under this Sublease shall be subject to the action of the Governing Body of the Sublessee in annually making moneys available for payments hereunder. The obligations of the Sublessee to pay Rent and all other obligations of the Sublessee hereunder are subject to appropriation by the Governing Body of the Sublessee in its sole discretion, and shall not be deemed or construed as creating an indebtedness of the Sublessee within the meaning of any provision of the State Constitution or the laws of the State concerning or limiting the creation of indebtedness of the Sublessee and shall not constitute a multiple fiscal year direct or indirect debt or other financial obligation of the Sublessee within the meaning Section 20(4) of Article X of the State Constitution. In the event the Sublessee does not renew this Sublease, the sole security available to the State, as sublessor under this Sublease, shall be the Leased Property.

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

(c) The Sublessee shall be under no obligation whatsoever to exercise its option to purchase the Trustee's leasehold interest in the Leased Property pursuant to Article VIII hereof.

Section 5.06. No Right to Compel Payment of Rent by State or Another Participating Institution. The Sublessee shall have no right to compel the State or any other Sublessee or Participating Institution to pay any Rent under the 2020 Lease or Rent under any Sublease and neither the State nor any such other Sublessee or Participating Institution shall have any liability to the Sublessee for a failure by the State or any such other Sublessee or Participating Institution to pay Rent payable under the 2020 Lease or to pay Rent payable under any such other Sublease for any reason.

**ARTICLE VI
OPERATION, MAINTENANCE AND INSURANCE OF LEASED PROPERTY**

Section 6.01. Taxes, Utilities and Insurance.

(a) The Sublessee shall pay, as Additional Rent, 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 (including but not

limited to, amounts paid to a Site Lessor for utilities provided by such Site Lessor pursuant to a Site Lease);

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

(iv) public liability insurance with respect to the activities to be undertaken by the Sublessee in connection with the Leased Property, the Sublessee's Project and this Sublease: (A) to the extent such activities result in injuries for which immunity is available under the Colorado Governmental Immunity Act, C.R.S. § 24-10-101 et seq. or any successor statute, in an amount not less than the amounts for which the Sublessee may be liable to third parties thereunder and (B) for all other activities, in an amount not less than \$1,000,000 per occurrence.

(b) Except for Permitted Encumbrances, the Sublessee 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 Sublessee shall first notify the Trustee and the State of the intention of the Sublessee to do so, the Sublessee 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 or the State shall notify the Sublessee that, in the opinion of Independent Counsel, whose fees and expenses shall be paid by the Sublessee, by nonpayment of any such item the interest of the Trustee or the State 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 Sublessee, the State will cooperate fully with the Sublessee 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 State; (ii) each insurance policy shall be provided by an insurer that, at the time such policy is obtained or renewed, is rated "A" by A.M. Best or in the two highest rating categories of S&P and Moody's; (iii) each insurance policy shall be so written or endorsed as to make losses, if any, payable to the State, the Sublessee and the Trustee, as their respective interests may appear; (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 State, the Sublessee or the Trustee without first giving written notice thereof to the State, the Sublessee and the Trustee at least 30 days in advance of such cancellation or modification; (v) upon written request, each insurance policy, or each certificate evidencing such policy, shall be provided to 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, under no circumstance, be contingent on the degree of damage sustained at other property owned or leased by the State or any Sublessee; and (vii) each insurance policy shall explicitly waive any co-insurance penalty.

(d) The insurance required by this Section may be provided under blanket insurance policies which insure not only the risks required to be insured hereunder but also other similar risks or through a self-insurance program.

(e) At the request of the State or the Trustee, the Sublessee shall cause one or more insurance consultants to annually review the self-insurance program through which insurance is provided pursuant to this Section and confirm that it is maintained on an actuarially sound basis.

Section 6.02. Maintenance and Operation of Leased Property. The Sublessee 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 7.05 and 7.07 hereof.

ARTICLE VII

TITLE TO LEASED PROPERTY; ENCUMBRANCES, EASEMENTS, MODIFICATIONS, SUBSTITUTION, DAMAGE, PERSONAL PROPERTY

Section 7.01. Title to Leased Property. Title to the Leased Property shall be held in the name of the Sublessor, subject to the Sublessor's 2020 Site Lease, the 2020 Lease, this Sublease and the Indenture.

Section 7.02. Limitations on Disposition of and Encumbrances on Leased Property.

(a) Except as otherwise permitted in this Article or Article VIII or XI hereof and except for Permitted Encumbrances, (i) neither the State nor the Sublessee 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 Sublessee 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 Sublessee shall first notify the Trustee and the State of the intention of the Sublessee to do so, the Sublessee 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 or the State has notified the Sublessee that, in the opinion of Independent Counsel, whose fees shall be paid by the Sublessee, by failing to discharge or satisfy such item the interest of the Trustee or the State 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 Sublessee of the right to continue to contest such item. At the request of the Sublessee, the State will cooperate fully with the Sublessee in any such contest.

Section 7.03. Granting of Easements. As long as no Event of Nonappropriation or Event of Default shall have happened and be continuing, the State shall, at the request of the Sublessee and with the consent of the Trustee:

(a) 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 Leased Property, free from this Sublease and the 2020 Lease and any security interest or other encumbrance created hereunder or thereunder;

(b) consent to the release of existing easements, licenses, rights-of-way and other rights and privileges with respect to the Leased Property, free from this Sublease or the 2020 Lease and any security interest or other encumbrance created hereunder or thereunder, with or without consideration; and

(c) 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 Participating Institution Representative of the Sublessee 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.

Section 7.04. Subleasing and Other Grants of Use. The Sublessee may sublease or otherwise grant the right to use such Leased Property to another Person, but only if:

(a) the sublease or grant of use by the Sublessee complies with the covenant in Section 9.04 hereof; and

(b) the obligations of the Sublessee under this Sublease shall remain obligations of the Sublessee, and the Sublessee shall maintain its direct relationship with the State, notwithstanding any such sublease or grant of use.

Section 7.05. Modification of Leased Property. The Sublessee, at its own expense, may remodel, or make additions, modifications or improvements to, its portion of the Leased Property, provided that: (a) such remodeling, additions, modifications and improvements (i) shall not in any way damage such portion of 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, additions, modifications and improvements shall be at least as great as the value of the Leased Property prior thereto; (c) the cost of all remodeling, additions, modifications and improvements shall not exceed 10% of the Initial Value of the Leased Property without the written approval of the State; and (d) the Leased Property, after such remodeling, additions,

modifications and additions, shall continue to be used as provided in, and shall otherwise be subject to the terms of, this Sublease.

Section 7.06. Substitution of Other Property for Leased Property. Subject to the conditions set forth in this Section 7.06, the Sublessee may at any time substitute other real property for the Leased Property that is subject to this Sublease, the 2020 Site Lease and the 2020 Lease. The Sublessee shall submit a written proposal to the State requesting such substitution, which shall be accompanied by the items listed below in form and substance satisfactory to the State. If (a) the items listed below are delivered, (b) the State consents in writing to the substitution, and (c) the Sublessee pays the costs of the substitution, the State shall, and shall cooperate with the Sublessee to cause the Trustee to, execute and deliver any documents or instruments requested by the Sublessee to accomplish the substitution. The items are:

(a) A certificate by the Sublessee certifying that, following such substitution, either (i) the Fair Market Value of the substituted property, determined as of the date of substitution, is equal to or greater than 90% of the Initial Value of the property for which it is substituted, or (ii) the Fair Market Value of the substituted property, determined as of the date of substitution, will be at least equal to 90% of the principal amount of the Sublessee's Attributable Certificates outstanding as of the date of substitution.

(b) A title insurance policy, an amendment or supplement to a previously issued title insurance policy or a commitment to issue such a policy, amendment or supplement that would comply with Section 2.09(e) of the Master Indenture if a Series of Certificates was being executed and delivered on the date the substitution occurs.

(c) A certificate by the Sublessee certifying that (i) the useful life of the substituted property extends to or beyond the final maturity of the Series 2020 Certificates, and (ii) the substituted property is at least as essential to the Sublessee as the property for which it was substituted.

(d) An agreement by the Sublessee to pay all costs incurred by the Sublessee, the State, the Trustee or any other Person in connection with the substitution, including but not limited to, the costs of the title insurance required by clause (b) of this Section, the Trustee's fees and expenses, the State's third-party costs and reasonable charges for the time of State employees and allocable overhead.

(e) An opinion of Bond Counsel to the effect that such substitution is permitted by Section 7.06 of the 2020 Lease, will not cause the Sublessee to violate its covenant set forth in Section 9.04 hereof and will not cause the State to violate its covenant set forth in Section 9.04 of the 2020 Lease.

Section 7.07. Property Damage, Defect or Title Event.

(a) If a Property Damage, Defect or Title Event occurs with respect to any portion of the Leased Property, the Net Proceeds received as a consequence thereof 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 portion of the Leased Property affected by the Property Damage, Defect or Title Event are equal to or less than the Net Proceeds, the Net Proceeds shall be used promptly to repair, restore, modify, improve or replace the affected portion of the Leased Property and any excess shall be delivered to the Sublessee.

(c) If the costs of the repair, restoration, modification, improvement or replacement of the portion of the Leased Property affected by the Property Damage, Defect or Title Event are more than the Net Proceeds, then:

(i) the Sublessee shall elect one of the following alternatives:

(A) to promptly to repair, restore, modify or improve or replace the affected portion of the Leased Property with property of a value equal to or in excess of the value of such portion of the Leased Property, in which case the Net Proceeds shall be used to pay a portion of the costs thereof and the Sublessee shall, subject to Article V hereof, pay the remainder of such costs as Additional Rent; or

(B) to substitute property for the affected portion of the Leased Property pursuant to Section 7.06 hereof, in which case the Net Proceeds shall be delivered to the Sublessee.

(ii) If, by June 30 of the Fiscal Year in which a Property Damage, Defect or Title Event occurred (or June 30 of any subsequent Fiscal Year in which the insufficiency of Net Proceeds to repair, restore, modify, improve or replace the affected portion of the Leased Property becomes apparent), the Sublessee has not appropriated amounts sufficient to proceed under clause (i)(A) of this subsection or has not substituted property pursuant to clause (i)(B) of this subsection, an Event of Nonappropriation shall be deemed to have occurred.

(d) The Sublessee 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 any portion of the Leased Property without the written consent of the State and the Trustee.

(e) No Property Damage, Defect or Title Event shall affect the obligation of the Sublessee to pay Rent hereunder.

Section 7.08. Personal Property of State or Sublessee. The State or the Sublessee, at their own expense, may install equipment and other personal property in or on any portion of 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 VIII
SUBLESSEE'S PURCHASE OPTION;
CONVEYANCE TO SUBLESSEE UPON CONVEYANCE TO STATE

Section 8.01. Sublessee's Purchase Option.

(a) The Sublessee is hereby granted the option to purchase all, but not less than all, of the Trustee's leasehold interest in the Leased Property subject to this Sublease (i) at any time while the 2020 Lease remains in effect, in accordance with this Section 8.01 and Section 8.01(a) of the Lease, or (ii) following a termination of the 2020 Lease upon the occurrence of an Event of Default or an Event of Nonappropriation, by paying to the Trustee the "Sublessee's Purchase Option Price."

The Sublessee's Purchase Option Price is an amount sufficient (A) to pay all the Outstanding Attributable Certificates (defined below in this Section), to redeem all the Outstanding Attributable Certificates in accordance with the applicable redemption provisions of the Indenture, or to defease all the Attributable Certificates in accordance with the defeasance provisions of the Indenture, on the closing date for the purchase of the Trustee's leasehold interest in the Leased Property, and (B) to pay all Additional Rent payable through the date of conveyance of such interest in the Leased Property to the Sublessee, including, but not limited to, all fees and expenses of the Trustee and all expenses of the State relating to the conveyance of the Trustee's leasehold interest in the Leased Property and the payment of the Attributable Certificates.

As used in this Article VIII, the term "*Attributable Certificates*" means, subject to the next sentence, (i) a principal amount of the Outstanding Certificates determined by multiplying the principal amount of all the then Outstanding Certificates by a fraction, the numerator of which is the net proceeds of the Certificates received by the Participating Institution and the denominator of which is the total net proceeds of the Certificates remitted to all the applicable Participating Institutions; and (ii) which principal amount shall be allocated among the maturities of the Outstanding Certificates in proportion to the principal amount of each maturity of the Outstanding Certificates, rounded to the nearest \$5,000 in principal amount of each such maturity. Notwithstanding the preceding sentence, if any portion of the Certificates has been paid, redeemed or defeased with the proceeds of another Series of Certificates, in applying this definition, Outstanding Certificates of the portion of the other Series of Certificates the proceeds of which were used to pay, redeem or defease outstanding Certificates shall be substituted for the Certificates that were paid, redeemed or defeased. The rounding pursuant to clause (ii) of the first sentence of this definition and the substitution of Outstanding Certificates of another Series of Certificates pursuant to the immediately preceding sentence shall be accomplished in any reasonable manner selected by the State in its sole discretion.

(b) In order to exercise its option to purchase the Trustee's leasehold interest in the Leased Property while the 2020 Lease remains in effect, the Sublessee shall (i) give written notice to the Trustee and the State that it is exercising its purchase option hereunder; (ii) specify a closing date which is no less than 30 days after the delivery of such notice, and (iii) pay the Sublessee's Purchase Option Price to the State, or, at the

State's written direction, to the Trustee, in immediately available funds on the closing date. The State hereby agrees that it shall calculate, or cause the Trustee to calculate, the Sublessee's Purchase Option Price based upon the closing date specified in the Sublessee's written notice and whether the Attributable Certificates will be paid or defeased on such closing date. The State further agrees that it shall exercise its option to redeem the outstanding Attributable Certificates on the earliest practicable date following receipt of such written notice.

(c) In order to exercise its option to purchase the Trustee's leasehold interest in the Leased Property after the termination of the 2020 Lease, due to an Event of Nonappropriation or an Event of Default, the Sublessee shall: (i) give written notice to the Trustee and the State within 15 Business Days after the Sublessee is notified by the Trustee that the 2020 Lease has been terminated due to an Event of Default or an Event of Nonappropriation under the 2020 Lease (A) stating that the Sublessee intends to purchase the Trustee's leasehold interest in the Leased Property pursuant to this Section 8.01, and (B) specifying a closing date for such purpose which is no more than 90 days after the delivery of such notice; and (ii) pay the Sublessee's Purchase Option Price to the Trustee in immediately available funds on the closing date.

Section 8.02. Conveyance of Trustee's Interest in Leased Property. At the closing of any purchase of the Trustee's interest in the Leased Property pursuant to Section 8.01 hereof, the State shall execute and deliver, and shall cooperate with the Sublessee to cause the Trustee to execute and deliver, to the Sublessee or its designee, all necessary documents terminating this Sublease and releasing the Leased Property from the provisions of the 2020 Lease and the 2020 Site Lease pursuant to which the Sublessee leased the Leased Property to the Trustee, and assigning, transferring and conveying to the Sublessee or its designee the Trustee's leasehold interest in the Leased Property, as it then exists, subject only to the following: (i) Permitted Encumbrances, other than this Sublease, the 2020 Lease, the Indenture and the 2020 Site Lease pursuant to which the Leased Property was leased to the Trustee; (ii) all liens, encumbrances and restrictions created or suffered to exist by the Trustee or the State as required or permitted by the 2020 Lease or this Sublease or arising as a result of any action taken or omitted to be taken by the Trustee or the State as required or permitted by this Sublease, the 2020 Lease, the Indenture and the 2020 Site Lease pursuant to which the Leased Property was leased to the Trustee; (iii) any lien or encumbrance created or suffered to exist by action of the Sublessee; and (iv) those liens and encumbrances (if any) to which the Leased Property was subject when leased to the Trustee and the State.

Section 8.03. Conveyance to Sublessee upon Conveyance to State. If the Sublessee has complied with and performed all of its obligations under this Sublease, upon the conveyance of the Trustee's leasehold interest in the Leased Property to the State pursuant to Article VIII of the 2020 Lease, the State shall, or shall cause the Trustee to, release the 2020 Site Lease pursuant to which the Sublessee leased the Leased Property to the Trustee and the Lease, and assign, transfer and convey all of the Trustee's interest in the Leased Property to the Sublessee in the manner described in, and subject to the provisions of, Section 8.02 hereof without any additional payment by the Sublessee.

ARTICLE IX GENERAL COVENANTS

Section 9.01. Further Assurances and Corrective Instruments. So long as this Sublease is in full force and effect and no Event of Nonappropriation or Event of Default shall have occurred and is continuing, the State and the Sublessee shall have full power to carry out the acts and agreements provided herein and the Sublessee and the State, at the written request of the other, 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 Sublease.

Section 9.02. Compliance with Requirements of Law. On and after the date hereof, neither the State nor the Sublessee shall take any action with respect to the Leased Property that violates the terms hereof or is contrary to the provisions of any Requirement of Law. Without limiting the generality of the preceding sentence, the Sublessee, in particular, 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 Sublessee'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 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 9.03. Participation in Legal Actions.

(a) At the request of and at the cost of the Sublessee (payable as Additional Rent hereunder), the State shall, and shall cooperate with the Sublessee to cause the Trustee to, join and cooperate fully in any legal action in which the Sublessee 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 enjoyment of the Leased Property by the Sublessee; or that involves the imposition of any charges, costs or other obligations with respect to the Sublessee's execution,

delivery and performance of its obligations under this Sublease or 2020 Site Lease pursuant to which the Leased Property was leased to the Trustee.

(b) At the request of the State or the Trustee, the Sublessee shall, at the cost of the Sublessee (payable as Additional Rent hereunder), join and cooperate fully in any legal action in which the State or 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 or the State is responsible under the 2020 Lease or this Sublease; or that involves the imposition of any charges, costs or other obligations with respect to the execution and delivery or acceptance of this Sublease, the 2020 Lease, the Indenture, the 2020 Site Leases by the State or the Trustee or the performance of the obligations of the State or the Trustee hereunder or thereunder.

Section 9.04. Tax Covenant of Sublessee. The Sublessee covenants for the benefit of the Owners of the Series 2020 Certificates that it will not take any action or omit to take any action with respect to the facilities or other property financed with the proceeds of the Certificates (except for the possible exercise of the Sublessee's right to terminate this Sublease as provided herein) if such action or omissions (i) would cause the interest on the Series 2020 Certificates to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Tax Code, or (ii) would cause interest on the Series 2020 Certificates to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code, or (iii) would cause interest on the Series 2020 Certificates to lose its exclusion from Colorado taxable income or to lose its exclusion from Colorado alternative minimum taxable income under present Colorado law. The Sublessee shall comply with the certifications, representations and agreements set forth in the Tax Certificate executed and delivered by the Sublessee in connection with the execution of this Sublease.

Section 9.05. Fees and Expenses of Trustee; State Expenses; Deposits to Rebate Fund; Rebate Calculations. The Additional Rent that may be payable by the Sublessee in accordance with Section 5.02 hereof shall include the Sublessee's Proportionate Share of (a) the fees and expenses payable to the Trustee pursuant to Section 9.06 of the 2020 Lease and any similar provision of any other Lease; (b) the costs and expenses incurred by the State in connection with the Leased Property, the Projects, the Certificates, the Leases, the Indenture, the Site Leases, the Subleases or any matter related thereto, including, but not limited to, a reasonable charge for the time of State employees and allocable overhead; (c) the amounts paid by the State pursuant to Section 9.07 of the 2020 Lease and any similar provision of any other Lease to make deposits to the Rebate Fund; and (d) the costs and expenses incurred in connection with the rebate calculations required by the Master Indenture.

Section 9.06. Investment of Funds. By authorizing the execution and delivery of this Sublease, the Sublessee 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. The Trustee shall not be liable for any losses on such Permitted Investments.

**ARTICLE X
LIMITS ON OBLIGATIONS OF STATE**

Section 10.01. Disclaimer of Warranties. THE STATE 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. In no event shall the State be liable for any incidental, special or consequential damage in connection with or arising out of this Sublease or the existence, furnishing, functioning or use by the Sublessee of any item, product or service provided for herein.

Section 10.02. Limitation of Obligations of State. Any obligations of the State under this Sublease shall be subject to the action of the Colorado General Assembly in annually making moneys available for payments hereunder. All obligations of the State hereunder are subject to appropriation by the Colorado General Assembly in its sole discretion, and shall not be deemed or construed as creating an indebtedness of the State within the meaning of any provision of the State Constitution or the laws of the State concerning or limiting the creation of indebtedness of the State and shall not constitute a multiple fiscal year direct or indirect debt or other financial obligation of the State within the meaning Section 20(4) of Article X of the State Constitution.

**ARTICLE XI
EVENTS OF DEFAULT AND REMEDIES**

Section 11.01. Events of Default Defined.

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

(i) failure by the Sublessee to pay any Additional Rent for which funds have been specifically appropriated when due;

(ii) failure by the Sublessee to vacate the Leased Property within 90 days following an Event of Nonappropriation or Event of Default under this Sublease or a termination of the 2020 Lease as a result of an Event of Nonappropriation or Event of Default under the 2020 Lease;

(iii) any sublease, assignment, encumbrance, conveyance or other transfer of the interest of the Sublessee in all or any portion of this Sublease or the Leased Property in violation of Section 12.01(a) hereof or any succession to all or any portion of the interest of the Sublessee in the Leased Property in violation of Section 12.01(b) hereof; or

(iv) failure by the Sublessee 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) or (iii) above, for a period of 30 days after written notice, specifying such failure and requesting that it be remedied shall be given to

the Sublessee by the State, unless the State shall consent 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 State 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 following limitations:

(i) the Sublessee shall be obligated to pay Rent only during the Sublease Term, except as otherwise expressly provided in Section 3.02(b)(ii) hereof; and

(ii) if, by reason of Force Majeure, the Sublessee shall be unable in whole or in part to carry out any agreement on its part herein contained, other than its obligation to pay Rent hereunder, the Sublessee shall not be deemed in default during the continuance of such inability; provided, however, that the Sublessee shall, as promptly as legally and reasonably possible, remedy the cause or causes preventing the Sublessee from carrying out such agreement, except that the settlement of strikes, lockouts and other industrial disturbances shall be solely within the discretion of the Sublessee.

Section 11.02. Remedies on Default. Whenever any Event of Default shall have happened and be continuing, the State, with the consent of the Trustee, may take one or any combination of the following remedial steps:

(a) terminate the Sublease Term and give notice to the Sublessee to immediately vacate the Leased Property in the manner provided in Section 3.02(b) hereof;

(b) sell or lease its interest in all or any portion of the Leased Property;

(c) recover any of the following from the Sublessee that is not recovered pursuant to subsection (b) of this Section:

(i) the portion of the Additional Rent for the then current Fiscal Year that has been specifically appropriated by the Sublessee's Governing Body, but only to the extent such Additional Rent is payable prior to the date, or are attributable to the use of the Leased Property prior to the date, the Sublessee vacates the Leased Property;

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

(e) 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 Sublease, subject, however, to the limitations on the obligations of the Sublessee set forth in Sections 5.05 and 11.03 hereof.

Section 11.03. Limitations on Remedies. A judgment requiring a payment of money may be entered against the Sublessee by reason of an Event of Default only as to the Sublessee's liabilities described in Section 11.02(c) hereof. A judgment requiring a payment of money may be entered against the Sublessee by reason of an Event of Nonappropriation, or a failure to vacate the Leased Property following an Event of Nonappropriation, only to the extent provided in Section 11.02(c)(i) hereof.

Section 11.04. No Remedy Exclusive. Subject to Section 11.03 hereof, no remedy herein conferred upon or reserved to the State 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 Sublessee 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 11.05. Waivers. The State, with the consent of the Trustee, may waive any Event of Default under this Sublease 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 XII

TRANSFERS OF INTERESTS IN SUBLEASE OR LEASED PROPERTY

Section 12.01. Transfer of the Sublessee's Interest in Sublease Lease and Leased Property Prohibited.

(a) Except as otherwise permitted by Section 7.04 hereof with respect to subleasing or grants of use of the Leased Property, Section 7.06 with respect to substitutions of other property for Leased Property and subsection (b) of this Section with respect to transfers of the Leased Property following termination of this Sublease or as otherwise required by law, the Sublessee shall not sublease, assign, encumber, convey or otherwise transfer all or any portion of its interest in this Sublease or the Leased Property to any Person, whether now in existence or organized hereafter.

(b) Notwithstanding subsection (a) of this Section, the Sublessee may transfer its interest in the Leased Property after, and only after, this Sublease has terminated and the Trustee's leasehold interest in the Leased Property has been conveyed to the Sublessee pursuant to Article VIII hereof.

**ARTICLE XIII
MISCELLANEOUS**

Section 13.01. Binding Effect. This Sublease shall inure to the benefit of and shall be binding upon the Sublessee and the State and their respective successors and assigns, subject, however, to the limitations set forth in Article XII hereof. This Sublease 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 Sublease.

Section 13.02. Interpretation and Construction. This Sublease and all terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Sublease. For purposes of this Sublease, except as otherwise expressly provided or unless the context otherwise requires:

(a) All references in this Sublease to designated “Articles,” “Sections,” “subsections,” “paragraphs,” “clauses” and other subdivisions are to the designated Articles, Sections, subsections, paragraphs, clauses and other subdivisions of this Sublease. The words “herein,” “hereof,” “hereto,” “hereby,” “hereunder” and other words of similar import refer to this Sublease as a whole and not to any particular Article, Section or other subdivision.

(b) The terms defined in the Glossary have the meanings assigned to them in the Glossary and include the plural as well as the singular.

(c) All accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles as in effect from time to time.

(d) The term “money” includes any cash, check, deposit, investment security or other form in which any of the foregoing are held hereunder.

(e) In the computation of a period of time from a specified date to a later specified date, the word “from” means “from and including” and each of the words “to” and “until” means “to but excluding.”

Section 13.03. Acknowledgement of and Subordination to 2020 Lease and Indenture. The Sublessee has received copies of, and acknowledges the terms of, the 2020 Lease and the Indenture and agrees that its rights hereunder are subordinate and subject to the rights of the Trustee and the Owners of the Certificates under the 2020 Lease and the Indenture.

Section 13.04. Trustee, State and Sublessee’s Participating Institution Representatives. Whenever under the provisions hereof the approval of the Trustee, the State or the Sublessee is required, or the Trustee, State or the Sublessee 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, for the State by the State Representative and by the Sublessee by the Sublessee’s Participating Institution Representative and the Trustee, the State and the Sublessee shall be authorized to act on any such approval or request. The

Sublessee's Participating Institution Representative is the Vice President of Administrative Services of the Sublessee.

Section 13.05. Manner of Giving Notices. All notices, certificates, directions or other communications hereunder shall be in writing and shall be deemed given when mailed by first class United States mail, postage prepaid, or when sent by facsimile transmission or electronic mail, addressed as follows:

If to the State:

If to the Sublessee:

Any notice party may, by written notice to the others, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent, and may designate different means for such notices and communications.

Section 13.06. No Individual Liability. All covenants, stipulations, promises, agreements and obligations of the State or the Sublessee, as the case may be, contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the State or the Sublessee, as the case may be, and not of any member, director, officer, employee, servant or other agent of the State or the Sublessee 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 State or the Sublessee or any natural person executing this Sublease or any related document or instrument; provided, however, that such person is acting within the scope of his or her employment, membership, directorship or agency, as applicable, and not in a manner that constitutes gross negligence or willful misconduct.

Section 13.07. Amendments, Changes and Modifications. Except as otherwise provided herein, this Sublease may only be amended, changed, modified or altered by a written instrument executed by the State and the Sublessee.

Section 13.08. State May Rely on Certifications, Representations and Agreements of Sublessee. The State may rely on the certifications, representations and agreements of the Sublessee in this Sublease (including any Exhibit hereto) and may assume that the Sublessee will perform all of its obligations under this Sublease for purposes of making certifications, representations and agreements to and with the Trustee in the 2020 Lease and making certifications and representations to Bond Counsel, Owners or potential Owners of Certificates and any other Person with respect to the Leased Property, the Projects, the Leases, the Site Leases, the Certificates, the Indenture or any matter related thereto.

Section 13.09. 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 Sublease 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 Sublease.

Section 13.10. Legal Description of Land Included in Leased Property; Initial Value of Lease Property of each Sublessee. The legal description of the land included in the Leased Property subject to this Sublease is set forth in Exhibit A hereto. The Initial Value of the Leased Property subject to this Sublease is set forth in Exhibit B to the 2020 Lease. If the land included in Leased Property subject to this Sublease is modified pursuant to the terms of this Sublease or other land is substituted for land included in the Leased Property subject to this Sublease pursuant to the terms of this Sublease, the legal description set forth in Exhibit A hereto will be amended to describe the land included in the Leased Property subject to this Sublease after such modification or substitution.

Section 13.11. Merger. The Trustee and the Sublessee intend that the legal doctrine of merger shall have no application to this Sublease, the 2020 Lease or any Site Lease pursuant to which the Leased Property was leased to the Trustee and that none of the execution and delivery of this Sublease by the State and the Sublessee, the 2020 Lease by the Trustee and the State or any such Site Lease by the Sublessee and the Trustee or the exercise of any remedies by any party under this Sublease, the 2020 Lease or any Site Lease shall operate to terminate or extinguish this Sublease, the 2020 Lease or any Site Lease.

Section 13.12. Severability. In the event that any provision of this Sublease, other than the obligation of the Sublessee to pay Rent hereunder and the obligation of the State to provide quiet enjoyment of the Leased Property, 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 13.13. 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 Sublease.

Section 13.14. Applicable Law. The laws of the State and rules and regulations issued pursuant thereto, as the same may be amended from time to time, shall be applied in the interpretation, execution and enforcement of this Sublease. Any provision of this Sublease, whether or not incorporated herein by reference, which provides for arbitration by an extra-judicial body or person or which is otherwise in conflict with said laws, rules and regulations shall be considered null and void. Nothing contained in any provision hereof or incorporated herein by reference which purports to negate this Section in whole or in part shall be valid or enforceable or available in any action at law whether by way of complaint, defense or otherwise. Any provision rendered null and void by the operation of this Section will not invalidate the remainder of this Sublease to the extent that this Sublease is capable of execution. At all times during the performance of this Sublease, the Sublessee shall strictly adhere to all applicable federal and State laws, rules and regulations that have been or may hereafter be established.

Section 13.15. Execution in Counterparts. This Sublease 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 13.16. State Controller's Approval. This Sublease shall not be deemed valid until it has been approved by the State Controller or such assistant as the State Controller may

designate. Financial obligations of the State payable after the current Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted and otherwise made available.

Section 13.17. Non-Discrimination. The Sublessee agrees to comply with the letter and the spirit of all applicable State and federal laws respecting discrimination and unfair employment practices.

Section 13.18. Vendor Offset. Pursuant to C.R.S. §§ 24-30-202(1) and 24-30-202.4, the State Controller may withhold payment of certain amounts owed by State agencies under the State's vendor offset intercept system for (a) unpaid child support debts or child support arrearages; (b) unpaid balances of tax, accrued interest, or other charges specified in C.R.S. § 39-21-101 et seq.; (c) unpaid balances of tax, accrued interest or other charges specified in C.R.S. § 39-21-101 et seq.; (d) unpaid loans due to the Student Loan Division of the Department of Higher Education; (e) amounts required to be paid to the Unemployment Compensation Fund; and (f) other unpaid debts certified by the State Controller as owing to the State as a result of final agency determination or judicial action.

Section 13.19. Employee Financial Interest. The signatories to this Sublease aver that, to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described herein.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the State and the Sublessee have executed this Sublease as of the date first above written.

STATE OF COLORADO
Jared S. Polis, Governor
Department of the Treasury

By _____
David L. Young, Treasurer

DEPARTMENT OF LAW
ATTORNEY GENERAL
Philip J. Weiser, Attorney General

STATE OF COLORADO
Jared S. Polis, Governor
STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By _____
First Assistant Attorney General

By _____
State Controller

REAL ESTATE PROGRAMS
STATE OF COLORADO
Jared S. Polis, Governor
DEPARTMENT OF PERSONNEL & ADMINISTRATION
Office of the State Architect, For the Executive Director

By _____
Real Estate Program Manager

-

[State's Signature Page to Sublease of [Participating Institution]]

STATE OF COLORADO ACTING BY AND
THROUGH THE [BOARD OF GOVERNORS OF
THE PARTICIPATING INSTITUTION]

By _____

Name:

Title: [Participating Institution]

APPROVALS:

STATE OF COLORADO
Jared S. Polis, Governor
Department of the Treasury

By _____
David L. Young, Treasurer

DEPARTMENT OF LAW
ATTORNEY GENERAL
Philip J. Weiser, Attorney General

By _____
First Assistant Attorney General

STATE OF COLORADO
Jared S. Polis, Governor
STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

By _____
State Controller

REAL ESTATE PROGRAMS
STATE OF COLORADO
Jared S. Polis, Governor
DEPARTMENT OF PERSONNEL & ADMINISTRATION
Office of the State Architect, For the Executive Director

By _____
State Real Estate Program Manager

[Sublessee's Signature Page to Sublease of [Participating Institution]]

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

The foregoing instrument was acknowledged before me this ____ day of _____, 2021,
by David L. Young, Treasurer of the State of 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 LARIMER

)

The foregoing instrument was acknowledged before me this ___ day of _____, 2021, by _____, acting on behalf of the State of Colorado, acting by and through the [Board of Governors of the Participating Institution].

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

[NOTARIAL SEAL]

Notary

My commission expires:

EXHIBIT A
LEGAL DESCRIPTION OF LEASED PROPERTY

(THIS PAGE INTENTIONALLY LEFT BLANK)

APPENDIX C
Form of Continuing Disclosure Undertaking

This Continuing Disclosure Undertaking (the “**Disclosure Certificate**”) is executed and delivered by the State of Colorado (the “**State**”), acting by and through the Department of the Treasury, in connection with the execution and delivery of the captioned Certificates of Participation (the “**Certificates**”) evidencing assignments of proportionate interests in the right to receive certain payments payable under (a) the annually renewable State of Colorado Higher Education Lease Purchase Financing Program ,Lease Purchase Agreement Series 2020, dated as of February 24 2021, entered into by and between Zions Bancorporation, National Association, as trustee (the “**Trustee**”) under the State of Colorado Higher Education Lease Purchase Financing Program Master Trust Indenture dated February 24, 2021 and the Supplemental Indenture dated February 24, 2021 (the “**Indenture**”), as lessor, and the State, acting by and through the State Treasurer, as lessee; and (b) any other lease entered into by and between the Trustee, as lessor, and the State, as lessee, pursuant to the Indenture. The Certificates are being delivered pursuant to the Indenture and under authority granted by the laws of the State.

The State covenants and agrees as follows:

SECTION 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the State for the benefit of the Owners of the Certificates and in order to allow the Participating Underwriters (as defined by Rule 15c2-12) to comply with Rule 15c2-12.

SECTION 2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Financial Information” means the financial information or operating data with respect to the State, delivered at least annually pursuant to Section 3 hereof, of the type set forth in the Official Statement, including but not limited to, such financial information and operating data under Appendix E—“THE STATE GENERAL FUND,” Appendix G—“LEASED PROPERTY” and Appendix I—“STATE PENSION SYSTEM.”

“Audited Financial Statements” means the annual financial statements for the State, prepared in accordance with generally accepted accounting principles as applicable to governmental entities as in effect from time to time, audited by the State Auditor.

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

“MSRB” means the Municipal Securities Rulemaking Board. As of the date hereof, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“Official Statement” means the final Official Statement delivered in connection with the original issue and sale of the Certificates.

“Owner of the Certificates” means the registered owner of the Certificates, and so long as the Certificates are subject to the book entry system, any Beneficial Owner as such term is defined in the Indenture.

“Rule 15c2-12” shall mean Rule 15c2-12 adopted by the U.S. Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

SECTION 3. Provision of Annual Information.

(a) Commencing with the Fiscal Year ended June 30, 2020, and annually while the Certificates remain outstanding, the State shall provide to the MSRB the Annual Financial Information and Audited Financial Statements.

(b) Such Annual Financial Information shall be provided by the State not later than 270 days after the end of each Fiscal Year of the State. The Audited Financial Statements will also be provided not later than 270 days after the end of each Fiscal Year; provided, however, that in the event the Audited Financial Statements are not available within the time specified, such Audited Financial Statements will be provided thereafter as soon as they are available.

(c) The State may provide Annual Financial Information and Audited Financial Statements by specific cross-reference to other documents which have been submitted to the MSRB or filed with the U.S. Securities and Exchange Commission. If the document so referenced is a final official statement within the meaning of Rule 15c2-12, such final official statement must also be available from the MSRB. The State shall clearly identify each such other document so incorporated by cross-reference.

SECTION 4. Reporting of Events.

(a) The State shall file or cause to be filed with the MSRB, in a timely manner not in excess of ten business days after the occurrence of the Event, notice of any of the Events listed below with respect to the Certificates:

1. Principal and interest payment delinquencies.
2. Non-payment related defaults, if material.
3. Unscheduled draws on debt service reserves reflecting financial difficulties.
4. Unscheduled draws on credit enhancement relating to the Certificates 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 Certificates, or other material events or events affecting the tax status of the Certificates.
7. Modifications to the rights of the security holders, if material.

8. Certificate calls (other than mandatory sinking fund redemption), 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 obligated person (as defined in Rule 15c2-12).¹

13. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, 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 trustee or the change of name of a trustee, if material.

15. Incurrence of a Financial Obligation² of the State, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of the State or obligated person, any of which affect the Owners of the Certificates, if material.

16. Default, event of acceleration, termination event, modification of terms or other similar events under the terms of the Financial Obligation of the State, any of which reflect financial difficulties.

(b) At any time when the Certificates are Outstanding and the State obtains knowledge of the occurrence of an Event, the State shall determine if any Event under subsection (a)(2)(7), (8), with respect to calls but not tender offers, (10), (13), (14), or (15) would constitute material information for Owners of the Certificates.

(c) At any time the Certificates are outstanding, the State shall provide, in a timely manner after the occurrence thereof, to the MSRB, notice of any failure of the State to timely provide the Annual Financial Information as specified in Section 3 hereof.

¹ For the purposes of this event identified in Section 4(a)(12) hereof, the event is considered to occur when any of the following occur: (i) the appointment of a receiver, fiscal agent or similar officer for an obligated person 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 obligated person, 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 (ii) 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 obligated person

² "Financial Obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12.

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

As of the date of this Disclosure Certificate, all documents submitted to the MSRB must be in portable document format (PDF) files configured to permit documents to be saved, viewed, printed and retransmitted by electronic means. In addition, such PDF files must be word-searchable, provided that diagrams, images and other non-textual elements are not required to be word-searchable.

SECTION 6. Term. This Disclosure Certificate shall be in effect from and after the execution and delivery of the Certificates and shall extend to the earliest of (a) the date all principal and interest on the Certificates shall have been deemed paid pursuant to the terms of the Indenture; (b) the date that the State shall no longer constitute an “obligated person” with respect to the Certificates within the meaning of Rule 15c2-12; and (c) the date on which those portions of Rule 15c2-12 which require this Disclosure Undertaking are determined to be invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to the Certificates, which determination may be made in any manner deemed appropriate by the State, including by an opinion of an attorney or firm of attorneys experienced in federal securities law selected by the State. The State shall file a notice of any such termination with the MSRB.

SECTION 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the State may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is required or permitted by Rule 15c2-12. Written notice of any such amendment or waiver shall be provided by the State to the MSRB, and the Annual Financial Information shall explain the reasons for the amendment and the impact of any change in the type of information being provided.

SECTION 8. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the State from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other annual information or notice of occurrence of an event which is not an Event, in addition to that which is required by this Disclosure Certificate; provided that the State shall not be required to do so. If the State chooses to include any annual information or notice of occurrence of an event in addition to that which is specifically required by this Disclosure Certificate, the State shall have no obligation under this Disclosure Certificate to update such information or include it in any future annual filing or notice of occurrence of an Event.

SECTION 9. Default and Enforcement. If the State fails to comply with any provision of this Disclosure Certificate, any Owner of the Certificates may take action to seek specific performance by court order to compel the State to comply with its undertaking in this Disclosure Certificate; provided that any Certificate Owner seeking to require the State to so comply shall first provide at least 30 days’ prior written notice to the State Treasurer of the State’s failure (giving reasonable details of such failure), following which notice the State shall have 30 days to comply and, provided further, that only the Owners of no less than a majority in aggregate principal amount of the Certificates may take action to seek specific performance in connection with a challenge to the adequacy of the information provided by the State in accordance with this Disclosure Certificate, after notice and opportunity to comply as provided herein, and such action shall be taken only in a court of jurisdiction in the State. A DEFAULT UNDER THIS DISCLOSURE CERTIFICATE SHALL NOT BE DEEMED AN EVENT OF DEFAULT UNDER THE INDENTURE OR THE CERTIFICATES, AND THE SOLE REMEDY UNDER THIS DISCLOSURE CERTIFICATE IN THE EVENT OF ANY FAILURE OF THE STATE TO COMPLY WITH THIS DISCLOSURE CERTIFICATE SHALL BE AN ACTION TO COMPEL PERFORMANCE.

SECTION 10. Beneficiaries. The Disclosure Certificate shall inure solely to the benefit of the State, the Participating Underwriters and Owners from time to time of the Certificates, and shall create no rights in any other person or entity.

IN WITNESS WHEREOF, the State has caused this Continuing Disclosure Undertaking to be executed effective as of February 24, 2021.

**STATE OF COLORADO, acting by and through the
Department of the Treasury**

By: _____
Treasurer, State of Colorado

APPENDIX D
Form of Bond Counsel Opinion

(THIS PAGE INTENTIONALLY LEFT BLANK)

February 24, 2021

State of Colorado,
acting by and through the State Treasurer

\$64,250,000
STATE OF COLORADO
HIGHER EDUCATION
LEASE PURCHASE FINANCING PROGRAM
CERTIFICATES OF PARTICIPATION
SERIES 2020

Ladies and Gentlemen:

We have been engaged by the State of Colorado (the “State”), acting by and through the State Treasurer, to act as bond counsel in connection with the execution and delivery of the above-captioned Certificates of Participation, Series 2020 (the “Series 2020 Certificates”). The Series 2020 Certificates are being executed and delivered pursuant to a State of Colorado Higher Education Lease Purchase Financing Program Master Trust Indenture (the “Master Indenture”) and a State of Colorado Higher Education Lease Purchase Financing Program Supplemental Trust Indenture Series 2020, each dated as of February 24, 2021 (the “Series 2020 Supplemental Indenture,” and together with the Master Indenture, the “Indenture”) by Zions Bancorporation, National Association, as trustee thereunder (the “Trustee”). The Series 2020 Certificates evidence undivided interests in the right to receive certain payments under a State of Colorado Higher Education Lease Purchase Financing Program Lease Purchase Agreement, Series 2020, dated as of February 24, 2021 (the “2020 Lease”), by and between the Trustee, as lessor, and the State, acting by and through the State Treasurer, as lessee. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Glossary attached to the Master Indenture, as such Glossary is amended by the Series 2020 Supplemental Indenture.

In such capacity as bond counsel, we have examined the Constitution and laws of the State, the 2020 Lease, the Indenture, the 2020 Site Leases between the Trustee and the 2020 Participating Institutions, and such other documents and such law of the State and of the United States of America as we have deemed necessary to render this opinion letter.

Regarding questions of fact material to our opinions, we have relied upon the certified proceedings, and other representations and certifications 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 2020 Site Leases by the 2020

Participating Institutions and the due authorization, execution and delivery of the 2020 Site Leases, the 2020 Lease, the Indenture and the Series 2020 Certificates by the Trustee. We have relied upon, and assumed the correctness of the legal conclusions stated in, the opinion, dated the date hereof, of the Attorney General of the State with respect to the authorization, execution and delivery of the 2020 Lease and other matters (other than the enforceability of the 2020 Lease).

Based upon such examination, and subject to the following qualifications, it is our opinion as bond counsel that:

1. The State has the power to enter into and perform its obligations under the 2020 Lease.

2. The 2020 Lease has been duly authorized, executed and delivered by the State, and is a legal, valid and binding obligation of the State enforceable against the State in accordance with its terms. Notwithstanding the foregoing, in the event the Colorado General Assembly fails to specifically budget and appropriate funds to make payments due under the 2020 Lease for the ensuing Fiscal Year, the obligations of the State to pay Base Rent and Additional Rent beyond the then current Fiscal Year will be extinguished.

3. The Series 2020 Certificates evidence legal, valid and binding undivided interests in the right to certain payments, as provided in the Series 2020 Certificates and the Indenture, from Base Rent payable by the State under the 2020 Lease, which payments include portions designated and paid as interest and principal, as provided in the 2020 Lease.

4. The portion of the Base Rent which is designated in the 2020 Lease as interest and paid as interest on the 2020 Certificates is excludable from gross income under federal income tax laws pursuant to Section 103 of the Internal Revenue Code of 1986, as amended to the date hereof (the "Tax Code"), is excludable from alternative minimum taxable income as defined in Section 55(b)(2) of the Tax Code; except that we express no opinion as to the effect which any termination of the State's obligations under the 2020 Lease, under certain circumstances as provided in the 2020 Lease, may have upon the treatment for federal income tax purposes of any moneys received or paid under the Indenture subsequent to such termination. The opinions expressed in this paragraph assume continuous compliance with the covenants and representations contained in the 2020 Lease and in certain other documents and certain other certifications furnished to us.

5. Under the laws of the State of Colorado in effect as of the date hereof, the portion of the Base Rent which is designated in the 2020 Lease as interest and paid as interest on the 2020 Certificates is exempt from Colorado income tax.

The opinions expressed in this opinion letter are subject to the following:

The rights of the owners of the 2020 Certificates and the enforceability of the 2020 Certificates and the 2020 Lease are limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

In this opinion letter issued in our capacity as bond counsel, we are opining only upon those matters set forth herein and we offer no other opinion or advice as to any other aspect of the transaction generally described herein. In particular, but without limitation, we are not opining upon the enforceability of the 2020 Site Leases or the 2020 Subleases, or upon matters relating to the corporate status of the Trustee, the power of the Trustee to execute or deliver the 2020 Lease, the Indenture or the 2020 Certificates, or the enforceability of the 2020 Lease, the Indenture or the 2020 Certificates against the Trustee. Additionally, we are not passing upon the accuracy, adequacy or completeness of the Official Statement relating to the 2020 Certificates or any other statements made in connection with any offer or sale of the 2020 Certificates, or upon any federal or state tax consequences arising from the receipt or accrual of interest with respect to, or the rights and obligations under, the 2020 Lease or the 2020 Certificates, except those specifically addressed herein, or upon any matters pertaining to the priority of any security instrument executed in connection with this transaction, the existence of any liens or other encumbrances on the Leased Property, the ownership of or proper description of any property included in the Leased Property, or any other real estate matters related to the Leased Property. In addition, we are not opining on the ability of the State to use moneys from any particular source for the purpose of making payments under the 2020 Lease.

This opinion letter is issued as of the date hereof and we assume no obligation to revise or supplement this opinion letter to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Respectfully submitted,

BUTLER SNOW LLP

(THIS PAGE INTENTIONALLY LEFT BLANK)

APPENDIX E

The State General Fund

General

The General Fund is the principal operating fund of the State. All revenues and moneys not required by the State Constitution or statutes to be credited and paid into a special State fund are required to be credited and paid into the General Fund. As required by recent changes in GAAP, the General Fund reported in the State's Fiscal Year 2010-11 CAFR and subsequent CAFRs includes a large number of statutorily created special State funds that do not meet the GAAP requirements to be presented as Special Revenue Funds. To make the distinction between the statutory General Fund and the GAAP General Fund, the CAFR refers to the statutory General Fund as the General Purpose Revenue Fund. The revenues in the General Purpose Revenue Fund are not collected for a specific statutory use but rather are available for appropriation for any purpose by the General Assembly. The following discussion of the General Fund represents the legal and accounting entity referred to in the State's Fiscal Year 2018-19 CAFR as the General Purpose Revenue Fund.

General Fund Revenue Sources

The major revenue sources to the General Fund are individual and corporate income taxes and sales and use taxes. The State also imposes excise taxes on the sale of cigarettes, tobacco products and liquor, and receives revenues from a diverse group of other sources such as insurance taxes, pari-mutuel taxes, interest income, court receipts and gaming taxes. The following table sets forth the State's receipts from major revenue sources for the past five Fiscal Years, as well as current OSPB estimates for Fiscal Years 2020-21 and 2021-22. See also "Revenue Estimation; OSPB Revenue and Economic Forecasts" in this Appendix and "APPENDIX F—OSPB DECEMBER 2020 REVENUE FORECAST," as well as "USE OF INFORMATION IN THIS OFFICIAL STATEMENT—CAUTIONARY STATEMENT REGARDING PROJECTIONS, ESTIMATES AND OTHER FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT" at the beginning of this Official Statement. Unless otherwise noted, historical financial, economic and demographic data contained herein does not reflect the impact of COVID-19.

[Remainder of page intentionally left blank]

State of Colorado
General Fund Revenue Sources¹
Fiscal Years 2015-16 through 2021-22
(Accrual basis; dollar amounts expressed in millions)

Revenue Source	Actual										OSPB December 2020 Revenue Forecast			
	Fiscal Year 2015-16		Fiscal Year 2016-17		Fiscal Year 2017-18		Fiscal Year 2018-19		Preliminary Fiscal Year 2019-20		Fiscal Year 2020-21		Fiscal Year 2021-22	
	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change	Amount	% Change
Excise Taxes:														
Sales Tax ¹	\$2,652.6	1.3%	\$ 2,826.1	6.5%	\$ 3,094.2	9.5%	\$ 3,246.6	4.9%	\$ 3,196.0	4.7%	\$ 3,392.2	6.1%	\$ 3,502.8	3.3%
Use Tax	241.2	(7.3)	259.5	7.6	309.9	19.4	345.5	11.5	210.5	(39.1)	220.0	4.5	211.8	(3.7)
Retail Marijuana Sales – Special Sales Tax ¹	--	--	--	--	--	--	--	--	245.5	27.4	292.8	19.3	313.3	7.0
Cigarette Tax	37.2	(1.8)	36.6	(1.7)	34.6	(5.5)	32.6	(5.8)	32.5	(0.1)	108.4	233.2	189.3	74.7
Tobacco Products	21.1	18.5	21.2	0.6	16.4	(22.7)	22.3	35.8	24.4	9.5	39.5	62.2	37.1	(6.1)
Nicotine	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	7.5	N/A	16.4	120.0
Liquor Tax	43.6	5.0	45.0	3.3	46.5	3.3	48.3	3.9	50.1	3.7	53.1	6.1	52.8	(0.6)
Total Excise Taxes	2,995.7	0.6	3,188.4	6.4	3,501.6	9.8	3,695.3	5.5	3,759.0	1.7	4,113.6	9.4	4,323.6	5.1
Income Taxes:														
Net Individual Income Tax	6,526.5	2.8	6,760.9	3.6	7,577.2	12.1	8,247.0	8.8	8,645.5	4.8	8,024.2	(7.2)	8,705.1	8.5
Net Corporate Income Tax	652.3	(5.8)	509.3	(21.9)	781.9	53.5	919.8	17.6	728.3	(20.8)	674.3	(7.4)	747.8	10.9
Total Income Taxes	7,178.8	1.9	7,270.2	1.3	8,359.1	15.0	9,166.8	9.7	9,373.8	2.3	8,698.4	(7.2)	9,452.9	8.7
Less State Education Fund Diversion ²	(522.6)	0.5	(540.0)	(3.3)	(617.0)	(14.3)	(692.8)	12.3	(646.7)	(6.7)	(707.0)	9.3	(709.0)	0.3
Total Income Taxes to the-General Fund	6,656.2	2.0	6,730.2	1.1	7,742.1	15.0	8,474.0	9.5	8,727.1	3.0	7,991.4	(8.4)	8,744.0	9.4
Other Revenues:														
Insurance	280.3	9.2	290.5	3.6	303.6	4.5	314.7	3.6	337.4	7.2	319.3	(5.4)	342.2	7.2
Interest Income	12.4	40.3	14.7	18.6	19.5	32.4	26.5	35.8	31.1	17.2	29.8	(4.3)	28.3	(4.8)
Pari-Mutuel	0.6	0.5	0.6	(6.6)	0.5	(10.7)	0.5	(1.7)	0.4	(23.7)	0.4	(2.0)	0.4	(2.0)
Court Receipts	3.5	34.5	4.1	17.5	4.4	7.6	4.2	(5.3)	3.9	(6.7)	3.9	(0.5)	3.9	0.0
Other Income ³	22.6	(33.7)	47.3	109.7	152.2	221.7	48.9	(67.9)	9.7	(80.2)	25.7	165.0	24.1	(6.2)
Total Other	319.4	5.5	357.2	11.8	480.2	34.4	394.8	(17.8)	382.5	(3.1)	379.0	(0.9)	398.8	5.2
Gross General Fund	\$9,971.4	1.7%	\$10,275.8	3.1%	\$11,723.9	14.1%	\$12,564.1	7.2%	\$12,868.5	2.4%	\$12,484.0	(3.0)%	\$13,466.4	7.9%

¹ State voters approved Proposition AA in November of 2013, which included the imposition by the State of a sales tax of 10% on sales of retail marijuana and retail marijuana products effective January 2014. Per SB 17-267, this tax was increased to 15% effective July 1, 2017. The revenue derived from this sales tax is shared by the State and local governments where such sales occur. Through Fiscal Years 2016-17, the entire State share of this revenue is first credited to the General Fund and then transferred to the Marijuana Tax Cash Fund. Per SB 17-267, for Fiscal Year 2020-21, 28.15% of the State share of this revenue, less \$30 million, is to be retained in the General Fund, 71.85% is to be transferred to the Marijuana Tax Cash Fund and \$30 million is to be credited to the Public School Fund and distributed to rural school districts. Prior to Fiscal Year 2019-20, the retail marijuana special sales tax revenue was included as part of the general Sales Tax line item in the table. Proposition AA also approved the imposition by the State of an excise tax of 15% on certain sales of unprocessed retail marijuana effective January 2014 that does not flow through the General Fund but is mostly credited directly to a cash fund for public school capital construction projects. See “STATE FINANCIAL INFORMATION—Taxpayers’ Bill of Rights—Voter Approval to Retain and Spend Certain Marijuana Taxes Associated with Proposition AA.”

² All individual and corporate income tax revenues are deposited to the General Fund and then a portion of the amount is diverted by law to the State Education Fund.

³ Other income in Fiscal Year 2017-18 includes receipt of a one-time settlement payment under the Tobacco Master Settlement Agreement.

Source: Office of State Planning and Budgeting

General Fund Overview

The following table summarizes the actual revenues, expenditures and changes in fund balances for the General Fund for the past five Fiscal Years, as well as the current OSPB estimates for Fiscal Years 2020-21 and 2021-22 from the OSPB December 2020 Revenue Forecast. The overview incorporates the Governor’s November 2020 budget request as of the publication of the OSPB December 2020 Revenue Forecast for Fiscal Years 2020-21 and 2021-22. Any new budget information will be incorporated in subsequent OSPB revenue forecasts. The format of the following table is used by the State in developing its annual budget, as discussed in “STATE FINANCIAL INFORMATION—Budget Process and Other Considerations.” See also “Revenue Estimation; OSPB Revenue and Economic Forecasts” in this Appendix and “APPENDIX F—OSPB DECEMBER 2020 REVENUE FORECAST,” as well as the

cautionary statement in “PRELIMINARY NOTICES” on the inside front cover of this Official Statement regarding forward-looking statements.

State of Colorado
General Fund Overview
Fiscal Years 2015-16 through 2021-22

(Dollar amounts unless otherwise indicated and expressed in millions. Totals may not add due to rounding.)

	Actual (Unaudited) ¹					OSPB December 2020 Revenue Forecast ²	
	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	Preliminary Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2021-22
Revenue							
Beginning Reserve	\$ 689.6	\$ 512.7	\$ 614.5	\$ 1,366.0	\$ 1,262.6	\$ 1,825.2	\$ 2,144.7
Gross General Fund Revenue	9,971.4	10,275.8	11,723.9	12,564.0	12,868.5	12,484.0	13,466.4
Transfers to the General Fund	24.1	44.8	98.6	17.2	248	325.1	41.3
TOTAL GENERAL FUND AVAILABLE	10,685.1	10,833.4	12,436.9	13,947.2	14,379.1	14,634.3	15,652.4
Expenditures							
Appropriation Subject to Limit ³	9,335.6	9,784.5	10,430.9	11,258.7	11,805.2	10,872.8	12,699.9
Dollar Change From Prior Year	466.6	448.9	646.4	827.8	546.4	(932.3)	1,827.1
Percent Change From Prior Year	5.3%	4.8%	6.6%	7.9%	4.9%	(7.9)%	16.8%
Spending Outside Limit	895.1	640.1	784.5	1,596.3	910.5	1,616.8	1,129.1
TABOR Refund under Subsection (7)(d) ⁴	--	--	39.8	428.5	--	--	--
TABOR Refund under Subsection (3)(c) ⁵	(58.0)	--	--	--	--	--	--
Homestead Exemption (Net of TABOR Refund) ⁴	--	--	132.3	106.4	--	155.0	172.2
Other Rebates and Expenditures ⁶	281.3	285.0	158.5	159.7	145.7	140.9	144.3
Transfers for Capital Construction ⁷	271.1	84.5	112.1	180.5	213.6	43.0	90.0
Transfers for Transportation ⁷	199.2	79.0	79.0	495.0	300.0	200.0	--
Transfers to State Education Fund	25.3	25.3	25.3	25.0	40.3	158.2	155.0
Transfers to Other Funds ⁸	176.2	164.8	208.6	201.1	210.9	819.7	567.6
Transfer to Make Money Available for COVID-19 Emergency	--	--	--	--	--	100.0	--
Other Expenditures Exempt from General Fund Appropriations Limit ⁹	--	1.5	29.0	--	--	--	--
TOTAL GENERAL FUND OBLIGATIONS	10,230.7	10,424.6	11,215.5	12,855.0	12,715.6	12,489.6	13,829.0
Percent Change from Prior Year	5.7%	1.9%	7.6%	14.6%	(1.1)%	(1.8)%	10.7%
Reversions and Accounting Adjustments ¹⁰	(58.3)	(205.7)	(123.3)	(170.3)	(161.7)	--	--
Reserves							
Year-End General Fund Balance	512.7	614.5	1,344.8	1,262.5	1,825.2	2,144.7	1,823.3
Year-End General Fund as a % of Appropriations	5.5%	6.3%	12.9%	11.2%	15.5%	19.7%	14.4%
General Fund Statutory Reserve Amount ¹¹	463.9	584.3	674.9	814.2	362.4	311.0	1,270.0
Unappropriated Reserve Percentage ¹¹	5.60%	6.00%	6.50%	7.25%	3.07%	2.86%	2.86%
Amount Above (Below) Statutory Reserve ¹²	48.8	30.2	669.9	448.3	1,462.8	1,833.8	553.3

¹ This table is unaudited, although some of the figures reported in these columns are identified by the OSPB from the State’s CAFRs which are audited for the applicable Fiscal Years.

² Fiscal Year 2021-22 expenditures will be adopted in future budget legislation. Therefore, the expenditures and fund balance projections shown in the table for Fiscal Year 2021-22 are illustrative only.

³ Total State appropriations during this period have been limited to such moneys as are necessary for reappraisals of any class or classes of taxable property for property tax purposes as required by Section 39-1-105.5, C.R.S., plus an amount equal to 5.0% of Colorado personal income.

⁴ Current law requires TABOR refunds to be accounted for in the year the excess revenue is collected, although the refunds are actually made in subsequent fiscal years. The refund applicable to excess revenue collected in Fiscal Year 2018-19 is being made via an income tax rate reduction and the senior and disabled veteran homestead exemption. See “STATE FINANCIAL INFORMATION—Taxpayers’ Bill of Rights—Fiscal Year Revenue and Spending Limits; Referendum C” and “APPENDIX F—OSPb DECEMBER 2020 REVENUE FORECAST—Taxpayer’s Bill of Rights: Revenue Limit.”

⁵ This amount was set aside by HB 15-1367 in Fiscal Year 2014-15 in a special account to cover a potential TABOR refund relating to Proposition AA. The State’s voters authorized the State to retain and expend such amount per Proposition BB approved by the voters at the November 3, 2015, general election. Consequently, a reversal of such set aside was made in Fiscal Year 2015-16. See “STATE FINANCIAL INFORMATION—Taxpayers’ Bill of Rights—Voter Approval to Retain and Spend Certain Marijuana Taxes Associated with Proposition AA,” as well as Note 3 to this table and Note 1 to the table in “General Fund Revenue Sources” above.

- ⁶ Other Rebates and Expenditures generally includes the Cigarette Rebate, which distributes money from a portion of State cigarette tax collections to local governments that do not impose their own taxes or fees on cigarettes; the Marijuana Rebate, which distributes 15% of the retail marijuana sales tax to local governments based on the percentage of retail marijuana sales in local areas; the Old Age Pension program, which provides assistance to low-income elderly individuals who meet certain eligibility requirements; the Property Tax, Heat and Rent Credit, which provides property tax, heating bill or rent assistance to qualifying low-income disabled or elderly individuals; and, prior to Fiscal Year 2017-18, the Homestead Property Tax Exemption, which reduces property tax liabilities for qualifying seniors and disabled veterans. Commencing with Fiscal Year 2017-18, the Homestead Property Tax Exemption has been shown as a separate category as the result of SB 17-267, which added as the first TABOR refund mechanism amounts reimbursed to county treasurers in the year of the TABOR refund for local property tax revenue losses attributable to the Homestead Property Tax Exemption as discussed in “STATE FINANCIAL INFORMATION—Taxpayers’ Bill of Rights—*Fiscal Year Revenue and Spending Limits; Referendum C.*”
- ⁷ Section 24-75-219, C.R.S., requires certain transfers from the General Fund to the Highway Users Tax Fund and the Capital Construction Fund, commonly referred to as “228” transfers based on SB 09-228 which originally provided for the transfers. The amounts of the 228 transfers were revised per HB 16-1416 and SB 17-262. The amount of the capital construction transfers in Fiscal Years 2015-16, 2016-17 and 2017-18 also included transfers of General Fund money in addition to the required 228 transfers. In addition, SB 18-001 commits General Fund revenue for transportation projects in Fiscal Years 2018-19 and 2019-20. However, such transfers may be modified by the General Assembly.
- ⁸ State law requires transfers of General Fund money to various State cash funds. This line item includes transfers of amounts credited to the General Fund from the retail marijuana sales tax to a cash fund. See Note 1 to the table in “General Fund Revenue Sources” above. However, for Fiscal Year 2015-16 only, \$40.0 million of the transfer to other funds amount is a transfer to public school capital construction related to the passage of Proposition BB. The Fiscal Year 2015-16 and Fiscal Year 2016-17 amounts also include a diversion of income tax revenue out of the General Fund to a separate severance tax fund pursuant to SB 16-218. However, due to the risk of lower than expected severance tax revenues in Fiscal Year 2017-18 and thereafter, HB 18-1338 requires General Fund transfers to various severance tax cash funds to protect program funding, and also requires an equivalent amount of future severance tax revenue to be diverted to the General Fund to repay these transfers.
- ⁹ Spending by the Medicaid program above the appropriated amount, called “Medicaid Overexpenditures,” is usually the largest amount in this line.
- ¹⁰ The Fiscal Year 2016-17 amount in this line is an atypically large amount due mostly to a large reversion of Medicaid-related expenditures.
- ¹¹ The Unappropriated Reserve requirement, codified as Section 24-75-201.1(1)(d), C.R.S., is a percentage of the amount appropriated for expenditure from the General Fund in the applicable Fiscal Year. For Fiscal Year 2015-16 only, the percentage is of the amount subject to the appropriations limit minus the amount of income tax revenue required by to be diverted to a reserve fund to fund severance tax refunds as discussed above. In Fiscal Years 2015-16 through 2017-18, General Fund appropriations for lease-purchase agreement payments made in connection with certificates of participation sold to fund certain capital projects were made exempt from the reserve calculation requirement. These appropriations were \$37.8 million in Fiscal Year 2015-16, \$46.0 million in Fiscal Year 2016-17 and \$48.1 million in Fiscal Year 2017-18. SB 18-276 repealed the exemption of the lease-purchase agreement payments from the calculation of the reserve requirement. See “STATE FINANCIAL INFORMATION—Budget Process and Other Considerations—*Revenues and Unappropriated Amounts*” and “DEBT AND CERTAIN OTHER FINANCIAL OBLIGATIONS—The State, State Departments and Agencies.” The Governor’s November 2020 budget request would raise the Unappropriated Reserve requirement to 10.00% beginning in Fiscal Year 2021-22.
- ¹² Under current law, all amounts remaining in the General Fund in excess of the statutory reserve become part of the beginning reserve and funds available in the following Fiscal Year.

Source: Office of State Planning and Budgeting

Revenue Estimation; OSPB Revenue and Economic Forecasts

Revenue Estimating Process. The State relies on revenue estimation as the basis for establishing aggregate funds available for expenditure for its appropriation process. By statute, the OSPB is responsible for developing a General Fund revenue estimate. No later than June 20th prior to the beginning of each Fiscal Year, and no later than September 20th, December 20th and March 20th within each Fiscal Year, the Governor, with the assistance of the State Controller and the OSPB, is required to make an estimate of General Fund revenues for the current and certain future years. The revenue estimates are not binding on the General Assembly in determining the amount of General Fund revenues available for appropriation for the ensuing Fiscal Year. The revenue estimates may be subject to more frequent review and adjustment in response to significant changes in economic conditions, policy decisions and actual revenue flow. For instance, due to the rapid and severe impact of COVID-19 on the State’s economy, the OSPB prepared an interim revenue forecast dated May 12, 2020, previously defined herein as the OSPB May 2020 Revenue Forecast. See “CERTAIN RISK FACTORS—Impact of COVID-19 (Coronavirus).”

The most recent OSPB revenue forecast was issued on December 18, 2020 and is included in this Official Statement as “APPENDIX F—OSPB DECEMBER 2020 REVENUE FORECAST.” The OSPB December 2020 Revenue Forecast projects revenues for Fiscal Years 2020-21 through 2022-23. The amounts forecast for Fiscal Years 2019-21 and 2020-22 are summarized in “General Fund Revenue Sources” and “General Fund Overview” above in this Appendix. See also “CERTAIN RISK FACTORS—

Impact of COVID-19 (Coronavirus)” and the cautionary statement in “PRELIMINARY NOTICES” on the inside front cover of this Official Statement regarding forward-looking statements.”

The OSPB begins estimating revenue by obtaining macroeconomic forecasts for national and State variables. The national forecast for the OSPB December 2020 Revenue Forecast was provided by Moody’s Economy.com. The OSPB forecasts the State economy using a model originally developed partly in-house and partly by consultants to the State.

The model of the State economy is updated quarterly. This model is comprised of numerous dynamic regression equations and identities. Moody’s Economy.com’s forecasts for national variables are inputs to many of the Colorado equations. The model of the State economy generates forecasts of key indicators such as employment, retail sales, inflation and personal income. These forecasts are then used as inputs to revenue forecasts for income tax receipts, corporate collections, sales tax receipts, etc.

The econometric model used to forecast General Fund revenue relies on the economic data estimated using the model of the State economy discussed above. The models used for forecasting General Fund revenues incorporate changes in policy, both State and federal, as well as changes in the economic climate and historical patterns. The General Fund models are comprised of regression equations for many of the revenue categories. There are three main categories of tax revenues: excise tax receipts, income tax receipts and other tax receipts. The General Fund models forecast the majority of the categories of General Fund receipts separately. For example, the model forecasts each type of income tax receipt (withholding, estimated payments, cash with returns and refunds) individually and then aggregates the numbers to arrive at a net individual income tax receipts forecast. However, for corporate income tax receipts and sales tax collections, the model forecasts only the aggregate amount for these revenues. For many of the smaller tax revenue categories, simple trend analyses are generally utilized to derive a forecast.

Revenue Shortfalls. The State’s Fiscal Year budgets are prepared and surplus revenues are determined using the modified accrual basis of accounting in accordance with the standards promulgated by GASB, with certain statutory exceptions. As a result, although the Fiscal Year budgets are balanced and, based upon the current forecast, there is anticipated to be an Unappropriated Reserve, the State may experience temporary and cumulative cash shortfalls. This is caused by differences in the timing of the actual receipt of cash revenues and payment of cash expenditures by the State compared to the inclusion of such revenues and expenditures in the State’s Fiscal Year budgets on an accrual basis, which does not take into account the timing of when such amounts are received or paid. Also, prior forecasts of General Fund revenue may have overestimated the amount the State would receive for the Fiscal Year.

Whenever the Governor’s revenue estimate for the current Fiscal Year indicates that General Fund expenditures for such Fiscal Year, based on appropriations then in effect, will result in the use of one-half or more of the Unappropriated Reserve, the Governor is required to formulate a plan for the General Fund expenditures so that the Unappropriated Reserve as of the close of the Fiscal Year will be at least one-half of the required amount. The Governor is required by statute to notify the General Assembly of the plan and to promptly implement it by: (i) issuing an executive order to suspend or discontinue, in whole or in part, the functions or services of any department, board, bureau or agency of the State government; (ii) approving the action of other State officials to require that heads of departments set aside reserves out of the total amount appropriated or available (except the cash funds of the Department of Education); or (iii) after a finding of fiscal emergency by a joint resolution of the General Assembly approved by the Governor, taking such actions necessary to be utilized by each principal department and institution of higher education to reduce State personnel expenditures.

Pursuant to the foregoing requirement, in anticipation that the OSPB May 2020 Revenue Forecast would show rapidly declining revenues and that appropriated spending would result in the use of one-half or

more of the Fiscal Year 2019-20 required Unappropriated Reserve, the Governor issued Executive Order D 2020 050 on April 30, 2020 (which was subsequently rescinded as discussed below), which (i) declared that there are not sufficient revenues available for expenditure during Fiscal Year 2019-20 to carry on the functions of the State government and to support its agencies and institutions such that the suspension of portions of programs and services set forth out in the Executive Order are necessary, (ii) directed the Director of the OSPB to submit in writing to the Joint Budget Committee and the members of the General Assembly the contents of such Executive Order for reducing such General Fund expenditures by \$228.7 million in an attempt to maintain the required Fiscal Year 2019-20 Unappropriated Reserve, and (iii) directed the suspension or discontinuance of portions of programs and services as specified therein through the end of Fiscal Year 2019-20. Executive Order D 2020 050 was rescinded by Executive Order D 2020 113 issued on June 23, 2020, following passage by the General Assembly on June 12, 2020, and signature of the Governor on June 22, 2020, of the annual Long Bill discussed in “STATE FINANCIAL INFORMATION—Budget Process and Other Considerations”) which included an addendum to the Fiscal Year 2019-20 budget that replicated the cuts made by Executive Order D 2020 050 and therefore made such Executive Order unnecessary.

The next OSPB revenue forecast is scheduled to be released in March 2021. General Fund revenue projections in this and subsequent OSPB revenue forecasts may be materially different from the OSPB December 2020 Revenue Forecast if economic conditions change markedly. If a revenue shortfall is projected for Fiscal Year 2020-21 and subsequent forecasted years which would result in a budgetary shortfall, budget cuts and/or actions to increase the amount of money in the General Fund will be necessary to ensure a balanced budget. See “CERTAIN RISK FACTORS—Budgets and Revenue Forecasts” “– Impact of COVID-19 (Coronavirus).”

Investment of the State Pool

General. The investment of public funds by the State Treasurer is subject to the general limitations discussed in “STATE FINANCIAL INFORMATION—Investment and Deposit of State Funds.” The State Treasurer has adopted investment policies further restricting the investment of State pool moneys, which includes the General Fund. The purpose of these investment policies is to limit investment risk by limiting the amount of the portfolio that may be invested in particular types of obligations, or in obligations of particular issuers or in particular issues, by imposing rating or financial criteria for particular types of investments more restrictive than those required by law, and by limiting the maximum term of certain types of investments. A minimum of 10% of the portfolio is required to be held in U.S. Treasury securities. Any reverse repurchase agreements may be for interest rate arbitrage only, and not for liquidity or leverage purposes. Each reverse repurchase agreement and the total investment it is arbitrated against must be closely matched in both dollar amount and term.

Fiscal Years 2019-20 and 2020-21 Investments of the State Pool. The following tables set forth the investment by category of the moneys in the State Pool as of the end of each month in Fiscal Years 2019-20 and 2020-21 for which information is available.

[Remainder of page intentionally left blank]

State of Colorado
State Pool Portfolio Mix
Fiscal Year 2019-20

(Amounts expressed in millions)¹

	July 2019	Aug 2019	Sept 2019	Oct 2019	Nov 2019	Dec 2019	Jan 2020	Feb 2020	Mar 2020	Apr 2020	May 2020	June 2020
Agency CMOs	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.2	\$ 41.6	\$ 41.6	\$ 41.6	\$ 41.6	\$ 41.5	\$ 41.6	\$ 41.5	\$ 103.6
Commercial Paper	2,190.9	1,854.6	1,477.4	1,814.2	1,993.5	2,074.0	2,610.7	2,149.7	1,109.1	1,219.9	1,155.4	385.0
U.S. Treasury Notes	757.1	702.8	809.2	895.1	931.6	939.8	897.8	1,173.5	1,105.9	1,128.5	1,506.3	1,212.7
Federal Agencies	804.6	913.2	806.9	600.2	520.7	379.7	694.7	714.5	880.5	929.6	844.7	371.3
Asset-Backed Securities	901.0	863.9	930.1	915.8	875.6	804.8	683.8	683.9	674.8	666.8	666.3	634.5
Money Market	430.0	235.0	460.0	515.0	560.0	604.0	410.0	445.0	925.0	3,017.0	2,327.0	2,942.0
Corporates	4,458.6	4,704.7	4,717.2	4,369.6	3,955.6	3,938.5	4,214.9	3,991.7	4,709.3	3,918.7	3,686.2	3,693.1
Certificates of Deposit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Totals	\$9,542.4	\$9,274.4	\$9,201.0	\$9,110.1	\$8,878.6	\$8,782.4	\$9,553.5	\$9,199.9	\$9,446.1	\$10,922.1	\$10,227.4	\$9,342.2

¹ This table includes all moneys in the State Pool, which includes the General Fund, Borrowable Resources and other moneys that are invested by the State Treasurer.

Source: State Treasurer's Office

State of Colorado
State Pool Portfolio Mix
Fiscal Year 2020-21

(Amounts expressed in millions)¹

	July 2020	Aug 2020	Sept 2020	Oct 2020	Nov 2020
Agency CMOs	\$ 155.1	\$ 197.6	\$ 215.9	\$ 215.8	\$ 212.3
Commercial Paper	986.4	1,285.6	2,029.3	2,089.3	1,899.3
U.S. Treasury Notes	1,800.4	1,924.3	2,378.9	2,785.7	2,830.2
Federal Agencies	1,301.3	1,624.2	1,265.2	988.3	990.2
Asset-Backed Securities	457.8	455.1	453.1	450.8	447.4
Money Market	1,757.0	1,172.0	560.0	495.0	665.0
Corporates	3,982.8	4,811.9	4,723.3	4,754.1	4,300.0
Certificates of Deposit	0.0	0.0	0.0	0.0	0.0
Totals	\$10,440.8	\$11,470.7	\$11,625.7	\$11,779.0	\$11,344.4

¹ This table includes all moneys in the State Pool, which includes the General Fund, Borrowable Resources and other moneys that are invested by the State Treasurer.

Source: State Treasurer's Office

(THIS PAGE INTENTIONALLY LEFT BLANK)

APPENDIX F

OSPB DECEMBER 2020 REVENUE FORECAST

As discussed in Appendix E—“THE STATE GENERAL FUND—Revenue Estimation; OSPB Revenue and Economic Forecasts,” the OSPB prepares quarterly economic and revenue estimates and is currently forecasting for Fiscal Years 2020-21 through 2022-23. The forecasts include projections of General Fund revenues available for spending and end-of-year reserves through the forecast period. Budgeted General Fund spending levels are also included. The forecasts are based on historical patterns, with economic and legislative changes explicitly included in the models that forecast revenue growth and include both State and national economic forecasts.

The most recent OSPB Revenue Forecast was issued on December 18, 2020 and is included in its entirety in this Appendix. The pagination of this Appendix reflects the original printed document. See “CERTAIN RISK FACTORS—Impact of COVID-19 (Coronavirus).”

Prospective investors are cautioned that any forecast is subject to uncertainties, and inevitably some assumptions used to develop the forecasts will not be realized, and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasted and actual results, and such differences may be material. No representation or guaranty is made herein as to the accuracy of the forecasts. See also “CAUTIONARY STATEMENTS REGARDING PROJECTIONS, ESTIMATES AND OTHER FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT” at the beginning of this Official Statement.

[Remainder of page intentionally left blank]

(THIS PAGE INTENTIONALLY LEFT BLANK)

December 18, 2020

STATE OF COLORADO

Governor's Office of State Planning and Budgeting

COLORADO ECONOMIC AND FISCAL OUTLOOK



COLORADO
Governor Jared Polis

(THIS PAGE INTENTIONALLY LEFT BLANK)

Contents

Forecast in Brief	2
Economic Outlook	3
Revenue Outlook – General Fund	13
Revenue Outlook – Cash Funds	18
Budget Outlook	22
TABOR Outlook	25
Reference Tables	26

Jared Polis - Governor
Lauren Larson - Budget Director
Luke Teater - Deputy Director
Edmond Toy - Senior Economist
Alex Carlson - Economist
Caitlin McKennie - Economist
Kevin Amirehsani - Tax Policy Analyst

Governor’s Revenue Estimating Advisory Committee

Tatiana Bailey
Alison Felix
Charlie Gwirtsman
Alex Hall
Sol Halpern
David Kelly
Tom Lipetzky
Ron New
Jessica Ostermick
Nathan Perry
Trini Rodriguez
Patty Silverstein
Ken White Jr.
Rich Wobbekind

For additional information about the Governor’s Office of State Planning and Budgeting, to access this publication electronically, or to sign up to be notified by email when the quarterly forecast is released, please visit www.colorado.gov/ospb.

Forecast in Brief

NATIONAL ECONOMIC OUTLOOK

The U.S. economy has performed better than expected over the last quarter as economic conditions continue to improve from the lows observed in the spring. While aggregate household savings and wealth have increased since the pandemic began, the recession is having a highly disparate impact across industries, with job losses and business closures concentrated in predominantly low-wage industries. The availability and distribution of a vaccine improves the economic outlook for 2021.

COLORADO ECONOMIC OUTLOOK

Despite improvement over the fall, Colorado's economic activity remains below pre-COVID levels. The outlook for the winter months has weakened as higher COVID caseloads have resulted in more public health restrictions on businesses, while winter weather limits outdoor dining. Though weekly initial unemployment claims remain far below the levels of March and April, they have more than tripled since September and are expected to remain elevated through the winter months. Despite this, the outlook for 2021 has improved due to high savings and wealth and the distribution of the vaccine.

GENERAL FUND REVENUE

General Fund revenue is projected to decrease by 3.0 percent in FY 2020-21 before growing by 7.9 percent in FY 2021-22. It is expected to further increase by 3.5 percent in FY 2022-23. The GF revenue forecast was revised upwards by a total of \$848 million between FY 2019-20 and FY 2021-22. This upward revision is due to higher than anticipated revenue collections in recent months as well as improved economic expectations for 2021 with the availability and distribution of a vaccine. This revision also incorporates tax policy changes approved by Colorado voters in the November election.

CASH FUND REVENUE

Total cash fund revenue subject to TABOR was \$2.2 billion in FY 2019-20, a decrease of 8.3 percent from the prior fiscal year. In FY 2020-21 cash fund revenue is projected to decline by 3.9 percent before growing 5.8 percent to \$2.3 billion in FY 2021-22.

TABOR

Revenue subject to TABOR is not expected to exceed the Referendum C cap during this forecast period.

GENERAL FUND RESERVE

With these updated projections, the General Fund reserve is now projected to be \$558.3 million above the Governor's requested statutory reserve amount of 10.0 percent of appropriations in FY 2021-22 assuming enactment of the Governor's November budget request including the stimulus package proposed for FY 2020-21.

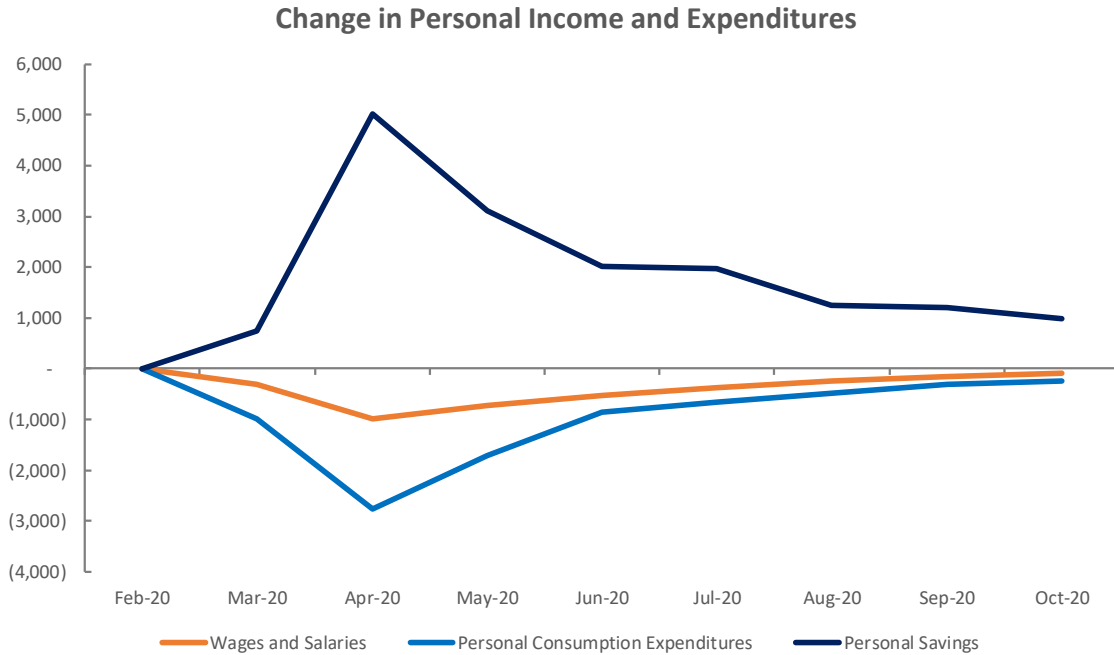
Economic Outlook

Colorado’s economic situation has improved in recent months, and continues to exceed expectations. Despite this, high COVID case numbers are leading to increased unemployment claims and business closures, a trend that is expected to continue throughout the winter. The authorization and distribution of a COVID-19 vaccine improves the economic outlook for 2021.

The pandemic recession has had a disparate impact across industries, with the most severe effects occurring in industries with predominantly low-wage employment. While household finances are strong overall, with high savings and low debt, Colorado employment remains 4.5 percent below pre-pandemic levels, with most job losses in low-wage industries. Many workers have left the labor force, with women’s labor force participation falling to its lowest level since 1986.

Personal Income and Expenditures

Wages and salaries—the largest component of personal income—continue their upward trajectory since the deep trough experienced in April. The most recent national estimates show that wages and salaries in October were nearly at the level observed in February. On an annualized basis, wages and salaries were 0.9 percent lower than in February. October’s monthly growth rate was 0.7 percent, which is higher than the 0.3 percent compound monthly growth rate observed in 2019. The rising levels in aggregate wages and salaries reflect continuing recovery, but the current surge in COVID-19 cases across much of the country could slow the upward trajectory of wages and salaries during the last few months of 2020 and perhaps early 2021 before the anticipated distribution of vaccines becomes widespread.



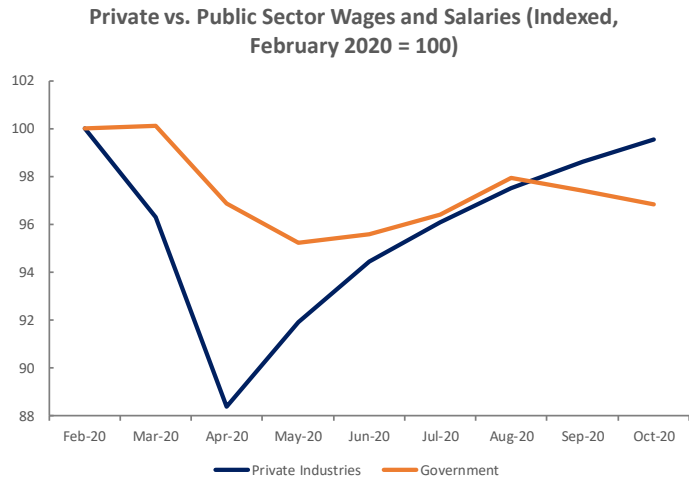
Source: Bureau of Economic Analysis

Personal consumption expenditures closely resemble the trends in wages and salaries. October data show that personal consumption is just 1.6 percent lower than in February on a seasonally-adjusted annualized basis. Consumer spending continues to be buoyed by government assistance, including unemployment insurance benefits. However, many unemployed persons will soon lose unemployment benefits that were expanded last spring. The Pandemic Unemployment Assistance Program, which targets self-employed and gig workers, and the Pandemic Emergency Unemployment Compensation, which pays up to 13 extra weeks of jobless benefits beyond the traditional 26 weeks, will end at the end of December unless Congress takes action.

Personal savings remain at an elevated level. Some analysts believe that accumulated savings and the rising stock market will fuel a spending binge that will quickly expand the economy in 2021. By one measure, households in the U.S. have accumulated \$1.4 trillion in savings since the start of the pandemic. It is important to acknowledge that aggregate measures of wages and salaries, spending, and savings mask the fact that substantial variability exists across individuals. People who are experiencing unemployment are less likely to have accumulated personal savings, for instance.

One notable trend in personal income has emerged in recent months: the divergence in private vs. public sector wages and salaries. As shown in the graphic, public sector wages and salaries did not experience as deep of a decline, and they were improving alongside private sector wages and salaries. However, public sector wages and salaries began declining after August on a seasonally-adjusted basis. This decline likely reflects the impacts of government budget shortfalls (e.g., furloughs) and school staffing changes as the school year began. At a national level, public sector

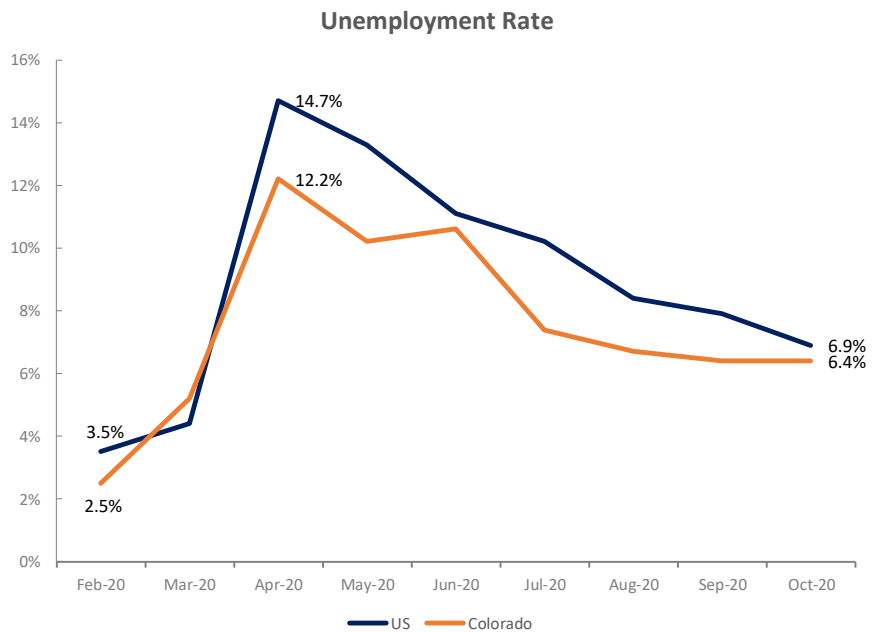
wages and salaries account for about 16 percent of total wages and salaries, so this downturn will not outweigh the rise in private sector wages and salaries. However, this downward trend highlights the impacts that the pandemic and recession are having on federal, state, and local governments.



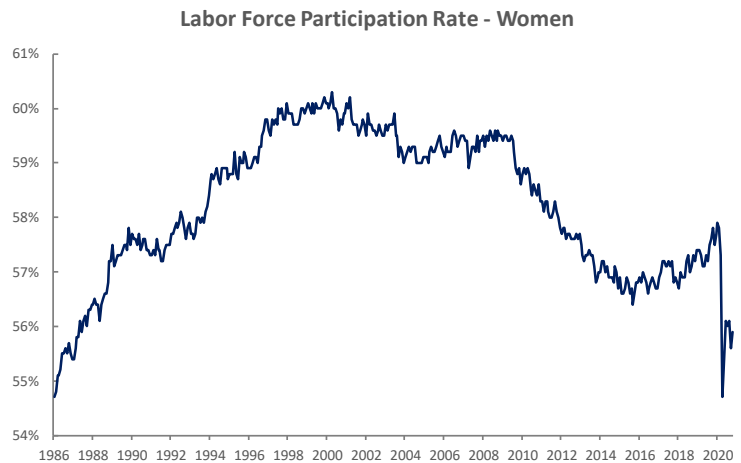
Source: Bureau of Economic Analysis

Employment

Colorado’s unemployment rate has been on a downward trajectory since the summer but held steady at 6.4 percent in both September and October. In contrast, the national unemployment rate continues its downward trend and sits at 6.9 percent. The current surge in COVID-19 cases in Colorado and nationally may put pressure on unemployment rates as businesses and governments face decisions on how to adapt to the winter season, but the distribution of vaccines will moderate those concerns. The impacts of vaccines on the economy and unemployment will depend on how quickly and broadly they are distributed and how individuals change their behaviors.

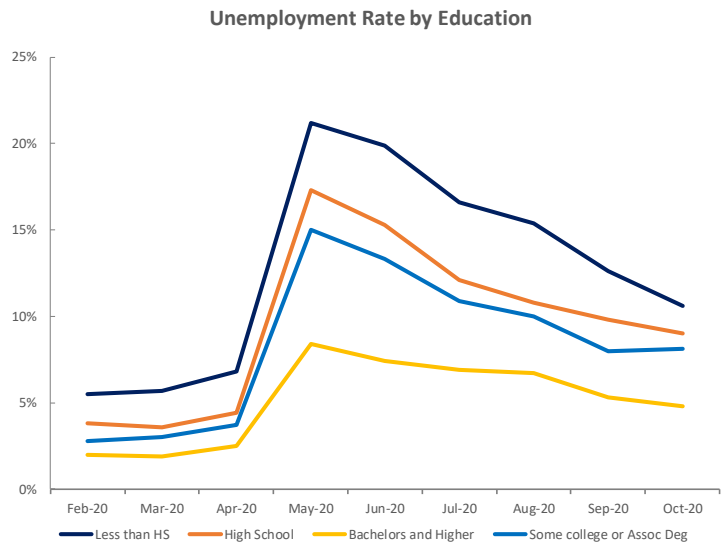


These topline unemployment figures obscure the significant variability that exists across different demographic groups. The pandemic and recession have hit women particularly hard. In April, women made up only 54.7 percent of the national labor force; the last time this measure was this low was in 1986. The labor force participation rate by women rebounded to 55.9 percent in October, but that is still



lower than observed in decades—including during the Great Recession. The disproportionate impact on women is likely related to the fact that women bear greater responsibilities to care for children at home, and the move to on-line and home-based schooling has resulted in more women leaving the workforce.

In addition, national unemployment rates vary substantially by workers’ education levels. Workers with at least a bachelor’s degree had an unemployment rate of 4.2 percent in October, while the rate was 6.5 percent for those with some college or an Associates Degree, 8.1 percent for those with a high school diploma, and 9.8 percent for those less than a high school diploma. While the unemployment rate for those with a bachelor’s degree or higher is relatively good, these individuals only account for about 42 percent of the employed population.

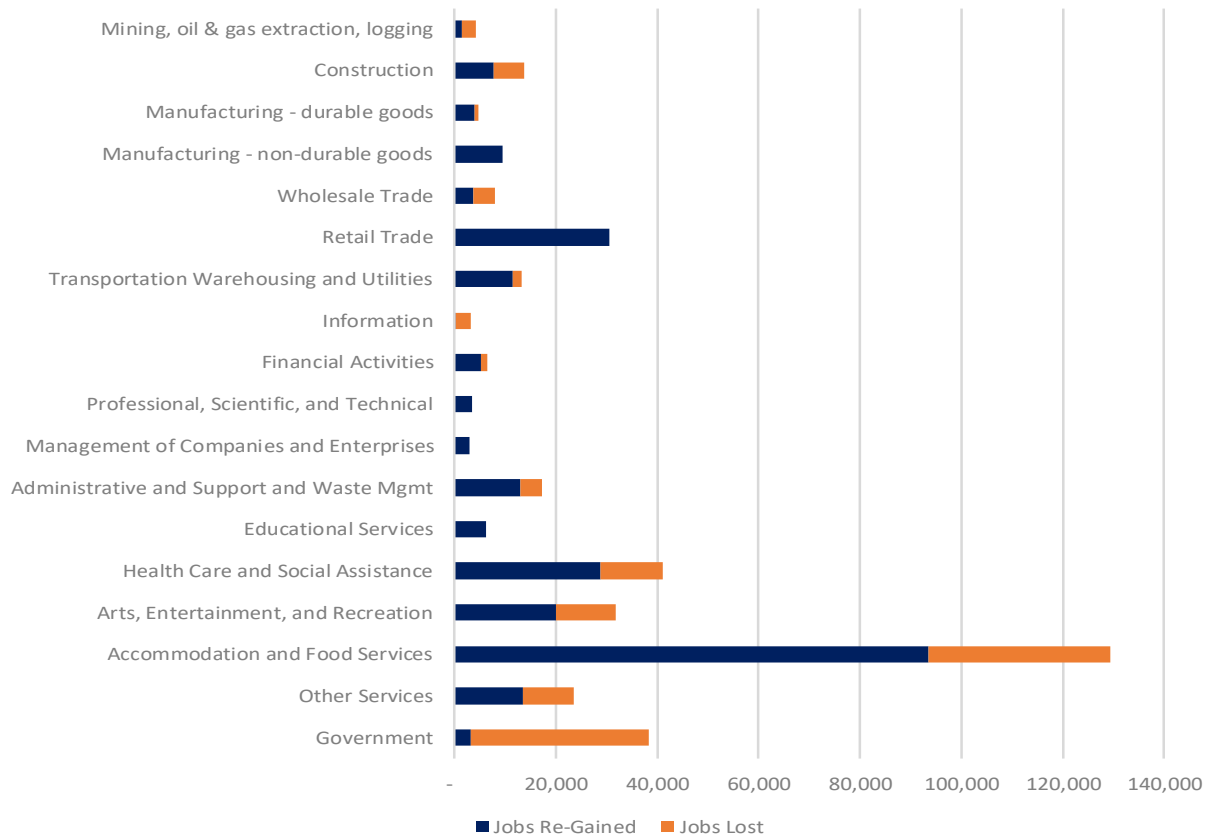


Source: Bureau of Labor Statistics

The employment picture in Colorado varies widely by economic sector. The Accommodation and Food Services sector lost the highest number of jobs of any sector, about 130,000 jobs, and has regained about 93,000 jobs as of October (72 percent of jobs lost). The Health Care and Social Assistance sector and Government sector each lost about 40,000 jobs, but their recoveries are very different. Health Care and Social Assistance regained about 70 percent of the lost jobs, while Government has regained less than 10 percent of those jobs. The sectors that have regained the highest proportion of lost jobs include manufacturing (durable and non-durable) and retail trade.

Regaining lost jobs will depend on various factors. For example, sectors that generally have low training and entry requirements could rebound quickly as businesses return to more normal operations and seek employees. This applies to some jobs in sectors such as Accommodation and Food Services and Retail Trade. Laid off employees in those sectors may have sought work in other sectors, but firms will likely be able to find new employees. Economic recovery measures taken by Colorado and the federal government are targeting a number of economic sectors. For example, Colorado’s General Assembly and Governor recently enacted stimulus policies that will help increase spending in the construction sector. The federal government has directed \$1.26 billion in direct aid to health care providers in Colorado, and more will come under previously approved appropriations. Additionally, Colorado has directed federal and state dollars to shore up funds for education and other government-funded jobs and services.

Number of Jobs Lost and Re-Gained



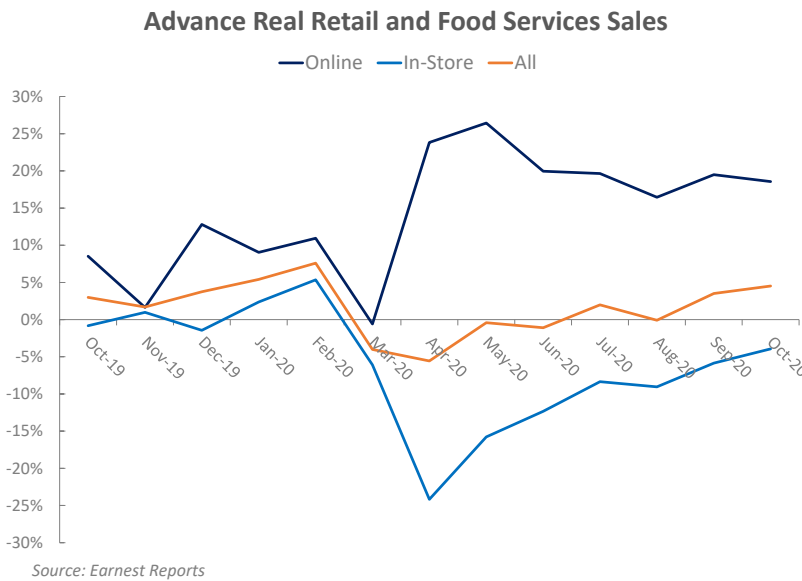
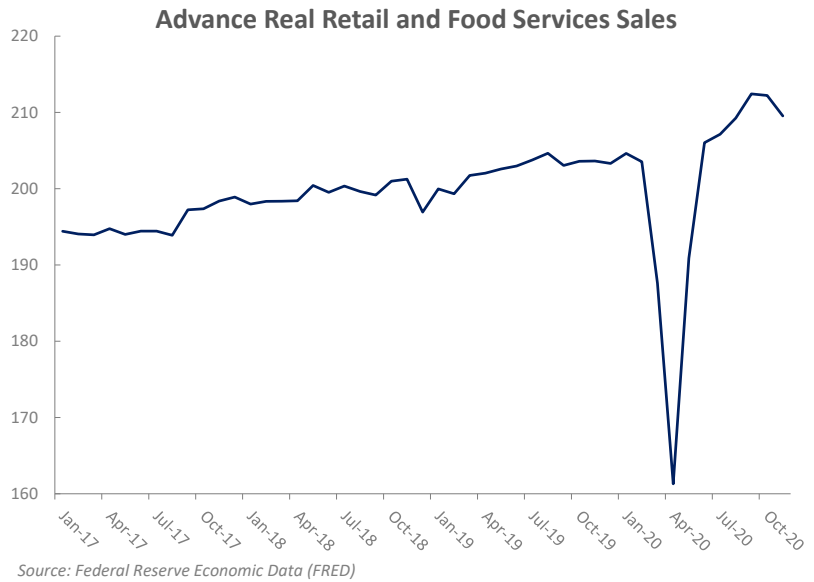
Source: Current Employment Statistics

It is likely that the pandemic and recession will lead to medium- and long-term changes in the number and types of jobs in Colorado. Even when economic output and unemployment rates in Colorado return to pre-pandemic levels, the economy will probably look different. For example, the pandemic quickly shifted consumer behavior to online purchases, and some economists suggest that this will result in a permanent change. Employment in the retail sector grew more

slowly over the long-term, while transportation and warehousing may experience higher growth rates as consumers continue shifting to on-line purchasing.

Retail Sales

Retail spending across the United States fell sharply at the beginning of the pandemic as businesses and restaurants closed down amidst public health orders. Since April, retail sales have rebounded to record highs and remain consistently above pre-virus levels. However, recent data from the Federal Reserve show monthly decreases in retail sales for both October and November, though levels remain well above this time last year and holiday spending remains strong.



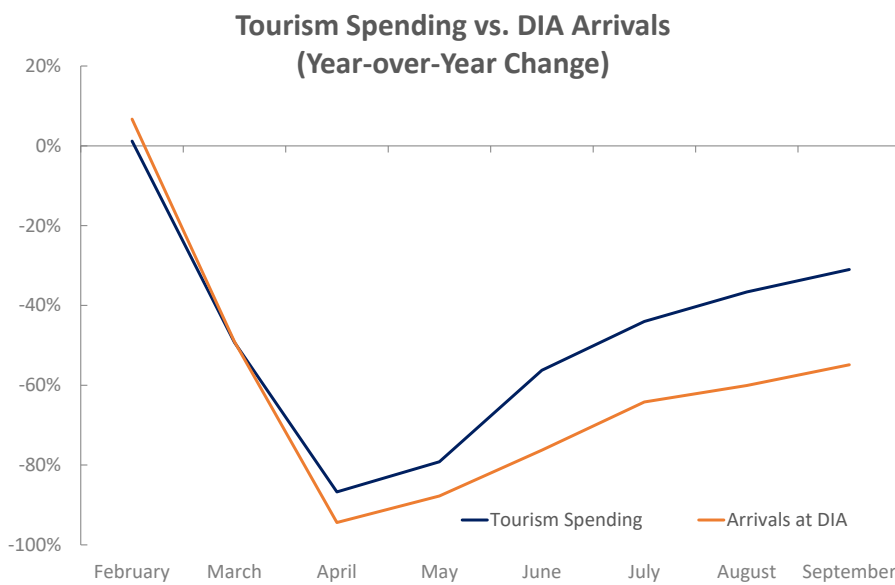
Elevated retail sales have been driven by a number of factors, including: (1) a shift from spending on services to spending on goods; (2) increased purchases of durable goods, such as automobiles; (3) increased purchases of goods used at the home, such as building materials and gardening equipment; (4) increased volume of online sales; and (5) elevated levels of personal income and high

levels of accumulated savings throughout the pandemic. The graph to the left shows the strong year-over-year increase in online sales. Online purchases in October were approximately 18.6 percent above 2019 levels, and were on average 20.6 percent above 2019 levels each month from April to October.

Despite October and November figures for retail sales falling slightly below expectations, sales are expected to continue at a high level, and above last year’s numbers, as the pandemic continues due to strong wages and high levels of accumulated savings. However, once the COVID-19 vaccine is widely distributed and spending on services begins to return to normal levels, retail sales growth will likely slow.

Tourism

The tourism industry, which accounts for more than 5 percent of Colorado’s GDP and 6.4 percent of employment in Colorado,¹ has been one of the hardest hit industries throughout the course of the COVID-19 pandemic and continues to experience a slow recovery following significant declines in March and April. Total traveler spending in Colorado suffered nearly a 90 percent decline between February and April. Spending then experienced a slow recovery back to 37 percent below 2019 levels in August and has since stayed around 30 percent below 2019 levels, at 36 percent behind year-over-year in the first week of November. This decline in traveler spending has been felt in the state’s workforce, as tourism-related industries such as traveler accommodation and recreation industries have had among the highest numbers of unemployment claims in Colorado.²



Sources: US Travel Association; Denver International Airport

As expected, the decline in traveler spending is closely linked to the lack of air travel into Colorado. In fact, the graph to the left compares the year-over-year change in tourism spending to the year-over-year change in passengers arriving at Denver International Airport (DIA) each month so far this year. As the graph demonstrates, the two figures have seen

very similar trends, though they have shown growing divergence since April. While the fact that these two lines follow such similar trends confirms an important relationship between air

¹ Council of State Governments.

² Colorado Department of Labor and Employment.

travelers and tourism spending in Colorado, the divergence of the lines shows that Coloradans and individuals from other neighboring states are exploring Colorado’s tourist destinations by car as they become comfortable with driving and remain uncomfortable with air travel.

While tourism has historically been one of the sectors slowest to recover from recessions, this recession may be different. Tourism may experience a more rapid recovery due to pent-up tourism demand and high personal incomes and savings.

Small Business

Although there has been a nationwide trend of reduced business formation since the late 1970s, Colorado’s urban areas have performed significantly better than the national average during this period,³ with small businesses comprising most of this business activity. Business formation generally declines in recessions. However, while general business applications (most of which are from sole proprietors) dropped sharply in March, they have surged to record highs since then.

Colorado and US Year-Over-Year Growth (%) in Business Applications Filed, 2020



Source: US Census Bureau, Business Formation Statistics

Despite increased business formation, the number of small businesses open in Colorado as of November 30 decreased 23.1 percent compared to January 2020 (28.8 percent nationally), with the declines slightly larger in low-income zip codes.⁴ Similarly, total small business revenue decreased 34.5 percent during the same period (32.3 percent nationally). However, the geographic divergences are stark, with small business revenue from low-income Colorado zip codes only down 21.2 percent (26 percent nationally), while revenue from high-income zip codes is down 45.5 percent (38.8 percent nationally).⁵ This is likely due to higher-income households

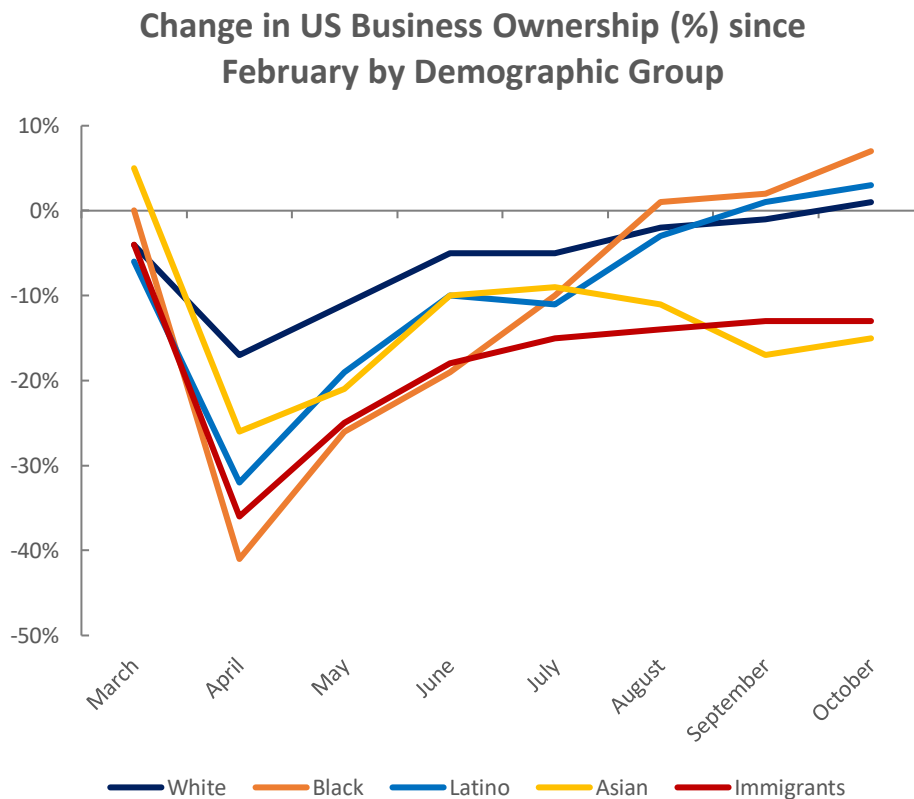
³ US Census Bureau, Business Formation Statistics.

⁴ Opportunity Insights (Womply).

⁵ Opportunity Insights (Womply).

cutting a larger percentage of their spending during the pandemic than lower-income households, as well as more of their money being spent on in-person businesses that are more likely to be closed.

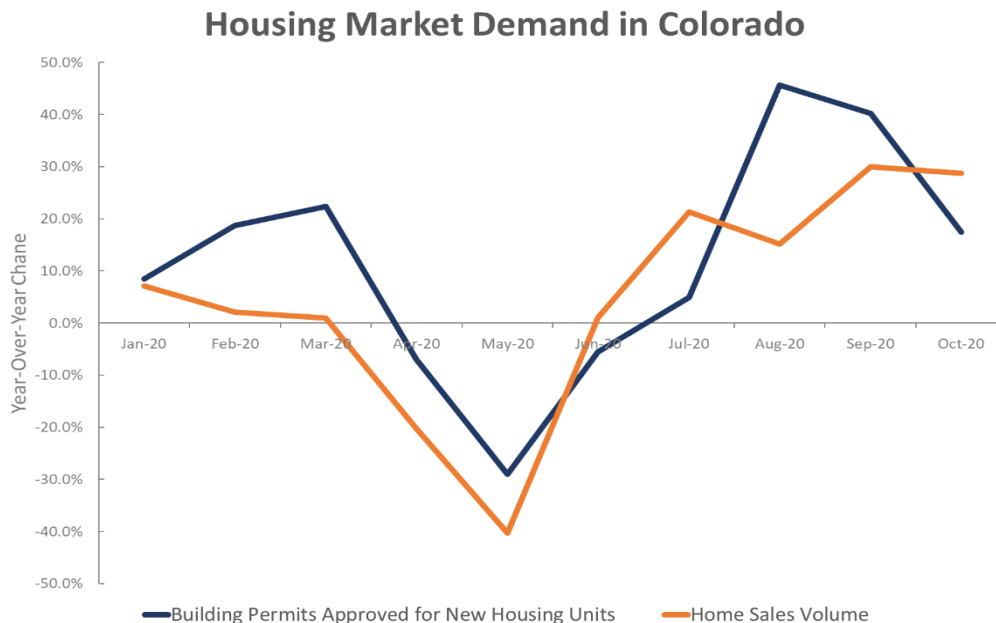
Some research indicates that nationally, the number of active business owners has recovered to February levels (as of October), although the business ownership rate is still down 15 percent and 13 percent for Asian-Americans and immigrants, respectively. But the business ownership rate compared to February has rebounded significantly for African-Americans and Latinos, whose rates were down 41 percent and 32 percent as of April but up 7 percent and 3 percent as of October.



Source: University of California Santa Cruz economist Robert Fairlie, adapted from US Census Bureau data

Housing

The housing market remains strong in Colorado, with demand for homeownership rising. Building permits for new private housing units, a leading indicator for the housing market, has grown at a strong pace since July, adding approximately 17,636 approvals through October. This level is roughly one-third greater than those approved during the same time periods between 2016 and 2019. Homebuilder confidence has reached record highs in recent months as low mortgage rates, high savings rates, and favorable demographics combine to create a positive outlook for home construction.



Sources: Federal Reserve Economic Data (FRED); Colorado Association of Realtors

Robust demand for homeownership has led to a thinning supply of for-sale inventory. October median single-family home prices in Colorado were 13.8 percent higher than a year ago. Home sales increased by 30.0 percent relative to last October while the number of active listings fell by 49.1 percent. Despite the current recession, rent collections remain stable with about 94 percent of renters paying on time as of October.

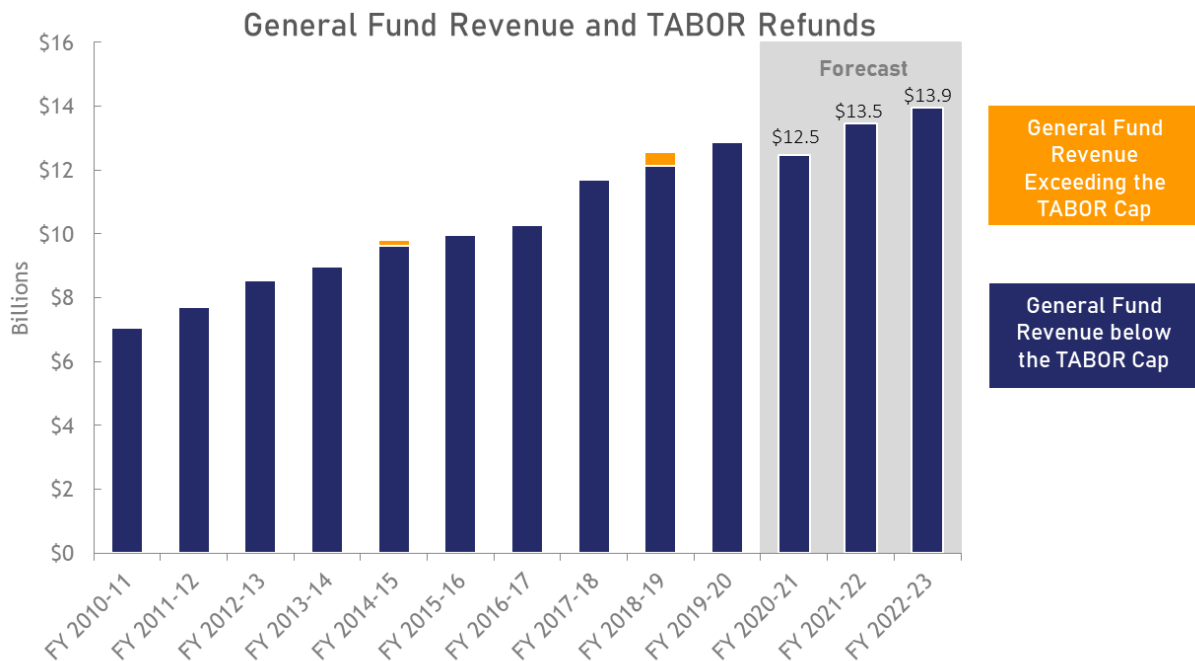
Eviction moratoriums and federal income supplements led to an abrupt decline in eviction filings in 2020. Evictions fell to less than four percent of 2019 levels in April and May, before gradually rising over the summer after Colorado's first eviction ban expired, peaking at 72 percent of the 2019 level in May before falling to 36 percent in November as further eviction moratoriums were implemented. Policy interventions – such as expanded unemployment insurance benefits, economic relief payments, eviction moratoriums, and forbearance provisions – have helped keep evictions at relatively subdued levels despite higher unemployment. The potential end of these policy interventions over the coming months poses a risk to low-income households and evictions could increase.

Forecast Risks

There is downside risk to the forecast over the coming winter months as caseloads remain high and vaccines are not yet widely available. While the authorization and distribution of a vaccine improves the economic outlook for 2021, major delays in this process present another downside risk to this forecast. Overall, however, the risks to the forecast are balanced to the upside, as strong household finances, record highs for housing and financial markets, and a high rate of job openings presents the possibility of a strong economic rebound once the pandemic is over.

Revenue Outlook – General Fund

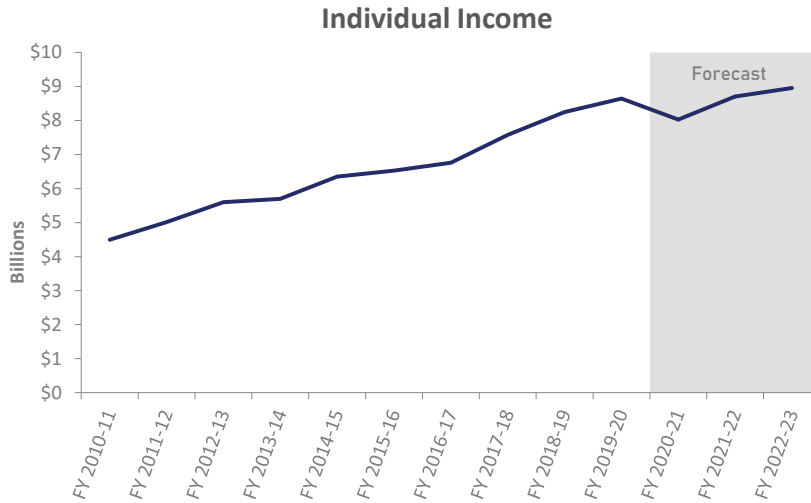
General Fund revenue is projected to decrease by 3.0 percent in FY 2020-21 before growing by 7.9 percent in FY 2021-22. It is expected to further increase by 3.5 percent in FY 2022-23. Since September, the GF revenue forecast has been revised upward by a total of 3.2 percent for FY 2020-21 through FY 2022-23. The upward revision to the forecast is due to higher revenue collections in recent months, especially attributable to sales and use taxes, corporate income taxes, and individual income taxes, the three largest revenue sources for the general fund, as well as an improved medium-term economic outlook due to the distribution of vaccines.



Three major revenue sources together make up about 95 percent of total General Fund revenue: individual income taxes, corporate income taxes, and sales and use taxes. General Fund revenue from the other remaining General Fund sources, such as interest earnings, taxes paid by insurers on premiums, and excise taxes on tobacco products and liquor, make up the remaining 5 percent.

Individual Income Tax

Individual income tax revenue increased by 4.8 percent in FY 2019-20 and is expected to decline 7.2 percent in FY 2020-21. Relative to September projections, the forecast was revised upward by \$81.8 million in FY 2020-21 and \$496.3 million in FY 2021-22.

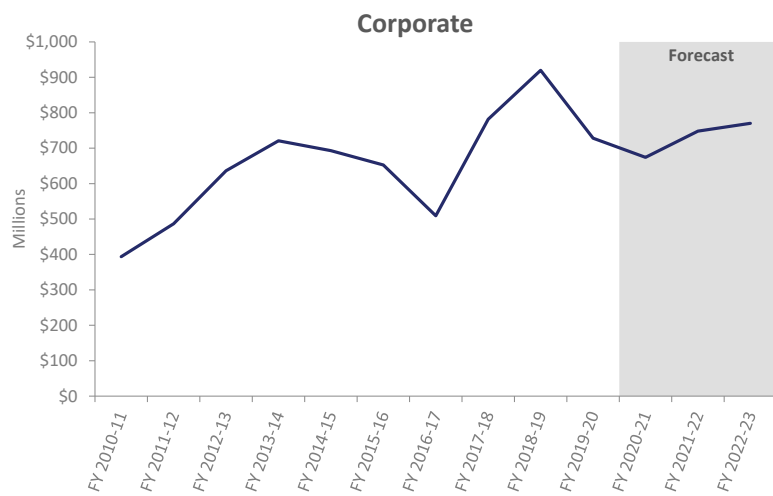


Individual income tax collections are extremely volatile during periods of economic change. Annual growth remained positive in FY 2019-20 despite the recession during the last few months of the fiscal year. Although Colorado experienced historically high unemployment rates, individual income tax withholdings remained strong as low-income earners were

disproportionately impacted. However, tax refunds are also expected to grow, as they usually do during economic recessions. The passage of Proposition 116 in November will reduce individual income tax collections throughout the forecast period. Net receipts are expected to decline in FY 2020-21 before resuming an upward trajectory, albeit at a slower rate than immediately before the pandemic.

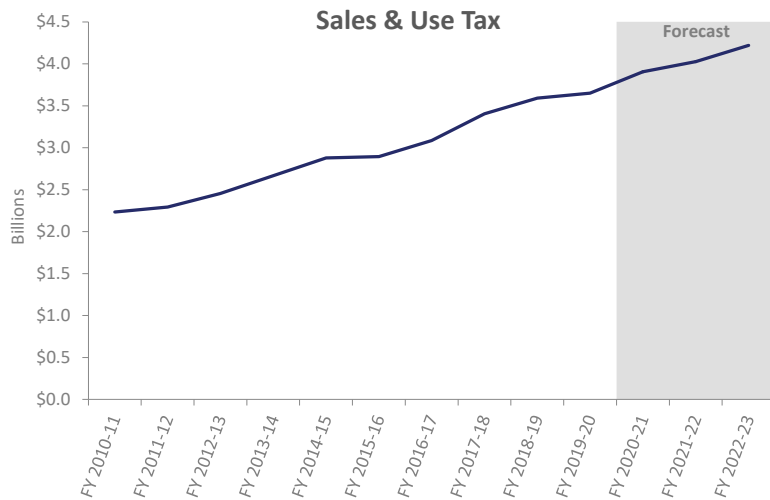
Corporate Income Tax

Corporate income tax collections fell to \$728.3 million in FY 2019-20, which is a 20.8 percent decline from FY 2018-19. Some of this decline was anticipated because FY 2018-19 corporate income tax receipts were unusually high due to a large settlement agreement with a delinquent taxpayer. Corporate income tax receipts are expected to decline another 7.4 percent in FY 2020-21 before resuming growth in FY 2021-22. However, once growth resumes in FY 2021-22 it will be slightly lower than anticipated in the September forecast as Proposition 116, which passed on the ballot in November, reduced the tax rate from 4.63 percent to 4.55 percent.



Sales and Use Taxes

Sales tax revenue grew 4.7 percent in FY 2019-20 and is expected to grow by 6.4 percent in FY 2020-21 before slowing to 5.9 percent growth in FY 2021-22 and 4.8 percent growth in FY 2022-23. Relative to the September forecast, the projection for FY 2020-21 was revised downward \$6.5 million to \$3.393 billion. The projections for FY 2021-22 and FY 2022-23 were revised upward by \$39.1 million and \$52.4 million, respectively.



The slight downward revision to FY 2020-21 despite strong sales tax revenue since September is due not to lowered expectations for sales, but rather to HB20B-1004, which allows for restaurants, bars, and mobile food services to retain state sales taxes for four months and will reduce sales tax revenues by approximately \$52.8 million for FY 2020-21.

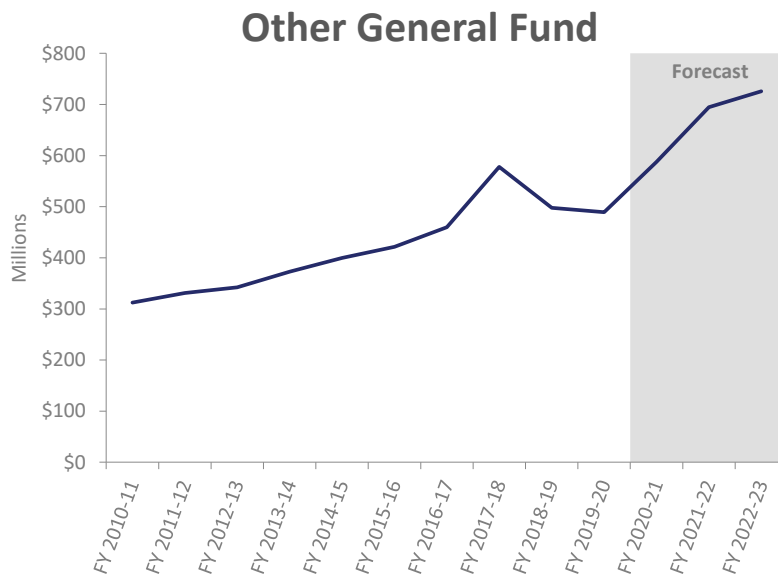
High personal incomes and the shift to spending on goods over services has influenced the strong sales tax collections thus far in FY 2020-21. These positive trends in personal income and goods spending, in addition to pent-up demand and high levels of accumulated savings, will continue to bolster sales tax collections throughout the remainder of FY 2020-21.

Use tax declined by 39.1 percent to \$210.5 million in FY 2019-20 and is expected to rebound by 4.5 percent to \$220.0 million in FY 2020-21. This projection is an upward revision of \$25.9 million from September’s forecast, largely due to stronger than expected revenues thus far in FY 2020-21. Use tax is a companion to sales tax and is paid by Colorado residents and businesses on purchases that did not collect the state sales tax. Use tax brings in a much smaller amount of revenue than sales tax and is often more volatile. Much of the State’s use tax revenue comes from Colorado businesses paying tax on transactions involving out-of-state sellers, in addition to individuals paying taxes on online purchases where the retailer did not collect taxes. Use tax collections are generally expected to continue to decline going forward as more retailers remit sales taxes directly to the State, resulting in fewer use taxes due.

The 15 percent special sales tax on marijuana retail sales is projected to increase by 19.3 percent to \$292.8 million in FY 2020-21. Growth will continue at 7.0 percent in FY 2021-22. Further analysis of marijuana tax collections can be found in the Revenue Outlook – Cash Funds section of this report.

Other General Fund Revenue

Other General Fund revenue fell by 1.7 percent in FY 2019-20 and is expected to increase by 20.0 percent in FY 2020-21, followed by growth of another 18.2 percent in FY 2021-22, each of which are significant upward revisions from September’s forecast. The major components of this revenue category include excise taxes on cigarettes, tobacco, nicotine, and liquor, as well as insurance revenue and interest income.



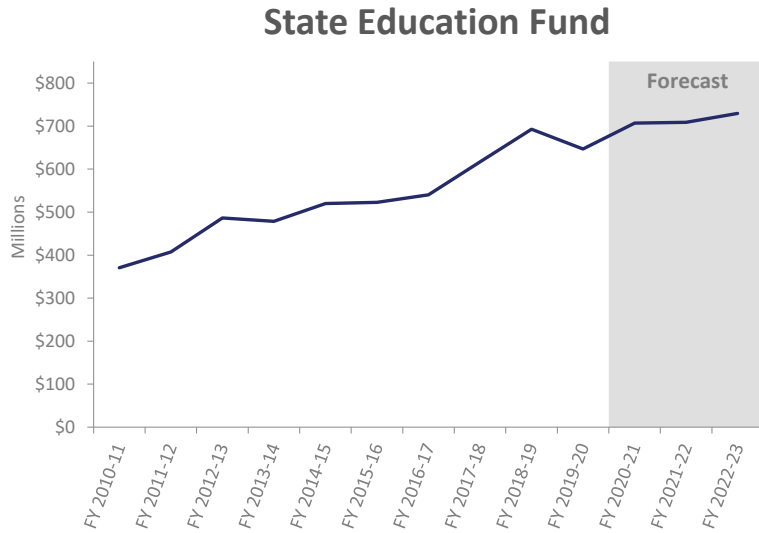
The increases over September’s forecast for FY 2020-21 and FY 2021-22 are largely due to additional revenues resulting from the approval of Proposition EE. Proposition EE, a ballot measure approved in November, imposes additional taxes on cigarettes and other tobacco products and creates a tax on other nicotine products such as e-cigarettes. Specifically, Proposition EE adds a tax of \$1.10 per pack of cigarettes, more than doubling the current tax of \$0.84 per pack. In addition, Proposition EE increases the tax on other tobacco products by 10 percent from 40 percent of manufacturer’s list price (MLP) to 50 percent of MLP. Finally, Proposition EE creates a tax on other nicotine products, starting at 30 percent of MLP and increasing to 50 percent of MLP by the end of this forecast period (FY 2022-23). Through FY 2022-23, revenue from the Proposition EE-imposed taxes is largely transferred to the State Education Fund, with smaller amounts going to the Rural Schools Cash Fund, the Housing Development Grant Fund, the Tobacco Tax Cash Fund, the Eviction Legal Defense Fund, and the Preschool Programs Cash Fund. Looking past FY 2022-23, Proposition EE increases each of these taxes and will generate additional revenue for the state going forward. Starting in FY 2023-24, these funds will be transferred almost entirely into the Preschool Programs Cash Fund and the Tobacco Education Programs Fund.

State Education Fund

Revenue to the State Education Fund from income taxes fell by 6.7 percent in FY 2019-20 but is expected to increase 9.3 percent in FY 2020-21 and increase 0.3 percent in FY 2021-22. This does

not include transfers from other funds. The forecast for State Education Fund revenue was revised upward from the September forecast in conjunction with the revisions to the forecasts for individual and corporate income tax collections.

The Colorado Constitution requires that 1/3 of 1 percent of Colorado taxable income be credited to the State Education Fund. As the State Education



Fund revenue is derived from taxable income, it generally follows the trends in individual income and corporate income tax revenue collections. However, the State Education Fund deviates from income tax trends in FY 2020-21 due to the impact of a delayed transfer incurred from FY 2019-20 revenue collections.

Revenue Outlook – Cash Funds

Cash funds are taxes, fees, fines, and interest collected by various State programs to fund services and operations. These revenue sources are designated by statute for a particular program and as such are distinct from General Fund revenue, which is available for general purpose expenditures. The following discussion highlights those cash fund revenues that are subject to TABOR.

Total cash fund revenue subject to TABOR was \$2.2 billion in FY 2019-20, a decrease of 8.2 percent from the prior fiscal year. In FY 2020-21 cash fund revenue is projected to decline a further 3.9 percent to \$2.2 billion before growing 5.8 percent in FY 2021-22.

Transportation

Transportation-related cash fund revenue fell by 6.1 percent in FY 2019-20, but is expected to grow by 0.8 percent in FY 2020-21. The forecast for FY 2020-21 has been revised downward slightly since September, by \$4.7 million, or 0.4 percent. The reduced revenue is due to reductions in business commutes and tourist travel that drive fuel tax revenues in Colorado. However, an expected increase in vehicle purchases and a return to commuting in FY 2021-22 and FY 2022-23 lead to 5.2 percent and 1.6 percent increases in transportation revenues for FY 2021-22 and FY 2022-23, with a return to pre-pandemic levels in FY 2022-23.

Transportation Revenue	Preliminary FY 19-20	Forecast FY 20-21	Forecast FY 21-22	Forecast FY 22-23
Highway Users Tax Fund (HUTF)				
Motor and Special Fuel Taxes	\$618.5	\$622.1	\$653.2	\$665.4
Change	-5.6%	0.6%	5.0%	1.9%
Total Registrations	\$258.7	\$262.4	\$270.1	\$276.0
Change	-2.6%	1.4%	2.9%	2.2%
Other HUTF Receipts	\$192.1	\$191.9	\$197.7	\$202.0
Change	2.1%	-0.1%	3.0%	2.2%
Total HUTF	\$1,069.3	\$1,076.5	\$1,121.0	\$1,143.4
Change	-3.6%	0.7%	4.1%	2.0%
State Highway Fund	\$27.5	\$28.4	\$22.3	\$24.6
Change	-30.9%	3.1%	-21.4%	10.2%
Other Transportation Funds	\$101.4	\$102.6	\$117.5	\$118.5
Change	-20.1%	1.3%	14.4%	0.9%
Total Transportation Funds	\$1,198.2	\$1,207.5	\$1,270.8	\$1,291.5
Change	-6.1%	0.8%	5.2%	1.6%

Transportation-related cash funds include the Highway Users Tax Fund (HUTF), the State Highway Fund (SHF), and a number of smaller cash funds. The primary revenue sources for the largest portion of transportation cash funds is the HUTF, which is comprised mainly of motor fuel taxes and registration fees.

Limited Gaming

Limited gaming revenue totaled \$82.3 million in FY 2019-20, slightly above June expectations. This revenue represents a 34.2 percent reduction from FY 2018-19 due to casino closures from mid-March to mid-June. Since September’s forecast, gaming revenue has continued below pre-COVID trends, though revenue has grown closer to pre-COVID levels in recent months. Notably, while August gaming revenue was at only 71 percent of last year’s level, September and October were at 86 percent and 99 percent of last year’s levels, respectively. These trends suggest potential for increased gaming revenue compared to prior expectations.

At the same time, downside risk remains as COVID-19 cases in Colorado remain elevated. Namely, the uptick in COVID-19 cases could require additional Colorado counties to move to more restrictive red and purple public health orders, levels that could shut down the casinos.

With this context, gaming revenue is expected to partially recover in FY 2020-21 to \$96.4 million, up 17 percent from FY 2019-20. Moreover, gaming revenue will more fully recover once the effects of the pandemic subside in FY 2021-22 to \$113.5 million, up another 18 percent from FY 2020-21. FY 2022-23 revenue will return to pre-pandemic levels, up 15 percent to \$130.0 million.

Finally, the passage of Amendment 77 means

that gaming revenue may be higher if voters in Black Hawk, Central, and Cripple Creek Cities vote to expand authorized games and increase maximum bets, as it is expected that they will.

Distribution of Limited Gaming Revenues	Preliminary FY 19-20	Forecast FY 20-21	Forecast FY 21-22	Forecast FY 22-23
A. Total Limited Gaming Revenues	\$82.3	\$96.4	\$113.5	\$130.0
Annual Percent Change	-34.2%	17.2%	17.6%	14.6%
B. Base Limited Gaming Revenues	\$69.0	\$77.0	\$93.5	\$109.5
Annual Percent Change	-34.2%	11.6%	21.4%	17.0%
C. Gaming Revenue Subject to TABOR	\$70.7	\$78.6	\$95.2	\$111.2
Annual Percent Change	-33.9%	11.2%	21.1%	16.7%
D. Total Amount to Base Revenue Recipients	\$52.0	\$65.3	\$81.4	\$97.1
Amount to State Historical Society (28%)	\$14.6	\$18.3	\$22.8	\$27.2
Amount to Counties (12%)	\$6.2	\$7.8	\$9.8	\$11.7
Amount to Cities (10%)	\$5.2	\$6.5	\$8.1	\$9.7
Amount to Distribute to Remaining Programs (State Share) (50%)	\$26.0	\$32.6	\$40.7	\$48.5
Amount to Local Government Impact Fund	\$0.0	\$0.0	\$5.4	\$6.4
Colorado Tourism Promotion Fund	\$0.0	\$0.0	\$15.0	\$15.0
Creative Industries Cash Fund	\$0.0	\$0.0	\$2.0	\$2.0
Film, Television, and Media Operational Account	\$0.0	\$0.0	\$0.5	\$0.5
Advanced Industries Acceleration Fund	\$0.0	\$0.0	\$5.5	\$5.5
Innovative Higher Education Research Fund	\$0.0	\$0.0	\$2.1	\$2.1
Transfer to the General Fund	\$26.0	\$32.6	\$10.2	\$17.0
E. Total Amount to Amendment 50 Revenue Recipients	\$15.4	\$16.1	\$17.0	\$17.9
Community Colleges, Mesa and Adams State (78%)	\$12.0	\$12.6	\$13.3	\$14.0
Counties (12%)	\$1.8	\$1.9	\$2.0	\$2.2
Cities (10%)	\$1.5	\$1.6	\$1.7	\$1.8

Severance

Severance tax revenue fell to \$131.7 million in FY 2019-20 and is expected to decline further to \$25.7 million in FY 2020-21 as production values remain low and producers claim ad valorem credits. Collection levels are expected to see a moderate rebound in FY 2021-22 and FY 2022-23, with projected revenue increasing to \$53.0 million in FY 2021-22 and \$74.7 million in FY 2022-23. These figures have been revised upward by \$5.7 million, \$13.1 million, and \$13.7 million in those years, respectively. As the economy recovers, both consumer demand for oil and its associated prices are anticipated to increase modestly, resulting in increased production activity.

Marijuana

Marijuana taxes grew 32.4 percent in FY 2019-20, totaling \$347.3 million. Record sales numbers continued throughout the summer and fall, with retail and medical sales up by an average of 30.2 percent and 39.9 percent each month, respectively, as compared to FY 2019-20 sales. Forecasted marijuana tax revenue is expected to continue growing to \$410.2 million in FY 2020-21 and to \$438.1 million in FY 2021-22.

Tax Revenue from the Marijuana Industry	Preliminary FY 19-20	Forecast FY 20-21	Forecast FY 21-22	Forecast FY 22-23
Proposition AA Taxes				
Retail Marijuana 15% Special Sales Tax	\$245.5	\$292.8	\$313.3	\$332.1
Retail Marijuana 15% Excise Tax	\$88.5	\$103.5	\$111.3	\$114.6
Total Proposition AA Taxes	\$334.0	\$396.3	\$424.6	\$446.7
2.9% Sales Tax & Interest (Subject to TABOR)				
Medical Marijuana 2.9% State Sales Tax	\$11.7	\$12.2	\$11.8	\$11.5
Retail Marijuana 2.9% State Sales Tax	\$1.3	\$1.4	\$1.3	\$1.3
Interest Earnings	\$0.3	\$0.3	\$0.4	\$0.4
Total 2.9% Sales Taxes & Interest	\$13.3	\$13.9	\$13.5	\$13.1
Total Marijuana Taxes	\$347.3	\$410.2	\$438.1	\$459.9

The revenue from the 15 percent special sales tax goes to the General Fund, the Marijuana Tax Cash Fund, local governments, and the Public School Fund. Proposition AA also included an excise tax of 15 percent on retail marijuana sales that is credited to public school cash funds. The forecasted distribution of marijuana tax revenue is shown in the table below.

Fiscal Year	Total Marijuana Revenue	Local Share	General Fund	BEST School Capital Construction	Public School Permanent Fund	Public School Fund	Marijuana Tax Cash Fund
FY 2019-20 Preliminary	\$347.3	\$24.5	\$34.4	\$88.5	\$0.0	\$27.8	\$172.1
FY 2020-21 Projected	\$410.2	\$29.3	\$41.0	\$40.0	\$0.0	\$96.7	\$203.2
FY 2021-22 Projected	\$438.1	\$31.3	\$43.9	\$111.3	\$0.0	\$35.5	\$216.1
FY 2022-23 Projected	\$459.9	\$33.2	\$46.5	\$114.6	\$0.0	\$37.6	\$227.9

Federal Mineral Lease

Federal Mineral Lease (FML) revenue decreased by 44.9 percent to \$62.7 million in FY 2019-20 due largely to the effects of lower natural gas and oil prices. FML revenue is expected to decrease further by 1.0 percent in FY 2020-21 to \$62.1 million. Collection levels are expected to marginally rebound as prices stabilize in FY 2021-22 and FY 2022-23, increasing by 6.6 percent and 16.9 percent in those years, respectively.

Fiscal Year	Bonus Payments	Non-Bonus Payments	Total FML	% Change
FY 2019-20 Final	\$0.8	\$61.9	\$62.7	-44.9%
FY 2020-21 Projected	\$1.9	\$60.2	\$62.1	-1.0%
FY 2021-22 Projected	\$2.0	\$64.2	\$66.2	6.6%
FY 2022-23 Projected	\$0.8	\$76.6	\$77.4	16.9%

Oil and gas prices are anticipated to gradually increase to levels that incentivize increased production activity. While FML revenue is exempt from TABOR, it is included here because a portion of the money is distributed to the Public School Fund, where it is used for the State's share of K-12 school finance.

Other Cash Funds

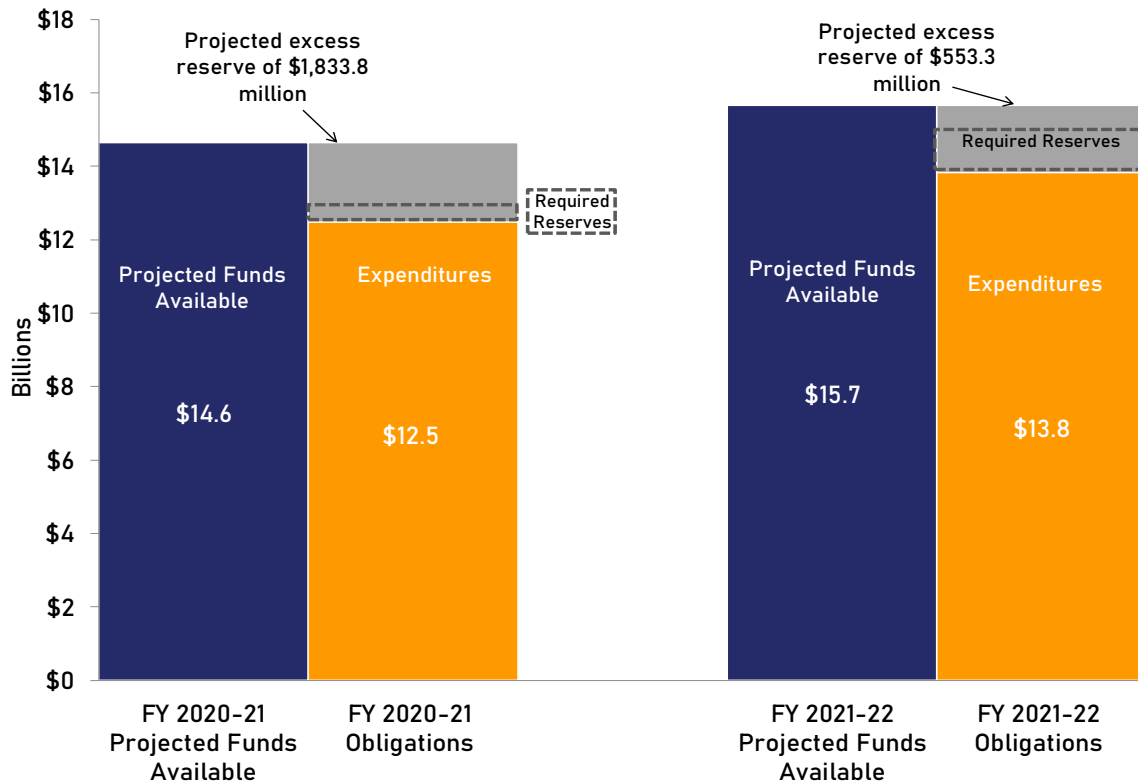
The State receives revenue from a variety of other cash funds as well. This includes cash fund revenue to the Department of Regulatory Agencies (DORA), which is projected to increase approximately 10.0 percent to \$89.2 million. Insurance-related cash fund revenue is obtained largely from a surcharge on workers' compensation insurance and has been adjusted upward on expectations of a slight increase in the workers' compensation insurance industry in the current year. The forecasted revenue is \$23.7 million in FY 2020-21, with a 7.6 percent decrease in FY 2021-22 to \$21.9 million.

Finally, the "Other Miscellaneous Cash Funds" category includes revenue from over 300 cash fund programs which collect revenue from fines, fees, and interest earnings. This broad category is less sensitive to general economic conditions than revenue sources like income and severance taxes. The miscellaneous cash fund forecast has been revised upward to \$721.8 million in FY 2020-21, which is 0.6 percent higher than the September 2020 forecast. Revenue in FY 2021-22 is projected to be \$738.7 million.

Budget Outlook

General Fund

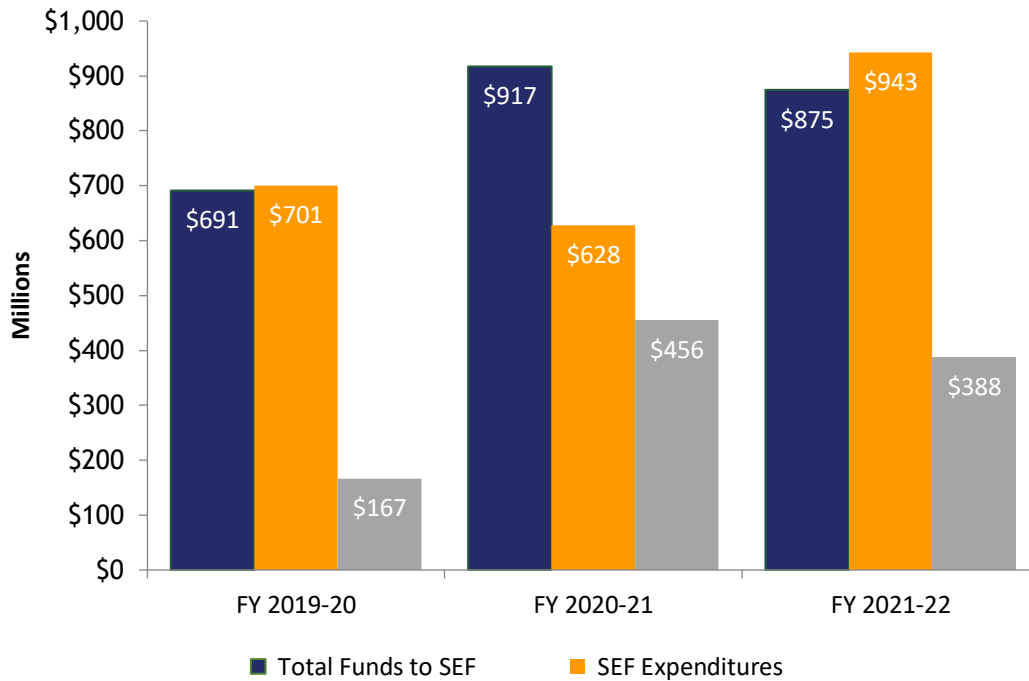
General Fund revenue increased 2.4 percent in FY 2019-20 and is projected to decrease 3.0 percent in FY 2020-21 before growing 7.9 percent in FY 2021-22 and 3.5 percent in FY 2022-23. General Fund revenue for FY 2020-21 is \$221.6 million, or 1.8 percent higher than was estimated in September, as the pace of the economic recovery exceeded expectations. The forecast for FY 2021-22 is \$626.1 million, or 4.9 percent higher than estimated in September.



The General Fund reserve was above the required statutory reserve amount of 3.1 percent of appropriations in FY 2019-20. The Governor has proposed an increase in the General Fund reserve to 10 percent of appropriations in FY 2021-22. Under this forecast, the General Fund ending balance is projected to be \$553.8 million above this proposed reserve level. The chart above summarizes total projected General Fund revenue available, total obligations, and reserve levels for FY 2020-21 and FY 2021-22 under the Governor’s November budget request.

State Education Fund

The State Education Fund’s year-end balance was \$166.7 million in FY 2019-20 and is projected to increase to \$456.0 million in FY 2020-21, including transfers. The figure below summarizes total State Education Fund revenue, expenditures, and ending balances for FY 2019-20, FY 2020-21, and FY 2021-22.



Forecast Risks

This budget outlook is based on OSPB’s economic forecast as detailed in Tables 1 and 2 of the Reference Tables at the end of this document. This economic forecast is subject to both upside and downside risks.

On the upside, the economy has recovered better than expected since the September forecast, and the approval and distribution of vaccines for COVID-19 are creating optimism that the pandemic could subside in the summer months. Greater personal savings and pent up demand could help propel the economic recovery. However, on the downside, the epidemiological course of COVID-19 and the economic recovery are still uncertain. The surge in cases during the fall may continue into the winter and could hamper the recovery. Although economic conditions could be more negative than described in this forecast, the risks to the budget outlook are balanced to the upside.

Supplemental Materials

An overview of General Fund and State Education Fund revenue, expenditures, and end-of-year reserves is provided in the Reference Tables at the end of this document. A more detailed discussion of the information presented in the Reference Tables can be found at the Office of State Planning and Budgeting's website: www.colorado.gov/governor/economics.

TABOR Outlook

Under Article X, Section 20 of the State Constitution, the Taxpayer’s Bill of Rights (TABOR), revenue received from certain sources is subject to an annual limit determined by the prior year’s limit after adjustments for inflation and population growth. Any TABOR revenue received above the cap is to be refunded to taxpayers in the subsequent fiscal year. Revenue subject to TABOR exceeded the revenue cap by \$428.3 million in FY 2018-19 but did not exceed the cap in FY 2019-20 and is not projected to be above the cap for the duration of the forecast period.

Current law specifies three mechanisms by which revenue in excess of the cap is to be refunded to taxpayers: the senior homestead and disabled veterans property tax exemptions, a temporary income tax rate reduction (from 4.55 percent to 4.50 percent), and a sales tax refund. The size of the refund determines which refund mechanisms are utilized.

An estimated \$270.5 million of the \$428.5 million refund obligation from FY 2018-19 is being distributed as an income tax rate reduction, while \$151.2 million is being refunded via the senior homestead and disabled veterans property tax exemption expenditures in FY 2019-20. Any difference between estimated refunds and actual refunds will be corrected in the next fiscal year in which a refund is owed.

No refunds are projected for FY 2020-21 or the duration of the forecast period.

Reference Tables

Table 1: Colorado Economic Variables – History and Forecast

Line No.		Actual						December 2020 Forecast		
		2014	2015	2016	2017	2018	2019	2020	2021	2022
Income										
1	Personal Income (Billions) /A	\$271.3	\$284.8	\$290.7	\$312.0	\$335.2	\$352.2	\$374.0	\$380.0	\$393.7
2	Change	8.8%	5.0%	2.1%	7.3%	7.4%	5.1%	6.2%	1.6%	3.6%
3	Wage and Salary Income (Billions)	\$138.6	\$146.6	\$151.1	\$160.8	\$170.3	\$182.1	\$181.6	\$188.3	\$196.6
4	Change	7.0%	5.8%	3.1%	6.4%	5.9%	6.9%	-0.3%	3.7%	4.4%
5	Per-Capita Income (\$/person) /A	\$50,709	\$52,251	\$52,480	\$55,596	\$58,897	\$61,160	\$64,334	\$64,780	\$66,454
6	Change	7.2%	3.0%	0.4%	5.9%	5.9%	3.8%	5.2%	0.7%	2.6%
Population & Employment										
7	Population (Thousands)	5,350.1	5,450.6	5,539.2	5,611.9	5,691.3	5,758.7	5,814.0	5,866.3	5,924.4
8	Change	1.5%	1.9%	1.6%	1.3%	1.4%	1.2%	1.0%	0.9%	1.0%
9	Net Migration (Thousands)	47.9	71.6	58.5	46.0	55.6	43.3	35.0	30.0	36.0
10	Unemployment Rate	5.0%	3.9%	3.3%	2.8%	3.2%	2.8%	7.0%	5.7%	5.1%
11	Total Nonagricultural Employment (Thousands)	2,463.7	2,541.0	2,601.8	2,660.3	2,727.3	2,785.6	2,665.8	2,746.6	2,834.7
12	Change	3.5%	3.1%	2.4%	2.2%	2.5%	2.1%	-4.3%	3.0%	3.2%
Construction Variables										
13	Total Housing Permits Issued (Thousands)	28.7	31.9	39.0	40.7	42.6	38.6	38.7	42.1	43.8
14	Change	4.3%	11.1%	22.3%	4.4%	4.8%	-9.4%	0.2%	8.7%	4.2%
15	Nonresidential Construction Value (Millions) /B	\$4,350.9	\$4,990.8	\$5,989.0	\$6,159.6	\$8,140.4	\$5,063.6	\$4,759.8	\$5,240.5	\$5,570.6
16	Change	20.1%	14.7%	20.0%	2.8%	32.2%	-37.8%	-6.0%	10.1%	6.3%
Price Variables										
17	Retail Trade (Billions) /C	\$182.7	\$182.9	\$184.7	\$194.6	\$206.1	\$224.6	\$226.8	\$245.4	\$254.0
18	Change	5.7%	0.1%	1.0%	5.4%	5.9%	9.0%	1.0%	8.2%	3.5%
19	Denver-Aurora-Lakewood Consumer Price Index (1982-84=100) /D	237.2	240.0	246.6	255.0	262.0	267.0	273.1	279.9	286.9
20	Change	2.8%	1.2%	2.8%	3.4%	2.7%	1.9%	2.3%	2.5%	2.5%

/A Personal Income as reported by the U.S. Bureau of Economic Analysis includes: wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory and capital consumption adjustments, rental income of persons with capital consumption adjustments, personal dividend income, personal interest income, and personal current transfer receipts, less contributions from government social insurance.

/B Nonresidential Construction Value is reported by Dodge Analytics (McGraw-Hill Construction) and includes new construction, additions, and major remodeling projects predominately at commercial and manufacturing facilities, educational institutions, and medical and government buildings. Nonresidential does not include non-building projects (such as streets, highways, bridges and utilities).

/C In 2018, the geography and data frequency of this series were revised. 2017 and prior years represent Denver-Boulder-Greeley regional prices.

Table 2: National Economic Variables – History and Forecast

Line No.		Actual						December 2020 Forecast		
		2014	2015	2016	2017	2018	2019	2020	2021	2022
Inflation-Adjusted & Current Dollar Income Accounts										
1	Inflation-Adjusted Gross Domestic Product (Billions) /A	\$16,912.0	\$17,432.2	\$17,730.5	\$18,144.1	\$18,687.8	\$19,091.7	\$18,385.3	\$19,120.7	\$19,694.3
2	Change	2.5%	3.1%	1.7%	2.3%	3.0%	2.2%	-3.7%	4.0%	3.0%
3	Personal Income (Billions) /B	\$14,991.7	\$15,724.2	\$16,160.7	\$16,948.6	\$17,851.8	\$18,551.5	\$19,673.9	\$19,949.3	\$20,617.6
4	Change	5.7%	4.9%	2.8%	4.9%	5.3%	3.9%	6.1%	1.4%	3.4%
5	Per-Capita Income (\$/person) /B	\$47,099	\$49,046	\$50,049	\$52,150	\$54,645	\$56,525	\$59,647	\$60,181	\$61,887
6	Change	5.0%	4.1%	2.1%	4.2%	4.8%	3.4%	5.5%	0.9%	2.8%
7	Wage and Salary Income (Billions)	\$7,475.2	\$7,859.5	\$8,089.1	\$8,471.5	\$8,894.2	\$9,309.3	\$9,253.4	\$9,568.1	\$9,941.2
8	Change	5.1%	5.1%	2.9%	4.7%	5.0%	4.7%	-0.6%	3.4%	3.9%
Population & Employment										
9	Population (Millions)	318.3	320.6	322.9	325.0	326.7	328.2	329.8	331.5	333.1
10	Change	0.7%	0.7%	0.7%	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%
11	Unemployment Rate	6.2%	5.3%	4.9%	4.4%	3.9%	3.7%	8.2%	6.7%	5.5%
12	Total Nonagricultural Employment (Millions)	138.9	141.8	144.3	146.6	148.9	150.9	142.2	145.0	148.2
13	Change	1.9%	2.1%	1.8%	1.6%	1.6%	1.4%	-5.8%	2.0%	2.2%
Other Key Indicators										
14	Consumer Price Index (1982-84=100)	236.7	237.0	240.0	245.1	251.1	255.7	258.8	263.7	269.2
15	Change	1.6%	0.1%	1.3%	2.1%	2.4%	1.8%	1.2%	1.9%	2.1%
16	Corporate Profits (Billions)	\$2,120.2	\$2,060.5	\$2,023.7	\$2,114.5	\$2,243.0	\$2,250.5	\$1,957.9	\$2,294.7	\$2,483.6
17	Change	5.4%	-2.8%	-1.8%	4.5%	6.1%	0.8%	-13.0%	17.2%	8.2%
18	Housing Permits (Millions)	1.052	1.183	1.207	1.282	1.329	1.386	1.378	1.487	1.579
19	Change	6.2%	12.4%	2.0%	6.3%	3.6%	4.3%	-0.6%	7.9%	6.2%
20	Retail Trade (Billions)	\$5,215.7	\$5,349.5	\$5,510.2	\$5,744.8	\$6,001.6	\$6,218.0	\$6,267.7	\$6,777.5	\$6,998.9
21	Change	4.3%	2.6%	3.0%	4.3%	4.5%	3.6%	0.8%	8.1%	3.3%

/A U.S. Bureau of Economic Analysis, National Income and Product Accounts. Inflation-adjusted, in 2009 dollars.

/B Personal Income as reported by the U.S. Bureau of Economic Analysis includes: wage and salary disbursements, supplements to wages and salaries, proprietors' income with inventory and capital consumption adjustments, rental income of persons with capital consumption adjustments, personal dividend income, personal interest income, and personal current transfer receipts, less contributions from government social insurance.

Table 3: General Fund Revenue Estimates by Tax Category /A

Line No.	Category	Preliminary		December 2020 Estimate by Fiscal Year					
		FY 2019-20	% Chg	FY 2020-21	% Chg	FY 2021-22	% Chg	FY 2022-23	% Chg
Excise Taxes:									
1	Sales	\$3,196.0	4.7%	\$3,392.2	6.1%	\$3,502.8	3.3%	\$3,672.7	4.9%
2	Use	\$210.5	-39.1%	\$220.0	4.5%	\$211.8	-3.7%	\$216.0	2.0%
3	Retail Marijuana Sales - Special Sales Tax	\$245.5	27.4%	\$292.8	19.3%	\$313.3	7.0%	\$332.1	6.0%
4	Cigarette	\$32.5	-0.1%	\$108.4	233.2%	\$189.3	74.7%	\$184.4	-2.6%
5	Tobacco Products	\$24.4	9.5%	\$39.5	62.2%	\$37.1	-6.1%	\$38.0	2.3%
6	Nicotine	N/A	N/A	\$7.5	N/A	\$16.4	120.0%	\$28.0	71.0%
7	Liquor	\$50.1	3.7%	\$53.1	6.1%	\$52.8	-0.6%	\$54.0	2.2%
8	Total Excise	\$3,759.0	1.7%	\$4,113.6	9.4%	\$4,323.6	5.1%	\$4,525.2	4.7%
Income Taxes:									
9	Net Individual Income	\$8,645.5	4.8%	\$8,024.2	-7.2%	\$8,705.1	8.5%	\$8,954.9	2.9%
10	Net Corporate Income	\$728.3	-20.8%	\$674.3	-7.4%	\$747.8	10.9%	\$770.1	3.0%
11	Total Income	\$9,373.8	2.3%	\$8,698.4	-7.2%	\$9,452.9	8.7%	\$9,725.0	2.9%
12	<i>Less: State Education Fund Diversion</i>	<i>\$646.7</i>	<i>-6.7%</i>	<i>\$707.0</i>	<i>9.3%</i>	<i>\$709.0</i>	<i>0.3%</i>	<i>\$729.4</i>	<i>2.9%</i>
13	Total Income to General Fund	\$8,727.1	3.0%	\$7,991.4	-8.4%	\$8,744.0	9.4%	\$8,995.6	2.9%
Other Revenue:									
14	Insurance	\$337.4	7.2%	\$319.3	-5.4%	\$342.2	7.2%	\$363.1	6.1%
15	Interest Income	\$31.1	17.2%	\$29.8	-4.3%	\$28.3	-4.8%	\$29.4	4.0%
16	Pari-Mutuel	\$0.4	-23.7%	\$0.4	-2.0%	\$0.4	-2.0%	\$0.4	-2.0%
17	Court Receipts	\$3.9	-6.7%	\$3.9	-0.5%	\$3.9	0.0%	\$3.9	0.0%
18	Other Income	\$9.7	-80.2%	\$25.7	165.0%	\$24.1	-6.2%	\$24.7	2.6%
19	Total Other	\$382.5	-3.1%	\$379.0	-0.9%	\$398.8	5.2%	\$421.5	5.7%
20	GROSS GENERAL FUND	\$12,868.5	2.4%	\$12,484.0	-3.0%	\$13,466.4	7.9%	\$13,942.3	3.5%

/A Dollars in millions.

Table 4: General Fund Overview under the Governor’s Budget Request /A

Line No.		Preliminary FY 2019-20	December 2020 Estimate by Fiscal Year		
			FY 2020-21	FY 2021-22	FY 2022-23
Revenue					
1	Beginning Reserve	\$1,262.6	\$1,825.2	\$2,144.7	\$1,823.3
2	Gross General Fund Revenue	\$12,868.5	\$12,484.0	\$13,466.4	\$13,942.3
3	<i>Transfers to the General Fund</i>	\$248.0	\$325.1	\$41.3	\$17.7
4	TOTAL GENERAL FUND AVAILABLE	\$14,379.1	\$14,634.3	\$15,652.4	\$15,783.4
Expenditures					
5	Appropriation Subject to Limit	\$11,805.2	\$10,872.8	\$12,699.9	\$13,833.5
6	<i>Dollar Change (from prior year)</i>	\$546.4	-\$932.3	\$1,827.1	\$1,133.6
7	<i>Percent Change (from prior year)</i>	4.9%	-7.9%	16.8%	8.9%
8	Spending Outside Limit	\$910.5	\$1,616.8	\$1,129.1	\$947.0
9	<i>TABOR Refund under Art. X, Section 20, (7) (d)</i>	\$0.0	\$0.0	\$0.0	\$0.0
10	<i>Homestead Exemption (Net of TABOR Refund)</i>	\$0.0	\$155.0	\$172.2	\$186.0
11	<i>Other Rebates and Expenditures</i>	\$145.7	\$140.9	\$144.3	\$147.2
12	<i>Transfers for Capital Construction</i>	\$213.6	\$43.0	\$90.0	\$50.0
13	<i>Transfers for Transportation</i>	\$300.0	\$200.0	\$0.0	\$50.0
14	<i>Transfers to State Education Fund</i>	\$40.3	\$158.2	\$155.0	\$135.0
15	<i>Transfers to Other Funds</i>	\$210.9	\$819.7	\$567.6	\$378.8
16	<i>Transfer to Make Money Available for COVID-19 Emergency</i>	\$0.0	\$100.0	\$0.0	\$0.0
17	TOTAL GENERAL FUND OBLIGATIONS	\$12,715.6	\$12,489.6	\$13,829.0	\$14,780.5
18	<i>Percent Change (from prior year)</i>	-1.1%	-1.8%	10.7%	6.9%
19	Reversions and Accounting Adjustments	-\$161.7	\$0.0	\$0.0	\$0.0
Reserves					
20	Year-End General Fund Balance	\$1,825.2	\$2,144.7	\$1,823.3	\$1,002.9
21	<i>Year-End General Fund as a % of Appropriations</i>	15.5%	19.7%	14.4%	7.3%
22	<i>General Fund Statutory Reserve</i>	\$362.4	\$311.0	\$1,270.0	\$1,002.9
23	<i>Above/Below Statutory Reserve</i>	\$1,462.8	\$1,833.8	\$553.3	\$0.0

/A. FY 2021-22 expenditures reflect the Governor’s budget request. FY 2022-23 expenditures will be adopted in future budget legislation. Therefore, FY 2022-23 expenditures and fund balance projections shown are illustrative only. Dollars in millions.

Table 5: General Fund and State Education Fund Overview under the Governor’s Budget Request /A

Line No.		Preliminary FY 2019-20	December 2020 Estimate by Fiscal Year		
			FY 2020-21	FY 2021-22	FY 2022-23
Revenue					
1	Beginning Reserves	\$1,438.6	\$2,153.6	\$2,767.4	\$2,377.6
2	<i>State Education Fund</i>	\$176.0	\$166.7	\$456.0	\$387.6
3	<i>General Fund</i>	\$1,262.6	\$1,986.9	\$2,311.4	\$1,990.0
4	Gross State Education Fund Revenue	\$691.3	\$917.2	\$874.7	\$888.2
5	Gross General Fund Revenue /B	\$13,116.6	\$12,809.1	\$13,507.7	\$13,960.1
6	TOTAL FUNDS AVAILABLE FOR EXPENDITURE	\$15,246.4	\$15,879.9	\$17,149.7	\$17,225.9
Expenditures					
7	General Fund Expenditures /C	\$12,553.9	\$12,484.6	\$13,829.0	\$14,785.1
8	State Education Fund Expenditures	\$700.6	\$627.9	\$943.0	\$888.2
9	TOTAL OBLIGATIONS	\$13,254.5	\$13,112.5	\$14,772.1	\$15,673.3
10	<i>Percent Change (from prior year)</i>	-1.4%	-1.1%	12.7%	6.1%
11	<i>Reversions and Accounting Adjustments</i>	-\$161.7	\$0.0	\$0.0	\$0.0
Reserves					
12	Year-End Balance	\$2,153.6	\$2,767.4	\$2,377.6	\$1,552.5
13	State Education Fund	\$166.7	\$456.0	\$387.6	\$387.6
14	General Fund	\$1,986.9	\$2,311.4	\$1,990.0	\$1,165.0
15	<i>General Fund Above/Below Statutory Reserve</i>	\$1,624.5	\$2,000.5	\$1,440.1	\$323.4

/A FY 2021-22 expenditures reflect the Governor’s budget request. FY 2022-23 expenditures will be adopted in future budget legislation. Therefore, FY 2022-23 expenditures and fund balance projections shown are illustrative only. Dollars in millions.

/B This amount includes transfers to the General Fund.

/C General Fund expenditures include appropriations subject to the limit of 5.0 percent of Colorado personal income as well as all spending outside the limit.

Table 6: Cash Fund Revenue Subject to TABOR /A

Line No.	Category	Actual FY 2019-20	December 2020 Estimate by Fiscal Year		
			FY 2020-21	FY 2021-22	FY 2022-23
1	Transportation-Related /A	\$1,198.2	\$1,207.5	\$1,270.8	\$1,291.5
2	Change	-6.1%	0.8%	5.2%	1.6%
3	Limited Gaming Fund /B	\$70.7	\$78.6	\$95.2	\$111.2
4	Change	-33.9%	11.2%	21.1%	16.7%
5	Capital Construction - Interest	\$6.3	\$4.4	\$4.5	\$4.6
6	Change	33.6%	-30.0%	2.3%	1.1%
7	Regulatory Agencies	\$81.1	\$89.2	\$91.1	\$91.4
8	Change	2.9%	10.0%	2.2%	0.3%
9	Insurance-Related	\$24.9	\$20.8	\$21.3	\$23.1
10	Change	10.5%	-16.5%	2.2%	8.5%
11	Severance Tax	\$131.7	\$16.2	\$43.1	\$64.2
12	Change	-48.4%	-87.7%	166.0%	49.0%
13	Other Miscellaneous Cash Funds	\$725.3	\$721.8	\$738.7	\$757.9
14	Change	4.5%	-0.5%	2.3%	2.6%
15	TOTAL CASH FUND REVENUE	\$2,238.3	\$2,138.6	\$2,264.7	\$2,343.8
16	Change	-8.2%	-4.5%	5.9%	3.5%

/A Includes revenue from Senate Bill 09-108 (FASTER) which began in FY 2009-10. Roughly 40 percent of FASTER-related revenue is directed to State Enterprises. Revenue to State Enterprises is exempt from TABOR and is thus not included in the figures reflected by this table. Dollars in millions.

/B Excludes tax revenue from extended gaming as allowed by Amendment 50 to the Colorado Constitution as this revenue is exempt from TABOR. The portion of limited gaming revenue that is exempt is projected based on the formula outlined in House Bill 09-1272.

Table 7: TABOR and the Referendum C Revenue Limit/A

Line No.		Actual FY 2019-20	December 2020 Estimate by Fiscal Year		
			FY 2020-21	FY 2021-22	FY 2022-23
TABOR Revenues:					
1	General Fund /A <i>Percent Change from Prior Year</i>	\$12,629.5 2.3%	\$12,101.8 -4.2%	\$12,964.4 7.1%	\$13,413.5 3.5%
2	Cash Funds /A <i>Percent Change from Prior Year</i>	\$2,236.8 -8.3%	\$2,138.6 -4.4%	\$2,264.7 5.9%	\$2,343.8 3.5%
3	Total TABOR Revenues <i>Percent Change from Prior Year</i>	\$14,866.3 0.5%	\$14,240.5 -4.2%	\$15,229.1 6.9%	\$15,757.3 3.5%
Revenue Limit Calculation:					
4	Previous calendar year population growth	1.4%	1.2%	1.0%	0.9%
5	Previous calendar year inflation	2.7%	1.9%	2.3%	2.5%
6	Allowable TABOR Growth Rate	4.2%	3.1%	3.3%	3.4%
7	TABOR Limit /B	\$12,253.2	\$12,633.1	\$13,050.0	\$13,493.7
8	General Fund Exempt Revenue Under Ref. C /C	\$2,613.1	\$1,607.4	\$2,179.1	\$2,263.6
9	Revenue Cap Under Ref. C /B /D	\$14,963.2	\$15,427.1	\$15,936.2	\$16,478.0
10	Amount Above/Below Cap	-\$96.9	-\$1,186.6	-\$707.1	-\$720.7
11	Revenue to be Refunded including Adjustments from Prior Years /E	\$0.0	\$0.0	\$0.0	\$0.0
12	TABOR Reserve Requirement	\$446.0	\$427.2	\$456.9	\$472.7

/A Amounts differ from the revenue totals reported in Table 3 and Table 6 due to accounting adjustments, and because some General Fund revenue is exempt from TABOR. Dollars in millions.

/B The TABOR limit and Referendum C cap are adjusted to account for changes in the enterprise status of various state entities.

/C Under Referendum C, a "General Fund Exempt Account" is created in the General Fund. The account consists of money collected in excess of the TABOR limit in accordance with Referendum C.

/D The revenue limit is calculated by applying the "Allowable TABOR Growth Rate" to either "Total TABOR Revenue" or the "Revenue Cap under Ref. C," whichever is smaller. Beginning in FY 2010-11, the revenue limit is based on the highest revenue total from FY 2005-06 to 2009-10 plus the "Allowable TABOR Growth Rate." FY 2007-08 was the highest revenue year during the Referendum C timeout period. SB 17-267 reduced the Referendum C cap by \$200 million in FY 2017-18. The lower cap then grows by inflation and population growth in subsequent years.

/E These adjustments are the result of: (a) changes that were made to State accounting records for years in which TABOR refunds occurred that resulted in changes in required refunds to taxpayers, and (b) the refund to taxpayers in previous years was different than the actual amount required. Such adjustments are held by the State until a future year in which a TABOR refund occurs when they adjust the total refund amount distributed to taxpayers.

APPENDIX G

Leased Property Relating to the Series 2020 Certificates

The following table describes the Leased Property subject to the Lease between the Trustee and the State relating to the Certificates to be outstanding upon the execution and delivery of the Series 2020 Certificates.¹

CSU Leased Property

<i>Facility</i>	<i>City</i>	<i>Replacement Value²</i>
B.W. Pickett Equine Center (Building1330)	Ft. Collins	\$18,796,894
TOTAL		\$18,796,894

Ft. Lewis Leased Property

<i>Facility</i>	<i>City</i>	<i>Replacement Value</i>
Education/Business Hall	Durango	\$21,431,673
Pine Hall	Durango	\$1,426,597
Skyhawk Hall	Durango	\$3,009,532
TOTAL		\$25,867,802

CU Leased Property

<i>Facility</i>	<i>City</i>	<i>Replacement Value</i>
1 st and 2 nd Floors of Bioscience 2 Building ³	Aurora	\$24,251,553
TOTAL		\$24,251,553
GRAND TOTAL ALL LEASED PROPERTY		\$68,916,249

¹ The Leased Property shown on this list, or any portion thereof, may be released and other property substituted therefor as described in “Substitution of Leased Property” under “SECURITY AND SOURCES OF PAYMENT—The Leased Property—Substitution of Leased Property.”

² As defined in the Glossary included in the form of Master Indenture attached as Appendix B hereto.

³ A Limited Environmental Assessment dated September 27, 2013 prepared by Casey Resources, Inc. (the “Casey ESA”) examined the site history and conducted an asbestos inspection of Filing No. 4 at the Colorado Science + Technology Park at Fitzsimons (the “Property” or “Site”) to identify potential environmental conditions on the Site. The Casey ESA was not intended to be or comply with ASTM standards for Phase I and II Environmental Site Assessments. The Casey ESA identified asbestos containing materials (“ACMs”) in: steam tunnels; direct buried ACM wrapped steam lines; soil associated with existing and previously removed steam tunnels; incidental ACM in soil resulting from the previous demolition of structures on the Property; in soil under the tennis courts; in soil beneath the parking lot and roads; and, ACM contaminated soil in the footprints of previous structures typically due to the use of ACM to insulate wet utilities in crawl spaces. An Environmental Completion Report dated November 2014 prepared by Casey Resources, Inc. (the “Casey ECR”) summarized activities associated with the construction of the Biosciences 2 building on Filing No. 4 of the Site from March through November of 2014. The Casey ECR states, in consultation with CDPHE, all known environmental conditions were remediated except: ACM contaminated soil under the tennis courts that was capped with an ID barrier and soil; soil contaminated with coal ash under the former North Troy Street outside the building footprint was thought to exist; and, soil contaminated with coal ash was thought to exist in the footprint of the former Building 117. Grading design did not require excavation to the depth where coal ash was observed. Placement of the requisite barriers in addition to a soil cap was thought to provide for a suitable barrier between residual contamination and the end user of the site which was considered protective of human health and the environment. It was decided that a letter of No Further Action from CDPHE would not be sought as long as remediation and abatement activities conducted were considered protective of human health and the environment. A copy of the Casey ESA and Casey ECR are available upon request by contacting Steve Zweck-Bronner at Steve.Zweck-Bronner@UCDENVER.EDU.

(THIS PAGE INTENTIONALLY LEFT BLANK)

APPENDIX H

Certain State Economic and Demographic Information

The following information was prepared and provided by Development Research Partners, Inc., to give prospective investors general information concerning selected economic and demographic conditions existing in Colorado as of the dates indicated. The statistics have been obtained from the referenced sources and represent the most current information available as of May 2020 from the sources indicated; however, since certain information is released with a significant time lag, the information in some cases will not be indicative of existing or future economic and demographic conditions. Further, the reported data has not been adjusted to reflect economic trends, notably inflation. Finally, other economic and demographic information concerning the State not presented herein may be available, and prospective investors may want to review such information prior to making their investment decision. *The following information is not to be relied upon as a representation or guarantee of the State or any officer or employee of or advisor to the State. As a direct result of the COVID-19 pandemic, the information in this Appendix E, such as employment figures, has changed materially since the date of such information.* See “CERTAIN RISKS FACTORS—Impacts of COVID-19 Pandemic.” See also “APPENDIX E—The State General Fund—Revenue Estimation;” “—OSPB Revenue and Economic Forecasts.” and “APPENDIX F—OSPB DECEMBER 2020 REVENUE FORECAST.”

Development Research Partners, Inc., has consented to the inclusion of such information in this Official Statement. Neither the State nor the Underwriters assume responsibility for the accuracy, completeness or fairness of such information. The information in this Appendix has been included in this Official Statement in reliance upon the authority of Development Research Partners, Inc., as experts in the preparation of economic and demographic analyses. Potential investors should read this Appendix in its entirety for information with respect to the economic and demographic status of the State.

Overview

Colorado, the most populous state in the Rocky Mountain region, has three distinct geographic and economic areas. The eastern half of the State consists of the eastern plains, which are flat, open and largely devoted to agriculture. The Front Range lies along the eastern base of the Rocky Mountains and contains most of the State’s metropolitan areas. The western half of the State—which includes the Rocky Mountains and the Western Slope—includes many acres of national park and forest land and significant reserves of minerals, natural gas and other resources.

The State’s population and wealth are concentrated in the Front Range, principally in four major metropolitan areas: Denver/Boulder, Colorado Springs, Fort Collins/Greeley and Pueblo. Denver, the State’s capital, is the economic center of the State and the Rocky Mountain region. About 56% of the State’s population and 62% of its jobs are located in the Denver/Boulder metropolitan area, which is a hub for transportation, communication, financial activities and professional and business services. The aerospace, bioscience and energy industries are also key contributors to economic activity in the Denver/Boulder metropolitan area and the State as a whole.

The State’s economic performance depends heavily on economic performance at the national level. See also “APPENDIX F—OSPB SEPTEMBER 2020 REVENUE FORECAST.”

Population and Age Distribution

The following table provides population figures for Colorado and the United States for the past 10 years.

Population Estimates (As of July 1)

	Colorado		United States	
	Population (millions)	% Change	Population (millions)	% Change
2010	5.1	1.5%	309.3	0.9%
2011	5.1	1.5	311.6	0.7
2012	5.2	1.4	313.8	0.7
2013	5.3	1.5	316.0	0.7
2014	5.4	1.5	318.3	0.7
2015	5.5	1.9	320.6	0.7
2016	5.5	1.6	322.9	0.7
2017	5.6	1.3	325.0	0.6
2018	5.7	1.4	326.7	0.5
2019	5.8	1.3	328.2	0.5

Note: Figures for 2010 through 2018 are estimates. The U.S. 2019 count is an estimate, and the 2019 count for Colorado is a forecast.

Sources: Colorado Division of Local Government, State Demography Office; U.S. Census Bureau, Population Estimates Program

The following table provides the age distribution for the most recent year available for the State's population and the population nationwide.

Age Distribution As of July 1,

	Colorado, 2019		United States, 2019	
	Population (millions)	% of total	Population (millions)	% of total
Under 18	1.26	21.9%	73.04	22.3%
18 to 24	0.56	9.7	30.22	9.2
25 to 44	1.66	28.8	87.60	26.7
45 to 64	1.44	24.9	83.32	25.4
65+	<u>0.84</u>	<u>14.6</u>	<u>54.06</u>	<u>16.5</u>
Total	5.77	100.0	328.24	100.0
Median Age ¹	37.2		38.2	

¹ U.S. median age is for 2018.

Note: Totals may not add due to rounding. The U.S. 2019 count is an estimate, and the Colorado 2019 count is a forecast.

Sources: Colorado Division of Local Government, State Demography Office; U.S. Census Bureau, Population Estimates Program

Income

The following table provides annual per capita personal income figures for Colorado, the Rocky Mountain Region and the United States.

Per Capita Personal Income in Current Dollars¹

	Colorado		Rocky Mountain Region ²		United States	
	Income	% Change	Income	% Change	Income	% Change
2015	\$52,147	2.8%	\$47,029	3.8%	\$48,994	4.1%
2016	52,278	0.3	47,472	0.9	49,890	1.8
2017	55,374	5.9	49,744	4.8	51,910	4.0
2018	58,500	5.6	52,458	5.5	54,526	5.0
2019	61,348	4.9	54,769	4.4	56,663	3.9

¹ Per capita personal income is total personal income divided by the July 1 population estimate.

² The Rocky Mountain Region includes Colorado, Idaho, Montana, Utah, and Wyoming.

Source: U.S. Bureau of Economic Analysis

Employment

The following table provides labor force, total employment, and unemployment statistics for the State.

Civilian Labor Force, Total Employment, and Unemployment Rates (Not Seasonally Adjusted)

	Colorado Civilian Labor Force		Colorado Total Employment		Annual Average Unemployment Rate	
	(thousands)	% Change	(thousands) ¹	% Change	Colorado	United States
2015	2,825.1	–%	2,714.8	–%	3.9	5.3
2016	2,891.7	2.4	2,797.0	3.0	3.3	4.9
2017	2,986.5	3.3	2,902.7	3.8	2.8	4.4
2018	3,080.7	3.2	2,983.5	2.8	3.2	3.9
2019	3,148.8	2.2	3,062.1	2.6	2.8	3.7

Year-to-date averages through April:

2019	3,110.9	–%	3,011.7	–%	3.2%	3.9%
2020	3,131.6	0.7	2,952.5	-2.0	5.7	6.6

¹ Includes the self-employed, unpaid family workers, and other groups not included in statistics that show employment by industry.

Sources: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics; Labor Force Statistics from the Current Population Survey

The following table shows Colorado employment by industry for the past five years. Industry designations are based on the North American Industrial Classification System. Employment includes only those workers covered by unemployment insurance; most workers in the state are covered.

Average Annual Number of Employees by Industry

Industry	2015	2016	2017	2018	2019	Most Recent Quarter		% Change
						2019Q3	2019Q4	
Private Sector:								
Agriculture, Forestry, Fishing, and Hunting	15,624	16,469	17,598	18,131	19,743	21,487	19,928	-7.3%
Mining	30,565	23,573	25,578	28,200	28,635	28,879	27,442	-5.0
Utilities	8,202	8,239	8,079	8,030	8,168	8,236	8,197	-0.5
Construction	148,638	155,139	163,452	173,063	178,867	184,398	181,044	-1.8
Manufacturing	140,831	142,381	144,064	147,270	150,109	151,009	150,486	-0.3
Wholesale Trade	103,253	104,882	106,726	108,257	110,218	110,913	111,582	0.6
Retail Trade	263,104	269,032	270,783	272,644	272,176	271,230	277,157	2.2
Transportation and Warehousing	67,287	68,327	72,554	77,469	83,417	83,358	88,601	6.3
Information	70,599	71,730	71,643	74,992	76,296	76,174	77,245	1.4
Finance and Insurance	106,344	108,970	111,293	112,624	112,761	112,775	113,068	0.3
Real Estate and Rental and Leasing	46,944	48,707	50,566	52,152	54,474	55,072	55,567	0.9
Professional and Technical Services	204,586	210,093	215,783	224,620	235,424	237,358	240,765	1.4
Management of Companies and Enterprises	36,488	36,833	39,018	40,839	42,317	42,756	42,897	0.3
Administrative and Waste Services	157,385	158,535	158,041	158,512	161,846	168,827	163,982	-2.9
Educational Services	33,847	34,992	35,375	36,694	37,674	37,062	38,489	3.9
Health Care and Social Assistance	275,183	287,168	291,299	298,559	303,803	304,452	306,898	0.8
Arts, Entertainment, and Recreation	50,707	52,625	55,407	56,848	58,975	60,941	57,072	-6.3
Accommodation and Food Services	261,704	270,673	277,613	282,491	285,929	295,571	283,722	-4.0
Other Services	75,157	78,231	82,201	82,029	84,557	86,145	85,292	-1.0
Unclassified	1,478	759	180	1,886	2,636	679	1,202	77.0
Government	<u>396,853</u>	<u>405,690</u>	<u>412,002</u>	<u>418,297</u>	<u>427,979</u>	<u>424,026</u>	<u>432,960</u>	<u>2.1</u>
Total*	2,494,777	2,553,045	2,609,255	2,673,605	2,736,002	2,761,346	2,763,595	0.1

* Industry employment levels may not add to total due to rounding.

Source: Colorado Department of Labor and Employment, Quarterly Census of Employment and Wages

[Remainder of page intentionally left blank]

The following table shows the largest private sector employers in Colorado based on the most current information available as of May 2020. No independent investigation has been made, and no representation is made herein as to the financial condition of the employers listed below or the likelihood that these employers will maintain their status as major employers in the state. Employment counts for these businesses may have changed since this table was compiled, and other large employers may exist in the State that are not included in the table.

Estimated Largest Private Sector Employers in Colorado

Employer	Type of Business	Estimated Employees ¹
Wal-Mart	General Merchandise	27,500
UCHealth	Healthcare	23,500
The Kroger Co. (King Soopers/City Market)	Supermarkets	20,900
Centura Health	Healthcare	14,500
HealthONE Corporation	Healthcare	12,400
Lockheed Martin Corporation	Aerospace & Defense Related Systems	10,500
SCL Health System	Healthcare	10,000
Comcast	Telecommunications	9,000
Amazon	Warehousing & Distribution Services	8,100
Home Depot	Building Materials Retailer	8,000
Children's Hospital Colorado	Healthcare	7,800
CenturyLink	Telecommunications	7,800
Target Corporation	General Merchandise	7,600
Safeway Inc.	Supermarkets	7,300
United Airlines	Airline	7,000
Kaiser Permanente	Health Maintenance Organization	6,700
JBS Swift & Company	Beef Processing/Corporate Office	6,000
Vail Resorts	Leisure & Hospitality	5,600
United Parcel Service	Delivery Services	5,400
Banner Health	Healthcare	5,200
Wells Fargo	Banking/Financial Services	5,100
FedEx Corp.	Transportation, E-commerce	4,500
Southwest Airlines	Airline	4,500
Ball Corporation	Aerospace, Containers	4,400
Oracle	Software & Network Computer Systems	4,400

¹ Includes both full- and part-time employees.

Source: Compiled by Development Research Partners from various sources, May 2020

The following table shows the largest public sector employers in Colorado based on the most current information available as of May 2020:

Estimated Largest Public Sector Employers in Colorado

Employer	Estimated Employees ¹
State of Colorado	57,300
Federal Government (except USPS)	42,800
University of Colorado System	24,300
Denver Public Schools	15,400
City & County of Denver	12,300
Jefferson County Public Schools	11,300
U.S. Postal Service	9,000
Douglas County School District RE-1	8,700
Cherry Creek School District No 5	7,800
Colorado State University	7,700
Denver Health	7,600
Aurora Public Schools	5,400
Adams 12 Five Star Schools	5,000
Boulder Valley School District RE-2	4,300
Poudre School District R-1	4,200
St. Vrain Valley School District RE-1J	4,100
City of Aurora	4,000
Colorado Springs School District 11	3,900
Academy Schools District No 20	3,600
Jefferson County	3,400
U.S. Department of Veteran Affairs	3,200
Mesa County Valley School District 51	3,000
El Paso County	2,800
Regional Transportation District (RTD)	2,800
School District 49	2,700

¹ Includes both full- and part-time employees.

Source: Compiled by Development Research Partners from various sources, May 2020

Retail Sales

The following table provides recent annual sales figures as reported for state sales tax purposes:

Colorado Sales and Use Tax Net Collections
Fiscal Years 2015 to 2019

	Sales Tax		Consumer Use Tax		Retailer Use Tax	
	Amount (thousands)	% Change	Amount (thousands)	% Change	Amount (thousands)	% Change
2015	\$2,561,913	8.0%	\$123,175	5.9%	\$132,685	6.0%
2016	2,596,355	1.3	111,227	(9.7)	132,591	(0.1)
2017	2,719,778	4.8	109,037	(2.0)	149,567	12.8
2018	2,906,717	6.9	121,158	11.1	184,034	23.0
2019	3,031,974	4.3	124,947	3.1	218,136	18.5

Source: Colorado Department of Revenue

[Remainder of page intentionally left blank]

The following table provides retail sales totals by industry for the State for the most recent five years and year-to-date. Retail sales data is only available through February 2016 as the Colorado Department of Revenue is currently experiencing a system problem that prevents the Retail Sales Reports from being produced.

Colorado Retail Sales by Industry (millions) and Percentage Change From Prior Year													Year-to-Date Totals Through February		
Industry	2015	% Change	2016	% Change	2017	% Change	2018	% Change	2019	% Change	2019	2020	% Change		
Agriculture/Forestry/Fishing	\$ 500.6	13.6%	\$ 599.5	11.8%	\$ 417.9	-25.3%	\$ 587.2	40.5%	\$ 521.1	-11.3%	\$ 24.8	\$ 36.6	47.6%		
Mining	3,743.4	-32.8	2,485.9	-33.6	3,665.9	47.5	4,411.7	20.3	3,938.3	-10.7	549.0	519.4	-5.4		
Utilities	7,612.1	-4.0	7,301.0	-4.1	7,570.4	3.7	7,665.8	1.3	8,031.0	4.8	1,502.1	1,364.0	-9.2		
Construction	4,685.8	12.4	4,740.5	1.2	5,133.6	8.3	5,758.0	12.2	6,124.0	6.4	744.7	804.4	8.0		
Manufacturing	15,864.8	-19.8	14,679.1	-7.5	16,217.9	10.5	17,360.8	7.0	15,992.7	-7.9	2,134.7	2,313.0	8.4		
Wholesale Trade	14,427.2	-4.8	14,874.5	3.1	14,530.3	-2.3	15,407.4	6.0	18,109.6	17.5	2,153.3	2,708.3	25.8		
Retail Trade:															
Motor Vehicle and Auto Parts	18,995.4	8.9	19,692.9	3.7	20,614.6	4.7	21,190.4	2.8	21,986.4	3.8	3,000.0	3,383.5	12.8		
Furniture and Furnishings	2,868.8	8.1	3,019.6	5.3	3,126.0	3.5	3,265.9	4.5	3,371.4	3.2	469.3	494.2	5.3		
Electronics and Appliances	2,387.6	5.7	2,534.3	6.1	2,617.2	3.3	2,830.3	8.1	2,956.9	4.5	412.9	436.6	5.7		
Bolding Materials/Nurseries	6,373.2	7.5	6,800.1	6.7	7,283.2	7.1	7,465.8	2.5	7,413.9	-0.7	941.3	1,017.0	8.0		
Food/Beverage Stores	16,619.2	4.1	16,798.7	1.1	17,655.4	5.1	18,794.5	6.5	18,927.9	0.7	2,122.2	2,962.4	39.6		
Health and Personal Care	4,384.1	17.5	5,064.2	15.5	5,355.2	5.7	5,672.5	5.9	6,015.3	6.0	813.1	894.9	10.1		
Gas Stations	4,815.3	-15.6	4,307.1	-10.6	4,528.5	5.1	4,863.8	7.4	4,556.7	-6.3	619.2	689.2	11.3		
Clothing and Accessories	3,810.6	2.0	3,843.5	0.9	3,848.5	0.1	3,999.7	3.9	4,413.8	10.4	513.6	582.0	13.3		
Sporting/Hobby/Books/Music	3,009.1	3.0	3,021.7	0.4	2,879.5	-4.7	2,960.5	2.8	3,075.7	3.9	436.3	488.5	12.0		
General Merchandise/Warehouse	13,073.8	1.7	13,152.7	0.6	13,758.0	4.6	14,387.6	4.6	14,788.7	2.8	1,999.9	2,197.2	9.9		
Misc. Store Retailers	5,256.5	10.4	5,767.0	9.7	6,529.4	13.2	6,645.2	1.8	7,214.1	8.6	864.0	933.1	8.0		
Non-Store Retailers	<u>1,742.1</u>	<u>2.7</u>	<u>2,286.3</u>	<u>31.2</u>	<u>2,921.3</u>	<u>27.8</u>	<u>3,279.3</u>	<u>12.3</u>	<u>5,054.7</u>	<u>54.1</u>	<u>639.6</u>	<u>1,347.5</u>	<u>110.7</u>		
Total Retail Trade	83,335.5	4.6	86,288.1	3.5	91,117.0	5.6	95,355.7	4.7	99,775.5	4.6	12,831.2	15,426.1	20.2		
Transportation/Warehouse	931.3	-4.8	864.8	-7.1	944.6	9.2	1,292.4	36.8	1,096.3	-15.2	135.7	170.9	26.0		
Information	5,413.0	-0.7	5,238.6	3.2	5,382.5	2.7	4,971.1	-7.6	5,819.5	17.1	821.4	600.4	-26.9		
Finance/Insurance	2,668.7	57.9	2,691.8	0.9	2,107.9	-21.7	2,469.4	17.2	2,761.9	11.8	397.4	488.2	22.9		
Real Estate/Rental/Lease	4,389.0	5.2	4,573.3	4.2	4,875.5	6.6	5,423.2	11.2	5,907.9	8.9	906.5	952.4	5.1		
Professional/Scientific/Technical	6,929.3	-0.5	6,644.4	-4.1	6,794.1	2.3	7,753.2	14.1	7,859.6	1.4	793.6	939.3	18.4		
Admin/Support/Waste/Remediation	2,245.9	8.5	2,263.2	0.8	2,357.8	4.2	2,384.4	1.1	2,813.2	18.0	294.6	385.4	30.8		
Education	490.5	1.9	493.9	0.7	486.3	-1.5	500.3	2.9	434.8	-13.1	54.4	43.9	-19.2		
Health Care/Social Assistance	6,896.1	-4.8	6,890.5	-0.1	7,136.0	3.6	7,044.5	-1.3	16,093.3	128.5	2,514.6	2,737.7	8.9		
Arts/Entertainment/Recreation	1,337.8	14.4	1,457.8	9.0	1,564.5	7.3	1,650.0	5.5	1,781.7	8.0	249.5	284.0	13.8		
Accommodation	4,043.4	7.9	4,338.5	7.3	4,773.3	10.0	5,147.4	7.8	5,771.3	12.1	850.7	1,017.8	19.7		
Food/Drinking Services	11,615.6	7.0	12,280.3	5.7	13,020.4	6.0	13,798.6	6.0	14,511.8	5.2	2,197.2	2,311.6	5.2		
Other Services	5,441.9	10.5	5,730.4	5.3	6,182.5	7.9	6,751.4	9.2	6,924.2	2.6	939.6	963.4	2.5		
Government	<u>273.4</u>	<u>7.3</u>	<u>307.2</u>	<u>12.4</u>	<u>363.7</u>	<u>18.4</u>	<u>388.6</u>	<u>6.8</u>	<u>351.2</u>	<u>-9.6</u>	<u>40.7</u>	<u>41.4</u>	<u>1.7</u>		
Total All Industries	<u>182,845.3</u>	<u>0.1</u>	<u>184,703.4</u>	<u>1.0</u>	<u>194,642.0</u>	<u>5.4</u>	<u>206,121.0</u>	<u>5.9</u>	<u>224,618.9</u>	<u>9.0</u>	<u>30,135.6</u>	<u>34,108.2</u>	<u>13.2</u>		

Note: Reporting for 2019 and future years reflect new sourcing rules that may cause variations in the data reported from previous years.
Source: Colorado Department of Revenue

Tourism

The following table provides visitor counts for the State's national parks and major recreation areas, Denver area convention attendance figures, and visitor counts for Colorado ski areas:

Colorado Tourism Statistics Conventions¹

	National Parks Visits ²		Conventions		Delegates		Spending		Skier Visits ³	
	Number (millions)	% Change	Number	% Change	Number (thousands)	% Change	Amount (millions)	% Change	Number (millions)	% Change
2015	7.08	–%	73	–%	236.8	–%	\$546.6	–%	12.55	–%
2016	7.46	5.4	66	-9.96	242.7	2.5	543.4	-0.6	13.39	6.7
2017	7.62	2.1	84	27.3	235.6	-2.9	518.6	-4.6	13.12	-2.0
2018	7.57	-0.7	67	-20.2	269.4	14.4	560.6	8.1	12.81	-2.4
2019	7.76	2.6	80	19.4	254.1	-5.7	555.3	-0.9	13.80	7.7

¹ Includes only those conventions booked by VISIT DENVER and held at the Colorado Convention Center.

² Count of recreational visitors for all of the State's National Parks Service territories, which include national parks, monuments, historic sites, and recreation areas.

³ Count of skier visits for the season ending in the referenced year.

Sources: National Parks Service; VISIT DENVER, The Convention and Visitor's Bureau; Colorado Ski Country USA; Vail Resorts, Inc.

Residential Housing Starts

The following table provides a five-year history of the State's residential building permit issuance:

New Privately Owned Housing Units Authorized in Colorado

	1 Unit	2 Units	3 & 4 Units	5+ Units	Total Building Permits	% Change
2015	20,025	334	287	11,225	31,871	4.3%
2016	21,577	556	242	16,599	38,974	22.3
2017	24,338	344	415	15,576	40,673	4.4
2018	26,134	374	414	15,705	42,627	4.8
2019	28,059	366	448	13,100	41,973	-1.5
Year-to-Date Totals Through April:						
2019	7,754	136	243	4,339	12,472	
2020	8,955	60	169	3,919	13,103	
% change	15.5%	-55.9%	-30.5%	-9.7	5.1%	

Source: U.S. Census Bureau

Residential Foreclosures

The following table provides a five-year history of foreclosure filings and sales in Colorado. The foreclosure filing is the event that begins the foreclosure process. In general, a borrower who is at least three months delinquent will receive a filing notice from the Public Trustee for the county in which the property is located. At this point, the property is in foreclosure.

Because a foreclosure filing can be cured or withdrawn before the home is sold at auction, not all filings result in foreclosure sales. Foreclosure sales at auction generally proceed between 110 and 125 days after the initial filing. Once a foreclosure sale is completed, the eviction process begins.

Foreclosure Filings and Sales in Colorado

	Foreclosure Filings*	% Change	Foreclosure Sales at Auction	% Change
2015	8,241	-26.7%	4,209	-35.6%
2016	7,666	-7.0	3,128	-25.7
2017	6,680	-12.9	2,100	-32.9
2018	5,884	-11.9	1,461	-30.4
2019	5,610	-4.7	1,316	-9.9

* Some filings may have been subsequently cured or withdrawn and may not have resulted in sales at auction.
Source: Colorado Division of Housing

[Remainder of page intentionally left blank]

APPENDIX I

State Pension System

The information included in this Appendix is based on information compiled and presented in the Public Employees' Retirement Association ("PERA") Comprehensive Annual Financial Report for the Plan Year ended December 31, 2019 (the "PERA 2019 CAFR"). The PERA 2019 CAFR was prepared by PERA staff employees and the firm of Segal Consulting, PERA's independent actuary, and audited by CliftonLarsonAllen LLP, PERA's independent public accounting firm. The valuations and other assessments of PERA constitute forward looking information as described in the Notices on the inside cover page of this Official Statement because they are based on assumptions about future events. The assumptions underlying the valuations and assessments may prove to be inaccurate and may be changed by PERA and its representatives and consultants to reflect actual results and future projections as additional information becomes available. Further, the PERA 2019 CAFR notes that the duration and full effects of the COVID-19 pandemic are currently unknown, as the global picture continues to evolve, and that although unprecedented federal fiscal and monetary stimulus have helped to stabilize and soften the impact of economic contraction, the near-term negative impact on PERA'S investment portfolio, as well as the short medium term impact on PERA'S membership and demographics, remains uncertain. The State does not take any responsibility for the accuracy, validity or completeness of such information, valuations and assessments. The PERA 2019 CAFR is not incorporated in this Official Statement by reference or otherwise, and the State does not make any representations regarding the accuracy of the information in the PERA 2019 CAFR.

The information in the State's Fiscal Year 2018-19 CAFR regarding PERA is derived from the PERA Comprehensive Annual Financial Report for the Plan Year ended December 31, 2018, while the information in this Official Statement regarding PERA is derived from the PERA 2019 CAFR.

General Description

Overview. The State, like most other state and local governments, provides post-employment benefits to its employees based on their work tenure and earnings history. By statute, the State created PERA, which administers cost-sharing, multiple-employer defined benefit plans to provide retirement, death and disability benefits through the State Division Trust Fund (generally for State employees) (the "State Division"), the School Division Trust Fund (for employees of school districts, other than for Denver County School District No. 1 (commonly known as Denver Public Schools), the Local Government Division Trust Fund (for employees of numerous municipalities and other local governmental entities), the Judicial Division Trust Fund (for judges in the State) and the Denver Public Schools Division (for employees of Denver Public Schools). The defined benefit plan for the State Division is referred to herein as the "State Division Plan."

As described in more detail under the caption "Funding of the State Division Plan" below, the State Division Plan is funded with payments made by the State and by each employee the amounts of which are determined and established by statute. Benefits provided through the State Division Plan are paid from the State Division Trust Fund. State employees hired after 2005 may, in lieu of participating in the State Division Plan, elect to participate in a defined contribution plan (the "State Division DC Plan") which is also administered by PERA. However, the majority of State employees participate in the State Division Plan. The State has no obligation to make contributions or fund benefits in Divisions other than the State Division and Judicial Division of PERA. See Notes 1 and 8 to the financial statements in the PERA 2019 CAFR for a discussion of the membership in the State Division Plan and the State Division DC Plan, respectively. See also Management's Discussion and Analysis and Notes 6-8 to the financial statements in

the State’s Fiscal Year 2018-19 CAFR appended to this Official Statement for a description of the State Division Plan and the State Division DC Plan.

Because the majority of State employees participate in the State Division Plan and not in the State Division DC Plan, and the number of judges employed by the State that participate in the Judicial Division is relatively small in comparison to the number of other State employees, the disclosure in “STATE FINANCIAL INFORMATION—Pension and Other Post-Employment Benefits” in the forepart of this Official Statement and in this Appendix relates only to the State Division Plan.

The State does not participate in the federal Old-Age, Survivors and Disability Insurance (Social Security) program.

PERA. PERA is a legal entity created by statute in 1931 that is separate from the State as further described in Article 51 of Title 24, C.R.S. (the “PERA Act”). Management of PERA is vested in a 16 member Board of Trustees (the “PERA Board”). PERA has fiduciary responsibility for several separate divisions, including the State Division, the School Division, the Local Government Division, the Judicial Division and the Denver Public Schools Division. The State represents the majority, but not all, of the State Division employers and employees. Each Division operates as a separate legal trust. PERA also operates two cost-sharing, multiple-employer post-employment benefit plans through the Health Care Trust Fund and the Denver Public Schools Health Care Trust Fund that provide health care premium subsidies to participating PERA benefit recipients who choose to enroll in one of PERA’s health care plans. PERA’s financial statements, which include all of its Divisions and trusts, may be obtained by writing to PERA at P.O. Box 5800, Denver, Colorado 80217-5800, by calling the PERA Infoline at 1 800-759-7372 or by visiting <http://www.copera.org>. The reference to PERA’s website is included herein for informational purposes only, and information available on such website or in PERA’s financial statements, or any other information provided by PERA, is not incorporated in this Official Statement by reference or otherwise, nor does the State make any representations regarding the accuracy of any such information.

Basic Provisions of the State Division Plan

Members of the State Division Plan who meet minimum age and service requirements are eligible to receive a monthly retirement benefit based on their employment and earnings history with the State. Calculation of retirement benefits, and eligibility requirements, differ depending on the employee’s original hire date. In response to funding challenges, the General Assembly has enacted changes to State Division Plan benefits at various times. Some of such changes have been applied prospectively to newly hired employees. As a result, there are several tiers of employee benefits and related provisions that are based on employee hire dates and other factors. See Notes 6-8 to the financial statements in the State’s Fiscal Year 2018-19 CAFR appended to this Official Statement, the PERA 2019 CAFR and the PERA Act for a discussion of eligibility requirements and the various tiers of benefits under the State Division Plan. See also the Statistical Section of the PERA 2019 CAFR for various statistics regarding members, retirees, survivors and benefit payments for the State Division Plan.

Implementation by PERA of GASB 67

In 2012, GASB issued Statement No. 67, “Financial Reporting for Pension Plans—An Amendment of GASB Statement No. 25” (“GASB 67”), which establishes new standards for financial reporting and note disclosure by defined benefit pension plans administered through qualified trusts, and note disclosure requirements for defined contribution pension plans administered through qualified trusts. GASB 67 is effective for accounting periods beginning after June 15, 2013, and, accordingly, PERA implemented GASB 67 beginning with its Comprehensive Annual Financial Report for the Plan Year ended December 31, 2014.

The objective of GASB 67 as stated therein is to improve financial reporting by state and local governmental pension plans. The requirements of GASB 67 are intended to improve financial reporting primarily through enhanced note disclosures and schedules of required supplementary information. A related statement, GASB Statement No. 68, “Accounting and Financial Reporting for Pensions,” applies to governmental employers and was implemented by the State beginning with the State’s Fiscal Year 2014-15 CAFR. See “—Implementation of Changes in Pension Accounting Standards Applicable to the State—GASB 68 and GASB 75” below.

GASB 67 establishes a shift in financial disclosure requirements from a funding-based approach to an accounting-based approach. Implementation of GASB 67 requires the preparation of two actuarial valuations, one for funding purposes and one for accounting and financial disclosure purposes. The purpose of the funding valuation is to guide the PERA Board’s actions necessary to ensure the long-term sustainability of PERA’s trust funds. The funding valuation aids this action by allowing PERA to assess the sufficiency of the current statutory contribution rates and analyze the sufficiency of future contributions to meet current and future benefit obligations. The actuarial valuation for accounting purposes emphasizes the obligation an employer incurs to employees through the employment-exchange process. The primary purpose of the valuation for accounting purposes is to provide a consistent, standardized methodology that allows comparability of amounts and increased transparency of the pension liability across U.S. pension plans complying with this new reporting standard. To accomplish this, GASB 67 requires a different approach for determining net pension liability as compared to the previously disclosed unfunded actuarial accrued liability¹ (“UAAL”). Net pension liability is to be measured as the total pension liability² of the plan less the amount of the plan’s fiduciary net position³.

Another major change in the new standard is the rate used to discount projected benefit payments. The new standard states the long-term expected rate of return on the investments of the plan should be applied only to available plan assets that are expected to be invested using a strategy to achieve that return. If there comes a point in the projections when plan fiduciary net position and contributions related to active and inactive employees are no longer projected to be greater than or equal to projected benefit payments related to those employees and administrative expenses (crossover point), then from that point forward the plan will be required to discount the projected benefit payments after the crossover point using a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale).

GASB 67 also enhances the standards for footnote disclosure and required supplementary information for pension plans, including, among other things, disclosing the plan’s net pension liability, ratio of fiduciary net position to total pension liability and actuarial methods and assumptions.

Actuarial Valuations

Many of the measures used to determine and evaluate the financial condition and funding status of the State Division Plan are based on actuarial valuations. An actuarial valuation is the determination, as of the actuarial valuation date, of the service cost, total pension liability and related actuarial present value of

¹ Unfunded actuarial accrued liability is the difference between the actuarial accrued liability, or “AAL” (being the excess of the present value of a pension fund’s total of future benefits (payable to the plan participants) and fund administration expenses over the present value of the future normal cost of those benefits), over the valuation assets of the fund.

² Total pension liability is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of plan member service in conformity with the requirements of GASB 67. For purposes of application to the requirements of GASB 67, AAL is the equivalent of total pension liability.

³ Fiduciary net position equals assets plus deferred outflows of resources and less liabilities and deferred inflows of resources at the end of the plan’s reporting period.

projected benefit payments for pensions performed in conformity with Actuarial Standards of Practice unless otherwise specified by GASB. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.

The actuarial valuations for each of PERA's defined benefit plans, including the State Division Plan, are prepared by PERA's actuaries based on a set of actuarial methods and assumptions that by State law are the responsibility of the PERA Board. The valuations for the State Division Plan examine the assets of the Plan compared to actuarial liabilities, compare past and future trends and determine the net pension liability of the Plan. The actuarial valuation for funding purposes applies an asset valuation method that recognizes a four-year smoothed market value of assets for purposes of determining the UAAL, while the actuarial valuation for accounting and financial reporting purposes applies the fair value of assets (determined in conformity with GASB standards) to determine the net pension liability. See the Actuarial Section of the PERA 2019 CAFR for a discussion of other actuarial methods and assumptions used in the actuarial valuations of the State Division Plan.

The PERA 2019 CAFR states that the PERA Board studies all economic and demographic actuarial assumptions at least every five years and approves changes to those assumptions. Recently, the PERA Board has reviewed the economic assumptions on a more frequent basis. The PERA Board last completed an experience study in 2016.

No assurance can be given that any of the assumptions underlying the actuarial valuations of the State Division Plan will reflect the actual results experienced by the Plan. Variances between the assumptions and actual results may cause an increase or decrease in the actuarial value of Plan assets, the net pension liability of the Plan and other valuation and performance measures determined on the basis of such actuarial valuations.

Funding of the State Division Plan

Statutorily Required Contributions. The State Division Plan is funded with payments made by the State and by each eligible employee as provided in the PERA Act. The State's contributions to the Plan are based on percentages of employee wages and are set by statute. These contribution percentages are referred to herein as the statutorily required contribution, or "SRC," of the State.

Effective July 1, 2019, the baseline SRC that is required to be made by the State for most State employees was increased from 10.15% to 10.40% of includable compensation (from 12.85% to 13.10% for State Troopers and Colorado Bureau of Investigation ("CBI") agents). As required by statute, participants in the State Division Plan are also required to contribute a portion of their wages to the Plan. Per S.B. 18-200 discussed in the next paragraph, the participant contribution rate is to increase incrementally a total of 2% over a period of three years commencing July 1, 2019, which resulted in an increase in the member contribution rate effective July 1, 2019, from 8.0% to 8.75% of includable compensation (from 10.0% to 10.75% of includable compensation for State Troopers and CBI agents). See the PERA 2019 CAFR for additional information, as well as historical SRC and participant contribution rates.

The General Assembly enacted legislation in 2004, 2006 and 2010 to gradually increase employer contributions to the State Division Plan by authorizing the Amortization Equalization Disbursement ("AED") and the Supplemental Amortization Equalization Disbursement ("SAED") in order to shorten the amount of time over which the unfunded liability of the Plan is amortized. Both the AED and the SAED are paid by the State as contributions to the State Division Plan as a percentage of employee wages, but the SAED payment comes from moneys that would otherwise have been used to provide market-based salary

increases to employees. The AED and the SAED applicable to the State Division Plan were effective as of January 1, 2006, and January 1, 2008, respectively, and were each initially payable at the rate of 0.5% of total covered payroll with annual increases in the contribution rate through 2017. As of July 1, 2019, the AED and SAED rates applicable to the State Division Plan were each 5.0%, and the total SRC applicable to the State Division Plan (net of 1.02% apportioned to the Health Care Trust Fund per the PERA Act) was 19.38% of employee wages (22.08% for State Troopers and CBI agents). In addition, S.B. 18-200, enacted by the General Assembly in 2018, provides for automatic adjustments to employee and employer contribution rates within certain statutory parameters so as to stay within the legislation's 30 year funding goal as discussed in "—Funding Status of the State Division Plan" below. Previously, such adjustments required action by the General Assembly. S.B. 18-200 also provides that effective January 1, 2021, and every year thereafter, employer contribution rates for the State Division Plan are to be adjusted to include a defined contribution supplement. See also Note 6 to the State's Fiscal Year 2018-19 CAFR appended to this Official Statement, as well as the Management's Discussion and Analysis and Note 4 to the financial statements in the PERA 2019 CAFR.

S.B. 18-200 further requires the State to make an annual direct distribution to PERA of \$225 million (actual dollars) from State funds beginning in Fiscal Year 2018-19 and continuing annually on July 1 until there are no unfunded actuarial accrued liabilities in the trust fund of any Division that receives such distribution. PERA is to allocate the distribution to the State Division Trust Fund, the School Division Trust Fund, the Judicial Division Trust Fund and the Denver Public Schools Division Trust Fund based upon the covered payroll of each such Division. *However, per H.B. 20-1379, due to the actual and forecast impact of COVID-19 on the State's revenues in Fiscal Years 2019-20 and 2020-21, this distribution has been suspended for Fiscal Year 2020-21 only, and thus PERA will not receive a direct distribution from the State until the payment scheduled for July 1, 2021.*

Changes to the statutorily required contributions to the State Division Plan by the State and its employees, or to other provisions of the Plan, could be made by the General Assembly through future legislative action, which changes could impact the SRC, the funding status and/or the financial condition of the Plan as described herein. The State cannot predict if or when any such legislative changes might be enacted or the impact that any such changes, if enacted, might have on the State Division Plan or the State's funding obligations with respect to the Plan.

The SRC is paid from the State General Fund as well as from certain federal funds and State cash funds and is typically paid from the same funding source as the employee's salary and other benefits. Although the rate of the SRC is set by statute, payment of the SRC nevertheless is subject to annual appropriation through the State budgeting process as described in "STATE FINANCIAL INFORMATION—Budget Process and Other Considerations" in the body of this Official Statement. The State has consistently contributed the full amount of the SRC to the State Division Plan.

Actuarially Determined Contribution. As a result of the shift in financial disclosure requirements under GASB 67 from a funding-based approach to an accounting-based approach, the historical disclosure and use of the annual required contribution¹, or "ARC," as a funding benchmark by PERA was no longer required. Rather, this philosophical shift necessitated the development and use of a plan specific actuarially determined contribution ("ADC") benchmark against which to gauge the adequacy of the SRC for the State

¹ Prior to 2014, PERA used the ARC as a funding benchmark against which to gauge the adequacy of the SRC for the State Division Plan. The ARC is the actuarially determined amount that would be required if the State were to fund each year's normal cost (i.e., the present value of the benefits that the State Division Plan projects to become payable in the future that are attributable to a valuation year's payroll) in the State Division Plan plus an annual amortization of the UAAL assuming that the UAAL will be fully funded over a maximum 30-year period. The difference between the ARC and the SRC constitutes either a contribution deficiency or excess contributions. For historical information regarding the ARC, see PERA's Comprehensive Annual Financial Report for calendar year 2013

Division Plan. The ADC represents the amount needed to fund benefits over time, and constitutes a target or recommended employer contribution for the reporting period determined in conformity with (i) Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted; and (ii) the PERA Board's funding policies. The ADC for each trust fund is developed annually and reported by management to be used as a benchmark for contributions two years in the future. An ADC deficiency arises when actual employer contributions are less than the ADC, and interest accrues on the ADC deficiency at the plan's expected long term rate of return. See "Historical ADC and State Contributions" below.

Change in PERA Funding Policy. In response to the new GASB 67 standards, the PERA Board adopted a revised pension funding policy in March 2015 (and last revised in November 2018) with regard to its trust funds. The purpose of the revised funding policy, as stated in the PERA 2019 CAFR, is to: (i) define the overall funding benchmarks of PERA's defined benefit pension trust funds; (ii) assess the adequacy of the contribution rates which are set by the General Assembly by comparing these rates to an ADC rate; and (iii) define the annual actuarial metrics that will assist the PERA Board in assessing the sustainability of the plan. The results of these three items are intended to guide the PERA Board when considering whether to pursue or support proposed legislation pertaining to changes in plan contribution and/or benefit provisions. See "Statutorily Required Contributions" above.

Historical ADC and State Contributions. The following table sets forth for each of the past ten years (i) the ADC for the State Division Plan; (ii) the annual contribution deficiency; and (iii) the actual contribution as a percentage of covered employee payroll. The State annually contributes the full amount of the SRC to the State Division Plan; however, these amounts have been less than the applicable ARC or ADC. During this period the State has not made any contributions to the State Division Plan in excess of the SRC.

The ADC rates, as a percentage of covered payroll, used to determine the ADC amounts in Table 1 below are calculated as of December 31 two years prior to the end of the year in which the ADC amounts are reported. The following actuarial methods and assumptions from the December 31, 2017, actuarial valuation were used to determine contribution rates reported in the table for the year ended December 31, 2019: (i) the actuarial cost method is based on the entry age of participants; (ii) the Plan's amortization period is based on a level percent of payroll over a 30-year closed period layered 28 years; (iii) for valuation purposes the actuarial value of assets is based on gains and losses smoothed in over a four-year period as permitted by GASB standards; (iv) price inflation is assumed to be 2.40%; (v) real wage growth is assumed to be 1.10%; (vi) salary increases (including assumed wage inflation of 3.50%) are projected to range from 3.50% to 10.45%; (vii) the long-term investment rate of return (net of pension plan investment expense, including price inflation) is assumed to be 7.25%; and (viii) cost of living adjustments for pre-2007 hires are assumed to be 1.50% per year and cost of living adjustments for post-2006 hires are assumed to be financed by the Annual Increase Reserve described in footnote 2 to the table. Other assumptions include, without limitation, future retiree participation and contribution rates and mortality rates. For further information, see Note 3 to the required supplementary information for the Division trust funds and the Actuarial Section in the PERA 2019 CAFR.

Table 1
Employer Contributions
State Division
(Dollar Amounts in Thousands)

Calendar Year	ADC Rate ¹	Covered Employee Payroll	Annual Increase Reserve Contribution ²	ADC Contribution ³	Contributions in Relation to the ADC	Annual Contribution Deficiency	Actual Contribution as a Percentage of Covered Employee Payroll
2019	23.28%	\$2,995,453	\$17,663	\$715,004	\$689,370	\$ 25,634	23.01%
2018	26.30	2,898,827	15,919	778,311	661,653	116,658	22.82
2017	22.71	2,774,207	14,355	644,377	563,977	80,400	20.33
2016	22.31	2,710,651	12,838	617,584	521,804	95,780	19.25
2015	22.35	2,641,867	11,400	601,857	484,005	117,852	18.32
2014	20.45	2,564,670	9,984	534,459	444,372	90,087	17.33
2013	20.01	2,474,965	–	495,241	393,218	102,023	15.89
2012	16.52	2,384,934	–	393,991	328,055	65,936	13.76
2011	13.63	2,393,791	–	326,274	277,122	49,152	11.58
2010	18.93	2,392,080	–	452,821	282,640	170,181	11.82

¹ See the discussion preceding this table regarding the actuarial methods and assumptions used in determining the ADC rates.

² The Annual Increase Reserve, or “AIR,” was established in 2007 and is used to provide post-retirement benefit increases for members hired on or after January 1, 2007. The AIR is financed by an allocation from employer statutory contributions made on behalf of such members equal to 100% of pensionable payroll and through an allocation of purchase of service dollars. For further information see the PERA 2019 CAFR.

³ The ADC contribution equals the sum of (a) the ADC rate times the covered employee payroll, plus (b) the AIR.

Source: PERA 2019 CAFR

For historical information regarding employer contributions based on the ARC, see PERA’s Comprehensive Annual Financial Report for calendar year 2013 and Note 6 to the State’s Fiscal Year 2018-19 CAFR appended to this Official Statement.

Funding Status of the State Division Plan

The State Division Plan currently is significantly underfunded. As discussed in “—Funding of the State Division Plan—*Statutorily Required Contributions*” above, the AED and SAED were implemented in 2006 and 2008, respectively, and other changes were made to the Plan design by S.B. 10-001, all in an effort to improve the funding status of the State Division Plan. However, investment returns on Plan assets declined following the global economic downturn that began in 2008. As a result, the actuarial assumptions as to the investment rate of return on Plan assets and the discount rate on actuarially accrued liabilities were lowered by the PERA Board from 8.50% to 8.00% in 2009, to 7.50% at the end of 2013 and to 7.25% as of December 31, 2017, and other economic assumptions, including the amortization period, were changed over this period as well, to reflect actual results and new estimates about the future. Notwithstanding these changes, PERA reported that at December 31, 2016, the State Division Plan a UAAL of approximately \$11.644 billion and a funded ratio (i.e., the actuarial value of Plan assets divided by the AAL) of only 54.6%, which UAAL would have amortized over a 65-year period based on contribution rates as of the date of calculation.

In order to address the funding status of PERA’s defined benefit plans, including the State Division Plan, in 2018 the General Assembly enacted S.B. 18-200 which made changes to the defined benefit plans administered by PERA with the goal of eliminating the UAAL of such plans, and thereby reach a 100%

funded ratio for each of such plans, within a 30-year period. Among other things, S.B. 18-200 phases-in a 2% increase in contribution rates for most employees, suspended the cost of living adjustment for retirees through 2019, changes the definition of salary and highest average salary, reduces maximum annual cost of living adjustments, adjusts employee and employer contribution rates, funds unfunded PERA liability from political subdivisions that terminate their affiliation with PERA and provides for a direct annual distribution to PERA from the State General Fund of \$225 million (actual dollars) beginning with Fiscal Year 2018-19, although, per H.B. 20-1379, due to the actual and forecast impact of the COVID-19 pandemic on the State's revenues in Fiscal Years 2019-20 and 2020-21, this distribution has been suspended for Fiscal Year 2020-21, as discussed in “—Funding of the State Division Plan—*Statutorily Required Contributions*” above. S.B. 18-200 also provides for automatic adjustments to employee and employer contribution rates, annual cost of living increases and the State's annual direct contribution to PERA within certain statutory parameters so as to stay within the 30-year funding goal. Previously, such adjustments required action by the General Assembly. For further information regarding S.B. 18-200, see Note 6 to the State's Fiscal Year 2018-19 CAFR appended to this Official Statement and the PERA 2019 CAFR.

The PERA 2019 CAFR reports that, at December 31, 2019, the actuarial value of assets of the State Division Plan was approximately \$14.922 billion and the AAL of the Plan was approximately \$25.718 billion, resulting in a UAAL of approximately \$10.796 billion, a funded ratio of 58.0% and an amortization period, both before and after consideration of H.B. 20-1379, of 27 years¹. The actuarial value of assets of the State Division Plan is determined by using an asset valuation method of smoothing the difference between the market value of assets and the actuarial value of assets over a four-year period to prevent extreme fluctuations that may result from short term or cyclical economic and market conditions. Based on the market value of assets of the State Division Plan, the PERA 2019 CAFR reports that at December 31, 2019, the UAAL of the Plan was approximately \$9.898 billion and the funded ratio was 61.5%.

For further information, see Management's Discussion and Analysis in the State's Fiscal Year 2018-19 CAFR appended to this Official Statement, as well as Management's Discussion and Analysis, Notes 10 and 12 to the financial statements, Note 2 to the required supplementary information for the Division trust funds and the Actuarial Section in the PERA 2019 CAFR.

Table 2 below sets forth for each of the past ten years the UAAL, the funded ratio and related information for the State Division Plan based on the actuarial value of Plan assets, and Table 3 below sets forth such information based on the market value of Plan assets.

The actuarial valuation for funding purposes in the PERA 2019 CAFR was performed as of December 31, 2019, and the actuarial valuation for accounting and financial reporting purposes in the PERA 2019 CAFR was performed as of December 31, 2018, and the total pension liability was rolled forward to the measurement date of December 31, 2019, utilizing generally accepted actuarial techniques.

When calculating the AAL of the State Division Plan in Tables 2 and 3 below, the following actuarial methods, assumptions and inputs, among others, were used: (i) price inflation is assumed to be 2.40%; (ii) real wage growth is assumed to be 1.10%; (iii) salary increases (including assumed wage inflation of 3.50%) are projected to range from 3.50% to 9.17%; (iv) the long term investment rate of return (net of pension plan investment expense, including price inflation) and discount rate are assumed to be

¹ This amortization period does not include the full effect of legislation enacted in 2006, 2010 and 2018, which includes plan changes designed to lower the normal cost over time as new members are added to the Plan, allow a greater proportion of the State's contribution to the Plan to be used to amortize the unfunded liability and increase future contributions to the Plan in order to accelerate the amortization of the UAAL. However, utilizing the assumptions specified in the PERA 2019 CAFR, PERA's independent actuary projects that the goal of funding 100% of the AAL under the PERA revised benefit structure created by S.B. 18-200 is achievable within a projection period of 24 years, and that the State Division Plan is projected to be 100% funded in 22 years. For further information, see the Actuarial Section of the PERA 2019 CAFR.

7.25%; and (v) cost of living adjustments for pre-2007 hires are assumed to be 0% through 2019 and 1.25% per year compounded annually thereafter, and cost of living adjustments for post 2006 hires are assumed to be financed by the AIR. Other assumptions include, without limitation, future retiree participation and contribution rates and mortality rates. For further information, see Note 10 to the financial statements and the Actuarial Section in the PERA 2019 CAFR.

Table 2
 Historical Funding Progress of State Division Plan
 Actuarial Value of Plan Assets
 (Dollar Amounts in Thousands)

Valuation Date (December 31)	Actuarial Value of Plan Assets*	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Employer Payroll	UAAL as a Percentage of Employer Payroll
2019	\$14,922,050	\$25,717,648	\$10,795,598	58.0%	\$2,995,453	360.4%
2018	14,303,726	25,509,852	11,206,126	56.1	2,898,827	386.6
2017	14,256,410	24,782,085	10,525,675	57.5	2,774,207	379.4
2016	14,026,332	25,669,916	11,643,584	54.6	2,710,651	429.5
2015	13,882,820	24,085,671	10,202,851	57.6	2,641,867	386.2
2014	13,523,488	23,408,321	9,884,833	57.8	2,564,670	385.4
2013	13,129,460	22,843,725	9,714,265	57.5	2,474,965	392.5
2012	12,538,675	21,191,495	8,652,820	59.2	2,384,934	362.8
2011	12,010,045	20,826,543	8,816,498	57.7	2,393,791	368.3
2010	12,791,946	20,356,176	7,564,230	62.8	2,392,080	316.2

* The actuarial value of Plan assets is based on gains and losses smoothed in over a four-year period as permitted by GASB standards.
 Source: PERA 2019 CAFR

[Remainder of page intentionally left blank]

Table 3
Historical Funding Progress of State Division Plan
Market Value of Plan Assets
(Dollar Amounts in Thousands)

Valuation Date (December 31)	Market Value of Plan Assets*	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Employer Payroll	UAAL as Percentage of Employer Payroll
2019	\$15,819,843	\$25,717,648	\$ 9,897,805	61.5%	\$2,995,453	330.4%
2018	13,837,863	25,509,852	11,671,989	54.2	2,898,827	402.6
2017	15,105,378	24,782,085	9,676,707	61.0	2,774,207	348.8
2016	13,538,772	25,669,916	12,131,144	52.7	2,710,651	447.5
2015	13,391,398	24,085,671	10,694,273	55.6	2,641,867	404.8
2014	13,956,630	23,408,321	9,451,691	59.6	2,564,670	368.5
2013	13,935,754	22,843,725	8,907,971	61.0	2,474,965	359.9
2012	12,766,459	21,191,495	8,425,036	60.2	2,384,934	353.3
2011	12,001,770	20,826,543	8,824,773	57.6	2,393,791	368.7
2010	12,487,105	20,356,176	7,869,071	61.3	2,392,080	329.0

* The market value of Plan assets is the fair value of the assets determined in conformity with GASB standards. See the Investment Section of the PERA 2019 CAFR.

Source: PERA Comprehensive Annual Financial Reports for calendar years 2010 through 2019.

Since contribution rates to the State Division Plan are fixed by statute, unless changes are made to such rates or changes are made to Plan provisions to reduce benefit payments, improvements in the funding status of the State Division Plan are expected to come primarily from increases in investment returns on Plan assets or changes in the actuarial assumptions used to determine the value of Plan assets and the AAL. Changes to contribution rates or other Plan provisions, or the use of alternative Plan funding strategies, would require legislative action by the General Assembly, of which there can be no assurance.

[Remainder of page intentionally left blank]

Fiduciary Net Position of the State Division Plan

The Statement of Fiduciary Net Position of the State Division Plan as of December 31, 2019, is included in PERA's basic financial statements set forth in the Financial Section of the PERA 2019 CAFR. The following table sets forth for each of the past ten years the changes in fiduciary net position of the State Division Plan.

Table 4
Changes in Fiduciary Net Position
State Division
(Cash Basis; Dollar Amounts in Thousands)

	For the Year Ended December 31,									
	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Additions:										
Employer contributions	\$ 612,282	\$ 583,164	\$ 563,977	\$ 521,804	\$ 484,005	\$ 444,372	\$ 401,658	\$ 335,073	\$ 283,222	\$ 287,624
Nonemployer contributions	77,088	78,489	—	—	—	—	—	—	—	—
Member contributions	257,803	236,313	228,978	223,005	217,980	211,610	202,799	227,058	258,678	223,240
Purchased service	29,494	25,227	27,442	24,528	26,946	22,446	22,241	16,358	11,277	12,496
Net investment income (loss)	2,764,719	(497,562)	2,391,683	947,981	210,337	780,762	1,931,658	1,511,244	232,669	1,553,142
Other	22	7,888	15,860	8,708	5,023	3,289	4,869	150	331	1
Total Additions	3,741,408	433,519	3,227,940	1,726,026	944,291	1,462,479	2,563,225	2,089,883	786,177	2,076,503
Deductions:										
Benefit payments	1,637,168	1,608,534	1,554,290	1,483,828	1,417,862	1,352,293	1,295,780	1,231,922	1,174,707	1,122,435
Refunds	61,832	65,253	58,696	60,137	63,567	61,152	68,735	69,221	70,090	68,844
Disability insurance premiums	1,965	2,093	2,035	2,106	2,088	2,309	2,229	1,570	1,685	1,661
Administrative expenses	11,294	11,903	11,745	11,271	10,779	10,067	9,780	8,568	8,685	8,942
Other	2,707	3,017	3,652	3,040	3,406	3,171	3,593	3,911	(4,546)	(726)
Total Deductions	1,714,966	1,690,800	1,630,418	1,560,382	1,497,702	1,428,992	1,380,117	1,315,192	1,250,621	1,201,156
Change in fiduciary net position	2,026,442	(1,257,281)	1,597,522	165,644	(553,411)	33,487	1,183,108	774,691	(464,444)	875,347
Fiduciary net position held at beginning of year	13,966,421	15,223,702	13,626,180	13,460,536	14,013,947	13,980,460	12,797,352	12,022,661	12,487,105	11,611,758
Fiduciary net position held at end of year	15,992,863	\$13,966,421	\$15,223,702	\$13,626,180	\$13,460,536	\$14,013,947	\$13,980,460	\$12,797,352	\$12,022,661	\$12,487,105

Source: PERA 2019 CAFR

Net Pension Liability of the State Division Plan

As noted above, GASB 67 requires a different approach for determining net pension liability as compared to the previously disclosed UAAL, and also requires disclosing the plan's net pension liability and ratio of fiduciary net position to total pension liability. The schedule of net pension liability presents multi-year trend information about whether the fiduciary net position is increasing or decreasing over time relative to total pension liability.

The following table sets forth for the years 2013-2019 (the only years for which information is available) the net pension liability and related information regarding the State Division Plan. The required supplemental information in the PERA 2019 CAFR includes a schedule showing the sources of the changes in net pension liability for 2014-2019 (information for 2013 is not available). See also "—Implementation of Changes in Pension Accounting Standards Applicable to the State—GASB 68" hereafter.

Table 5
Net Pension Liability
State Division^{1,2}
(Dollar Amounts in Thousands)

	For the Year Ended December 31,						
	2019	2018	2017	2016	2015	2014	2013
Total pension liability ^{3,4}	\$25,696,667	\$25,345,094	\$35,241,684	\$31,994,311	\$23,991,569	\$23,420,461	\$22,888,431
Plan fiduciary net position	15,992,863	13,966,421	15,223,702	13,626,180	13,460,536	14,013,947	13,980,460
Net pension liability	<u>\$ 9,703,804</u>	<u>\$11,378,673</u>	<u>\$20,017,982</u>	<u>\$18,368,131</u>	<u>\$10,531,033</u>	<u>\$ 9,406,514</u>	<u>\$ 8,907,971</u>
Net pension liability as a percentage of total pension liability	62.24%	55.11%	43.20%	42.59%	56.11%	59.84%	61.08%
Covered employee payroll	\$ 2,995,453	\$2,898,827	\$2,774,207	\$2,710,651	\$ 2,641,867	\$ 2,564,670	\$ 2,474,965
Net pension liability as a percentage of covered employee payroll	323.95%	392.53%	721.57%	677.63%	398.62%	366.77%	359.92%

¹ Information for years prior to 2013 is not available.

² Government accounting standards require that pension liabilities for financial reporting purposes be measured using the plan provisions in effect at the pension plan's year-end. Therefore, unlike the tables in "—Funding Status of the State Division Plan" above, the changes made by S.B. 18-200 are not reflected in this table for years 2013-2017.

³ The total pension liability as of December 31, 2019, was determined by actuarial valuations as of December 31, 2018, and accepted actuarial procedures were applied to roll-forward the total pension liability to December 31, 2019. The actuarial valuations as of December 31, 2018, used the key actuarial methods, assumptions or other inputs discussed in "Funding Status of the State Division Plan" above, except that the fair value (or market value) of assets, rather than a four-year smoothed market value of assets, was used to determine the net pension liability.

⁴ The decrease in the total pension liability at December 31, 2018, is primarily due to changing from a blended discount rate to a discount rate equal to the long-term assumed rate of return in accordance with GASB 67.

Source: PERA 2019 CAFR

Investment of State Division Plan Assets

State law authorizes the investment of PERA's funds by the PERA Board, subject to the following limitations:

- The aggregate amount of investment trust shares, corporate stocks, corporate bonds and convertible debentures cannot exceed 65% of the book value of the fund.
- Neither common nor preferred stock of a single corporation can exceed 5% of the book value of the fund.
- The fund cannot acquire more than 12% of the outstanding stocks or bonds of a single corporation.

See Note 5 to the financial statements and the Investment Section of the PERA 2019 CAFR for additional discussion of PERA's investment responsibilities and investment policies.

Implementation of Changes in Pension Accounting Standards Applicable to the State—GASB 68 and GASB 75

GASB Statement No. 68, "Accounting and Financial Reporting for Pensions" ("GASB 68") is a GASB pronouncement that is related to GASB 67 and applicable to governmental entities, such as the State, that provide their employees with pension benefits. GASB 68 is effective for fiscal years beginning after June 15, 2014, and accordingly has been implemented beginning with the State's Fiscal Year 2014-15 CAFR. GASB 68 revises and establishes new financial reporting requirements for governmental entities, and, among other things, requires cost-sharing employers participating in defined benefit plans to record

their proportionate share of the unfunded pension liability. See Table 2 in this Appendix for the UAAL of the State Division Plan for the past ten years as set forth in the PERA 2019 CAFR.

The State reported a net pension liability in the State's Fiscal Year 2018-19 CAFR of approximately \$13.531 billion at June 30, 2019, compared to a reported net pension liability in the State's Fiscal Year 2017-18 CAFR of approximately \$19.382 billion at June 30, 2018. The amounts presented for each Division were determined as of the calendar year-end that occurred within the Fiscal Year. See also Note 6 to the State's Fiscal Year 2018-19 CAFR appended to this Official Statement for a description of the methodology utilized to determine these amounts.

There is a difference between the net pension liability for the State reported by PERA and the State in their respective financial statements. The difference results from PERA's inclusion of employers in the State Division and the Judicial Division which are not included in the State's financial statement reporting entity. The PERA Board has statutory authority to assign employers to the State Division and Judicial Division that are not part of the State's financial statement reporting entity as defined by GASB Statement No. 14, as amended by GASB Statements No. 39 and 61. Examples of these employers in the State Division include Pinnacle Insurance, Fire and Police Pension Association and District Attorneys. Denver County Courts is the only Judicial Division employer that is not part of the State's financial statement reporting entity. The State includes in its financial statements a percentage of the net pension liability reported by PERA in its financial statements for each Division to determine the State's proportionate share in accordance with requirements of GASB 68. Additional information concerning the State's reporting entity can be found in Note 1 to the State's Fiscal Year 2018-19 CAFR appended to this Official Statement, and additional information concerning the proportionate share calculation can be found in Note 6 of the State's Fiscal Year 2018-19 CAFR.

[Remainder of page intentionally left blank]

The State's proportionate share of the net pension liability at the end of calendar years 2013-2018 in accordance with requirements of GASB 68 is set forth in the following table.

Table 6
State's (Primary Government's) Proportionate
Share of the Net Pension Liability¹
(Dollar Amounts in Thousands)

	<u>State Division</u>					
	Calendar Year					
	2018	2017	2016	2015	2014	2013
State's proportion of the net pension liability	95.95%	95.37%	95.49%	95.71%	95.85%	95.86%
State's proportionate share of net pension liability	\$10,918,046	\$19,091,149	\$17,539,728	\$10,079,252	\$9,016,144	\$8,539,181
State's covered payroll	\$3,262,962	\$2,796,014	\$2,751,094	\$2,687,152	\$2,586,800	\$2,570,286
State's proportionate share of the net pension liability as a percentage of its covered payroll	334.61%	682.80%	637.55%	375.09%	348.54%	332.23%
Plan fiduciary net position as a percentage of the total pension liability	55.11%	43.20%	42.59%	56.11%	59.84%	61.00%

	<u>Judicial Division</u>					
	2018	2017	2016	2015	2014	2013
State's proportion of the net pension liability	94.91%	93.99%	94.17%	93.98%	93.60%	93.44%
State's proportionate share of net pension liability	\$134,072	\$218,136	\$239,423	\$172,824	\$129,499	\$102,756
State's covered payroll	\$55,706	\$46,764	\$46,320	\$44,159	\$40,114	\$37,203
State's proportionate share of the net pension liability as a percentage of its covered payroll	240.68%	466.46%	516.89%	391.37%	322.83%	276.20%
Plan fiduciary net position as a percentage of the total pension liability	68.48%	58.70%	53.19%	60.13%	66.89%	77.41%

¹ The amounts presented for each Fiscal Year were determined as of the calendar year-end that occurred within the Fiscal Year and were calculated as described in Note 6 to the Financial Statements and Note RSI-2 to the Required Supplementary Information in the State's Fiscal Year 2018-19 CAFR appended to this Official Statement.

Source: State Fiscal Year 2018-19 CAFR

A ten year history of the State's contribution to PERA for the State and Judicial Divisions is also included in Note RSI-2 to the Required Supplementary Information in the State's Fiscal Year 2018-19 CAFR appended to this Official Statement. See also "Overall Financial Position and Results of Operations" in the Management's Discussion and Analysis and Notes 1 and 6-8 to the Financial Statements in the State's Fiscal Year 2018-19 CAFR.

GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions" ("GASB 75"), is effective for fiscal years beginning after June 15, 2017, and accordingly was first implemented in the State's Fiscal Year 2018-19 CAFR. GASB 75 requires, for purposes of governmental financial reporting, that the State recognize a liability for its proportionate share of the net Other Post-Employment Benefits ("OPEB") liability (of all employers for benefits provided through the OPEB plan), i.e., the collective net OPEB liability. The State is also required to recognize OPEB expense and report deferred outflows of resources and deferred inflows of resources related to OPEB for its proportionate shares of collective OPEB expense and collective deferred outflows of resources and deferred

inflows of resources related to OPEB. GASB 75 also requires additional footnote disclosures about the pension trust fund in the financial statements.

Effect of Pension Liability on the Series 2020 Certificates

No assurances can be given that the assumptions underlying any current or future plans of the State to address its pension liabilities will be realized or that actual events will not cause material changes to the pension data presented in this Official Statement, including in this Appendix. The General Assembly and Governor are ultimately responsible for passing any legislation which would make material changes to PERA retirement plans. No assurance can be given that any legislative changes aimed at decreasing the State's pension liability will be enacted. The State's current pension liability or any increase in the State's pension liability may have a material adverse effect on the State's ability to fully pay its obligations, including the Series 2020 Certificates.

[Remainder of page intentionally left blank]

(THIS PAGE INTENTIONALLY LEFT BLANK)

APPENDIX J

DTC Book-Entry System

The information in this Appendix concerning DTC and DTC's book entry system has been obtained from DTC and contains statements that are believed to describe accurately DTC, the method of effecting book-entry transfers of securities distributed through DTC and certain related matters, but the State takes no responsibility for the accuracy or completeness of such statements. Beneficial Owners should confirm the following information with DTC or the DTC Participants.

None of the Trustee, the State, Bond Counsel, or the Underwriters has any responsibility or obligation to any Beneficial Owner with respect to (i) the accuracy of any records maintained by DTC or any DTC Participant; (ii) the distribution by DTC or any DTC Participant of any notice that is permitted or required to be given to the registered owners of the Series 2020 Certificates under the Indenture; (iii) the payment by DTC or any DTC Participant of any amounts received under the Indenture with respect to the Series 2020 Certificates; (iv) any consent given or other action taken by DTC or its nominee as the owner of Series 2020 Certificates; or (v) any other related matter.

DTC will act as securities depository for the Series 2020 Certificates. The Series 2020 Certificates will be in the form of 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 Series 2020 Certificate for each maturity of the respective Series of Certificates, in the aggregate principal amount of such maturity, will be executed and delivered 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, as amended. 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 and 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 an S&P 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 <http://www.dtcc.com> and <http://www.dtc.org>. The State undertakes no responsibility for and makes no representations as to the accuracy or the completeness of the content of such material contained on such websites as described in the preceding sentence, including, but not limited to, updates of such information or links to other internet sites accessed through the aforementioned websites.

Purchases of Series 2020 Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2020 Certificates on DTC's records. The ownership

interest of each Beneficial Owner is in turn recorded on the records of Direct and Indirect Participants. 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 2020 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 2020 Certificates except in the event that use of the book-entry system for the Series 2020 Certificates is discontinued.

To facilitate subsequent transfers, all Series 2020 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 2020 Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2020 Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2020 Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account 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 Series 2020 Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2020 Certificates, such as redemptions, defaults and proposed amendments to the Indenture. For example, Beneficial Owners of Series 2020 Certificates may wish to ascertain that the nominee holding the Series 2020 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 the notices be provided directly to them.

Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Series 2020 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 issuer 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 2020 Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments with respect to the Series 2020 Certificates will 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 State or the State Treasurer on the 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 Participants and not of DTC, the paying agent or the State, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments with respect to the Series 2020 Certificates to Cede & Co., or to such other nominee as may be requested by an authorized representative of DTC, is the responsibility of the State or the paying agent, disbursement of such payments to Direct Participants is the responsibility of DTC and disbursement of such payments to the Beneficial Owners is the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2020 Certificates at any time by giving reasonable notice to the State. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2020 Certificate certificates are required to be printed and delivered to the appropriate registered owners of the Series 2020 Certificates.

The State may at any time decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository) with respect to the Series 2020 Certificates. In that event, Series 2020 Certificate certificates will be printed and delivered to DTC.

[Remainder of page intentionally left blank]

(THIS PAGE INTENTIONALLY LEFT BLANK)