
SUPPLEMENTAL INDENTURE NO. 1

between

VILLAGE OF TAOS SKI VALLEY TAX INCREMENT DEVELOPMENT DISTRICT

and

BOKF, NA

as Trustee

Dated as of February 1, 2018

Securing

\$44,000,000 MAXIMUM NET PROCEEDS*
VILLAGE OF TAOS SKI VALLEY TAX INCREMENT DEVELOPMENT DISTRICT
SENIOR LIEN TAXABLE DRAW-DOWN TAX INCREMENT REVENUE BOND
SERIES 2018

(Entered into pursuant to the Master Indenture of Trust dated as of February 1, 2018)

*Subject to adjustment for inflation as provided in the Master Indenture of Trust.

SUPPLEMENTAL INDENTURE NO. 1

THIS SUPPLEMENTAL INDENTURE NO. 1, dated as of February 1, 2018 (the "First Supplement"), between the VILLAGE OF TAOS SKI VALLEY TAX INCREMENT DEVELOPMENT DISTRICT, a public body politic and corporate, separate and apart from the State of New Mexico, constituting a tax increment development district and political subdivision of the State (the "District"), and BOKF, NA, a national banking association, duly organized, existing and authorized to accept and execute trusts of the character herein set out under and by virtue of the laws of the State of New Mexico, with its principal corporate trust office in Albuquerque, New Mexico (the "Trustee").

WITNESSETH:

WHEREAS, the District has entered into a Master Indenture of Trust as of February 1, 2018 (the "Master Indenture") with the Trustee (the Master Indenture as supplemented or amended pursuant to its terms is herein referred to as the "Indenture"); and

WHEREAS, this First Supplement is entered into pursuant to and in accordance with the Master Indenture; and

WHEREAS, the District, the Village of Taos Ski Valley (the "Village"), Taos Ski Valley, Inc., a New Mexico Corporation ("TSV, Inc."), as agent for Twining Development, LLC, a Delaware limited liability company ("Twining"), and Santander Holdings, LLC, a Delaware limited liability company ("Santander" and together with Twining and TSV, Inc. and their respective successors, assigns and designees, "TSVI") have entered into an Amended and Restated Master Development Agreement (amending and restating the Master Development Agreement effective as of July 14, 2015) (the "Amended and Restated Master Development Agreement"), pursuant to which TSVI will construct various public infrastructure improvements defined in the Plan of Finance attached to the Amended and Restated Master Development Agreement as Exhibit D thereto (the "Finance Plan"), a copy of which Amended and Restated Master Development Agreement, including the Finance Plan, is attached hereto as Exhibit 1; and

WHEREAS, the Amended and Restated Master Development Agreement provides that, upon dedication of completed components of Eligible Infrastructure by TSVI to the Village, the District shall be obligated to reimburse TSVI or its designee for Reimbursable Costs (as defined in the Amended and Restated Master Development Agreement and defined for purposes of the Indenture in Section 1 hereof) of such component, which obligation shall be contingent upon the issuance of bonds by the District (a "Reimbursement Obligation"); and

WHEREAS, 2015 Laws of New Mexico, Chapter 83, Section 1 provides in pertinent part that the District is authorized to issue tax increment revenue bonds in an amount not to exceed \$44,000,000 in net proceeds, as adjusted for inflation, secured by tax increment generated within the District; and

WHEREAS, the District has determined that the issuance of tax increment revenue bonds as a single Draw-down Bond (as defined in the Master Indenture) in the Maximum Principal Amount, as defined in the Master Indenture (the "Bond"), is an efficient and effective method for

financing the Public Infrastructure as defined in the Master Indenture, and reimbursing TSVI as contemplated in the Amended and Restated Master Development Agreement; and

WHEREAS, as provided herein, the District and TSVI shall request advances of proceeds of the Bond (each an "Advance") from Belvedere Property Management LLC, the purchaser of the Bond (the "Purchaser") for the purpose of reimbursing TSVI for Reimbursable Costs or for Costs of Issuance, at such times that the District has incurred a Reimbursement Obligation, and interest shall accrue on each Advance from the date on which the Advance is made until repaid to the Purchaser by the District; and

WHEREAS, the District has determined to authorize hereby the issuance of the Bond as a Draw-down Bond to be designated "Village of Taos Ski Valley Tax Increment Development District Senior Lien Taxable Draw-Down Tax Increment Revenue Bond, Series 2018" for the purposes of (i) reimbursing TSVI for Reimbursable Costs, and (ii) paying certain costs of issuance of the Bond, in accordance with and as provided by the Master Indenture and this First Supplement.

ARTICLE I DEFINITIONS

Section 1.1 Definitions. Except as defined in the Recitals hereof, all terms which are defined in Section 101 or the recitals of the Master Indenture shall have the same meanings as used in this First Supplement. In addition, the following terms shall have the following respective meanings:

"Advance Repayment Date" means each date, not later than the Maturity Date, on which an Advance is to be repaid in the principal amount thereof and accrued interest thereon, which Advance Repayment Date shall be established by the Requisition and Certificate or in the Requisition for Costs of Issuance for each Advance.

"Authorized District Representatives" means the Co-Treasurers of the District or another person designated in writing by both Co-Treasurers to serve as the sole Authorized District Representative.

"Authorized TSVI Representative" means either the Treasurer of TSV, Inc. or another person designated in writing by the Treasurer of TSV, Inc. to serve as Authorized TSVI Representative.

"Board Resolution" means a resolution of the Board certified by the District Clerk to be in full force and effect on the date of such certification and delivered to the Trustee.

"Bond Purchase Agreement" means the Bond Purchase Agreement dated as of February 1, 2018 among the District, the Purchaser and TSV, Inc.

"District" means the Village of Taos Ski Valley Tax Increment Development District.

"First Supplement" means this Supplemental Indenture No. 1.

"Indenture" means the Master Indenture as supplemented by this First Supplement and as otherwise supplemented or amended from time to time pursuant to its terms.

"Interest Payment Date" means, for each Advance, the Advance Repayment Date specified therefor in the Requisition and Certificate or in the Requisition for Costs of Issuance for such Advance, which shall not be later than 30 days after the date of such Advance.

"Issue Date" means the date of the issuance of the Bond.

"Master Indenture" means the Master Indenture of Trust dated as of February 1, 2018 between the District and the Trustee.

"Maturity Date" means the date that occurs twenty-five (25) years after the Issue Date.

"Purchaser" means Belvedere Property Management LLC, the purchaser of the Bond pursuant to the Bond Purchase Agreement.

"Reimbursable Costs" means all items of expense directly relating to the cost of the acquisition and construction of Public Infrastructure components and the incidental costs and expenses relating thereto including, but not limited to: engineering expenses, legal expenses, printing, posting, publication and mailing expenses, fees and expenses incurred in making surveys, studies and estimates of costs, testing expenses, construction management expenses, and such other costs and expenses eligible for payment from the proceeds of Bonds issued by the District under the TIDD Act and the Indenture relating to the Public Infrastructure, and all incidental expenses related to the construction and acquisition of the Public Infrastructure components, including Related Costs.

"Related Costs" means, without limitation, costs incurred in the formation of the District, planning, design, engineering, surveying, testing, environmental compliance, construction, construction contingencies, pre-completion stabilization, maintenance and inspections, construction management not to exceed ten percent (10%) of the contract price, permit and inspection fees and gross receipts taxes relating to the Public Infrastructure.

"TIDD Act" means Sections 5-15-1 through 5-15-28 NMSA 1978, as amended.

ARTICLE II AUTHORIZATION, TERMS, ISSUANCE AND SECURITY

Section 2.1 Authorization of Bond. Pursuant to the provisions of the Indenture and the provisions of the Act, there is hereby authorized the borrowing of funds, and to evidence such borrowing there is hereby authorized a Bond of the District designated "Village of Taos Ski Valley Tax Increment Development District Senior Lien Taxable Draw-Down Tax Increment Revenue Bond, Series 2018" in the Maximum Principal Amount. The Bond is hereby authorized to be issued under this First Supplement for the purpose of financing the Reimbursable Costs and Costs of Issuance and is secured by the Indenture. The Bond will be issued as a single fully registered bond certificate without coupons, in the denomination equal to the Maximum Principal Amount, numbered R-1. No bonds may be issued under this First Supplement except in accordance with this Article. The total principal amount of the Bond issued under this First

Supplement is expressly limited to the Maximum Principal Amount. No Additional Bonds may hereafter be issued under the Indenture. The Bond may be transferred only in accordance with the terms of the Indenture and the Bond. The Bond shall initially be registered in the name of the Purchaser and shall not be registered in the name of a Securities Depository or its nominee. The Bond constitutes a Senior Lien Bond and a Draw-down Bond. The interest on the Bond is intended to be includable in gross income for federal income tax purposes.

Section 2.2. Form of Bond; Maturity. The Bond will be in substantially the form of Exhibit 2. The Bond will be dated the date of the execution and delivery of this First Supplement and will bear interest on each Advance made pursuant to Section 2.4 hereof from the dates of each such Advance on the aggregate unpaid principal amount of such Advance at the rate of 5.00% per annum. Interest will be computed on the basis of a 365-day year, actual number of days elapsed. Accrued interest will be paid by the District to the Purchaser (or its successors, assigns and transferees of the Bond) on each Interest Payment Date. The principal amount of each Advance shall be paid on the Advance Repayment Date established by the Requisition and Certificate or in the Requisition for Cost of Issuance for each Advance, which shall not be later than 30 days after the date of such Advance. The Bond will mature on the Maturity Date.

Section 2.3 Execution and Delivery. The Bond will be signed by the Chairman of the Board of the District and the Co-Treasurers of the District, attested to by the Clerk of the District, and delivered to the Purchaser on the date of the execution and delivery of this First Supplement.

Section 2.4 Advances. Subject to the terms and conditions of the Bond Purchase Agreement, the Purchaser will purchase the Bond upon the execution and delivery of the Indenture and will pay the purchase price of the Bond as set forth in Section 2 of the Bond Purchase Agreement through Advances. The District will request Advances by delivery to the Purchaser and the Trustee of a Requisition for Costs of Issuance or a Requisition and Certificate in accordance with Section 3.2 of this First Supplement; provided that prior to the initial Advance, TSVI shall furnish the District, the Purchaser and the Trustee with evidence that TSVI has theretofore paid not less than 20% of the costs of the Public Infrastructure in satisfaction of the requirements of Section 5-15-20(B) NMSA 1978, as amended. Promptly upon receipt of such document from the District requesting an Advance, the Purchaser will, so long as no Event of Default has occurred and is continuing, pay the amount of the Advance requested in such notice to the Trustee for deposit in the Series 2018 Acquisition Account; provided that the aggregate amount of such Advances will not exceed the Maximum Principal Amount. The Trustee shall keep a record of all Advances requested by the District and made by the Purchaser, based upon the Requisitions for Costs of Issuance and the Requisitions and Certificates furnished to it. The records of the Trustee will be conclusive as to the aggregate amount of Advances requested and made, absent manifest error. The Purchaser is authorized to endorse on the schedule attached to the Bond the date and amount of each such Advance and each payment of principal of and interest on the Bond. Failure to make any such endorsement or any error in such endorsement will not affect the rights or obligations of the Purchaser, the District or the Trustee on or with respect to the Bond.

Section 2.5 Payment of Bond Requirements.

The principal of and interest on each Advance shall be payable to the registered owner of the Bond as shown on the registration records maintained by the Trustee acting as registrar (the "Registrar") as of the close of business on the Regular Record Date. The Regular Record Date for the Bond shall be the Business Day immediately preceding each Advance Repayment Date. The principal and interest payment on the Bond and each Advance made thereunder shall be payable in any lawful money of the United States. If any Advance made under the Bond shall not have been paid on an Advance Repayment Date, such unpaid Advance shall continue to draw interest (but without compounding of interest) at the rate borne the Bond until such unpaid Advance is paid in full.

Payments received by the Purchaser with respect to the payment of all or any portion of the Advances will be applied first to the principal amount to be paid and then to accrued interest on such principal amount. All other payments received by the Purchaser with respect to the Bond will be applied first to accrued interest on and then to the unpaid principal of the Bond. All Advances shall be repaid with accrued interest not later than the Maturity Date.

Payment of principal of and interest on each Advance prior to the final payment of principal of and interest on the Bond shall be paid by wire transfer of immediately available funds on the Advance Repayment Date to a bank within the continental United States as directed by the Registered Owner of the Bond. The final payment of principal of and interest on the Bond shall be payable in immediately available funds made upon the presentation and surrender of the Bond at the principal corporate trust office of the Trustee.

Section 2.6 Security for Bond. The Bond shall be secured by the Village Gross Receipts Tax Increment Revenue, the Village Property Tax Increment Revenue, the County Property Tax Increment Revenue and the State Gross Receipts Tax Increment Revenue, which constitute the Pledged Revenues with respect to the Bond. The proceeds of the Bond secured by Village Gross Receipts Tax Increment Revenue shall be used consistently with the purposes specified by statute for use of such revenue, in proportion that the pledge of such Village Gross Receipts Tax Increment Revenue bears to the other pledged Tax Increment Revenues, as provided by Section 5-15-15(D) NMSA 1978. The Legislature has authorized in Section 5-15B-1 that State Gross Receipts Tax Increment Revenue may be used to secure Gross Receipts Tax Increment Bonds of the District for the Public Infrastructure, of which the specific Public Infrastructure being financed with proceeds of the Bond is a part. No debt service reserve fund will be created or funded with respect to the Bond.

Section 2.7 Bond Not A General Obligation of District. The Bond shall be a special obligation of the District payable solely from the moneys and revenues pledged therefor pursuant to the Indenture. The Bond is not a general obligation, debt or liability of the State, the Village or the County, none of the State, the Village or the County shall be liable on the Bond and none of the State, the Village or the County have pledged their full faith and credit to the Bond. The principal of and interest on the Bond shall not constitute or give rise to a pecuniary liability on the part of the members, directors or officers of the District. No breach of any pledge, obligation or agreement of the District shall impose a pecuniary liability or charge upon the general credit

or taxing power of the State, the Village or the County, or any political subdivision of the State other than the District.

Section 2.8 Transfer of Bond. The Bond may be transferred by the Purchaser in whole, but not in part, in person or by duly authorized attorney, on the registration records maintained by the Registrar but only upon (i) surrender of the Bond, (ii) delivery of a written transfer instrument, and (iii) compliance with Securities Act of 1933, as amended (the "Securities Act"), and applicable state securities laws as established to the satisfaction of the District, and delivery to the District and the Trustee of (A) an opinion from legal counsel experienced in securities laws matters, which counsel must be reasonably satisfactory to the District, to the effect the transfer complies with the Securities Act and applicable state securities laws and (B) written representations from the transferee, in form and substance satisfactory to such legal counsel, necessary to establish such compliance, provided that the Bond may be transferred to an affiliate or subsidiary of the Purchaser by delivery to the District and the Trustee of a Certificate of Qualified Transferee in the form attached to the Bond and duly executed by the transferee in lieu of delivery of an opinion of securities counsel and written representations as required under (A) and (B) of this Section 2.8, all as further set forth in the Bond form attached as Exhibit 2. The District agrees that it will cooperate in delivering a new Bond, registered in the name of the transferee. The person requesting the transfer will pay any tax or fee or other charge imposed on the transfer. The District and the Trustee may deem and treat the person in whose name the Bond is registered as the absolute owner thereof for the purpose of receiving payment and for all other purposes, and all such payments made to any such Registered Owner or upon its written order will be valid and effectual to satisfy and discharge the liability upon the Bond, to the extent of the sum or sums paid; and the District will not be affected by any notice to the contrary.

Section 2.9 Actions by Holder. Any request, demand, authorization, direction, notice, consent, waiver or other act of the holder of the Bond shall bind every future holder of the Bond and the holder of every Bond issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee or the District in reliance thereon, whether or not notation of such action is made upon such Bond.

ARTICLE III THE ACQUISITION ACCOUNT

Section 3.1 Creation; Deposits. A special account is hereby created with the Trustee within the Acquisition Fund designated "Village of Taos Ski Valley Tax Increment Development District Senior Lien Taxable Draw-Down Tax Increment Revenue Bond, Series 2018 Acquisition Account" (the "Series 2018 Acquisition Account"). Any monies received by the District or the Trustee on account of any advances under Section 2.4 will be deposited in the Series 2018 Acquisition Account. The monies in the Series 2018 Acquisition Account will be held by the Trustee and will, subject to the provisions of Sections 3.6 and 3.7, be applied to the payment of the Reimbursable Costs and the Costs of Issuance and, pending such application, will be subject to a lien in favor of the Trustee.

Section 3.2 Disbursements. The Trustee will make payments for the Costs of Issuance from the Series 2018 Acquisition Account in accordance with Section 502(a) of the Master Indenture; provided that the District shall submit to the Trustee a Requisition substantially in the form of Exhibit 3 in lieu of the form of Exhibit A to the Master Indenture.

The Trustee will make payments of Reimbursable Costs from the Series 2018 Acquisition Account, upon receipt of:

(a) Sufficient monies from the Purchaser for deposit in the Series 2018 Acquisition Account; and

(b) a Certificate, submitted by TSVI and approved by the District Representatives in writing, substantially in the form attached hereto as Exhibit 4 setting forth the amount of Reimbursable Costs theretofore paid and then to be paid with the proceeds disbursed pursuant to the Requisition and Certificate described in (c) below;

(c) Receipt of a Requisition and Certificate in substantially the form of Exhibit 5, signed by the Authorized District Representatives and an Authorized TSVI Representative (which shall in no event be the same person), stating the following:

(i) a Reimbursement Obligation has been incurred pursuant to the provisions of Section 4(E) of the Amended and Restated Master Development Agreement in that the Village has delivered to TSVI and the District a Certificate of Completion and Acceptance in connection with components of Public Infrastructure;

(ii) the amount of Reimbursable Costs incurred in connection with the Reimbursement Obligation, that such Reimbursable Costs were duly paid by TSVI, and that each item is a proper charge against the Series 2018 Acquisition Account and has not been the subject of a previous withdrawal from the Series 2018 Acquisition Account;

(iii) to the best knowledge of such Authorized TSVI Representative and the Authorized District Representatives there has not been filed with or served upon the District or TSVI notice of any lien, right or attachment upon, or claim affecting the right of any such Persons to receive payment of the respective amounts stated in such requisition which has not been released or will not be released simultaneously with the payment of such obligation; and

(iv) with respect to any item for payment for labor or to contractors, builders or materialmen, (aa) the obligations stated have been properly incurred, (bb) to the best knowledge of such Authorized TSVI Representative, such work was actually performed or such materials or supplies were actually furnished or installed in or about the Public Infrastructure, (cc) to the best knowledge of such Authorized TSVI Representative, either such materials or supplies are not subject to any lien or security interest or any such lien or security interest will be released or discharged upon payment of the Requisition and Certificate and (dd) TSVI has taken or will take all actions necessary to transfer legal title to the relevant portion or portions of the Public Infrastructure to the Village prior to or simultaneously with each applicable Advance under the Bond.

In each Requisition and Certificate, the Authorized District Representatives shall certify as to the matters set forth in subparagraphs (i) and (iii) of this Section 3.2(c), and the Authorized TSVI Representative shall certify as to the matters set forth in subparagraphs (ii), (iii) and (iv) of this Section 3.2(c).

The foregoing provisions of this Section 3.2 and Exhibit 4 with respect to payments for Reimbursable Costs shall supersede the provisions of Section 502(b) and Exhibit D of the Master Indenture with respect to disbursements from the Acquisition Fund to pay for expenditures for Public Infrastructure.

Section 3.3 Trustee May Rely on Requisitions. Each Requisition for Costs of Issuance and Requisition and Certificate received by the Trustee as conditions of payment from the Series 2018 Acquisition Account may be conclusively relied upon by the Trustee and will be retained by the Trustee, subject at all reasonable times to examination by the Village and its agents and representatives. The Trustee shall have no duty or obligation to verify the content of any requisition or certificate.

Section 3.5 Status Reports. On a quarterly basis, the Trustee will make a written report covering all receipts and monies then on deposit in the Series 2018 Acquisition Account, any investments of such monies and all transfers and disbursements of such monies for the quarterly periods ending March 31, June 30, September 30 and December 31 of each year commencing with the quarterly period ending March 31, 2018. The Trustee will make such reports monthly, at no additional cost, if the District or TSVI requests. Such reports shall be delivered to the District and TSVI not later than the 10th day of the calendar month immediately succeeding the end of such quarterly period or monthly period, as applicable.

Section 3.6 Completion Date. Upon receipt of a certificate from TSVI signed by an Authorized TSVI Representative and approved by the District Representatives, stating that the acquisition, construction and installation of the Public Infrastructure has been completed, the Trustee will, to the extent monies are available therefor, set aside the monies necessary for the payment of Reimbursable Costs incurred by TSVI but not then due or payable as set forth in such certificate and then will transfer any monies remaining in the Series 2018 Acquisition Account to TSVI for use in connection with the Public Infrastructure or for payment of debt service on the Bond (but the Trustee shall have no duty to inquire into or otherwise monitor, and shall not have any liability associated with, TSVI's use of such monies).

Section 3.7 Investments. Monies on deposit in the Series 2018 Acquisition Account will, at the written direction of the Authorized District Representatives, be invested and reinvested by the Trustee in Investment Securities. Such investments will be deemed at all times to be a part of the Series 2018 Acquisition Account. Any interest accruing on any such investment and any profit realized from such investment will be credited to the Series 2018 Acquisition Account. Any loss resulting from any such investment will be charged to the Series 2018 Acquisition Account. The Trustee will use all reasonable efforts to sell at the best price obtainable or present for redemption any such investment when necessary in order to provide cash to meet any payment or transfer from the Series 2018 Acquisition Account. Neither the Trustee nor the District will be liable or responsible for any loss resulting from any such investment or liquidation of any investment when required under the terms of the Indenture. The

Trustee may make any such investment through its own or its affiliated bond or investment department, unless otherwise directed in writing by the Authorized District Representatives.

ARTICLE IV REDEMPTION OF BOND

Section 4.1 Optional Redemption. Principal Installments of the Bond shall be subject to redemption at the option of the District, in whole or in part, at a price equal to the principal amount of such Principal Installments to be redeemed plus accrued interest on such Principal Installments to the Redemption Date at any time to and including the Maturity Date.

ARTICLE V PARTICULAR COVENANTS AND PROVISIONS

Section 5.1 Payment of Bonds. The District shall pay the principal of, interest on and Redemption Price of the Bond at the times and in the amounts set forth in Section 2.5, but solely from Pledged Revenues.

Section 5.2 Performance; Authority. The District covenants that it will faithfully perform all covenants and agreements of the District contained in the Indenture and in the Bond. The District represents that it is duly authorized under the constitution and laws of the State of New Mexico, including the Act, to issue the Bond, to execute and deliver the Indenture, and to pledge the Pledged Revenues, and that it has taken all actions required on its part for the issuance of the Bond, and for the execution and delivery of the Indenture and the Bond Purchase Agreement.

Section 5.3 Withdrawals from Revenue Fund. Notwithstanding the provisions of Section 503(b) (2) and (3) of the Master Indenture, the Trustee shall make withdrawals from the Revenue Fund and deposits therefrom to the Senior Lien Interest Account and the Senior Lien Principal Account on the Business Day prior to each Interest Payment Date and Principal Payment Date for the Bond.

ARTICLE VI SUPPLEMENTS AND AMENDMENTS TO FIRST SUPPLEMENT

Section 6.1 Amendment of First Supplement. This First Supplement may be supplemented or amended only by one or more instruments executed by the District, the Registered Owner of the Bond and the Trustee.

ARTICLE VII MISCELLANEOUS PROVISIONS

Section 7.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid (except as otherwise specifically provided herein), with proper address as indicated below. The District and the Trustee may, by written notice given by it to the other, designate any other address or addresses to which notices, certificates or other communications to it shall be sent

when required as contemplated by this First Supplement. Until otherwise so provided, all notices, certificates and communications to each of them shall be addressed as follows:

To the District:

Village of Taos Ski Valley
Tax Increment Development District
Village of Taos Ski Valley, New Mexico
Attention: District Clerk
7 Firehouse Road
Taos Ski Valley, New Mexico 87525
Telephone: (575) 776-8220

With copies to
Dennis Romero
212 Paseo Del Pueblo Norte
P.O. Box 1932
Taos, NM 87571-1932
Telephone (575) 758-2297

and

Sherman & Howard L.L.C.
Attention: Jill Sweeney
500 Marquette Avenue Northwest,
Suite 1203
Albuquerque, New Mexico 87102
Telephone: (505) 814-6958

To TSV, Inc.:

Taos Ski Valley, Inc.
Chris Stagg
116 Sutton Place
Taos Ski Valley, New Mexico 87525
Telephone: (575) 776-7490

With a copy to
Modrall, Sperling, Roehl, Harris & Sisk, P.A.
Attention: Peter Franklin
123 E. Marcy St.
Suite 201
Santa Fe, NM 87501
Telephone: (505) 983-2020

To the Trustee:

BOKF, NA
100 Sun Avenue N.E.
Suite 500
Albuquerque, NM 87109
Attention: Corporate Trust
Telephone: (505) 222-8458

Section 7.2 Remedies. No right or remedy conferred on any party in the Indenture is intended to be exclusive of any other right or remedy. Each such right or remedy is in addition to every other right or remedy provided in the Indenture or by law. No delay or omission of any party to exercise any such right or remedy will impair any such right or remedy or be construed to be a waiver. Every such right or remedy may be exercised from time to time and as often as the relevant party may deem expedient. No waiver by any party of any right or remedy with respect to any Event of Default will extend to or affect any other existing or subsequent Event of Default.

Section 7.3 Severability. If any section, paragraph, clause or provision of this First Supplement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this First Supplement.

Section 7.4 Obligations of Issuer Not Obligations of Officials Individually. All obligations of the District under the Indenture and the Bond will be deemed to be obligations of the District to the full extent permitted by the Constitution and laws of the State. No obligation under the Indenture or the Bond will be deemed to be an obligation of any present or future officer (including, without limitation, any member of the Board) or employee of the District in his or her individual capacity, and no officer of the District who executes the Bond will be personally liable on the Bond or be subject to any personal liability or accountability by reason of the issuance of the Bond.

Section 7.5 Payments Due on Days That Are Not Business Days. If the date for any payment called for under the Indenture or the Bond is not a Business Day, then such payment will be made on the next Business Day and no interest on such payment will accrue for the period after such date.

Section 7.6 Execution in Counterparts. This First Supplement may be executed in any number of counterparts, each of which so executed and delivered will constitute an original and all together will constitute but one and the same instrument.

Section 7.7 Applicable Law. The Indenture will be governed by and construed in accordance with the laws of the State of New Mexico applicable to agreements made and to be performed in the State of New Mexico, without regard or effect given to conflict of laws or rules which would require the application of the laws or rules of any other jurisdiction.

Section 7.8 No Waiver. No waiver of any breach of any covenant or agreement herein contained shall operate as a waiver of any subsequent breach of the same covenant or agreement, and in case of a breach by either party of any covenant, agreement or undertaking, the non-defaulting party may nevertheless accept from the other any payment or payments or performance hereunder without in any way waiving its right to exercise any of its rights and remedies provided for herein or otherwise with respect to any such default or defaults which were in existence at the time such payment or payments or performance were accepted by it.

VILLAGE OF TAOS SKI VALLEY TAX
INCREMENT DEVELOPMENT DISTRICT

By: _____
Neal King, Chairman
Board of Directors

Attest:

Ann Wooldridge,
District Clerk/Board Secretary

BOKF, NA, as Trustee

By: _____

Its: _____

Attest:

Title: _____

EXHIBIT 1

AMENDED AND RESTATED MASTER DEVELOPMENT AGREEMENT

EXHIBIT 2

FORM OF BOND

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER ANY STATE SECURITIES LAW AND IS TRANSFERABLE ONLY UPON COMPLIANCE WITH THE INDENTURE, PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS APPLICABLE TO THE TRANSFER AT THE TIME OF THE TRANSFER AND DELIVERY OF A CERTIFICATE OF QUALIFIED TRANSFEREE AS PROVIDED BELOW.

No. R-1

\$44,000,000 Maximum Net Proceeds,
Adjusted for Inflation

United States of America
State of New Mexico
Village of Taos Ski Valley Tax Increment Development District
Senior Lien Taxable Draw-Down Tax Increment Revenue Bond
Series 2018

MATURITY DATE

INTEREST RATE

ISSUE DATE

_____, 2042

5.00% per annum

_____, 2018

REGISTERED OWNER:

THE VILLAGE OF TAOS SKI VALLEY TAX INCREMENT DEVELOPMENT DISTRICT, a tax increment development district and political subdivision existing under the Constitution and laws of the State of New Mexico (the "District"), for value received, promises to pay, solely from the source described below, to the registered owner specified above, or registered assigns, on each Advance Repayment Date set forth on the Principal Advance Panel attached hereto (the "Panel") the principal amount of each advance set forth on the Panel which is outstanding and unpaid on such Advance Repayment Date (subject to prior optional redemption as described below) and to pay, solely from such source, to such registered owner, or registered assigns, on such Advance Repayment Date interest on such principal amount advanced from the date of such advance at the Interest Rate specified above (computed on the basis of a 365-day year) until payment of such advance has made or duly provided for. The District also promises to pay from such sources on the Maturity Date specified above, all principal of and accrued interest on this Bond which is unpaid.

The final payment of the principal and interest on this Bond shall be due and payable in immediately available funds at the principal office of the BOKF, NA, as Trustee (the "Trustee"), upon presentation and surrender of this Bond. Payments of the principal and interest on this Bond prior to the final payment hereof shall be made to the person in whose name this Bond is registered (the "Registered Owner") on the registration records of the District maintained by the Trustee as of the close of business on the Business Day immediately preceding each Advance

Payment Date hereof by wire transfer of immediately available funds by the Trustee to such Registered Owner to a bank within the continental United States as directed by such Registered Owner. All such payments shall be made in lawful money of the United States.

This Bond is issued under the authority of the Constitution and laws of the State of New Mexico, particularly Sections 5-15-1 through 5-15-28 NMSA 1978, as amended, and pursuant to Resolution No. 2018-18 duly adopted by the District on February 6, 2018 and pursuant to the Master Indenture of Trust dated as of February 1, 2018 (the "Master Indenture"), as supplemented by Supplemental Indenture No. 1 dated as of February, 1, 2018 (the "First Supplement" and together with the Master Indenture, the "Indenture"), each between the District and the Trustee. Proceeds of the Bond will be used to finance the acquisition, construction and equipping of public infrastructure improvements in and serving the Village of Taos Ski Valley, New Mexico (the "Village").

Installments of principal of this Bond may be called for redemption as provided in the Indenture, at the option of the District as a whole or in part on any date selected by the District, at a redemption price equal to the principal amount to be redeemed plus interest accrued on such principal amount to the redemption date.

The principal of, interest on and redemption price of this Bond are payable solely from dedicated and pledged tax increment revenues remitted to the District as described in the Indenture.

The principal amount of this Bond, and the aggregate amount of the advances set forth on the Panel, shall never exceed FORTY-FOUR MILLION DOLLARS in net proceeds, as adjusted for inflation in accordance with the Construction Cost Index applicable to the Albuquerque region published in ENR.com by the McGraw-Hill Companies (or, in the event such index is no longer published at the applicable time, such other index of construction costs as the District and the Village Administrator or successor in function mutually determine is acceptable), all as calculated in accordance with the Indenture.

Reference is made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the sale of this Bond, the collection and disposition of income and other revenues, the transfer of the Bond, a description of the account charged with and pledged to the payment of the principal of, interest on and redemption price of this Bond, the nature and extent of the security, the terms and conditions under which this Bond is issued and the amounts that are to be advanced with respect to this Bond by the Registered Owner hereof, and the rights, duties and obligations of the District and the Trustee.

THE BOND SHALL BE A SPECIAL OBLIGATION OF THE DISTRICT PAYABLE SOLELY FROM THE MONEYS AND REVENUES PLEDGED THEREFOR PURSUANT TO THE INDENTURE. THIS BOND IS NOT A GENERAL OBLIGATION, DEBT OR LIABILITY OF THE STATE OF NEW MEXICO (THE "STATE"), THE VILLAGE OR TAOS COUNTY, NEW MEXICO (THE "COUNTY"), NONE OF THE STATE, THE VILLAGE OR THE COUNTY SHALL BE LIABLE ON THIS BOND AND NONE OF THE STATE, THE VILLAGE OR THE COUNTY HAVE PLEDGED THEIR FULL FAITH AND CREDIT TO THIS BOND. THE PRINCIPAL OF, AND INTEREST ON THIS BOND SHALL NOT

CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY ON THE PART OF THE MEMBERS, DIRECTORS OR OFFICERS OF THE DISTRICT. NO BREACH OF ANY PLEDGE, OBLIGATION OR AGREEMENT OF THE DISTRICT SHALL IMPOSE A PECUNIARY LIABILITY OR CHARGE UPON THE GENERAL CREDIT OR TAXING POWER OF THE STATE, THE VILLAGE OR THE COUNTY, OR ANY POLITICAL SUBDIVISION OF THE STATE OTHER THAN THE DISTRICT. THE REGISTERED OWNER HEREOF SHALL HAVE NO RECOURSE TO THE TAXING POWER OF THE VILLAGE OR TO ANY VILLAGE PROPERTY, FUNDS OR RESOURCES, OTHER THAN THE VILLAGE GROSS RECEIPTS TAX INCREMENT REVENUE AND THE VILLAGE PROPERTY TAX INCREMENT REVENUE DEDICATED TO THE DISTRICT.

The Registered Owner hereof shall endorse on the schedule attached to this Bond the date and amount of each advance by such Registered Owner pursuant to the First Supplement and each principal and interest payment on this Bond and the resulting principal amount.

This Bond may be transferred in whole but not in part. NOTWITHSTANDING ANY PROVISION OF THIS BOND TO THE CONTRARY, NEITHER THIS BOND NOR ANY INTEREST IN THIS BOND MAY BE, DIRECTLY OR INDIRECTLY, OFFERED, SOLD, HYPOTHECATED, ENCUMBERED OR OTHERWISE TRANSFERRED OR DISPOSED OF (INDIVIDUALLY AND COLLECTIVELY, A "TRANSFER") EXCEPT IN COMPLIANCE WITH SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), AND APPLICABLE STATE SECURITIES LAWS, AND ANY SUCH PURPORTED TRANSFER OF THIS BOND WILL NOT BE EFFECTIVE UNLESS THE TRANSFEROR PROVIDES TO THE DISTRICT AND THE TRUSTEE (A) AN OPINION, FROM LEGAL COUNSEL EXPERIENCED IN SECURITIES LAWS MATTERS, WHICH COUNSEL MUST BE SATISFACTORY TO THE DISTRICT, TO THE EFFECT THE TRANSFER COMPLIES WITH THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS AND (B) WRITTEN REPRESENTATIONS FROM THE TRANSFEREE, IN FORM AND SUBSTANCE SATISFACTORY TO SUCH LEGAL COUNSEL, NECESSARY TO ESTABLISH SUCH COMPLIANCE, PROVIDED THAT THIS BOND MAY BE TRANSFERRED TO AN AFFILIATE OR SUBSIDIARY OF THE PURCHASER BY DELIVERY TO THE DISTRICT AND THE TRUSTEE OF A CERTIFICATE OF QUALIFIED TRANSFEREE ATTACHED TO THIS BOND AND DULY EXECUTED BY THE TRANSFEREE IN LIEU OF AN OPINION BY COUNSEL AND WRITTEN REPRESENTATIONS REQUIRED UNDER (A) AND (B) ABOVE. ANY SUCH WRITTEN REPRESENTATION FROM THE TRANSFEREE SHALL CONTAIN THE LANGUAGE IN THE LAST PARAGRAPH OF THE CERTIFICATE OF QUALIFIED TRANSFEREE.

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture have happened, exist and have been performed as so required.

The validity, construction and performance of this Bond are governed by the law of New Mexico applicable to agreements made and to be performed in New Mexico.

In Witness Whereof, the District has caused this Bond to be signed by the Chairman of the Board of Directors of the District and the Co-Treasurers of the District and attested by the District Clerk/Board Secretary.

VILLAGE OF TAOS SKI VALLEY TAX
INCREMENT DEVELOPMENT DISTRICT

By: _____
Neal King, Chairman
Board of Directors

Attest:

By: _____
Nancy Grabowski
District Co-Treasurer

By: _____
Chaz Rockey
District Co-Treasurer

By: _____
Ann Wooldridge
District Clerk/Board Secretary

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the issue designated therein and issued under the provisions of the within mentioned Indenture.

BOKF, NA.
as Trustee

By: _____

Title: _____

Date of Authentication: _____

CERTIFICATE OF QUALIFIED TRANSFEREE

Village of Taos Ski Valley Tax Increment Development District
c/o Village Clerk
7 Firehouse Road
Village of Taos Ski Valley, NM 87525

BOKF, NA,
100 Sun Avenue N.E.
Suite 500
Albuquerque, NM 87109
Attention: Corporate Trust Department

Taos Ski Valley, Inc.
116 Sutton Place
Taos Ski Valley, New Mexico 87525

RE: \$44,000,000 Maximum Net Proceeds Village of Taos Ski Valley Tax Increment Development District Senior Lien Taxable Draw-Down Tax Increment Revenue Bond, Series 2018 (the "Bond")

Please be advised that the undersigned is purchasing the Bond. Such purchase is for the account of the undersigned, for the purpose of investment and not with an intent for distribution or resale. In the event that the undersigned transfers such Bond, the undersigned shall comply with all provisions of the Master Indenture of Trust dated as of February 1, 2018 (the "Master Indenture"), by and between the Village of Taos Ski Valley Tax Increment Development District and BOKF, NA, as Trustee, as supplemented and amended by Supplemental Indenture No. 1 dated as of February 1, 2018 (the "First Supplement" and together with the Master Indenture, the "Indenture"), as described in the Bond. The undersigned must present a Certificate of Qualified Transferee in substantially this form to the Trustee, the District and Taos Ski Valley, Inc., a New Mexico corporation (the "Company"), or its successors and assigns, prior to or concurrent with such transfer.

The undersigned transferee acknowledges that it is:

A. One or more of the following, as indicated, that it is acting for its own account or the accounts of other Qualified Institutional Buyers and that it in the aggregate owns and/or invests on a discretionary basis at least \$100 million in securities of issuers that are not affiliated with the Company:

(i) an insurance company, as defined in Section 2(13) of the Securities Act of 1933, as amended (the "Securities Act");

(ii) an investment company registered under the Investment Company Act of 1940, as amended, or any business development company as defined in Section 2(a)(48) of that Act;

(iii) a Small Business Investment Company licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958;

(iv) a plan established and maintained by a state, its political subdivision or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees;

(v) an employee benefit plan within the meaning of Title I of the Employee Retirement Income Security Act of 1974;

(vi) a trust fund whose trustee is a bank or trust company and whose participants are exclusively plans of the types identified in Paragraph (iv) or (v) above, and not a trust fund that includes as participants individual retirement accounts or H.R. 10 plans;

(vii) a business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940 (the "Investment Advisers Act");

(viii) an organization described in Section 501(c)(3) of the Internal Revenue Code, a corporation (other than a bank as defined in Section 3(a)(2) of the Securities Act or a savings and loan association or other institution referenced in Section 3(a)(5)(A) of the Securities Act or a foreign bank or savings and loan association or equivalent institution), partnership or Massachusetts or similar business trust; or

(ix) an investment adviser registered under the Investment Advisers Act;

or

B. A subsidiary of the Company or of the entity that owns the Company.

The undersigned further acknowledges that (i) interest on the Bond is not exempt from gross income for federal income tax purposes, and (ii) an opportunity was available to obtain and that the undersigned has obtained all materials which were regarded as necessary to evaluate the merits and risks of investment in the Bond and after such evaluation, the undersigned understood and knew that acquisition of the Bond involved certain risks, including, but not limited to, those related to limited security and source for payment of the Bond and the probable lack of any secondary market for the Bond.

The undersigned acknowledges, warrants and represents that the undersigned is knowledgeable and fully capable of independently evaluating the risks involved the acquisition of the Bond. The undersigned further acknowledges that neither the District nor any of its officials, counsel, agents or consultants is responsible for any information contained in or omitted from the materials furnished, whether directly or by any other means, relating to the

Bond and acknowledges that the undersigned will not look and has not looked to any of them to obtain such information on its behalf.

TRANSFEEE OF BOND

By: _____

Name: _____

Title: _____

Address for Notices and payment of principal and interest:

Address: _____

Attention: _____

EXHIBIT 3

REQUISITION FOR COSTS OF ISSUANCE

TO: BOKF, NA. as Trustee

Belvedere Property Management LLC

The undersigned, the Authorized District Representatives of the Village of Taos Ski Valley Tax Increment Development District (the "District"), acting under the authorization of Section 502(a) of the Master Indenture of Trust dated as of February 1, 2018 and Section 2.4 of Supplemental Indenture No. 1 dated as of February 1, 2018 collectively, the "Indenture") each between the District and BOKF, NA, as Trustee, hereby certifies that the items set forth on the attached schedule constitute Costs of Issuance which are a proper charge against the Series 2018 Acquisition Account of the Acquisition Fund.

The schedule reflects with respect to each payment to be made:

- (A) the item for which payment is to be made,
- (B) the name of the Person to whom the payment is to be made, and
- (C) the amount to be paid.

The undersigned, on behalf of the District, hereby request Belvedere Property Management LLC to make an Advance to the Trustee in the amount shown on such schedule for deposit in the Series 2018 Acquisition Account of the Acquisition Fund.

The undersigned, on behalf of the District, hereby certify that each of the above amounts to be paid from the Series 2018 Acquisition Account of the Acquisition Fund pursuant to this requisition is a proper charge thereon.

The Advance Repayment Date for the disbursement to be made pursuant to this Requisition shall be _____, ____.

Terms used as defined terms in this Requisition shall have the meanings ascribed thereto in the Indenture.

DATED: _____, 20__.

VILLAGE OF TAOS SKI VALLEY TAX
INCREMENT DEVELOPMENT DISTRICT

By: _____
Authorized District Representative

By: _____
Authorized District Representative

EXHIBIT 4

Completed Infrastructure

(portion of costs of which are reimbursed with proceeds of the Bond, as shown below)

Project Description	Total Eligible Costs of Project	Amounts Previously Reimbursed And Funding Source	Unreimbursed Eligible Project Costs Incurred	Amount Reimbursed with Proceeds of the Bond	Date and Recipient of Dedication	Amount Eligible for Reimbursement in the future
Kachina Improvements						
Offsite Utility Improvements						
Parking Improvements						
Pedestrian Improvements						
Plaza Improvements						
Road Improvements						
RV Improvements						
Water/Wastewater Improvements						
Visitor Drop-Off Facilities						

EXHIBIT 5

REQUISITION AND CERTIFICATE

To: BOKF, NA, as Trustee

Belvedere Property Management LLC

The undersigned, pursuant to the Master Trust Indenture dated as of February 1, 2018 (the "Master Indenture"), by and between the Village of Taos Ski Valley Tax Increment Development District (the "District") and BOKF, NA, as Trustee (the "Trustee"), as supplemented and amended by Supplemental Indenture No. 1 dated as of February 1, 2018 (the "First Supplement" and together with the Master Indenture, the "Indenture"), request on behalf of the District and Taos Ski Valley Inc. (the "Company") Belvedere Property Management LLC to make an Advance to the Trustee in the amount of \$_____ for deposit in the Series 2018 Acquisition Account of the Acquisition Fund and the disbursement by the Trustee to the Company of \$_____ from the Series 2018 Acquisition Account to pay the following costs and expenses related to the Public Infrastructure:

<u>Amount</u>	<u>General Classification of Expenditure</u>	<u>Payee</u>
\$		
Total: \$		

The Advance Repayment Date for the disbursement to be made pursuant to this Requisition and Certificate shall be _____, ____.

The undersigned Authorized District Representatives certify that:

1. a Reimbursement Obligation has been incurred pursuant to the provisions of Section 4(E) of the Amended and Restated Master Development Agreement in that the Village has delivered to TSVI a Certificate of Completion and Acceptance in connection with components of Public Infrastructure; and

2. to the best of our knowledge, there has not been filed with or served upon the District notice of any lien, right or attachment upon, or claim affecting the right of the District to receive payment of the respective amounts stated in such requisition which has not been released or will not be released simultaneously with the payment of such obligation.

The undersigned Authorized TSVI Representative certifies that:

1. the amount of Reimbursable Costs set forth above were duly paid by TSVI, and each item is a proper charge against the Series 2018 Acquisition Account of the Acquisition Fund and has not been the subject of a previous withdrawal from the 2018 Acquisition Account of the Acquisition Fund; and

2. to the best of my knowledge, there has not been filed with or served upon TSVI notice of any lien, right or attachment upon, or claim affecting the right of TSVI to receive payment of the respective amounts stated in such requisition which has not been released or will not be released simultaneously with the payment of such obligation; and

3. with respect to any item for payment for labor or to contractors, builders or materialmen, (aa) the obligations stated have been properly incurred, (bb) to the best of my knowledge, such work was actually performed or such materials or supplies were actually furnished or installed in or about the Public Infrastructure, (cc) to the best of my knowledge, either such materials or supplies are not subject to any lien or security interest or any such lien or security interest will be released or discharged upon payment of the Requisition and Certificate and (dd) TSVI has taken or will take all actions necessary to transfer legal title to the relevant portion or portions of the Public Infrastructure to the Village prior to or simultaneously with the payment of the amount requested hereby.

Terms used as defined terms in this Requisition and Certificate shall have the meanings ascribed thereto in the Indenture.

DATED: _____ 20____.

Authorized TSVI Representative

Authorized District Representatives

Authorized District Representatives