

**TOWN OF CASTLE ROCK, COLORADO  
TAXABLE SALES AND USE TAX REVENUE REFUNDING BONDS  
SERIES 2020**

**BOND PURCHASE AGREEMENT**

\_\_\_\_\_, 2020

Town of Castle Rock, Colorado  
100 N. Wilcox Street  
Castle Rock, Colorado 80104

Ladies and Gentlemen:

Stifel, Nicolaus & Company, Incorporated (the “Underwriter”), acting on behalf of itself and not as an agent or fiduciary for you, offers to enter into this Bond Purchase Agreement (the “Purchase Agreement”) with the Town of Castle Rock, Colorado (the “Issuer”), which Purchase Agreement will be binding upon the Issuer and the Underwriter upon the acceptance hereof by the Issuer. This offer is made subject to its acceptance by the Issuer, by the execution of this Purchase Agreement and its delivery to the Underwriter on or before 11:59 p.m., Colorado time, on the date hereof. Capitalized terms used herein and not otherwise defined shall have the respective meanings given to such terms in the Bond Ordinance (as hereinafter defined).

1. Purchase and Sale. Upon the terms and conditions and upon the basis of the representations, warranties and agreements hereinafter set forth, the Underwriter hereby agrees to purchase for offering to the public, and the Issuer hereby agrees to cause to be delivered to the Underwriter all (but not less than all) of the \$ \_\_\_\_\_ aggregate principal amount of Town of Castle Rock, Colorado Taxable Sales and Use Tax Revenue Refunding Bonds, Series 2020 (the “Bonds”), at the interest rates and subject to the redemption provisions shown on Exhibit A hereto, which is incorporated herein by this reference.

The aggregate purchase price for the Bonds shall be \$ \_\_\_\_\_ (representing the aggregate principal amount of the Bonds, [plus][less] [net] original issue [premium][discount] of \$ \_\_\_\_\_, less an underwriting discount of \$ \_\_\_\_\_).

2. Description and Purpose of the Bonds. The Bonds shall be issued pursuant to a Bond Ordinance adopted by the Issuer on [September \_\_], 2020 (the “Bond Ordinance”).

The Bonds are being issued to: (i) refund certain of the Town’s outstanding Sales and Use Tax Revenue Bonds, Series 2013 (the “Refunded Bonds”), currently outstanding in the aggregate principal amount of \$18,015,000 (the “Refunding Project”); and (ii) pay the costs of issuing the 2020 Bonds.

3. Public Offering.

(a) The Underwriter agrees to make an initial bona fide public offering of all the Bonds at a price of 100% of the principal amount thereof. Subsequent to the initial public offering, the Underwriter reserves the right to change such initial offering price or prices as the Underwriter shall deem necessary in connection with the marketing of the Bonds and to offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the initial offering price or prices set forth in the hereinafter referred to Official Statement. The Underwriter also reserves the right (i) to engage in transactions that stabilize, maintain or otherwise affect the market price of the Bonds at a level above that which might otherwise prevail in the open market and (ii) to discontinue such transactions, if commenced, at any time.

(b) The Underwriter agrees to assist the Issuer in establishing the issue price of the Bonds and shall execute and deliver to the Issuer at Closing (as defined below) an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel (as defined below), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Bonds. All actions to be taken by the Issuer under this section to establish the issue price of the Bonds may be taken on behalf of the Issuer by the Town Finance Director.

(c) [Except as otherwise set forth in Exhibit A attached hereto,] the Issuer will treat the first price at which 10% of each maturity of the Bonds (the “10% test”), identified under the column “10% Test Used” in Exhibit A, is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Bonds, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date (as defined below) has occurred, until either (i) the Underwriter has sold all Bonds of that maturity or (ii) the 10% test has been satisfied as to the Bonds of that maturity, provided that, the Underwriter’s reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or Bond Counsel. For purposes of this section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Bonds.

(d) [The Underwriter confirms that it has offered the Bonds to the public on or before the date of this Purchase Agreement at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, identified under the column “Hold the Offering Price Rule Used,” as of the date of this Purchase Agreement, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the Issuer and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Issuer to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the “hold-the-offering-price rule”). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the

Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter will advise the Issuer promptly after the close of the fifth (5<sup>th</sup>) business day after the sale date whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.]

(e) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A)(i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided

that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(f) The Issuer acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Issuer further acknowledges that the Underwriter shall not be liable to the Issuer for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(g) The Underwriter acknowledges that sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) “public” means any person other than an underwriter or a related party;

(ii) “underwriter” means (A) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public);

(iii) a purchaser of any of the Bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership

(including direct ownership of the applicable stock or interests by one entity of the other)]; and

(iv) “sale date” means the date of execution of this Purchase Agreement by the Issuer and the Underwriter].

4. Delivery of Official Statement. Pursuant to the authorization of the Issuer, the Underwriter has distributed copies of the Preliminary Official Statement, dated [September 15, 2020], relating to the Bonds, which, together with the cover page and appendices thereto, is herein called the “Preliminary Official Statement.” By its acceptance of this proposal, the Issuer hereby approves and ratifies the distribution and use by the Underwriter of the Preliminary Official Statement. The Issuer has previously deemed the Preliminary Official Statement to be final as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”), except for information permitted to be omitted therefrom by Rule 15c2-12, and has executed a certificate to that effect in the form attached as Exhibit C.

The Issuer agrees to execute and deliver a final Official Statement (the “Official Statement”) in substantially the same form as the Preliminary Official Statement with such changes as may be made thereto, with the consent of the Issuer and the Underwriter, and to provide copies thereof to the Underwriter as set forth in Section 6(n) hereof. The Issuer hereby authorizes the Underwriter to use and distribute, in connection with the offer and sale of the Bonds: the Preliminary Official Statement, the Official Statement, the Bond Ordinance and other documents or contracts to which the Issuer is a party in connection with the transactions contemplated by this Purchase Agreement, including this Purchase Agreement and all information contained herein, and all other documents, certificates and statements furnished by the Issuer to the Underwriter in connection with the transactions contemplated by this Purchase Agreement.

5. The Closing. At 8:00 a.m., Mountain time, on [October 1, 2020] or at such other time or on such earlier or later business day as shall have been mutually agreed upon by the Issuer and the Underwriter (the “Closing Date”), the Issuer will cause to be executed and delivered: (i) the Bonds in book-entry form through the facilities of The Depository Trust Company, or its agent, on behalf of the Underwriter, (ii) the closing documents hereinafter mentioned, at the offices of Butler Snow LLP (“Bond Counsel”), in Denver, Colorado or another place to be mutually agreed upon by the Issuer and the Underwriter. The Underwriter will accept such delivery of the Bonds. This payment for and delivery of the Bonds, together with the execution and delivery of the aforementioned documents is herein called the “Closing.”

6. The Issuer’s Representations, Warranties and Covenants. The Issuer represents, warrants and covenants to the Underwriter that:

(a) Due Organization, Existence and Authority. The Issuer is a municipal corporation duly organized and validly existing under the Town’s Charter adopted pursuant to Article XX of the Constitution of the State of Colorado (the “State”) and at the date of closing will have full legal right, power and authority (i) to execute, deliver and perform its obligations under this Purchase Agreement, (ii) to adopt the Bond Ordinance and the Continuing Disclosure Undertaking, dated \_\_\_\_\_, 2020 executed by the Issuer (the “Continuing Disclosure Undertaking” and, collectively with the Purchase Agreement and the Bond Ordinance, the “Issuer Documents”) and (iii) to carry out and consummate the transactions contemplated by the Issuer Documents and the Official Statement.

(b) Due Authorization and Approval. By all necessary official action of the Issuer, the Issuer has duly authorized and approved the execution and delivery of, and the performance by the Issuer of the obligations contained or described in, the Preliminary Official Statement, the Official Statement and the Issuer Documents and as of the date hereof, such authorizations and approvals are in full force and effect and have not been amended, modified or rescinded. When executed and delivered by all signatory parties, each Issuer Document will, to the best of the Issuer's knowledge, constitute the legally valid and binding obligation of the Issuer enforceable in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance or similar laws or equitable principles relating to or affecting creditors' rights generally or by the exercise of judicial discretion in appropriate cases or by limitations on legal remedies against public agencies in the State of Colorado (the "State").

(c) Official Statement Accurate and Complete. To the best of the Issuer's knowledge, the Preliminary Official Statement was as of its date, and the Official Statement is, true and correct in all material respects, and the Preliminary Official Statement and the Official Statement contain no misstatement of any material fact and do not omit any statement necessary to make the statements contained therein, in the light of the circumstances in which such statements were made, not misleading (except no representation is made with respect to information relating to DTC or DTC's book-entry system).

(d) Underwriter's Consent to Amendments and Supplements to Official Statement. The Issuer will advise the Underwriter promptly of any proposal to amend or supplement the Official Statement and will not effect or consent to any such amendment or supplement without the consent of the Underwriter, which consent will not be unreasonably withheld. The Issuer will advise the Underwriter promptly of the institution of any proceedings known to it by any governmental agency prohibiting or otherwise affecting the use of the Official Statement in connection with the offering, sale or distribution of the Bonds.

(e) Issuer Agreement to Amend or Supplement Official Statement. If after the date of this Purchase Agreement and until 25 days after the end of the "underwriting period" (as defined in Rule 15c2-12), any event occurs as a result of which the Official Statement as then amended or supplemented would include an untrue statement of a material fact, or omit to state any material fact necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading, and, in the reasonable opinion of the Underwriter, an amended or supplemented Official Statement should be delivered in connection with the offers or sales of the Bonds to reflect such event, the Issuer promptly will prepare at its expense an amendment or supplement which will correct such statement or omission and the Issuer shall promptly furnish to the Underwriter a reasonable number of copies of such amendment or supplement. The Underwriter hereby agrees to deposit the Official Statement with the Municipal Securities Rulemaking Board. The Underwriter acknowledges that the end of the "underwriting period" will be the date of Closing.

(f) No Material Change in Finances. Except as otherwise described in the Official Statement, there shall not have been any material adverse changes in the financial condition of the Issuer since December 31, 2019.

(g) No Breach or Default. As of the time of acceptance hereof, and all to the best of the Issuer's knowledge: (A) the Issuer is not in default, nor has it been in default, as to principal or interest with respect to an obligation issued by the Issuer, and (B) the Issuer is not, in any manner which would materially adversely affect the transactions contemplated by the Issuer Documents, (i) in breach of or in default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment or decree or any trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Issuer is a party or is otherwise subject, and, (ii) no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute, in any manner which would materially adversely affect the transactions contemplated by the Issuer Documents, a default or event of default under any such instrument; and, (iii) as of such time, the authorization, execution and delivery of the Issuer Documents and compliance with the provisions of each of such agreements or instruments do not in any manner which would materially adversely affect the transactions contemplated by the Issuer Documents, conflict with or constitute a breach of or default under any applicable constitutional provision, law or administrative rule or regulation of the State or the United States, or any applicable judgment, decree, license, permit, trust agreement, loan agreement, bond, note, resolution, ordinance, agreement or other instrument to which the Issuer (or any of its officers in their respective capacities as such) is subject, or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument, except as may be provided by the Issuer Documents.

(h) No Litigation. As of the time of acceptance hereof, to the best knowledge of the Issuer, no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, is pending or threatened (A) in any way questioning the corporate existence of the Issuer or the titles of the officers of the Issuer to their respective offices; (B) affecting, contesting or seeking to prohibit, restrain or enjoin the execution or delivery of any of the Bonds, or in any way contesting or affecting the validity of the Bonds or the Issuer Documents or the consummation of the transactions contemplated thereby, or contesting the powers of the Issuer to enter into the Issuer Documents; (C) which, except as described in the Official Statement, may result in any material adverse change to the financial condition of the Issuer or to the sufficiency of Pledged Revenues to pay the principal of and interest on the Bonds when due; or (D) contesting the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or asserting that the Preliminary Official Statement or the Official Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, and there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in clauses (A) through (D) of this sentence.

(i) No Prior Liens on Pledged Revenues. Except as otherwise described in the Official Statement, the Issuer does not and will not have outstanding any indebtedness which indebtedness is secured by a lien on the Pledged Revenues superior to or equal to the lien of the Bonds on the Pledged Revenues.

(j) Further Cooperation: Blue Sky. The Issuer will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order (A) to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate and (B) to determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and will use its best efforts to continue such qualifications in effect so long as required for the distribution of the Bonds; provided, however, that the Issuer shall not be required to execute a general or special consent to service of process or qualify to do business in connection with any such qualification or determination in any jurisdiction.

(k) Consents and Approvals. All authorizations, approvals, licenses, permits, consents and orders of or filings with any governmental authority, legislative body, board, agency or commission having jurisdiction in the matters which are required for the due authorization of, which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Issuer of its obligations in connection with the Issuer Documents have been duly obtained or made, except as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds.

(l) No Other Obligations. Between the date of this Purchase Agreement and the date of Closing, the Issuer will not, without the prior written consent of the Underwriter, offer or issue any bonds, notes or other obligations for borrowed money, or incur any material liabilities, directly or contingently payable from the Pledged Revenues.

(m) Certificates. Any certificate signed by any official of the Issuer and delivered to the Underwriter shall be deemed to be a representation and warranty by the Issuer to the Underwriter as to the statements made therein.

(n) Provision of Official Statement. The Issuer hereby covenants and agrees that no later than the date of Closing, the Issuer shall cause final printed copies of the Official Statement to be delivered to the Underwriter in such number of copies as shall reasonably be requested by the Underwriter.

(o) Continuing Disclosure. Except as disclosed in the Preliminary Official Statement, for the previous five years, the Issuer has been and the Issuer is currently in compliance with all continuing disclosure undertakings that it has entered into pursuant to Rule 15c2-12 in all material respects.

7. Closing Conditions. The Underwriter has entered into this Purchase Agreement in reliance upon the representations, warranties and covenants herein and the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the date of the Closing. The Underwriter's obligations under this Purchase Agreement to purchase and pay for the Bonds shall be subject to the following additional conditions:

(a) Bring-Down Representation. The representations, warranties and covenants of the Issuer contained herein, shall be true, complete and correct at the date hereof and at the time of the Closing, as if made on the date of the Closing.



(i) Executed Agreements and Performance Thereunder. At the time of the Closing (i) the Issuer Documents shall be in full force and effect, and shall not have been amended, modified or supplemented except with the written consent of the Underwriter, (ii) there shall be in full force and effect such ordinances and resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated by the Official Statement and the Issuer Documents, (iii) the Issuer shall perform or have performed its obligations required or specified in the Issuer Documents to be performed at or prior to Closing, and (iv) the Official Statement shall not have been supplemented or amended, except pursuant to Paragraphs 6(d) and 6(e) hereof or as otherwise may have been agreed to in writing by the Underwriter.

(ii) No Default. At the time of the Closing, no default, or any event that with the passage of time would be reasonably likely to result in default, shall have occurred or be existing under the Resolutions, the Issuer Documents, or any other agreement or document pursuant to which any of the Issuer's financial obligations were issued and the Issuer shall not be in default in the payment of principal or interest on any of its financial obligations which default would materially adversely impact the ability of the Issuer to pay the principal of and interest on the Bonds.

(b) Termination Events. The Underwriter shall have the right to cancel its obligation to purchase the Bonds and to terminate this Purchase Agreement, without liability therefor, by written notification to the Issuer if, between the date of this Purchase Agreement to and including the Closing, in the Underwriter's sole and reasonable judgment any of the following events shall occur:

(i) any event shall occur which causes any statement contained in the Official Statement to be materially misleading or results in a failure of the Official Statement to state a material fact necessary to make the statements in the Official Statement, in the light of the circumstances under which they were made, not misleading, and to which the Issuer has failed to cure after being given notice and reasonable opportunity to cure such misstatement or omission; or

(ii) the marketability of the Bonds or the market price thereof has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation in or by the Congress of the United States or by the State, or the amendment of legislation pending as of the date of this Purchase Agreement in the Congress of the United States, or the recommendation to Congress or endorsement for passage (by press release, other form of notice or otherwise) of legislation by the President of the United States, the Treasury Department of the United States, the Internal Revenue Service or the Chairman or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, or the proposal for consideration of legislation by either such Committee or by any member thereof, or the presentment of legislation for consideration as an option by either such Committee, or by the staff of the Joint Committee on Taxation of the Congress of the United States, or the favorable reporting for passage of legislation to either House of the Congress of the United States by a Committee of such House to which such legislation has been referred for consideration, or any decision of any federal or State

court or any ruling or regulation (final, temporary or proposed) or official statement on behalf of the United States Treasury Department, the Internal Revenue Service or other federal or State authority materially adversely affecting the federal or State tax status of the Issuer, or the status of the interest on bonds or notes or obligations of the general character of the Bonds; or

(iii) any legislation, ordinance, rule or regulation shall be introduced in, or be enacted by any governmental body, department or agency of the State, or a decision by any court of competent jurisdiction within the State or any court of the United States shall be rendered, which materially adversely affects the market price of the Bonds; or

(iv) legislation shall be enacted by the Congress of the United States, or a decision by a court of the United States shall be rendered, or a stop order, ruling, regulation or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the execution, delivery, offering or sale of obligations of the general character of the Bonds, or the execution, delivery, offering or sale of the Bonds, including all underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of, or that obligations of the general character of the Bonds, or the Bonds, are not exempt from registration under, any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, or that the Bond Ordinance needs to be qualified under the Trust Indenture Act of 1939, as amended and as then in effect; or

(v) additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange which restrictions materially adversely affect the Underwriter's ability to trade the Bonds; or

(vi) a general banking moratorium shall have been established by federal or state authorities or any material disruption in commercial banking or securities settlement or clearance services, including, but not limited to, those of DTC, shall have occurred; or

(vii) the market price or marketability of the Securities, or the ability of the Underwriters to enforce contracts for the sale of the Securities, shall be materially adversely affected by any of the following events:

(A) there shall have occurred (i) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (ii) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis; or

(B) a general suspension of trading on the New York Stock Exchange or other major exchange shall be in force, or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in

force on any such exchange, whether by virtue of determination by that exchange or by order of the SEC or any other governmental authority having jurisdiction; or

(viii) any rating of the securities of the Issuer reflecting the creditworthiness of the Issuer shall have been downgraded, suspended, withdrawn or have had any action taken with respect thereto by a national rating service, which, in the Underwriter's reasonable opinion, materially adversely affects the marketability or market price of the Bonds; or

(ix) the commencement of any action, suit or proceeding described in Paragraph 6(h) hereof which, in the reasonable judgment of the Underwriter, materially adversely affects the market price of the Bonds.

(c) Closing Documents. At or prior to the Closing, the Underwriter shall receive with respect to the Bonds the following documents:

(i) Bond Opinion. An approving opinion of Bond Counsel dated the date of the Closing and substantially in the form included as Appendix E to the Official Statement, together with a letter from such counsel, dated the date of the Closing and addressed to the Underwriter, to the effect that the foregoing opinion addressed to the Issuer may be relied upon by the Underwriter to the same extent as if such opinion were addressed to it.

(ii) Supplemental Opinion. A supplemental opinion or opinions of Bond Counsel addressed to the Underwriter, in form and substance acceptable to the Underwriter, and dated the date of the Closing substantially to the following effect:

(A) The Purchase Agreement has been duly authorized, executed and delivered by the Issuer and is a valid and binding agreement of the Issuer enforceable in accordance with its terms, except that the rights and obligations under the Purchase Agreement are subject to bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance and other similar laws affecting creditors' rights, to the application of equitable principles if equitable remedies are sought, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against public agencies in the State; and

(B) The statements contained in the Official Statement on the cover page and under the captions "INTRODUCTION," "THE 2020 BONDS; PRIOR REDEMPTION," and "TAX MATTERS" and in Appendix A and Appendix E thereto, insofar as such statements purport to summarize certain provisions of the Bonds, the Bond Ordinance, State law and Bond Counsel's opinions concerning certain federal and State tax matters relating to the Bonds, are accurate in all material respects as of the date of the Official Statement and as of the date of Closing.

(iii) Opinion of Issuer Attorney. An opinion of Michael J. Hyman, as Town Attorney, dated the date of the Closing and addressed to the Underwriter, in form and substance acceptable to the Underwriter, relating to: (A) the due organization of the Issuer, (B) the officials of the Issuer named in the Official Statement have been duly elected or appointed to and are as of the date hereof qualified to serve in their respective positions, (C) the due authorization, execution and delivery of the Issuer Documents, (D) the enforceability of the Issuer Documents, against the Issuer, (E) the information respecting the Issuer in certain sections of the Preliminary Official Statement and the Official Statement, (F) the absence of any material litigation involving the Issuer, (G) the adoption of the Bond Ordinance; and (H) such other matters as may be reasonably required.

(iv) Underwriter's Counsel Opinion. An opinion of Stradling, Yocca, Carlson & Rauth, a Professional Corporation, counsel to the Underwriter ("Underwriter's Counsel"), dated the date of Closing and addressed to the Underwriter in form and substance acceptable to the Underwriter.

(v) Issuer Certificate. A certificate of the Issuer, dated the date of the Closing, signed on behalf of the Issuer by the Town Finance Director or other duly authorized officer of the Issuer to the effect that:

(A) The representations, warranties and covenants of the Issuer contained in the Purchase Agreement are true and correct in all material respects on and as of the date of the Closing as if made on the date of the Closing and the Issuer has complied with all of the terms and conditions of the Purchase Agreement required to be complied with by the Issuer at or prior to the date of the Closing;

(B) No event affecting the Issuer has occurred since the date of the Official Statement which has not been disclosed therein or in any supplement or amendment thereto which event should be disclosed in the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (except no representation is made with respect to information relating to DTC or DTC's book-entry system); and

(C) No event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute an event of default under the Issuer Documents.

(vi) Disclosure Counsel Opinion. A letter of Butler Snow LLP, as disclosure counsel to the Issuer ("Disclosure Counsel"), addressed to the Underwriter and the Issuer, to the effect that, based upon the information made available to them in the course of their participation in the preparation of the Preliminary Official Statement and the Official Statement and without passing on and without assuming any responsibility for the accuracy, completeness and fairness of the statements in the Preliminary Official Statement and the Official Statement, and having made no independent investigation or verification thereof, and stated as a matter of fact and not opinion that, during the course of its representation of the Issuer on this matter, no

facts came to the attention of the attorneys in its firm rendering legal services in connection with the Preliminary Official Statement and the Official Statement which caused them to believe that the Preliminary Official Statement, as of its date and as of the date hereof, or the Official Statement, as of its date and as of the date of the Closing (except information relating to DTC and its book-entry system, which shall be expressly excluded from the scope of this paragraph and as to which such firm will express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(vii) Transcripts. One transcript of all proceedings relating to the authorization and issuance of the Bonds.

(viii) Official Statement. The Official Statement and each supplement or amendment, if any, thereto, executed on behalf of the Issuer by duly authorized officers of the Issuer.

(ix) Issuer Documents. An original executed copy of each of the Issuer Documents.

(x) Rating. evidence that the Bonds have an insured rating of “\_\_\_” and an underlying rating of “\_\_\_” by \_\_\_\_\_.

(xi) Additional Documents. Such additional certificates, instruments and other documents as the Underwriter may reasonably deem necessary.

If the Issuer shall be unable to satisfy the conditions contained in this Purchase Agreement, or if the obligations of the Underwriter shall be terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Underwriter nor the Issuer shall be under further obligation hereunder, except as further set forth in Section 8 hereof.

8. Expenses. The Underwriter shall be under no obligation to pay and the Issuer shall pay or cause to be paid the expenses incident to the performance of the obligations of the Issuer hereunder including but not limited to (a) the costs of the preparation and printing, or other reproduction (for distribution on or prior to the date hereof) of the Issuer Documents and the cost of preparing, printing, issuing, and delivering the Bonds, (b) the fees and disbursements of any counsel, financial advisors, accountants, or other experts or consultants retained by the Issuer; (c) the fees and disbursements of Bond Counsel, Disclosure Counsel and Town Counsel; (d) the cost of printing the Official Statement and any supplements and amendments thereto, including the requisite number of copies thereof for distribution by the Underwriter; (e) charges of rating agencies for any rating with respect to the Bonds; (f) expenses (included in the expense component of the Underwriter’s spread) incurred on behalf of the Issuer’s officers or employees which are incidental to implementing this Purchase Agreement, including, but not limited to, meals, transportation, lodging, and entertainment of those officers or employees; (g) CUSIP Service Bureau fees and charges; and (h) fees of any trustee or paying agent.

The Underwriter shall pay and the Issuer shall be under no obligation to pay all expenses incurred by it in connection with the public offering and distribution of the Bonds, including any

advertising expenses, and the Underwriter shall pay any costs and expenses incurred in connection with the preparation and distribution of any blue sky surveys or any legal investment memoranda and the costs and fees of Underwriter's Counsel.

9. Notice. Any notice or other communication to be given to the Issuer under this Purchase Agreement may be given by delivering the same in writing to the Town of Castle Rock, Colorado, 100 N. Wilcox Street, Castle Rock, Colorado 80104, Attention: Town Finance Director. Any notice or other communication to be given to the Underwriter under this Purchase Agreement may be given by delivering the same in writing to Stifel, Nicolaus & Company, Incorporated, 1401 Lawrence Street, Suite 900, Denver, Colorado 80202, Attention: Josh Benninghoff.

10. Entire Agreement. This Purchase Agreement, when accepted by the Issuer shall constitute the entire agreement among the Issuer and the Underwriter with respect to the subject matter hereof and is made solely for the benefit of the Issuer, and the Underwriter (including the successors of the Underwriter). No other person shall acquire or have any right hereunder by virtue hereof, except as provided herein.

11. No Advisory or Fiduciary Role. The Issuer acknowledges and agrees that: (a) the purchase and sale of the Bonds pursuant to this Purchase Agreement is an arm's-length commercial transaction between the Issuer and the Underwriter; (b) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as the agent, advisor or fiduciary of the Issuer; (c) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the Issuer with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Issuer on other matters) and the Underwriter has no obligation to the Issuer with respect to the offering contemplated hereby except the obligations expressly set forth in this Purchase Agreement; (d) the Underwriter is not acting as municipal advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended); and (e) the Issuer has consulted its own legal, financial and other advisors to the extent they deemed appropriate in connection with the offering of the Bonds.

12. Benefit. This Purchase Agreement is made solely for the benefit of the Issuer and the Underwriter (including the successors thereof) and no other person, partnership or association, shall acquire or have any right hereunder or by virtue hereof. All representations and agreements by the Issuer in this Purchase Agreement shall remain operative and in full force and effect except as otherwise provided herein, regardless of any investigations made by or on behalf of the Underwriter and shall survive the delivery of and payment of the Bonds.

13. Counterparts. This Purchase Agreement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

14. Severability. In case any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision hereof.

15. State Law Governs. THE VALIDITY, INTERPRETATION AND PERFORMANCE OF THIS PURCHASE AGREEMENT SHALL BE GOVERNED BY THE LAWS OF THE STATE OF COLORADO.

16. No Assignment. The rights and obligations created by this Purchase Agreement shall not be subject to assignment by the Underwriter or the Issuer without the prior written consent of the other parties hereto.

STIFEL, NICOLAUS & COMPANY,  
INCORPORATED

By: \_\_\_\_\_  
Authorized Officer

Accepted as of \_\_\_\_\_ p.m.:

TOWN OF CASTLE ROCK, COLORADO

By: \_\_\_\_\_  
Finance Director



**EXHIBIT A**

**MATURITY SCHEDULE**

**TOWN OF CASTLE ROCK, COLORADO  
TAXABLE SALES AND USE TAX REVENUE REFUNDING BONDS SERIES 2020**

**MATURITY SCHEDULE**

<i>Maturity Date (June 1)</i>	<i>Principal Amount</i>	<i>Interest Rate</i>	<i>Yield</i>	<i>Initial Offering Price</i>	<i>10% Test Used</i>	<i>Hold the Offering Price Rule Used</i>
	\$	%				

<sup>C</sup> Yield to the first optional redemption date of June 1, 20\_\_, at par.]

<sup>T</sup> Term Bond]

**Optional Redemption of Bonds.** The Bonds maturing on and before June 1, 20\_\_, are not subject to redemption prior to their respective maturity dates. The Bonds maturing on and after June 1, 20\_\_ are subject to redemption prior to maturity, at the option of the Town, in whole or in part, and if in part in such order of maturities as the Town will determine and by lot within a maturity, on June 1, 20\_\_, and on any date thereafter, at a redemption price equal to the principal amount thereof (with no redemption premium), plus accrued interest to the redemption date.

***Mandatory Sinking Fund Redemption.*** The Bonds maturing on June 1, 20\_\_ are subject to mandatory sinking fund redemption by lot on June 1 of the years and in the principal amounts specified below, at a redemption price equal to the principal amount thereof (with no redemption premium), plus accrued interest to the redemption date:

<b>Redemption Date</b>	<b>Principal Amount</b>
------------------------	-------------------------

20__	
20__ <sup>1</sup>	

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<sup>1</sup> Final maturity; not a sinking fund redemption payment.

The Bonds maturing on June 1, 20\_\_ are subject to mandatory sinking fund redemption by lot on June 1 of the years and in the principal amounts specified below, at a redemption price equal to the principal amount thereof (with no redemption premium), plus accrued interest to the redemption date:

<b>Redemption Date</b>	<b>Principal Amount</b>
------------------------	-------------------------

20__	
20__ <sup>1</sup>	

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<sup>1</sup> Final maturity; not a sinking fund redemption payment.

At its option, to be exercised on or before the forty-fifth (45<sup>th</sup>) day next preceding each sinking fund redemption date, the Town may (i) deliver to the Paying Agent for cancellation any Bonds with the same maturity date as the Bonds subject to such sinking fund redemption and (ii) receive a credit in respect of its sinking fund redemption obligation for any Bonds with the same maturity date as the Bonds subject to such sinking fund redemption which prior to such date have been redeemed (otherwise than through the operation of the sinking fund) and cancelled by the Paying Agent and not theretofore applied as a credit against any sinking fund redemption obligation. Each Bond so delivered or previously redeemed shall be credited by the Paying Agent at the principal amount thereof to the obligation of the Town on such sinking fund redemption date, and the principal amount of Bonds to be redeemed by operation of such sinking fund on such date shall be accordingly reduced.

## EXHIBIT B

### TOWN OF CASTLE ROCK, COLORADO TAXABLE SALES AND USE TAX REVENUE REFUNDING BONDS SERIES 2020

#### FORM OF ISSUE PRICE CERTIFICATE

The undersigned, on behalf of Stifel, Nicolaus & Company, Incorporated (“Stifel”) hereby certifies as set forth below with respect to the sale and issuance of the above-captioned bonds (the “Bonds”).

1. ***Sale of the General Rule Maturities.*** As of the date of this certificate, for each Maturity of the General Rule Maturities, the first price at which at least 10% of such Maturity was sold to the Public is the respective price listed in Schedule A.

2. ***[Initial Offering Price of the Hold-the-Offering-Price Maturities.***

(a) Stifel offered the Hold-the-Offering-Price Maturities to the Public for purchase at the respective initial offering prices listed in Schedule A (the “Initial Offering Prices”) on or before the Sale Date. A copy of the pricing wire or equivalent communication for the Bonds is attached to this certificate as Schedule B.

(b) As set forth in the Bond Purchase Agreement, dated \_\_\_\_\_, 2020, by and between Stifel and the Issuer, Stifel has agreed in writing that, (i) for each Maturity of the Hold-the-Offering-Price Maturities, it would neither offer nor sell any of the Bonds of such Maturity to any person at a price that is higher than the Initial Offering Price for such Maturity during the Holding Period for such Maturity (the “hold-the-offering-price rule”), and (ii) any selling group agreement shall contain the agreement of each dealer who is a member of the selling group, and any retail distribution agreement shall contain the agreement of each broker-dealer who is a party to the retail distribution agreement, to comply with the hold-the-offering-price rule. Pursuant to such agreement, no Underwriter (as defined below) has offered or sold any Maturity of the Hold-the-Offering-Price Maturities at a price that is higher than the respective Initial Offering Price for that Maturity of the Bonds during the Holding Period.]

3. ***Defined Terms.***

(a) *General Rule Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “General Rule Maturities.”

(b) *[Hold-the-Offering-Price Maturities* means those Maturities of the Bonds listed in Schedule A hereto as the “Hold-the-Offering-Price Maturities.”

(c) *Holding Period* means, with respect to a Hold-the-Offering-Price Maturity, the period starting on the Sale Date and ending on the earlier of (i) the close of the fifth business day after the Sale Date (\_\_\_\_\_, 2020), or (ii) the date on which Stifel has sold at least 10% of such Hold-the-Offering-Price Maturity to the Public at prices that are no higher than the Initial Offering Price for such Hold-the-Offering-Price Maturity.]

(d) *Issuer* means the Town of Castle Rock, Colorado.

(e) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(f) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(g) [*Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is \_\_\_\_\_, 2020.

(h) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).]

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Stifel’s interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Butler Snow LLP in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Bonds.

STIFEL, NICOLAUS & COMPANY,  
INCORPORATED

By: \_\_\_\_\_

Name: \_\_\_\_\_

Dated: \_\_\_\_\_, 2020

**SCHEDULE A**  
**SALE PRICES OF THE GENERAL RULE MATURITIES [AND INITIAL OFFERING**  
**PRICES OF THE HOLD-THE-OFFERING-PRICE MATURITIES]**

*(Attached)*

**[SCHEDULE B  
PRICING WIRE OR EQUIVALENT COMMUNICATION**

*(Attached)*

**EXHIBIT C**

\$ \_\_\_\_\_\*

**TOWN OF CASTLE ROCK, COLORADO**  
**TAXABLE SALES AND USE TAX REVENUE REFUNDING BONDS SERIES 2020**

**RULE 15c2-12 CERTIFICATE**

The undersigned hereby certifies and represents to Stifel, Nicolaus & Company, Incorporated (the “Underwriter”) that the undersigned is a duly appointed and acting officer of the Town of Castle Rock, Colorado (the “Issuer”) authorized to execute this Certificate, and further hereby certifies and confirms on behalf of the Issuer to the Underwriter as follows:

(1) This Certificate is delivered to enable the Underwriter to comply with Securities and Exchange Commission Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”) in connection with the offering and sale of the Issuer’s Water Revenue Improvement Bonds, Series 2020 (the “Bonds”).

(2) In connection with the offering and sale of the Bonds, there has been prepared a Preliminary Official Statement, dated [September 15, 2020], setting forth information concerning the Bonds, the Issuer, as issuer of the Bonds (the “Preliminary Official Statement”).

(3) As used herein, “Permitted Omissions” shall mean the offering price(s), interest rate(s), selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings and other terms of the Bonds depending on such matters and the identity of the underwriter(s), all with respect to the Bonds.

(4) The Preliminary Official Statement is, except for the Permitted Omissions, deemed final within the meaning of the Rule and has been, and the information therein is accurate and complete in all material respects except for the Permitted Omissions.

IN WITNESS WHEREOF, I have hereunto set my hand as of the \_\_ day of September, 2020.

TOWN OF CASTLE ROCK, COLORADO

By \_\_\_\_\_  
Finance Director

\_\_\_\_\_  
\* Preliminary, subject to change.