

PLACEMENT AGENT AGREEMENT

_____, 2020

Eastmark Community Facilities District No. 1
(City of Mesa, Arizona)
c/o City of Mesa, Arizona
P.O. Box 1466
Mesa, Arizona 85211-1466

Re: Eastmark Community Facilities District No. 1 (City of Mesa, Arizona)
Assessment District No. 12 Special Assessment Revenue Bonds, Series 2021

Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) (the “Issuer”) proposes to issue, offer, and sell in a private placement the above-referenced obligations of the Issuer (the “Bonds”) issued for the purpose of financing the costs of certain public infrastructure, funding a deposit to debt service reserve fund, and paying costs incurred in connection with the issuance of the Bonds, pursuant to a Resolution of the Board of Directors of the Issuer (the “District Board”) adopted on October 15, 2020 (the “Resolution”).

This Placement Agent Agreement (this “Agreement”) confirms the agreement between the Issuer and Stifel, Nicolaus & Company, Incorporated (the “Placement Agent”) as follows:

1. Engagement. The Issuer hereby engages the Placement Agent as its exclusive agent to assist the Issuer in placing the Bonds on a best efforts basis with one or more purchasers, each a “qualified institutional buyer” as defined in Rule 144A under the Securities Act of 1933 (the “Securities Act”) or an “accredited investor,” as defined in Rule 501(a)(1), (2), (3), or (7) under the Securities Act, as represented by each purchaser in an executed Investor Letter in the form attached as Exhibit C hereto (the “Purchaser,” or the “Purchasers”), on a private placement basis (the “Placement”). Sale and delivery of the Bonds by the Issuer and purchase by the Purchasers will occur on the day of closing (“Closing Date”). The Issuer acknowledges and agrees that the Placement Agent’s engagement hereunder is not an agreement by the Placement Agent or any of its affiliates to underwrite or purchase the Bonds or otherwise provide any financing to the Issuer. The Placement Agent hereby accepts this engagement upon the terms and conditions set forth in this Agreement.
2. Fees and Expenses.
 - (a) For its services under this Agreement, the Issuer agrees to pay the Placement Agent:

- (1) a placement fee for its services under this Agreement of \$_____, payable on the Closing Date; and
 - (2) as reimbursement, the reasonable expenses incurred by the Placement Agent in preparing to market and marketing the Bonds, including, but not limited to, travel, fees, and disbursements of counsel to the Placement Agent and printing and distribution of the Placement Materials (as defined herein), whether or not a closing occurs, upon the earlier of receipt of an invoice or on the Closing Date; provided that the Placement Agent shall be under no obligation to pay any expenses incident to this Agreement.
- (b) In the event the Issuer terminates this Agreement and within twelve (12) months thereafter sells the Bonds to an investor identified by the Placement Agent to the Issuer prior to such termination, the amounts payable under (a)(2) above shall be immediately due and payable by the Issuer.

3. Disclosure and Due Diligence.

- (a) The Issuer has furnished the Placement Agent with [(A): the private placement memorandum, dated _____, 2020 (the “Placement Memorandum”)] [and/or (B) a term sheet accompanied by _____,] together with the form of the Resolution [and statistical and other information about the Issuer] (together with all supplements, modifications, and additions thereto prior to the Closing Date, the “Placement Materials”). The Issuer acknowledges and agrees that it has, with the assistance of the Placement Agent, prepared and is solely responsible for the completeness, truth, and accuracy of the Placement Materials and that the Placement Agent and each Purchaser may rely upon, as complete, true, and accurate, the Placement Materials and all information provided by the Issuer to the Placement Agent for use in connection with the Placement and that the Placement Agent does not assume any responsibility therefor.
- (b) Prior to the Closing Date, the Issuer will make available to each Purchaser and the Placement Agent such documents and other information which the Purchaser or the Placement Agent reasonably deems appropriate with respect to the transaction contemplated hereby, will provide access to its officers, directors, employees, accountants, counsel and other representatives, and will provide each Purchaser and the Placement Agent the opportunity to ask questions and receive answers from knowledgeable individuals, including Hilltop Securities Inc., as financial advisor to the Issuer, and Sherman & Howard L.L.C., bond counsel to the Issuer (“Bond

Counsel”) (whose opinion each shall receive and upon which they may rely) concerning the Issuer, the Bonds, and the security therefor; it being understood that the Purchasers and the Placement Agent will rely solely upon such information supplied by the Issuer and its representatives without assuming any responsibility for independent investigation or verification thereof.

- (c) In the event that the Placement Agent is unable to complete “due diligence” in order to form a reasonable basis for recommending the Bonds to Purchasers either (1) because of the Issuer’s failure to comply with paragraph (a) or (b) of this paragraph or (2) because the Placement Agent uncovers “red flags” about the Issuer that cause the Placement Agent to be not satisfied that the Placement Agent can in good faith recommend the Bonds to Purchasers, the Placement Agent may terminate this Agreement without further obligation on the part of the Placement Agent to proceed with the Placement and without any obligation on the part of the Placement Agent to reimburse to the Issuer any monies advanced by the Issuer to the Placement Agent.

4. Representations, Warranties, and Agreements of the Issuer. As of the date of this Agreement, unless otherwise stated, the undersigned, on behalf of the Issuer, but not individually, represents, warrants, and agrees with the Placement Agent that:

- (a) The Issuer is duly organized and validly existing under the laws of the State of Arizona (the “State”) with the power to adopt the Resolution, perform the agreements on its part contained therein and in the agreements approved thereby and cause the issuance of the Bonds.
- (b) The Issuer will not cause or permit any action to be taken in the placement of the Bonds in violation of the requirements for exemption from registration or qualification of the Bonds under all federal and applicable state securities laws and regulations.
- (c) The Issuer has complied materially, and in all respects on the Closing Date will be in material compliance, with all of the provisions of applicable law of the State.
- (d) The Issuer: (1) has duly authorized and approved the execution and delivery of this Agreement; (2) will adopt and on the Closing Date will have duly adopted the Resolution; (3) will duly authorize and approve the Placement Materials and the delivery thereof to prospective Purchasers; and (4) will duly authorize and approve the execution and delivery of all financing or operative documents, including the Bonds, this Placement Agent Agreement, the Bond

Registrar, Transfer Agent and Paying Agent Contract, to which the Issuer is a party, the Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Waiver and Development Agreement Pertaining to the To Be Formed Assessment District No. 12, to which the Issuer is a party, the Community Facilities District Assessment Collection Agreement, to which the Issuer is a party, relating to the issuance and security for the Bonds, as such documents are amended and supplemented to the Closing Date, including but not limited to any trust indenture, loan agreement, or security instrument (collectively, the “Financing Documents”), and the performance of its obligations and the consummation by it of all other transactions contemplated thereby.

- (e) On the Closing Date, the Financing Documents will have been duly authorized, executed, and delivered by the Issuer, and, assuming due authorization, execution and delivery by the other parties thereto, as applicable, constitute legal, valid and binding agreements of the Issuer enforceable in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, moratorium, reorganization, fraudulent conveyance or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles if sought and by the limitations on legal remedies imposed on actions against the Issuer in the State.
- (f) The Issuer is not, and on the Closing Date will not be, in breach of or default under any applicable law or administrative regulation of the State or any department, division, agency or instrumentality thereof, or of the United States, or any applicable judgment or decree or any loan agreement, note, resolution, certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject, which breach or default would materially and adversely affect the Issuer or its ability to perform its duties and obligations under the Financing Documents, and the execution and delivery of the Financing Documents, the adoption of the Resolution and the issuance of the Bonds and compliance with the provisions of each will not conflict with or constitute a breach of or default under any applicable law or administrative regulation of the State or under any certificate, agreement or other instrument to which the Issuer is a party or is otherwise subject, which breach or default would materially and adversely affect the Issuer or its ability to perform its duties and obligations under the Financing Documents and the Bonds.
- (g) No action, suit, proceeding or investigation at law or in equity before or by any court, governmental agency, public board or body is, or

on the Closing Date will be, pending or, to the knowledge of the Issuer, threatened: (i) in any way affecting the existence of the Issuer or the titles of the members of the District Board to their respective offices, (ii) seeking to prohibit, restrain or enjoin the issuance, sale or delivery of the Bonds or the levy, assessment or collection of the Special Assessments from which principal of and interest on the Bonds are to be paid pursuant to the Bond Resolution or payment by the Issuer of any amounts pledged or to be pledged as security to pay the principal of and interest on Bonds, (iii) in any way contesting or affecting the validity or enforceability of, or the power or authority of the Issuer to issue, adopt or to enter into (as applicable), the Bonds, the Resolution or the Financing Documents, (iv) contesting in any way the completeness, truth, or accuracy of the Placement Materials, (v) except as disclosed in the Placement Materials, wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position or condition of the Issuer or would result in any material adverse change in the ability of the Issuer to pledge or apply the security or source of payment of, or to pay debt service on the Bonds, or (vi) contesting the status of the interest on the Bonds as excludable from gross income for federal income tax purposes or as exempt from any applicable state tax, in each case as described in the Placement Materials.

(h) Regarding information provided by the Issuer to the Placement Agent:

(1) (i) [when there is no Placement Memorandum] The Issuer will furnish the Placement Agent and the Purchaser with the Placement Materials. The Issuer represents and warrants that all information made available to the Placement Agent by the Issuer or contained in the Placement Materials, when provided will be, and will be at all times thereafter during the period of the engagement of the Placement Agent hereunder, be complete, true, and accurate in all material respects and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in light of the circumstances under which such statements are made; or

(ii) [when there is a Placement Memorandum] The Placement Memorandum, when provided will be, complete, true, and accurate in all material respects and when provided will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in light of the circumstances under which such statements are made;

- (2) except as otherwise indicated to the contrary in the Issuer's financial statements, all historical financial statements of the Issuer provided to the Placement Agent and each Purchaser has been prepared in accordance with generally accepted accounting principles and practices then in effect in the United States and will fairly present the financial condition and operations of the entities covered thereby in all material respects; and
 - (3) any forecasted financial or market information with respect to the Issuer or its market provided to the Placement Agent and each Purchaser by the Issuer has been or will be prepared in good faith with a reasonable basis for the assumptions and the conclusions reached therein.
- (i) On the Closing Date, the Issuer will deliver or cause to be delivered to the Placement Agent:
- (1) The opinion of Bond Counsel, dated the Closing Date relating to:
 - (i) the validity of the Bonds;
 - (ii) exemption from registration and qualification under federal and state securities law; and
 - (iii) the tax-exempt status of the Bonds, together with a reliance letter from such counsel, dated the Closing Date and addressed to the Placement Agent, in the form attached to this Agreement as Exhibit A, or such other form as is acceptable to the Placement Agent;
 - (2) A certificate of the Issuer, dated the Closing Date, in the form attached to this Agreement as Exhibit B, stating:
 - (i) the representations and warranties of the Issuer contained in this Agreement are true and correct as if made on the Closing Date;
 - (ii) the Issuer has complied with and fully satisfied all of its agreements with and obligations to the Placement Agent under this Agreement; and
 - (iii) as of its date and the Closing Date, the information contained in the Placement Materials is complete, true, and accurate and such information does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the

statements therein, in the light of the circumstances under which they were made, not misleading;

- (3) [if there is a Placement Memorandum]The opinion of Greenberg Traurig, LLP, counsel to the Placement Agent, dated the Closing Date, as to such matters as the Placement Agent shall request, including a customary negative assurance letter with respect to the Placement Memorandum;
 - (4) An Investor Letter, in the form attached to this Agreement as Exhibit C, executed by each Purchaser and addressed to the Issuer and the Placement Agent;
 - (5) [if there is a Placement Memorandum]An Indemnity Letter, dated the date of dissemination of the Placement Materials, by DMB Mesa Proving Grounds LLC (“DMB”), in form and substance satisfactory to the Placement Agent;
 - (6) [if there is a Placement Memorandum]An opinion of Greenberg Traurig, LLP, Counsel to DMB, dated the Closing Date, addressed to the Placement Agent and the Issuer, in form and substance satisfactory to the Placement Agent;
 - (7) [if there is a Placement Memorandum and an appraisal is used]A consent of Schnepf Ellsworth Appraisal Group, LLC, dated the Closing Date, addressed to the Placement Agent, in form and substance satisfactory to the Placement Agent; and
 - (8) Such additional legal opinions, certificates, proceedings, instruments and other documents as the Placement Agent and Bond Counsel may reasonably request to evidence compliance by the Issuer with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the Issuer, and the due performance or satisfaction by the Issuer at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Issuer.
5. Termination. This Agreement may be terminated by either party upon ten (10) business days’ prior written notice; provided that the provisions of Paragraph 2 and obligations thereunder shall not be affected by such termination.

6. Regulatory Disclosure. The Issuer acknowledges, in connection with the purchase and sale of the Bonds, the offering of the Bonds for sale and the discussions and negotiations relating to the terms of the Bonds pursuant to and as set forth in this Agreement, that:
- (a) the Placement Agent has acted at arm's length, is acting solely for its own account and is not agent of or advisor to (including, without limitation, a Municipal Advisor (as such term is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)), and owes no fiduciary duty to the Issuer or any other person,
 - (b) the Placement Agent's duties and obligations to the Issuer shall be limited to those contractual duties and obligations set forth in this Agreement,
 - (c) the Placement Agent may have interests that differ from those of the Issuer, and
 - (d) the Issuer has consulted its legal and financial advisors to the extent it deemed appropriate in connection with the offering and sale of the Bonds. The Issuer further acknowledges and agrees that it is responsible for making its judgment with respect to the offering and sale of the Bonds and the process leading thereto. The Issuer agrees that it will not claim that the Placement Agent acted as a Municipal Advisor to the Issuer or rendered advisory services of any nature or respect, or owes a fiduciary or similar duty to the Issuer, in connection with the offering or sale of the Bonds or the process leading thereto.

The Placement Agent hereby further provides the Issuer with certain disclosures relating to Bonds, as required by the Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in MSRB Notice 2012-25 (May 7, 2012)¹:

- (e) The Placement Agent intends to serve as a placement agent, and not as a financial advisor or municipal advisor in connection with the issuance of the Bonds. As part of our services as the Placement Agent we may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds.
- (f) Concerning our role as the Placement Agent:

¹ Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriters of Municipal Securities (effective August 2, 2012).

- (i) Municipal Securities Rulemaking Board Rule G-17 requires us to deal fairly at all times with both municipal issuers and investors;
 - (ii) our primary role in this transaction is to facilitate the sale and purchase of your Bonds between you and one or more investors for which we will receive compensation;
 - (iii) unlike a municipal advisor, we do not have a fiduciary duty to you under the federal securities laws and are, therefore, not required by federal law to act in your best interests without regard to our own financial or other interests;
 - (iv) we have a duty to use our commercially reasonable efforts to arrange the purchase of the Bonds from you by investors at a fair and reasonable price, but must balance that duty with our duty to arrange the sale to investors at prices that are fair and reasonable; and
 - (v) we will review the Placement Materials for your Bonds in accordance with, and as part of, our responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.
- (g) Concerning our compensation, we will be compensated pursuant to the terms set forth in Paragraph 2 of this Agreement. A portion of our compensation may be based in whole or in part upon the principal amount of the Bonds sold in the Placement. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest because the Placement Agent may have an incentive to recommend to you a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

7. Survival of Certain Representations and Agreements. The respective agreements, covenants, representations, warranties and other statements of the Issuer and its officers set forth in or made pursuant to this Agreement shall survive delivery of and payment for the Bonds and shall remain in full force and effect, regardless of any investigation, or statements as to the results thereof, made by or on behalf of the Placement Agent.

8. Notices. Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing to the Issuer at its address set forth above. Any notice or other communication to be given to the Placement Agent under this Agreement may be given by delivering the same in writing to Stifel, Nicolaus & Company Incorporated,

2325 East Camelback Road, Suite 750, Phoenix, Arizona 85016, Attention:
Grant Hamill, Managing Director.

9. Left Blank Intentionally.
10. No Assignment. This Agreement has been made by the Issuer and the Placement Agent, and no person, other than the foregoing, shall acquire or have any right under or by virtue of this Agreement.
11. Applicable Law. This Agreement shall be interpreted, governed and enforced in accordance with the laws of the State.
12. Effectiveness. This Agreement shall become effective upon its execution by duly authorized officials of all parties hereto and shall be valid and enforceable from and after the time of such execution.
13. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.
14. Counterparts. This Agreement may be executed in several counterparts (including counterparts exchanged by email in PDF format), each of which shall be an original and all of which shall constitute but one and the same instrument.
15. Cancellation of Contracts. As required by the provisions of Section 38-511, Arizona Revised Statutes, notice is hereby given that the State, its political subdivisions (including the Issuer) or any department or agency of either may, within three (3) years after its execution, cancel any contract (including this Agreement), without penalty or further obligation, made by the State, its political subdivisions or any of the departments or agencies of either if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions or any of the departments or agencies of either is, any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice from the Governor or the chief executive officer or governing body of the political subdivision is received by all other parties to the contract unless the notice specifies a later time. The State, its political subdivisions or any department or agency of either may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the State, its political subdivisions or any department or agency of either from any other party to the contract arising as the result of the contract. This paragraph is not intended to expand or

enlarge the rights of the Issuer hereunder except as required by Section 38-511, Arizona Revised Statutes. Each of the parties hereto hereby certifies that it is not presently aware of any violation of Section 38-511, Arizona Revised Statutes which would adversely affect the enforceability of this Agreement and covenants that it shall take no action which would result in a violation of Section 38-511, Arizona Revised Statutes.

[Signature page follows.]

Respectfully submitted,

STIFEL, NICOLAUS & COMPANY, INCORPORATED

.....
Grant Hamill, Managing Director

ACCEPTED this _____ of _____ 2020.

EASTMARK COMMUNITY FACILITIES DISTRICT NO. 1
(CITY OF MESA, ARIZONA)

By.....
Michael Kennington

APPROVED AS TO FORM:

SHERMAN & HOWARD L.L.C., Special
Counsel for the Issuer

.....

EXHIBIT A

FORM OF RELIANCE LETTER TO THE PLACEMENT AGENT

Stifel, Nicolaus & Company, Incorporated

[Date of Closing]

Re: Eastmark Community Facilities District No. 1 (City of Mesa, Arizona)
Assessment District No. 12 Special Assessment Revenue Bonds, Series 2021

Ladies and Gentlemen:

We have acted as bond counsel to Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) (the “Issuer”), in connection with the issuance of the above-referenced Bonds (the “Bonds”).

Reference is hereby made to our opinion letter as bond counsel addressed to the Issuer dated of even date herewith and delivered with respect to the Bonds. Please be advised that you are entitled to rely on said letter as if the same had been addressed to you.

This letter is furnished by us to you in our capacity as bond counsel to the Issuer pursuant to Paragraph 4(i)(1) of the Placement Agent Agreement with respect to the Bonds, dated _____, 2020, between the Issuer and you. No attorney-client relationship has existed or exists between our firm and you or any other party in connection with the Bonds or by virtue of this letter. Our opinion may be relied upon only by the addressee hereof and may not be used or relied upon by any other person for any purpose whatsoever without, in each instance, our prior written consent.

Very truly yours,

EXHIBIT B

FORM OF ISSUER CLOSING CERTIFICATE

Pursuant to the Placement Agent Agreement, dated _____, 2020 (the “Agreement”), between Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) (the “Issuer”) and Stifel, Nicolaus & Company, Incorporated (the “Placement Agent”), as [title] of the Issuer duly authorized to execute this certificate on behalf of the Issuer, I hereby certify:

1. the representations and warranties of the Issuer contained in the Agreement are true and correct as if made on the date hereof;
2. the Issuer has complied with and fully satisfied all of its agreements with and obligations to the Placement Agent under this Agreement; and
3. as of its date and the date hereof, the information contained in the Placement Materials (as defined in the Agreement) is complete, true, and accurate and such information does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

[Name]

[Title]

[Date]

EXHIBIT C

FORM OF INVESTOR LETTER

Eastmark Community Facilities District No. 1
(City of Mesa, Arizona)

Stifel, Nicolaus & Company, Incorporated

Re: Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 12 Special Assessment Revenue Bonds, Series 2021

Ladies and Gentlemen:

The undersigned (the “Investor”) hereby acknowledges that it is purchasing \$____,000 aggregate principal amount of Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) Assessment District No. 12 Special Assessment Revenue Bonds, Series 2021 (the “Bonds”) issued pursuant to a Resolution (the “Resolution”) adopted by the District Board of Eastmark Community Facilities District No. 1 (City of Mesa, Arizona) (the “Issuer”) on October 15, 2020. Capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the Resolution and the Placement Materials (as defined herein).

This letter is being provided pursuant to a Placement Agent Agreement, dated _____, 2020 (the “Placement Agreement”), between the Issuer and Stifel, Nicolaus & Company, Incorporated (the “Placement Agent”).

The Investor acknowledges that the proceeds of the Bonds will be used to finance certain public infrastructure.

The Bonds shall be payable from Special Assessments as described in the Resolution.

In connection with the sale of the Bonds to the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has the authority and is duly authorized to purchase the Bonds and to execute this letter and any other instruments and documents required to be executed by the Investor in connection with its purchase of the Bonds. The Investor (a) is a bank, any entity directly or indirectly controlled by the bank or under common control with the bank, other than a broker, dealer or municipal securities dealer registered under the Securities Exchange Act of 1934, or a consortium of such entities; and (b) has the present intent to hold the Bonds to maturity or earlier redemption or mandatory tender.
2. The Investor is (a) a “qualified institutional buyer” as that term is defined in Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), or (b)

an “accredited investor” as that term is defined in Rule 501(a)(1), (2), (3), or (7) under the Securities Act.

3. The Investor is not purchasing the Bonds for more than one account or with a view to distributing the Bonds.
4. The Investor understands that the Bonds are not, and are not intended to be, registered under the Securities Act and that such registration is not legally required as of the date hereof, and further understands that the Bonds (a) are not being registered or otherwise qualified for sale under the “Blue Sky” laws and regulations of any state, (b) will not be listed in any stock or other securities exchange, (c) will not carry a rating from any rating agency or a CUSIP identification number, and (d) will be delivered in a form that may not be readily marketable.
5. The Investor acknowledges that it has either been supplied with or been given access to information, including the Placement Materials, which it has requested from the Issuer and to which a reasonable investor would attach significance in making investment decisions, and the Investor has had the opportunity to ask questions and receive answers from knowledgeable individuals, including its own counsel, concerning the Issuer and the Bonds and the security therefor so that, as a reasonable investor, the Investor has been able to make a decision to purchase the Bonds. The Investor has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Bonds.
6. The Investor acknowledges that the obligations of the Issuer under the Resolution are payable solely from Special Assessments as described above.
7. The Investor has made its own inquiry and analysis with respect to the Bonds and the security therefor, and other material factors affecting the security and payment of the Bonds. The Investor is aware that there are certain economic and regulatory variables and risks that could adversely affect the security for the Bonds. The Investor has reviewed the documents executed in conjunction with the issuance of Bonds, or summaries thereof, including, without limitation, the Resolution.
8. The Investor acknowledges and agrees that the Placement Agent and the Issuer take no responsibility for, and make no representation to the Investor, or any subsequent purchaser, with regard to, a sale, transfer or other disposition of the Bonds in violation of the provisions of the Resolution, or any securities law or income tax law consequences thereof. The Investor also acknowledges that, with respect to the Issuer’s obligations and liabilities, the Investor is solely responsible for compliance with the sales restrictions on the Bonds in connection with any subsequent transfer of the Bonds made by the Investor.
9. The Investor agrees that it is bound by and will abide by the provisions of the Resolution relating to transfer, the restrictions noted on the face of the Bonds and this Investor Letter. The Investor also covenants to comply with all applicable

federal and state securities laws, rules and regulations in connection with any resale or transfer of the Bonds by the Investor.

- 10. The Investor acknowledges that the sale of the Bonds to the Investor is made in reliance upon the certifications, representations, and warranties herein made to the addressees hereto.
- 11. The interpretation of the provisions hereof shall be governed and construed in accordance with State of Arizona law without regard to principles of conflicts of laws.
- 12. All representations of the Investor contained in this letter shall survive the execution and delivery of the Bonds to the Investor as representations of fact existing as of the date of execution and delivery of this Investor Letter.

Date:, 2020

Very truly yours,

Investor:

By:.....

Printed Name:.....

Title: