

PAYING AGENT, REGISTRAR AND TRANSFER AGENT AGREEMENT

Wastewater Enterprise Revenue Bonds, Series 2018

THIS PAYING AGENT, REGISTRAR AND TRANSFER AGENT AGREEMENT (this "Agreement"), dated as of [February 22], 2018 is by and between the City and County of Denver, Colorado, for and on behalf of the Wastewater Management Division of its Department of Public Works (the "City"), a political subdivision of the State of Colorado, and ZB, National Association dba Zions Bank, a national banking association (the "Bank"), with a corporate trust office in Denver, Colorado.

WITNESSETH:

WHEREAS, by an ordinance duly adopted by the City Council of the City (the "Bond Ordinance"), the City has authorized the issuance of its City and County of Denver, Colorado, for and on behalf of its Wastewater Division of its Department of Public Works, Wastewater Enterprise Revenue Bonds, Series 2018 (the "Bonds"), in the aggregate principal amount of \$[107,000,000]; and

WHEREAS, all capitalized terms used herein and not otherwise defined herein shall have the meanings given to them in the Bond Ordinance; and

WHEREAS, it is mutually desirable to the City and the Bank that the Bank, through its Corporate Trust Department located in Denver, Colorado, act as Paying Agent in connection with the payment of the principal of, premium, if any, and interest on the Bonds, and as Registrar and Transfer Agent for the Bonds with respect to the registration, transfer and exchange thereof by the registered owners thereof; and

WHEREAS, it is mutually desirable that this Agreement be entered into between the City and the Bank to provide for certain aspects of such services.

NOW, THEREFORE, the City and the Bank, in consideration of the mutual covenants herein contained, agree as follows:

1. The City hereby appoints the Bank and the Bank hereby accepts all duties and responsibilities of the Paying Agent, Registrar and Transfer Agent as provided in the Bond Ordinance and in this Agreement, including without limitation the authentication, registration, transfer, exchange and replacement of Bonds as provided in the Bond Ordinance. The Bank shall cause the Bonds to be honored in accordance with their terms, provided that the City causes to be made available to the Bank all funds necessary to so honor the Bonds. Nothing in this Agreement shall require the Bank to pay or disburse any funds in excess of the amount then on deposit in the Principal and Interest Account (as hereinafter defined) provided for in Section 3 of this Agreement. Nothing in this Agreement shall require the City or the Bank to pay or disburse any funds for payment of the Bonds or interest thereon except at the times and in the manner provided in the Bond Ordinance.

2. Not less than five (5) business days prior to each payment date, the Bank shall give written notice to the City of the amount of principal and/or interest on the Bonds which is due on

the payment date. Failure by the Bank to give such written notice to the City, or any defect therein, shall not relieve the City of its obligation to remit payment to Bond owners on scheduled payment dates.

3. Not less than three (3) business day prior to each regularly scheduled payment date, funds for the payment of the Bonds and interest thereon are to be transferred or deposited by the City by wire transfer with the Bank in an account designated as the “Wastewater Enterprise Revenue Bonds, Series 2018, Principal and Interest Account (the “Principal and Interest Account”). At the time of the deposits to the Principal and Interest Account provided herein, the Bank shall notify the City if the amounts deposited (together with any amounts available for such purpose theretofore deposited to the Principal and Interest Account) will not be sufficient to pay the installment of principal or interest, or both, as the case may be, next due on the Bonds. If such amounts are not sufficient to make such payments, the Paying Agent shall notify the City of the amount of any deficiency and the additional amount of moneys that are required to be deposited to the Principal and Interest Account and applied to such payment. If two (2) business days prior to any required principal or interest payment date moneys on deposit in the Principal and Interest Account are less than the full amount stipulated above with respect to the Bonds, then the Paying Agent shall notify the City of any such insufficiency and the City shall transfer an amount to the Principal and Interest Account on such date from the Debt Service Fund equal to the difference between the amount so credited to the Principal and Interest Account and the full amount so stipulated. From funds on deposit in the Principal and Interest Account, the Bank agrees to pay, through its Corporate Trust Department, at the times and in the manner provided in the Bond Ordinance and the Sale Certificate, the principal of and interest on the Bonds.

The funds so deposited in the Principal and Interest Account shall be invested by the Bank, at the written direction of the Chief Financial Officer, As Manager of Finance/*Ex-Officio* Treasurer of the City (the “Treasurer”), in investments that are consistent with the City’s investment policies. All such investments in the Principal and Interest Account shall be held by or under the control of the Bank. The Bank shall sell and reduce to cash such investments as needed to pay the principal of and interest on the Bonds whether upon maturity or upon prior redemption. Any interest or other gain realized as a result of any investment of moneys in the Principal and Interest Account, to the extent not used to pay the principal of or interest on the Bonds, shall promptly be remitted to the City.

4. There shall be deposited into the Costs of Issuance Fund created by the Bond Ordinance and held by the Paying Agent and designated as the “Wastewater Enterprise Revenue Bonds, Series 2018, Costs of Issuance Account” (the “Costs of Issuance Account”) an amount equal to \$[_____]. The Paying Agent shall use the funds on deposit in the Costs of Issuance Account to pay costs of issuance upon the written direction of the Treasurer or her designee. Any amounts on deposit in the Costs of Issuance Account remaining after the payment of all the costs of issuance of the Series 2018 Bonds, but in no event later than 180 days following the date of issuance of the Series 2018 Bonds, shall be remitted to the City.

The City acknowledges the Paying Agent cannot process such cost of issuance payments until the Paying Agent is in receipt of a valid Form W-9 or Form W-8, as applicable, from each payee, in accordance with Internal Revenue Service regulations and the Foreign Account Tax Compliance Act.

5. The Bank agrees that any duly authorized representative of the City shall, until the expiration of three (3) years after final termination of this Agreement, and upon reasonable notice to the Bank, have access to and the right to examine any directly pertinent books, documents, schedules, papers, charts, and records of the Bank, involving matters or transactions in any way, related to this Agreement and the services provided hereunder.

6. The City shall pay fees to the Bank in accordance with the Bank's fee schedule attached hereto as Exhibit A and in accordance with the provisions of this Section 6. The City's maximum obligation for the initial fee to the Bank for services under this Agreement shall not exceed \$[____]. The payment for such initial fee shall be made on or before [December 31, 2018]. The annual administration fee to be paid to the Bank for services under this Agreement after [December 31, 2018], shall be \$[____] per year. Payments made after [December 31, 2018] shall be subject to annual appropriation by the City and the Bank acknowledges that the obligation of the City to make such payments is from year to year and does not constitute a mandatory charge in any fiscal year beyond the current fiscal year. The Bank shall not be required to refund any amount of the payment in the event of any early termination of this Agreement. The Bank acknowledges that (i) the City does not by this Agreement irrevocably pledge present cash reserves for payments in future fiscal years, and (ii) this Agreement is not intended to create a multiple-fiscal year direct or indirect debt or financial obligation of the City. The City shall not pay or be liable for any claimed interest, late charges, fees, taxes or penalties of any nature, except as required by the City's Revised Municipal Code.

7. The City agrees to provide the Bank with a supply of blank Bonds for use in the transfer and exchange of Bonds.

8. In the event that any Bond is not presented for payment when the principal of and interest thereon become due at stated maturity, or a check or draft for such principal and interest is uncashed, if moneys sufficient to pay the principal and interest then due on that Bond or to pay such check or draft shall have been made available to the Bank for the benefit of the Owner of such Bond, all liability of the City to that Owner for such payment of the principal and interest then due on such unrepresented Bond represented by such check or draft thereupon shall cease and be discharged completely. Thereupon, it shall be the duty of the Bank to hold those moneys, without liability for interest thereon, for the exclusive benefit of the Owner, who shall be restricted thereafter exclusively to those moneys for any claim of whatever nature on its part of this Agreement or the Bond Ordinance or on, or with respect to, the principal and interest then due on that Bond, by such check or draft. Any of those moneys which shall be held by the Bank, and which remain unclaimed by the Owner of a Bond not presented for payment or check or draft not cashed for a period of three years after the due date thereof, shall be paid to the City or escheated under appropriate state escheat laws, whichever is applicable.

9. The Bank, or any successor thereof, may at any time resign and be discharged of its duties and obligations hereunder in its capacity as Paying Agent, Registrar and/or Transfer Agent by giving not less than sixty (60) days written notice to the City. The resignation shall take effect upon the appointment of a successor Paying Agent, Registrar and/or Transfer Agent, as the case may be. It shall not be required that the same institution serve as Paying Agent, Registrar and Transfer Agent for the Bonds, but the City shall have the right to have the same institution serve in all or any such capacities.

10. The Bank, or any successor thereof, may be removed at any time in its capacity as Paying Agent, Registrar and/or Transfer Agent by the Treasurer, with or without cause, upon not less than thirty (30) days written notice to the Bank.

11. In case the Bank, or any successor thereof, shall resign or shall be removed or shall become incapable of acting in its capacity as Paying Agent, Registrar and/or Transfer Agent or shall be adjudged a bankrupt or insolvent, or if a receiver, liquidator or conservator thereof or of its property shall be appointed, or if any public officer shall take charge or control thereof or of its property or affairs, a successor may be appointed by the Treasurer. The Treasurer shall cause notice of any such appointment to be mailed by first-class mail, postage prepaid to the Owners of each Bond Outstanding at their addresses as they last appear on the registration books of the City maintained by the Bank. If no appointment of a successor shall be made within sixty (60) days after the giving of written notice or after the occurrence of any other event requiring or authorizing such appointment, the Treasurer shall serve as Paying Agent, Registrar and/or Transfer Agent, as the case may be, until a successor is appointed by the Treasurer. Any successor appointed under the provisions of this Section shall either be the Treasurer or an Insured Bank as defined in the Bond Ordinance.

12. Any entity into which the Bank may be converted or merged or with which it may be consolidated or any entity resulting from any conversion, merger or consolidation to which it shall be a party or any entity to which the Bank may sell or transfer all or substantially all of its corporate trust business, provided such entity is an Insured Bank, shall be the successor to the Bank in its capacity as Paying Agent, Registrar and Transfer Agent without any further act, deed or conveyance.

13. The Bank agrees to protect, defend, release, indemnify and save harmless the City against any and all claims, damages, suits, or procedures of any kind or nature, including worker's compensation claims in any way resulting from or arising out of, directly or indirectly, the Bank's services hereunder and all operations in connection herewith, or its use or occupation of any public or private property, and including acts or omissions of the Bank or its officers, employees, representatives, suppliers, invitees, contractors, and agents; provided, however, that the Bank need not indemnify and save harmless the City, its officers, agents and employees from damages resulting from the negligence of the City's officers, agents, and employees. Any insurance coverage specified herein constitutes the minimum requirements, and said requirements shall in no way lessen or limit the indemnification or other liability of the Bank under the terms of this Agreement. The Bank shall procure and maintain, at its own expense and cost, any additional kinds and amounts of insurance that, in its judgment, may be necessary for its proper protection in the prosecution of the services hereunder. The Bank shall be liable for direct damages if it fails to exercise ordinary care. The Bank shall be deemed to have exercised ordinary care if its actions, or failure to act, is in conformity with the Bank's general banking usages or is otherwise a commercially reasonable practice of the banking industry. The Bank shall not be liable for any special, consequential or incidental damages, even if it has been advised of the possibility of the same.

14. The parties hereto understand and agree that the City is relying upon, and has not waived, the monetary limitations per person and per occurrence and all other rights, immunities and protections as provided by the Colorado Governmental Immunity Act, C.R.S. Section 24-10-

101, *et seq.* The City cannot, and by this Agreement does not agree to indemnify, hold harmless, exonerate, or assume the defense of the Bank, its employees, officers, agents, or affiliates or any other person or entity whatsoever, for any purpose whatsoever regardless of any provisions to the contrary that may be contained in this Agreement. Moreover, the City, as a public fiduciary supported by tax moneys, in execution of its public trust, cannot and does not agree to waive any lawful or legitimate right to recover moneys lawfully due it. Any such statement to the contrary that may be contained in this Agreement, including any documents incorporated by reference herein, shall be considered null and void. The Bank agrees that it shall not insist upon or demand any statement whereby the City agrees to limit in advance or waive any right the City may have to recover actual lawful damages in any court of law under Colorado or other applicable law.

15. In connection with the performance of the services under this Agreement, the Bank agrees not to refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, marital status, or physical or mental disability; and further agrees to insert the foregoing provision in all approved subcontracts hereunder.

16. The parties agree that no employee of the City shall have any personal or beneficial interest whatsoever in the services or property described herein and the Bank further agrees not to hire or contract for the services of any employee or officer of the City which would be in violation of the Denver Revised Municipal Code Chapter 2, Article IV, Code of Ethics, or Denver City Charter provisions 1 .2.8, 1.2.9 and 1 .2.12.

17. The Bank consents to the use of electronic signatures by the City. This Agreement, and any other documents requiring a signature hereunder, may be signed electronically by the City in the manner specified by the City. The parties agree not to deny the legal effect or enforceability of this Agreement solely because it is in electronic form or because an electronic record was used in its formation. The parties agree not to object to the admissibility of this Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

18. The Paying Agent hereby notifies the City that pursuant to the requirements of the Patriot Act it is required to obtain, verify, and record information that identifies the City, which information includes the name and address of the City and other information that will allow the Paying Agent to identify the City in accordance with the Patriot Act. The City hereby agrees that it shall promptly provide such information upon request by the Paying Agent.

19. In the event of any conflict between the provisions of this Agreement and the provisions of the Bond Ordinance, the provisions of the Bond Ordinance shall be controlling.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Bank and the City have caused this Agreement to be duly executed and delivered as of the day and year first written.

CITY AND COUNTY OF DENVER,
COLORADO

(CITY)
(SEAL)

By: _____
Mayor

ATTEST:

By: _____
Clerk and Recorder, *Ex Officio*
Clerk of the City and County of Denver

Approved to form:

Registered and Countersigned:

By: _____
City Attorney

By: _____
Chief Financial Officer, as the Manager of
Finance/*Ex Officio* Treasurer

By: _____
Auditor

ZB, NATIONAL ASSOCIATION DBA
ZIONS BANK,
As Paying Agent, Registrar and Transfer
Agent

By: _____
Title: Vice President

DRAFT 01/16/2018

EXHIBIT A
BANK'S FEE SCHEDULE