

## **TAX CREDIT PURCHASE AGREEMENT**

**THIS TAX CREDIT PURCHASE AGREEMENT** (this “Agreement”) is entered into and made effective as of the Effective Date, as defined in Section 1.1 of the Agreement, by and between the Qualified Taxpayer executing this Agreement (the “Purchaser”), and the State of Colorado (the “State”) acting by and through the Department of the Treasury (the “Department”). Purchaser and the Department are collectively referred to herein as the “Parties” or singularly each a “Party.”

### **RECITALS:**

A. Colorado House Bills 25B-1004 (“1004 Credits”) and 25B-1006 (“1006 Credits”), enacted on August 28, 2025, and codified at Colorado Revised Statute (“C.R.S.”) Sections 24-36-401, *et. seq.* (the “Act”), provides the Department with the authority to sell up to an aggregate total of \$250 million in deferred tax credits (the “Tax Credits”) (collectively, the “Program”) to certain “Qualified Taxpayers” (as defined below);

B. The Act defines a “Qualified Taxpayer” as either (i) an insurance company authorized to do business in Colorado that has “Premium Tax Liability” owing to the State and that purchases a Tax Credit under the Act, including an insurance company that receives or assumes a Tax Credit transferred in accordance with C.R.S. Sections 24-36-403(7)(e) or 24-36-404(5), or pursuant to a transfer between Affiliates; or (ii) a C corporation authorized to do business in Colorado that has or will have “Income Tax Liability” owing to the State of Colorado and that purchases a Tax Credit under the Act, including a C corporation that receives or assumes a Tax Credit transferred in accordance with C.R.S. Sections 24-36-503(7)(e), or pursuant to a transfer between Affiliates;

C. The Act defines “Premium Tax Liability” as the liability imposed by C.R.S. Sections 10-3-209 or 10-6-128, or, in the case of a repeal or reduction by the State imposed by C.R.S. Sections 10-3-209 or 10-6-128, any other tax liability imposed upon an insurance company by the State; and “Income Tax Liability” means the liability imposed by C.R.S. Section 39-22-301 (Premium Tax Liability and Income Tax Liability are referred to collectively herein as “Tax Liability”);

D. Under the Program, the Department is given the authority to determine for which years the Tax Credits may be utilized and has determined that any Tax Credits purchased hereunder may be applied no earlier than in equal annual amounts during Fiscal Years 2026-2027, 2027-2028 and 2028-2029; and

E. The Purchaser desires to purchase Tax Credits from the Department and the Department desires to sell the Tax Credits to the Purchaser pursuant to the Act, in accordance with the terms and conditions set forth in this Agreement.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, intending to be legally bound, hereby agree as follows:

### **ARTICLE I DEFINITIONS**

**1.1. Certain Definitions.** For purposes of this Agreement, (a) the Recitals set forth above are hereby incorporated into this Agreement; (b) certain terms when capitalized herein shall have the meanings assigned to them in the text of this Agreement; and (c) the following terms shall have the meanings specified in this Section 1.1:

“Act” has the meaning set forth in Recital A above.

“Affiliates” means a specific Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under the common Control with, the Person specified.

“Business Day” means any day in which the State is open and conducting business, but shall not include Saturday, Sunday, or any day on which the State observes one of the holidays set forth in C.R.S. Section 24-11-101(1).

“Consents” means any approvals, authorizations, waivers, orders, consents, licenses, permits or certificates of, or registrations, declarations, filings, or notices with respect to any Person or Governmental Authority.

“Contract” means any contract, agreement, indenture, note, bond, mortgage, loan, instrument, lease, license, commitment or other arrangement, understanding, undertaking, commitment or obligation, whether written or oral.

“Control” means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through ownership of voting securities, by contract other than a commercial contract for goods or nonmanagement services, or otherwise, unless the power is the result of an official position with or corporate office held by the person. “Control” is presumed to exist if any Person, directly or indirectly, owns, controls, holds the power to vote, or holds proxies representing, ten percent or more of the voting securities of any other Person.

“Department” has the meaning set forth in the introduction of this Agreement.

“DOI” means the State of Colorado Department of Revenue, Division of Insurance.

“DOR” means the Colorado Department of Revenue.

“Effective Date” means the date the Agreement has been fully executed by the Purchaser and the Department.

“Fiscal Year” means July 1 of each calendar year and ending on June 30 of the following calendar year.

“Funding Date” has the meaning set forth in Section 2.1(b) of this Agreement.

“Governmental Authority” means the State or federal government or governmental or regulatory body thereof, or any agency of the State, or any State court or arbitrator (public or private).

“Income Tax Liability” has the meaning set forth in Recital C above.

“Program” has the meaning set forth in Recital A above.

“Person” means any individual, corporation, limited liability company, partnership, firm, joint venture, association, trust, unincorporated organization, Governmental Authority, or other entity.

“Premium Tax Liability” has the meaning set forth in Recital C above.

“Purchase Price” has the meaning in Section 2.1(a), and is in the U.S. Dollar amount(s) set forth in Exhibit A.

“Rules” means those administrative rules, promulgated by the Department as set forth in the State Administrative Procedure Act at Section 24-4-101, et seq., C.R.S. and the Act.

“Qualified Taxpayers” has the meaning set forth in Recital B above.

“Qualified Transferee” means a Qualified Taxpayer who receives a Transfer of Tax Credits pursuant to C.R.S. Sections 24-36-403(7)(e), 24-36-404(5), or 24-36-503(7)(e) to an Affiliate.

“Tax Credit Certificates” means the certificates from the Department evidencing the face amount of the Tax Credits purchased by a Purchaser, under which the Purchaser can utilize to pay its Tax Liability, and the dates on which such usage may occur.

“Tax Credits” means a credit that may be utilized as payment against Tax Liability offered to or held by a Qualified Taxpayer under the Program.

“Transfer” has the meaning set forth in Section 2.3(a)(i) hereof.

## **ARTICLE II PURCHASE OF TAX CREDITS**

### **2.1. Agreement to Purchase.**

(a) Subject to the terms and conditions of this Agreement, the Purchaser hereby agrees to purchase from the Department, and the Department hereby agrees to sell to the Purchaser, up to the amount of Tax Credits specified on Exhibit A, which is attached hereto and incorporated herein by reference, for the cash amount specified on Exhibit A (the “Purchase Price”). Under the Program, the Department may not be required to issue and sell all or a portion of the 1006 Credits. Purchaser’s commitment hereunder shall first be applied to any 1006 Credits issued by the Department, with any remaining commitment applied to 1004 Credits; however, if no 1006 Credits are issued, the entire commitment will be applied to 1004 Credits. If, as a result of the reduction or elimination of 1006 Credits, the aggregate commitments made by the Purchaser in the Agreement and other Qualified Taxpayers in similar purchase agreements exceed the total Tax Credits to be issued under the Program, each Qualified Taxpayer’s (including the Purchaser’s) commitment will be reduced. In this situation, the Department will allocate the first Tax Credits to those accepted commitments with the highest price per credit and if total commitments accepted at a particular price per credit exceed the amount of Tax Credits available, the Qualified Taxpayer’s commitment and amount of Tax Credits to be purchased will be reduced pro rata based on all accepted bids at the same price per credit.

(b) The Department shall establish the dates on which Tax Credits will be sold and the Purchase Price for such Tax Credits will be due from the Purchaser (each, a “Funding Date”). The Funding Date for the 1004 Credits shall be no later than June 15, 2026. The Department shall establish no more than two Funding Dates with respect to the 1006 Credits, which shall be set no earlier than March 15, 2026 and no later than June 15, 2026. At least five Business Days prior to a Funding Date, the Department shall send notice to the Purchaser of the amount of Tax Credits to be purchased by Purchaser and the Purchase Price due on such Funding Date.

(c) To the extent Purchaser is assigned multiple Funding Dates, as applicable, the term “Funding Date” as used throughout this Agreement shall be interpreted to apply to each Funding Date individually.

(d) On the Funding Date, the Purchaser shall effect a wire transfer pursuant to the below

instructions (or pursuant to such other instructions as the Department shall notify the Purchaser in writing) in the amount of the Purchase Price set forth in the Department's notice set to Purchaser with respect to such Funding Date. Wire transfer payments shall be made to:

Bank Name:

Routing #:

Account Number:

Description:

Ref: CO Tax Credits, Dep't of Treasury

(e) In exchange, no later than 15 days following receipt of the Purchase Price for Tax Credits, the Department shall deliver to the Purchaser the corresponding Tax Credit Certificate(s) identified in **Exhibit A** and in the form attached hereto as **Exhibit B**, which is hereby incorporated into this Agreement. In accordance with the Act, a Tax Credit Certificate is a fully vested credit which can be utilized by the Purchaser against its Tax Liability. The utilization of the Tax Credit Certificates by a Purchaser represents a payment of Tax Liability by the Purchaser and not a reduction of such taxes.

(f) If the Qualified Taxpayer fails to pay any Purchase Price due on a particular Funding Date on or before such Funding Date, the Purchaser shall be subject to a penalty equal to 10% of the amount of the Purchase Price that remains unpaid (the "**Penalty**"). Pursuant to C.R.S. Sections 24-36-403(7)(b) and 24-36-503(7)(b), the penalty shall be paid to the Department within 30 days after demand therefor. Failure by the Purchaser to pay the Purchase Price and the Penalty by the expiration of such 30-day period ("**Payment Default**") shall be considered a material breach of this Agreement and shall result in the Purchaser's immediate forfeiture of any right to claim any of the Tax Credits not paid for (related specifically to the Payment Default and available for future purchase). The Purchaser agrees the 10% Penalty fee is fair and reasonable considering the need for the Department to incur the time and expense of identifying a replacement purchaser and negotiating and implementing a replacement transaction. The Department shall be authorized, upon a Payment Default, to reallocate such Tax Credits to other Qualified Taxpayers as deemed appropriate by the Department (a "**Reallocation**"). The amount of the Penalty shall accrue interest at a rate of 8% per annum, compounded monthly, until paid. Any such Reallocation of the Tax Credits shall not diminish the Department's ability to assess the Penalty or to pursue recovery of the Penalty or any other remedies necessary to recover the Penalty, such as attorney fees and costs. The Department may assess penalties and may pursue other remedies and actions against the Purchaser if a Payment Default occurs.

(g) Subject to Section 2.2, the Purchaser shall be entitled to use of the Tax Credits on the dates and in the amounts set forth on the Tax Credit Certificate.

(h) The Department agrees to the sale of the Tax Credits subject to the terms and conditions set forth in this Agreement and pursuant and subject to the authority granted to the Department under the Act.

**2.2. Limitation on Carry Forward.** Pursuant to C.R.S. Sections 24-36-404(2) and 24-36-504(2), if the Purchaser cannot use the entire amount of Tax Credits in a given taxable year in which the Purchaser is eligible to use such Tax Credits, the excess may be carried over to succeeding taxable years and used as a Tax Credit against its Tax Liability for those taxable years; provided, however, that the Tax Credits may not be carried over to any taxable year that begins after December 31, 2033. Any amount of Tax Credits that are not timely claimed expire and are not refundable, and the Tax Credits shall be recognized as cancelled by the Department, the DOI and/or the DOR, as applicable, thereafter.

### **2.3. Transfer or Sale of Tax Credits.**

#### **(a) Transfers.**

(i) The Purchaser agrees that it may not sell, transfer, assign, encumber or dispose (each a “Transfer”) of the Tax Credits or any of its obligations hereunder except as specifically allowed in this Section 2.3. The Purchaser acknowledges that the Act only permits transfer of its Tax Credits to a Qualified Transferee upon (A) the merger, acquisition, or divestiture of a line of business, whereby the Tax Credits will be assumed by the surviving or remaining entity (see Section 2.3(b) below), (B) the reallocation of such Tax Credits among Affiliates of the Purchaser, or (C) failure by the Purchaser to pay the Tax Credit Purchase Price on or by the Funding Date, in which case the Purchaser may avoid imposition of the Penalty by transferring the Tax Credits to a Qualified Taxpayer within thirty (30) days after the Funding Date of the defaulted installment, in accordance with C.R.S. Sections 24-36-403(7)(e) and 24-36-503(7)(e); provided the waiver of the Penalty is conditioned upon the Purchaser ensuring that both (1) such Transfer is done strictly in accordance with the terms governing Transfers that are contained in this Purchase Agreement, and (2) the Qualified Transferee agrees to pay the Purchase Price within five (5) days of the date of transfer. Provided that the Purchase Price is timely paid, a transfer or sale of Tax Credits shall not affect the schedule for taking Tax Credits as stated in this Agreement or the Tax Certificate, the Purchase Price or due dates of such Tax Credits, or any terms of the Tax Credit Certificates or this Agreement.

(ii) The Purchaser shall notify the Department, the DOI and the DOR, as applicable, of any Transfer of all or a portion of its Tax Credits to a Qualified Transferee within ten (10) Business Days of the Transfer. The Purchaser and the Qualified Transferee must complete the Transfer Form attached hereto as Exhibit C in its entirety.

(iii) The Purchaser and the Qualified Transferee shall include a copy of the notice of the sale or transfer with any Tax Credit claims submitted to the Department, the DOI and the DOR, as applicable.

(iv) Transfers of Tax Credits, whether by the Purchaser or by a Qualified Transferee, shall only be made once per calendar year and shall occur no later than December 31<sup>st</sup> of each calendar/tax year in order to be valid for taxes related to such calendar year ending December 31<sup>st</sup> which are subsequently due on March 1<sup>st</sup> or April 15<sup>th</sup>, as applicable, of the following calendar year. In the event of a change in ownership or control of the holder of Tax Credits, transfers to a new owner may occur without being subject to the once per calendar year limitation.

(v) In the event that the Purchaser Transfers such Tax Credits, the Purchaser and the Qualified Transferee shall (1) execute the Transfer Form attached hereto as Exhibit C, and (2) the Purchaser’s agreement with the Qualified Transferee shall require (A) that the Qualified Transferee follow any and all procedures required by the Department, the DOI and the DOR, as applicable, when transferring or reporting Tax Credits, and (B) that the agreement designate the Department, the DOI and the DOR, as applicable, as intended third party beneficiaries of the agreement by virtue of the rights they have to enforce this Purchase Agreement against assignees of the Tax Credits.

(vi) For the avoidance of doubt, a reallocation of Tax Credits among Affiliates of the Purchaser shall not be treated as a Transfer under this Agreement. Affiliates shall be able to utilize any Tax Credits reallocated to such Affiliates by the Purchaser if reallocated pursuant to procedures adopted by the Department, the DOI and the DOR, as applicable.

(b) Transfers in Connection with a Merger, Acquisition, Etc. If Purchaser is part of a merger, acquisition or line of business divestiture while holding unclaimed Tax Credits to which Purchaser is not the surviving entity, such Tax Credits may be transferred to and assumed by the resulting entity if the resulting entity is a similar business authorized to do business in the State of Colorado that has Colorado Tax Liability. Such Transfer shall be made in accordance with C.R.S. Section 24-36-404(5) or other applicable provisions, including that Purchaser and the Qualified Transferee shall (i) notify the Department, the DOI and the DOR, as applicable, in writing of the Transfer of the Tax Credits and (ii) provide to the Department, the DOI and the DOR, as applicable, the information required in clause (d) below.

(c) The Department shall require the Qualified Transferee be actively licensed and in compliance with all licensing requirements, including minimum net worth requirements, as set forth by the State of Colorado to conduct its business.

(d) The Purchaser and each Qualified Transferee shall submit an annual report to the Department, the DOI and the DOR, as applicable, in the following format below no later than January 31<sup>st</sup> of each year (for the previous calendar/tax year), which provides details on the following information:

- 1) the Purchaser's Tax Credits delineated by initial year of eligibility;
- 2) amount of Tax Credits transferred or sold and the years to which such transfer or sale applies;
- 3) name, address, and Tax Identification Numbers for the Purchaser and the Qualified Transferee;
- 4) the date of Transfer;
- 5) the amount of Tax Credits taken against Colorado Tax Liability to date delineated by tax year;
- 6) the first date that the Tax Credits could be claimed by the Purchaser;
- 7) the Purchaser's remaining Tax Credit balance;
- 8) carryforward tax credits and the related year; and
- 9) other information as requested by the Department, the DOI and the DOR, as applicable.

In the event the Purchaser or Qualified Transferee's March 1 tax payment includes adjustments for the prior year which are not reflected in the January 31 report, the Purchaser or Qualified Transferee shall file with the Department, the DOI and the DOR, as applicable, any necessary amendments to the report on or by March 1<sup>st</sup>.

**2.4. Tax Credit Certificates Constitute a Contract.** Each Tax Credit Certificate shall constitute a contract between the Department and the Purchaser, and in no event will any subsequent action taken by the Colorado General Assembly that may be inconsistent with the terms thereof or the terms of this Agreement be construed to constitute an action impairing such contract.

### **ARTICLE III REPRESENTATIONS AND WARRANTIES OF THE DEPARTMENT**

On the Effective Date, the Department represents and warrants to the Purchaser that:

**3.1. Authorization.** The Department has the requisite power to execute and deliver this Agreement and each other document to be executed by it in connection with the consummation of the

transactions contemplated hereby and to perform its obligations hereunder and thereunder. The execution, delivery, and performance by the Department of its obligations under this Agreement and each other document to be executed by it in connection with the consummation of the transactions contemplated hereby is authorized by and in accordance with the Act. This Agreement constitutes a valid and binding obligation of the Department, enforceable in accordance with the Act.

**3.2. Tax Credits.** The Tax Credits shall take the form and substance of **Exhibit B**, the Tax Credit Certificate form. The Purchaser shall not be subject to any additional or retaliatory tax levied by the State as a result of claiming any Tax Credits.

**3.3. No Conflicts.** Neither the execution and delivery of this Agreement, the performance by the Department of its obligations hereunder, nor the consummation of the transactions contemplated hereby, will violate the Act.

#### **ARTICLE IV REPRESENTATIONS AND WARRANTIES OF THE PURCHASER**

On the Effective Date, the Purchaser hereby represents and warrants to the Department that:

**4.1. Organization and Standing.** The Purchaser is validly existing and in good standing under the laws of its jurisdiction of domicile. The Purchaser has the requisite power and authority to enter into and discharge its obligations under this Agreement.

**4.2. Authorization.** The Purchaser has all requisite power and authority to execute and deliver this Agreement and each other document to be executed by it in connection with the consummation of the transactions contemplated hereby and to perform its obligations hereunder and thereunder. The execution, delivery and performance by the Purchaser of this Agreement and each other document to be executed by it in connection with the consummation of the transactions contemplated hereby and the performance by the Purchaser of its obligations hereunder and thereunder have been duly authorized by all necessary action on the part of the Purchaser. This Agreement has been duly executed and delivered by an authorized representative of the Purchaser and constitutes a valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, except as may be limited by bankruptcy, insolvency, receivership, reorganization, moratorium, or other similar laws affecting the enforcement of creditors' rights in general and subject to general principles of equity.

**4.3. Consents.** No Consent, other than any Consents and approvals which have been previously obtained, with respect to any Person or Governmental Authority, is required to be obtained or made by the Purchaser in connection with the execution and delivery of this Agreement by the Purchaser, the performance by the Purchaser of its obligations under this Agreement, or the consummation of the transactions contemplated hereby.

**4.4. No Conflicts.** The Purchaser represents that neither the execution and delivery of this Agreement, the performance by the Purchaser of its obligations under this Agreement, nor the consummation of the transactions contemplated under this Agreement, will: (i) conflict with any organizational documents of the Purchaser, nor (ii) conflict with, result in any violation of, constitute a default (with or without notice, lapse of time, or both) under any Contract which conflict, violation or default would adversely impact in any material respect the Purchaser's ability to perform its obligations under this Agreement.

**4.5. Access to Information.** The Purchaser has had the opportunity to carefully review this

Agreement and the provisions of the Program, has been given access to all other documents and information that it has requested in connection with making a decision to purchase the Tax Credits, and has had the opportunity to ask questions of and has received responses it believes to be satisfactory from representatives of the Department. The Purchaser has not relied upon the Department but upon its own investigation and upon the Act.

## **ARTICLE V**

### **DELIVERIES AND CONDITIONS PRECEDENT**

**5.1. Conditions of the Purchaser.** The Purchaser's obligations under this Agreement shall be subject to the satisfaction of the following conditions:

(a) Tax Credit Certificates. The Department shall execute and issue to the Purchaser the Tax Credit Certificate representing a Tax Credit against Tax Liability promptly upon receipt of payment for such Tax Credit on the Funding Date.

(b) Accuracy of Representations and Warranties. Each of the representations and warranties of the Department contained herein shall be true and correct in all material respects on and as of the Effective Date.

(c) Performance of Covenants. The Department shall have performed and complied, in all material respects, with any conditions prerequisite required of it to enter into this Agreement.

(d) No Litigation. On the Funding Date, the Department will certify that, with the exception of any litigation disclosed to the Purchaser prior to the execution of this Agreement, to the best of the Department's knowledge following reasonable diligence, (i) there is no threatened or pending court action, suit, proceeding, governmental investigation, administrative proceeding or arbitration against, or directly affecting, the Department which seeks to enjoin or restrain any of the transactions contemplated herein, and (ii) no order of any court, arbitrator or other Governmental Authority is in effect which purports to enjoin or restrain any of the transactions contemplated herein.

**5.2. Conditions of the Department.** The Department's obligations under this Agreement shall be subject to (i) the Purchaser's payment of the Purchase Price on or by the Funding Date as established by the Department and (ii) each of the representations and warranties of the Purchaser contained herein being true and correct in all material respects on and as of the Effective Date.

**5.3. Conditions of all Parties.** The obligations of each of the Parties under this Agreement shall be subject to the satisfaction of the following conditions:

(a) Consents. All Consents of any Person or Governmental Authority that are required to consummate the transactions as of the Effective Date shall have been duly obtained and effective prior to or as of such date.

(b) Documents. On the Effective Date and on the Funding Date, the Department shall have duly executed and delivered this Agreement and any other document or agreement forming a part of this transaction, which is required to be executed and delivered pursuant hereto.

## **ARTICLE VI**

### **DEFAULTS, REMEDIES**

**6.1. Event of Default.**



(a) If the Purchaser shall fail to pay any portion of the Purchase Price due and payable on the Funding Date, the rights and remedies hereunder and under the Act, including but not limited to C.R.S. Section 24-36-403(7), as well as the Penalty set forth in Section 2.1(f) and Section 2.1(g), shall be applicable.

(b) If the Department shall fail in any of its material obligations hereunder, the Purchaser shall provide written notice of the breach to the Department. If the Department does not cure the breach within thirty (30) days after the delivery of the written notice, the Parties shall proceed through a dispute resolution process as follows:

1. Resolution of Controversies. Disputes concerning the performance of this Agreement by the Department which cannot be resolved by the Department staff shall be referred in writing to a senior Department staff member designated by the Department and a senior manager designated by the Purchaser for resolution. If, after completing the dispute resolution process described above, the Parties are unable to come to a resolution, the Purchaser may exercise any remedies available at law and equity.

## **ARTICLE VII MISCELLANEOUS**

**7.1 Lost, Stolen, Damaged or Destroyed Certificates.** At the request of the Purchaser, the Department shall issue and deliver a replacement Tax Credit Certificate to replace any Tax Credit Certificate that has been lost, stolen, damaged or destroyed in the available balance as verified by the DOI or the DOR, as applicable, remaining in the Purchaser's tax record upon receipt of an affidavit of lost, stolen, damaged or destroyed certificate from the Purchaser in form and substance satisfactory to the Department. As a condition to receiving a replacement Tax Credit Certificate, the Purchaser hereby agrees to defend, indemnify, and hold harmless the State, the Department, the DOI and the DOR, as applicable, for any claims brought against the State or any damages levied against the State that arise out of the Transfer and replacement of the Tax Credit Certificates that have been purchased by the Purchaser.

**7.2 Notices.** Any notice, demand, request, instruction, correspondence, or other document required or permitted to be given hereunder by any Party to the other shall be in writing and delivered (i) in person, (ii) by a nationally recognized overnight courier service, requiring acknowledgment of receipt of delivery, (iii) by United States certified mail, postage prepaid and return receipt requested, as follows:

If to the Purchaser, to:

To the address specified  
on the Purchaser's signature page

**If to the Department, to:**

James Eke  
State of Colorado  
Department of the Treasury  
200 East Colfax  
140 State Capitol  
Denver, CO 80203

With copy to:

Lori Ann Knutson  
First Assistant Attorney General  
State Services Section  
Contracts & Procurement Unit  
Department of Law, Office of the Attorney General  
1300 Broadway, 10<sup>th</sup> Floor  
Denver, CO 80203

**Copy to:**

Advantage Capital  
909 Poydras St., Suite 2230  
New Orleans, LA 70112

Notice shall be deemed given, received, and effective on: (i) if given by personal delivery or courier service, the date of actual receipt by the receiving party, or if delivery is refused, on the date delivery was first attempted; and (ii) if given by certified mail, the fifth day after being so mailed, if posted with the United States Postal Service. Any Person entitled to notice may change any address to which notice is to be given, by providing notice of such change of address as provided in this Section 7.2. The inability to deliver notice because of a changed address of which no notice was given shall be deemed to be receipt of the notice as of the date such attempt was first made.

**7.3 Amendments.** This Agreement may be changed, modified, or amended only by an instrument in writing duly executed by the Parties hereto and approved by all parties required by the Department's contracting procedures.

**7.4 Waivers.** Any term or provision of this Agreement may be waived, or the time for its performance may be extended, by the Party or Parties entitled to the benefit thereof; provided, the waiver is not contrary to the Act, in writing and sent to the other Party in accordance with the notice provisions contained in Section 7.2, and approvals from Office of Attorney General have been obtained. The failure or delay of any Party hereto to enforce at any time any provision of this Agreement shall not be construed to be a waiver of such provision, nor in any way to affect the validity of this Agreement or any part hereof or the right of any Party hereto thereafter to enforce each and every such provision. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

**7.5 Severability; Statutory Changes.**

(a) If any court of competent jurisdiction declares any provision of this Agreement invalid or unenforceable, the remainder of this Agreement shall remain fully enforceable. To the extent that any court concludes that any provision of this Agreement is void or voidable, the court shall reform such provision(s) to render the provision(s) enforceable, but only to the extent absolutely necessary to render the provision(s) enforceable.

(b) If the Purchaser no longer has the legal right to use the Tax Credits towards its tax liability because of a reduction or repeal by the State of Colorado of the liability imposed by C.R.S. Sections 10-3-209 or 10-6-128, or C.R.S. Section 39-22-301 (a "Statutory Change"), then the Purchaser shall be entitled to apply the Tax Credits to any other tax liability imposed upon the Purchaser by the State as permitted under the Act.

(c) If, due to changes in the Act or as a result from a court of competent jurisdiction issuing a

final ruling not subject to appeal that the Act is invalid, the Purchaser no longer has the legal right to use the Tax Credits towards its Tax Liability or any other tax liability imposed upon the Purchaser by the State (a “Tax Credit Invalidation Event”), then the Department shall promptly refund to the Purchaser the portion of the Purchase Price representing such unused Tax Credits, plus any interest or tax penalties imposed upon the Purchaser by the State of Colorado prior to and solely as a result of such Tax Credit Invalidation Event. Furthermore, upon the occurrence of a Tax Credit Invalidation Event, the Purchaser shall have no further obligation under this Agreement to purchase additional Tax Credits.

**7.6 Assignment; Successors and Assigns.** All representations, warranties, covenants and agreements in this Agreement made by or on behalf of any of the Parties hereto shall bind and inure to the benefit of the respective successors and assigns of the Parties hereto whether so expressed or not. The provisions of this Agreement are intended to be for the benefit of the Purchaser and its assignees and shall be enforceable by the Purchaser or its assignees. For the avoidance of doubt, the Transfer of Tax Credits to other Qualified Taxpayers is permitted only in accordance with the terms of the Act, and is permitted by this Agreement only if accomplished strictly in accordance with all of the terms contained here. The Department may assign this Agreement to the State of Colorado or any of its departments, agencies or divisions. The Department will provide written notice of any such assignment no later than twenty (20) Business Days of assignment.

**7.7 No Third-Party Beneficiaries.** Nothing in this Agreement, express or implied, is intended or shall be construed to give any Person other than the Parties to this Agreement, and their respective successors or permitted assigns, any legal or equitable right, remedy or claim under or in respect of any agreement or provision contained herein.

**7.8 Governing Law & Venue.** The validity, enforceability, construction and interpretation of this Agreement and any disputes arising hereunder shall be governed by the laws of the State of Colorado (without regard to its choice of law provisions). The Parties also agree that in the event a dispute arises regarding this Agreement, the Parties will submit to the exclusive jurisdiction of the courts of the State of Colorado, with venue residing exclusively in the State courts located in the City and County of Denver, Colorado. The Purchaser expressly waives any objection as to jurisdiction or venue in the courts of the State of Colorado.

**7.9 Entire Agreement.** This Agreement (including the exhibits hereto) and any other documents delivered pursuant hereto or delivered in connection herewith constitute the entire agreement and understanding among the Parties and their respective affiliates with respect to the subject matter contained herein or therein, and supersede any and all prior agreements, negotiations, discussions, understandings, term sheets, offering memorandums or letters of intent between or among any of the Parties. In the event of any conflict between any term of this Agreement and the terms of the Act, the terms of the Act shall control. In the event of any conflicts between any term of this Agreement and the terms of the Tax Credit Certificate issued hereunder, the terms of this Agreement shall control.

**7.10 Purchaser Has Relied on Own Advisors.** This Purchaser has consulted its own legal, accounting, tax, financial, and other advisors, as applicable, to the extent they have deemed appropriate. The Purchaser acknowledges it cannot and has not relied upon the legal advice of the Department or any representative or agent of the Department in interpreting Colorado law or understanding the terms of this Agreement.

**7.11 Expenses & Costs.** Each Party shall bear its own expenses and costs to effect the authorization, evaluation, preparation, issuance, delivery, and sale of the Tax Credit Certificates and its

entering into this Agreement.

**7.12 Governmental Immunity.** Liability for claims for injuries to persons or property arising from the negligence of the Department, the State, or the State's departments, boards, commissions, committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, C.R.S. Sections 24-10-101, *et seq.*, the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State's risk management statutes, C.R.S. Sections 24-30-1501, *et seq.* No term or condition in this Agreement shall be construed or interpreted as a waiver, express or implied, of any immunities, rights, benefits, protections or other provisions contained in these statutes.

**7.13 No Expenditure of State Funds Required.** The Purchaser acknowledges that no expenditure of State monies is required by this Agreement or the transaction contemplated herein, and that the State is prohibited by law from making commitments beyond the term of the current State Fiscal Year. Pursuant to C.R.S. Section 24-30-202(5.5), financial obligations of the State payable after the current State Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted, or otherwise made available.

**7.14 Execution in Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument, and shall become binding when one or more counterparts have been signed by and delivered to each of the Parties hereto. In making proof of this Agreement, it shall not be necessary to produce or account for more than one such counterpart executed by the Party against whom enforcement of this Agreement is sought. The exchange of copies of this Agreement and of signature pages by facsimile, or by PDF or similar imaging transmission, will constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by facsimile, or by PDF, or by similar imaging transmission, will be deemed to be their original signatures for any purposes whatsoever.

**7.15 Survival of Representations and Warranties.** All representations and warranties contained herein or made in writing by or on behalf of any Party or otherwise in connection herewith or therewith, or in any Tax Credit Certificate shall be (i) subject to the applicable statute of limitations, survive the execution and delivery of this Agreement, and shall continue in effect until the Tax Credits are fully utilized and as otherwise provided in this Agreement or in any Tax Credit Certificate; and (ii) be deemed to be material and to have been relied upon by the other Party hereto, regardless of any investigation made by such Party or on its behalf.

**7.16 Digital Signatures.** If any signatory signs this Agreement using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Agreement by reference.

**[SIGNATURE PAGES FOLLOW]**

**IN WITNESS WHEREOF**, the Parties hereto have executed this Agreement, to be effective as of the date of the last signing party.

**BY THE PURCHASER:**

\_\_\_\_\_

NAME:

TITLE:

Address for notices:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**BY THE DEPARTMENT:**

\_\_\_\_\_

NAME:

TITLE:

**EXHIBIT A**  
**Tax Credits Purchased**

Name of Qualified  
Taxpayer:  
Address:  
Federal EIN:  
Colorado Account Number:  
CO Use Account Number:  
National Association of Insurance Commissioners  
Number: [if applicable]  
Name and Title of Contact or Taxpayer  
Representative:  
Telephone:  
Email:

**TABLE 1 – TAX CREDIT TABLE**

By entering into this Agreement, Purchaser is agreeing to Purchase, and the Department is agreeing to sell, the below Tax Credits, with the Purchase Price being remitted on the Funding Date(s) to be determined by the State, and subject to the redemption restrictions below.

PURCHASE		REDEMPTION		
Credit Amount	Purchase Price	Funding Date	Earliest Usage Date	Expiration Date
\$	\$	TBD	[__/__/26]	12/31/33
\$	\$	TBD	[__/__/27]	12/31/33
\$	\$	TBD	[__/__/28]	12/31/33

Total Tax Credits: \$\_\_\_\_\_

Total Purchase Price: \$\_\_\_\_\_

Payments for Purchase Price and Corresponding Tax Credits:

Total:

**EXHIBIT B**  
**Tax Credit Certificate**

*Tax Credit Certificate*  
**COLORADO TAX CREDITS**  
**ISSUED UNDER HOUSE BILLS 25B-1004 [AND 25B-1006]**  
**(C.R.S. Sections 24-36-401, *et. seq.*) (the “Act”)**

Tax Credit Certificate No.:

Issuer:

State of Colorado acting by and through the Department of Treasury

Taxpayer:

NAIC No.:

Amount of Tax Credits:

\$

Fiscal Year of Issuance:

This Tax Credit Certificate is issued to the Taxpayer specified above by the Issuer pursuant to the Act. This Tax Credit Certificate evidences that the Taxpayer is entitled to a tax credit (the “Tax Credit”) against Colorado (i) premium tax liability imposed by C.R.S. Sections 10-3-209 or 10-6-128 or, in the case of a repeal or a reduction by the State of Colorado of the liability imposed by such statutes, any other tax liability imposed upon an insurance company by the State of Colorado, or (ii) income tax liability imposed by C.R.S. Section 39-22-301 (“Colorado Tax Liability”) in the amount specified above. This Tax Credit Certificate is issued to the Taxpayer that was the original purchaser of the Tax Credits under the Act. [This Tax Credit Certificate is issued in replacement or substitution of a Tax Credit Certificate originally issued to the purchaser of the Tax Credits under the Act.]

Tax Credits issued under the Act may be applied to offset Colorado Tax Liability as follows: (i) *for insurance companies only*, up to 33.34% of the total amount of Tax Credits originally purchased may be applied against the Taxpayer’s Colorado Tax Liability for the calendar year that begins on January 1, 2026, except that such credits may not reduce estimated tax payments in proportion to such credit prior to July 1, 2026, (ii) *for both insurance companies and C corporations*, up to 33.33% of the total amount of Tax Credits originally purchased may be applied against the Taxpayer’s Tax Liability for the calendar year that begins on January 1, 2027, except that for C corporations such credits may not reduce estimated tax payments in proportion to such credit prior to July 1, 2027, and (iii) *for both insurance companies and C corporations*, up to 33.33% of the total amount of Tax Credits originally purchased may be applied against the Taxpayer’s Tax Liability for the calendar year that begins on January 1, 2028. For the avoidance of doubt, insurance companies may apply the Tax Credit beginning July 1, 2026 and C corporations may apply the Tax Credit beginning July 1, 2027. This Certificate represents the Tax Credits that are first eligible for use against Tax Liability for the calendar year beginning January 1, [2026,2027,2028, as applicable].

Subject to the limitations set forth above, the Taxpayer may reduce its quarterly estimated payments of Colorado Tax Liability to the extent of the Tax Credits utilized by the Taxpayer for such tax quarter. To redeem this Tax Credit Certificate, this certificate must be submitted to the Colorado Department of Regulatory Agencies, Division of Insurance or the Colorado Department of Revenue, as applicable, with the Taxpayer’s annual tax filing to claim the Tax Credits certificated hereunder against the Taxpayer’s Colorado Tax Liability for such year. There is no requirement to submit this Tax Credit Certificate with the Taxpayer’s quarterly tax filings. The applicable authority may require that the submission be accompanied with a form or additional paperwork.

If all of the Tax Credits are not used by the Taxpayer to defray Colorado Tax Liability for any applicable Tax Year, the unused Tax Credits may be carried forward and used by the Taxpayer to defray Colorado Tax Liability in one or more subsequent years until exhausted, transferred or sold, subject to the restrictions under the Act or regulations, rules, notices and pronouncements relating to the Act; provided that this Tax Credit Certificate may not be carried over to any taxable year that begins after December 31, 2033. Taxpayer shall not have any right to use Tax Credits in any year in excess of the Taxpayer’s actual Colorado Tax Liability for that year.

The terms of this Tax Credit Certificate are subject to the terms and provisions of the Tax Credit Purchase Agreement (“Agreement”) between the Issuer and the Taxpayer, which Agreement shall control in the event of any conflict between that Agreement and this Tax Credit Certificate. The Taxpayer may not sell or transfer these Tax Credits except to transfer to affiliates as allowed by the Act and in accordance with the Agreement. The Tax Credits represented by this Tax Credit Certificate are not subject to forfeiture, disallowance or recapture by the State of Colorado for any reason. *The Tax Credits represented by this Certificate expire on December 31, 2033.*

**For the State of Colorado, Department of the Treasury,  
David L. Young, Treasurer**

\_\_\_\_\_  
David L. Young, Treasurer

\_\_\_\_\_  
Date



**EXHIBIT C**  
**Transfer Form**

**Tax Credit Transfer Form**

This form facilitates transfers of Tax Credits issued pursuant to C.R.S. § 24-36-401, *et seq.* (the “Act”).

*Instructions:* Use of this form is required to facilitate the transfer of Tax Credits purchased under the Act. It is the responsibility of the transferring parties to ensure any terms of transfer are memorialized in a separate written agreement. No Assignment is complete unless and until the Department issues a new Tax Credit Certificate to any assignee. Tax Credit Transfer Forms must be submitted in **three original copies** to the Colorado Dep’t of Treasury at:

Colorado Department of the Treasury  
State Capitol, Room 140  
Denver, CO 80203  
Attn: \_\_\_\_\_

**I. IDENTIFICATION OF TAX CREDIT CERTIFICATE.**

The TAX CREDIT CERTIFICATE being transferred is as follows:

\_\_\_\_\_  
Tax Credit Certificate No.

\_\_\_\_\_  
Date of Issuance

\_\_\_\_\_  
Legal Name of Original Purchaser

\_\_\_\_\_  
Amount of Tax Credit (as originally purchased)

**II. ASSIGNOR’S INFORMATION.**

The ASSIGNOR is as follows:

\_\_\_\_\_  
Full Legal Name

\_\_\_\_\_  
NAIC Number (if applicable)

\_\_\_\_\_  
State of Domicile

\_\_\_\_\_  
EIN No.

\_\_\_\_\_  
Address – Street

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
ZIP

**III. ASSIGNEE’S INFORMATION.**

The ASSIGNEE is as follows:

\_\_\_\_\_  
Full Legal Name

\_\_\_\_\_  
NAIC Number (if applicable)

\_\_\_\_\_  
State of Domicile

\_\_\_\_\_  
EIN No.



#### IV. TRANSFER DETAILS.

ASSIGNOR represents these Tax Credits: [ ]

Have not been redeemed

[ ] Have been partially redeemed.

If partially redeemed, the amount of such Tax Credits that have been redeemed is \_\_\_\_\_.  
The amount that have not been redeemed is \_\_\_\_\_.

ASSIGNOR and ASSIGNEE agree that the Tax Credit Certificate referenced in Article I is being transferred:

[ ] In whole. [

] In part.

If transfer is occurring in part, the amount of unredeemed Tax Credits being transferred to ASSIGNEE hereby is: \_\_\_\_\_. The amount of unredeemed Tax Credits remaining with ASSIGNOR following such transfer is: \_\_\_\_\_.

ASSIGNOR and ASSIGNEE acknowledge that pursuant to Colorado law the Tax Credits may only be transferred pursuant to: (1) a merger, acquisition, or line of business divestiture whereby Tax Credits are assumed by the surviving entity or business line successor; or (2) an allocation among "Affiliates", with "Affiliates" being defined at C.R.S. § 10-3-801(1), which entails an allocation among entities that control or are controlled by one another, or are under a common control of one another. ASSIGNOR and ASSIGNEE represent this transfer is authorized by the Act because (check one):

[ ] The Tax Credits are being assumed due to a merger, acquisition, or line of business divestiture, and the surviving entity or business line successor is ASSIGNEE.

[ ] The Tax Credits are being allocated among affiliates with either ASSIGNOR or ASSIGNEE having control of one another or with both ASSIGNOR and ASSIGNEE being under common control of another.

**V. AGREEMENT TO TRANSFER.**

**By ASSIGNOR:**

ASSIGNOR hereby attests that:

1. It is the lawful owner of the Tax Credit Certificate identified in Section I.
2. The representations made above are accurate with respect to ASSIGNOR and the transfer intended herein.
3. By execution of this Tax Credit Transfer Form, it authorizes (a) the Department to terminate and re-issue the Tax Credit Certificate to ASSIGNEE (if transfer is occurring in whole) or (b) to ASSIGNEE and ASSIGNOR (if transfer is occurring in part).
4. That the undersigned is a lawful representative of ASSIGNOR who has full legal authority to effectuate this transfer and otherwise bind ASSIGNOR to the representations and transfer obligation effectuated by this Transfer Form.

Agreed to this \_\_\_\_ day of \_\_\_\_, 20\_\_ by ASSIGNOR.

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Daytime phone (Area code and number)*

State of \_\_\_\_\_

County of \_\_\_\_\_

*Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.*

*(Notary Seal)*

\_\_\_\_\_  
*Signature of Notary Public*

*My commission expires \_\_\_\_\_*

**By ASSIGNEE:**

ASSIGNEE hereby attests that:

1. It is a "Qualified Taxpayer" within the meaning of C.R.S. § 24-36-402 or C.R.S. § 24-36-502, such that it is capable of lawfully holding and redeeming the Tax Credits.
2. ASSIGNEE hereby assumes those obligations and responsibilities of the ASSIGNOR as stated in the Purchase Agreement between ASSIGNOR and the Department of the Treasury.
3. The representations made above are accurate with respect to ASSIGNEE and the transfer intended herein.
4. By execution of this Tax Credit Transfer Form, it authorizes issuance of the Tax Credit Certificate in its name.
5. That the undersigned is a lawful representative of ASSIGNEE who has full legal authority to effectuate this transfer and otherwise bind ASSIGNEE to the representations and transfer obligation effectuated by this Transfer Form.

Agreed to this \_\_\_\_ day of \_\_\_\_, 20\_\_ by ASSIGNEE.

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Daytime phone (Area code and number)*

State of \_\_\_\_\_

County of \_\_\_\_\_

*Subscribed and sworn to before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.*

*(Notary Seal)*

\_\_\_\_\_  
*Signature of Notary Public*

*My commission expires \_\_\_\_\_*