

AGENDA

**WEBSTER ECONOMIC DEVELOPMENT CORPORATION
SPECIAL MEETING
WEBSTER, TEXAS**

TUESDAY, AUGUST 16, 2022

**MUNICIPAL BUILDING COUNCIL CHAMBERS
101 PENNSYLVANIA, WEBSTER, TEXAS
5:30 P.M.**

A QUORUM OF CITY COUNCIL MAY BE PRESENT

NOTICE is hereby given of a Special Meeting of the Webster Economic Development Corporation of the City of Webster, County of Harris, State of Texas, to be held on Tuesday, August 16, 2022, at 5:30 PM at: City Hall Council Chambers, 101 Pennsylvania, Webster, Texas, for the purpose of considering the following numbered items. The City Council of the City of Webster, Texas, reserves the right to meet in closed session on any of the below items should the need arise and if applicable pursuant to authorization by Title 5, Chapter 551, of the Texas Government Code.

1. Call to Order.
2. Roll Call and Certification of a Quorum.
- 3.** **CONSIDERATION/ACTION** to approve a Resolution of which the caption reads:

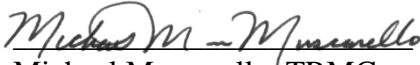
**A RESOLUTION AUTHORIZING THE ISSUANCE OF
WEBSTER ECONOMIC DEVELOPMENT CORPORATION
SALES TAX REVENUE BONDS, SERIES 2022.**

4. Adjournment.

ALL AGENDA ITEMS ARE SUBJECT TO ACTION

In compliance with the Americans With Disabilities Act, the City of Webster will provide for reasonable accommodations for persons attending City Council Meetings. Requests should be received 48 hours prior to the meetings. Please contact the City Secretary's office at 281-332- 1826.

I certify that a copy of this notice of the Webster Economic Development Corporation Special Meeting for August 16, 2022 was posted at City Hall, 101 Pennsylvania, Webster, Texas, on August 11, 2022 by 5:30 P.M.


Michael Muscarello, TRMC
City Secretary



Webster Economic Development Corporation

DATE: August 16, 2022

AGENDA ITEM:

CONSIDERATION/ACTION to approve a Resolution of which the caption reads:

**A RESOLUTION AUTHORIZING THE ISSUANCE OF
WEBSTER ECONOMIC DEVELOPMENT
CORPORATION SALES TAX REVENUE BONDS,
SERIES 2022.**

PURPOSE STATEMENT: The resolution by the Webster Economic Development Corporation (WEDC), authorizing the issuance of sales tax revenue bonds, together with City Council's ratification of WEDC's action, represents one of the final steps for WEDC's purchase of property within Flyway.

SUMMARY/BACKGROUND: The acquisition of approximately 45 acres located adjacent to WEDC-owned property, positions Flyway for imminent infrastructure and activation that includes public roadways, public utilities, private utilities, and site enhancements and accords with WEDC's mission to grow the City's commercial tax base.¹

A chronology of the steps taken by the WEDC and ratified by City Council to issue WEDC sales tax revenue bonds, series 2022, includes the following:

- June 1, 2022: WEDC approves resolution authorizing publication of Notice of Project for land purchase within Flyway.
- June 8, 2022: official Notice of Project is published in the *Houston Chronicle's Bay Area Citizen* legal notice section.
- June 14, 2022: WEDC holds a public hearing for the Project.
- June 21, 2022: City Council conducts first reading of resolution of the WEDC authorizing the issuance of WEDC sales tax revenue bonds, series 2022.
- June 28, 2022: WEDC authorizes purchase and sale agreement for land acquisition within Flyway.
- June 28, 2022: City Council approves WEDC expenditure for land acquisition within Flyway.

¹ Project Flyway, originally named "Destination Development," received its official name "Flyway" in August 2020. The Webster Economic Development Corporation created Project Flyway in May 2011 to foster an iconic, super-regional tourism destination with entertainment, retail, dining, and hospitality venues within the City's southeast quadrant amid approximately 80 acres.

STAFF RECOMMENDATION: Staff recommends approval of the Resolution authorizing the issuance of Webster Economic Development Corporation Sales Tax Revenue Bonds, Series 2022.

EXPENDITURE: N/A

FUNDING SOURCE: N/A

AMT. BUDGETED: N/A

FINANCE DEPT. REVIEW: N/A

PREPARED BY: Mike Ahrens, Executive Director

APPROVAL BY EXECUTIVE DIRECTOR: 

ATTACHMENT: Proposed Resolution

RESOLUTION NO. _____**RESOLUTION AUTHORIZING THE ISSUANCE OF WEBSTER ECONOMIC DEVELOPMENT CORPORATION SALES TAX REVENUE BONDS, SERIES 2022**

WHEREAS, the Webster Economic Development Corporation (the “Corporation”) is a non-profit development corporation created, existing and governed by Chapters 501 and 505, Texas Local Government Code (formerly Section 4B of Article 5190.6, Tex. Rev. Civ. Stat. Ann.) (the “Act”); and

WHEREAS, pursuant to the authority granted in the Act, the City of Webster, Texas (the “City”) has levied a Sales Tax (as defined herein) for the benefit of the Corporation, to be used exclusively for the purposes set forth in the Act; and

WHEREAS, the Corporation is authorized by the Act to issue its revenue bonds, to be secured by and payable from the Sales Tax, in the manner and for the purposes hereinafter provided; and

WHEREAS, pursuant to Section 505.159 of the Act, the Corporation has held a public hearing on the Project (as defined in Section 3.01 below); and

WHEREAS, the Corporation has published notice of the Project in accordance with Section 505.160 of the Act and a petition within sixty (60) days of publication of such notice from more than 10 percent of the registered voters of the City requesting that an election be held on the Project has not been presented to the City Council of the City; and

WHEREAS, the Corporation has found that the Project includes expenditures required or suitable for recreational or community facilities and expenditures to promote or develop new or expanded business enterprises; and

WHEREAS, it is hereby found and determined that the issuance and delivery of the bonds hereinafter authorized is in the public interest and the use of the proceeds thereof in the manner specified herein constitutes a valid public purpose under the Act; and

WHEREAS, it is officially found, determined, and declared that the meeting at which this Resolution has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Resolution, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code, as amended; Now, Therefore

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WEBSTER ECONOMIC DEVELOPMENT CORPORATION:

DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01: Definitions.

Unless otherwise expressly provided or unless the context clearly requires otherwise, in this Resolution the following terms shall have the meanings specified below:

“Act” means Chapters 501 and 505, Texas Local Government Code.

“Additional Bonds” means the additional sales tax revenue bonds the Corporation reserves the right to issue on a parity with the Bonds.

“Blanket Issuer Letter of Representations” means the Blanket Issuer Letter of Representations between the Corporation, the Registrar and DTC.

“Board” means the Board of Directors of the Corporation.

“Bonds” means the \$[20,000,000] Webster Economic Development Corporation Sales Tax Revenue Bonds, Series 2022, authorized in this Resolution, unless the context clearly indicates otherwise.

“Business Day” means any day which is not a Saturday, Sunday, or a day on which the Registrar is authorized by law or executive order to close.

“Comptroller” means the Comptroller of Public Accounts of the State of Texas.

“Debt Service Fund” means the interest and sinking fund established by the Corporation pursuant to Section 8.04 of this Resolution.

“DTC” means The Depository Trust Company of New York, New York, or any successor securities depository.

“DTC Participant” means brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions.

“Event of Default” means any Event of Default as defined in Section 11.01 of this Resolution.

“Fiscal Year” means October 1 through September 30.

“Initial Bond” means the Initial Bond authorized by Section 3.03 of the Resolution.

“Initial Purchaser” means Fidelity Capital Markets.

“Interest Payment Date”, when used in connection with any Bond, means March 15, 2023 and each March 15 and September 15 thereafter until maturity.

“Issuance Date”, with respect to the Initial Bond delivered to the Initial Purchaser, means the date on which the Initial Bond is delivered to and paid for by the Initial Purchaser. Bonds delivered on transfer of or in exchange for other bonds shall bear the same Issuance Date as the Bond or Bonds in lieu of or in exchange for which the new Bond is delivered.

“Owner” means the person who is the registered owner of a Bond or Bonds, as shown in the Register.

“Parity Bonds” mean the Bonds, the Corporation’s Sales Tax Revenue Refunding Bonds, Series 2019 and any Additional Bonds.

“Pledged Revenues” mean (a) the Sales Tax Revenues and (b) interest and earnings from the investment of funds on deposit in the Revenue Fund, the Debt Service Fund and the Reserve Fund.

“Record Date” means, with respect to the Bonds, the close of business on the last Business Day of the month preceding such Interest Payment Date.

“Register” means the books of registration kept by the Registrar, in which are maintained the names and addresses of, and the principal amounts of the Bonds registered to, each Owner.

“Registrar” means [BOKF NA dba Bank of Texas, Dallas, Texas], and its successors in that capacity.

“Reserve Fund Requirement” means the lesser of: (1) the maximum annual principal and interest requirements on the Parity Bonds; (2) 125% of the average annual principal and interest requirements on the Parity Bonds or (3) 10% of the stated principal amount of the Parity Bonds outstanding on such date, which may be determined and redetermined each year by the Corporation but in no event less frequently than upon the issuance of each series of Parity Bonds.

“Reserve Fund Surety Policy” means any surety bond or insurance policy issued to the Corporation to satisfy any part of the Reserve Fund Requirement as provided in Section 8.05 hereof.

“Resolution” as used herein and in the Bonds means this resolution authorizing the Bonds.

“Revenue Fund” means the special fund so designated in Section 8.02 hereof.

“Sales Tax” means the local sales and use tax authorized by the Act, approved by the voters of the City on August 14, 1999, at a rate of one-half of one percent (1/2%), and levied by the City on behalf of the Corporation.

“Sales Tax Revenues” means all the revenues collected or received by the City on behalf of the Corporation, from or by reason of the levy of the Sales Tax.

“Special Record Date” means the Special Record Date prescribed by Section 3.06 of this Resolution.

Section 1.02: Other Definitions. The terms “Corporation,” “City” and “Act,” shall have the respective meanings assigned in the preamble to this Resolution.

Section 1.03: Findings. (a) It is hereby found and determined that the matters and facts set out in the preamble to this Resolution are true and correct and they are hereby adopted by the Corporation and made a part hereof for all purposes.

(b) The Board hereby finds that the issuance of the Bonds for the purposes set forth in Section 3.01 of this Resolution and under the terms set forth herein is in the best interests of the Corporation.

Section 1.04: Titles and Headings. The titles and headings of the Articles and Sections of this Resolution have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Resolution or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.05: Interpretation. (a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Resolution and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and this Resolution.

ARTICLE II

SECURITY FOR THE PARITY BONDS

Section 2.01: Confirmation and Levy of Sales Tax. (a) The Corporation hereby confirms the earlier levy by the City of the Sales Tax, and the Corporation hereby warrants and represents that the City has duly and lawfully ordered the imposition and collection of the Sales Tax upon all sales, uses and transactions as are permitted by and described in the Act throughout the boundaries of the City as such boundaries existed on the date of said election and as they may be expanded from time to time pursuant to applicable law.

(b) If the City shall be authorized hereafter by applicable law to apply, impose and levy the Sales Tax on any taxable items or transactions that are not subject to the Sales Tax on the date of the adoption hereof, the Corporation, to the extent it legally may do so, hereby covenants and agrees to use its best efforts to cause the City to take such action as may be required by applicable law to subject such taxable items or transactions to the Sales Tax.

(c) The Corporation agrees to take and pursue all action permissible under applicable law to cause the Sales Tax to be collected and remitted and deposited as herein required and as required by the Act, at the earliest and most frequent times permitted by applicable law.

Section 2.02: Pledge. (a) The Corporation hereby irrevocably pledges the Pledged Revenues (i) to the payment of the principal of, and the interest and any premiums on, all Parity Bonds and (ii) to the establishment and maintenance of the Reserve Fund.

(b) The provisions, covenants, pledge and lien on and against the Pledged Revenues are established by the Resolution for the equal benefit, protection and security of the Owners of the Parity Bonds without distinction as to priority and rights.

(c) The Parity Bonds, including interest payable thereon, shall constitute special obligations of the Corporation, payable solely from and secured by a first lien on and pledge of the Pledged Revenues, and not from any other revenues, properties or income of the Corporation. Parity Bonds shall not constitute debts or obligations of the State of Texas or of the City, and the Owners of the Parity Bonds shall never have the right to demand payment out of any funds raised or to be raised by ad valorem taxation of the City or any other entity.

Section 2.03: Resolution as Security Agreement. (a) An executed copy of this Resolution shall constitute a security agreement pursuant to applicable law, with the Owners as the secured parties. The lien, pledge, and security interest of the Owners created in this Resolution shall become effective immediately on the Issuance Date of the Bonds, and the same shall be continuously effective for so long as any Parity Bonds are outstanding.

(b) A fully executed copy of this Resolution and the proceedings authorizing it shall be filed as a security agreement among the permanent records of the Corporation. Such records shall be open for inspection to any member of the general public and to any person proposing to do or doing business with, or asserting claims against, the Corporation, at all times during regular business hours.

(c) The provisions of this section are prescribed pursuant to the Act, the Texas Public Securities Procedures Act (Chapter 1201, Texas Government Code, as amended), and other applicable laws of the State. If any other applicable law, in the opinion of counsel to the Corporation, requires any filing or other action additional to the filing pursuant to this section in order to preserve the priority of the lien, pledge, and security interest of the Owners created by this Resolution, the Corporation shall diligently make such filing or take such other action to the extent required by law to accomplish such result.

ARTICLE III

AUTHORIZATION; TERMS AND PROVISIONS
REGARDING THE BONDS

Section 3.01: Authorization. The Bonds shall be designated as “WEBSTER ECONOMIC DEVELOPMENT CORPORATION SALES TAX REVENUE BONDS, SERIES 2022,” in the principal amount of \$[20,000,000] for the purposes of: (1) purchasing land, including 45.4 acres located within the city limits of the City of Webster adjacent to and north of Clear Creek and east of US Interstate 45, and the construction of buildings, equipment, facilities and improvements located within the city limits of the City of Webster to be used for recreation or community facilities and to promote new or expanded business development and (2) paying the costs of issuing

the Bonds, all under and in strict conformity with the Constitution and laws of the State of Texas, particularly the Act. The Project described in this Section is authorized by Section 505.152 and Section 505.158 of the Act.

Section 3.02: Date, Denomination, Interest Rates, and Maturities. (a) The Bonds shall be dated September 1, 2022, shall be in fully registered form, without coupons, in the denomination of \$5,000 or integral multiple thereof. The Initial Bond shall be numbered I-1 and all other Bonds shall be numbered in sequence beginning with R-1.

(b) The Bonds shall mature on September 15 in the years and in the principal amounts set forth below, with interest on each Bond accruing from the Issuance Date, or the most recent Interest Payment Date to which interest has been paid or provided for at the per annum rates set forth in the following schedule:

(9/15) Year of <u>Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2023		
2024		
2025		
2026		
2027		
2028		
2029		
2030		
2031		
2032		
2033		
2034		
2035		
2036		
2037		
2038		
2039		
2040		
2041		
2042		

Section 3.03: Execution of Bonds; Seal. (a) The Bonds shall be signed on behalf of the Corporation by the President and countersigned by the Secretary, by their manual, lithographed, or facsimile signatures, and the official seal of the Corporation shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by the President and Secretary, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the Corporation had been manually impressed upon each of the Bonds.

(b) If any officer of the Corporation whose manual or facsimile signature shall appear on the Bonds shall cease to be such officer before the authentication of such Bonds or before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Resolution unless and until there appears thereon the Registrar's Authentication Bond substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Registrar. In lieu of the executed Registrar's Authentication Bond described above, the Initial Bond delivered at the Issuance Date shall have attached hereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller, or by his duly authorized agent, which certificate shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the Corporation, and has been registered by the Comptroller.

(d) On the Issuance Date, the Initial Bond, being a single bond representing the entire principal amount of the Bonds, payable in stated installments to the Initial Purchaser or its designee, executed by manual or facsimile signature of the President and Secretary of the Corporation, approved by the Attorney General, and registered and manually signed by the Comptroller, shall be delivered to the Initial Purchaser or its designee. Upon payment for the Initial Bond, the Registrar shall cancel the Initial Bond and deliver definitive Bonds to DTC.

Section 3.04: Payment of Principal and Interest. The Registrar is hereby appointed as the paying agent and registrar for the Bonds. The principal of the Bonds shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they respectively become due and payable at the principal payment office of the Registrar in Austin, Texas. The interest on each Bond shall be payable on each Interest Payment Date, by check mailed by the Registrar on or before the Interest Payment Date to the Owner of record as of the Record Date.

If the date for payment of the principal of or interest on any Bond is not a Business Day, then the date for such payment shall be the next succeeding Business Day with the same force and effect as if made on the date payment was originally due.

Section 3.05: Successor Registrars. The Corporation covenants that at all times while any Bonds are outstanding it will provide a commercial bank or trust company, organized under the laws of the United States or any state, and duly qualified and legally authorized to serve as Registrar for the Bonds. The Corporation reserves the right to change the Registrar on not less than 60 days written notice to the Registrar, so long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Bonds. Promptly upon the appointment of any successor Registrar, the previous Registrar shall deliver the Register or copies thereof to the new Registrar, and the new Registrar shall notify each Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Registrar.

Each Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Section.

Section 3.06: Special Record Date. If interest on any Bond is not paid on any Interest Payment Date and continues unpaid for thirty (30) days thereafter, the Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the Corporation. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail, first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each affected Owner of record as of the close of business on the day prior to the mailing of such notice.

Section 3.07: Ownership; Unclaimed Principal and Interest. The Corporation, the Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal of or interest on such Bond, and for all other purposes, whether or not such Bond is overdue, and neither the Corporation nor the Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the Corporation and the Registrar upon such Bond to the extent of the sums paid.

Amounts held by the Registrar which represent principal of and interest on the Bonds remaining unclaimed by the Owner after the expiration of three years from the date such amounts have become due and payable shall be reported and disposed of by the Registrar in accordance with the applicable provisions of Texas law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

Section 3.08: Registration, Transfer, and Exchange. So long as any Bonds remain outstanding, the Registrar shall keep the Register at its principal payment office, and, subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of Bonds in accordance with the terms of this Resolution.

Each Bond shall be transferable only upon the presentation and surrender thereof at the principal payment office of the Registrar in Austin, Texas, duly endorsed for transfer, or accompanied by an assignment duly executed by the registered Owner or his authorized representative in form satisfactory to the Registrar. Upon due presentation of any Bond for transfer, the Registrar shall authenticate and deliver in exchange therefor, within three Business Days after such presentation, a new Bond or Bonds registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount and bearing interest at the same rate as the Bond or Bonds so presented.

All Bonds shall be exchangeable upon presentation and surrender thereof at the principal payment office of the Registrar in Austin, Texas, for a Bond or Bonds of like maturity and interest rate and in any authorized denomination, in an aggregate amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Registrar shall be and is hereby

authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section. Each Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Resolution to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

The Corporation or the Registrar may require the Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the Corporation.

Section 3.09: Mutilated, Lost, or Stolen Bonds. Upon the presentation and surrender to the Registrar of a mutilated Bond, the Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate, and principal amount, bearing a number not contemporaneously outstanding. If any Bond is lost, apparently destroyed, or wrongfully taken, the Corporation, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide Initial Purchaser, shall authorize and the Registrar shall authenticate and deliver a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding.

The Corporation or the Registrar may require the Owner of a mutilated Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Registrar. The Corporation or the Registrar may require the Owner of a lost, apparently destroyed or wrongfully taken Bond, before any replacement Bond is issued, to:

- (1) furnish to the Corporation and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;
- (2) furnish such security or indemnity as may be required by the Registrar and the Corporation to save them harmless;
- (3) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Registrar and any tax or other governmental charge that may be imposed; and
- (4) meet any other reasonable requirements of the Corporation and the Registrar.

If, after the delivery of such replacement Bond, a bona fide Initial Purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the Corporation and the Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide Initial Purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the Corporation or the Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Corporation in its discretion may, instead of issuing a replacement Bond, authorize the Registrar to pay such Bond.

Each replacement Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Resolution to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

Section 3.10: Cancellation of Bonds. All Bonds paid in accordance with this Resolution, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment. The Registrar shall furnish the Corporation with appropriate certificates of destruction of such Bonds.

Section 3.11: Book-Entry Only System. (a) The Initial Bond shall be registered in the name of the Initial Purchaser. Except as provided in Section 3.12 hereof, all other Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Corporation and the Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such DTC Participant holds an interest in the Bonds, except as provided in this Resolution. Without limiting the immediately preceding sentence, the Corporation and the Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Resolution to the contrary, the Corporation and the Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute Owner of such Bond for the purpose of payment of principal of and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners, as shown in the Register as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Corporation's obligations with respect to payments of principal, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the Corporation to make payments of amounts due pursuant to this Resolution. Upon delivery by DTC to the Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions of this Resolution with respect to interest checks being mailed to the Owner of record as of the Record Date, the phrase "Cede & Co." in this Resolution shall refer to such new nominee of DTC.

Section 3.12: Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the Corporation in its sole discretion, determines that the beneficial owners of the Bonds be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the Corporation shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Resolution.

Section 3.13: Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the Blanket Issuer Letter of Representations.

ARTICLE IV

OPTIONAL REDEMPTION

Section 4.01. Optional Redemption; Defeasance. (a) The Bonds are subject to optional and/or mandatory redemption as set forth in the Form of Bonds.

Notice of any redemption identifying the Bonds to be redeemed in whole or in part shall be given by the Registrar at least thirty days prior to the date fixed for redemption by sending written notice by first class mail to the Owner of each Bond to be redeemed in whole or in part at the address shown on the Register. Such notices shall state the redemption date, the redemption price, the place at which Bonds are to be surrendered for payment and, if less than all Bonds of a particular maturity are to be redeemed, the numbers of the Bonds or portions thereof of such maturity to be redeemed. Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Registrar for payment of the redemption price of the Bonds or portions thereof to be redeemed. When Bonds have been called for redemption in whole or in part and due provision has been made to redeem same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners to collect interest which would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

(b) The Bonds may be discharged, defeased, redeemed or refunded in any manner now or hereafter permitted by law.

ARTICLE V

REGISTRAR

Section 5.01: Appointment of Initial Registrar. (a) The Corporation hereby appoints BOKF NA, Dallas, Texas, as its registrar and paying agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the Corporation may prescribe. The Registrar shall make such transfer and registrations as herein provided. It shall be the duty of the Registrar to obtain from the Owners and record in the Register the address of such Owner of each Bond to which payments with respect to the Bonds shall be mailed, as provided herein. The Corporation or its designee shall have the right to inspect the Register during regular business hours of the Registrar, but otherwise the Registrar shall keep the Register Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity.

(b) The Corporation hereby further appoints the Registrar to act as the paying agent for paying the principal of and interest on the Bonds. The Registrar shall keep proper records of all payments made by the Corporation and the Registrar with respect to the Bonds, and of all conversions, exchanges and replacements of such Bonds, as provided in the Resolution.

(c) The execution and delivery of a Paying Agent/Registrar Agreement, specifying the duties and responsibilities of the Corporation and the Registrar, is hereby authorized, and the President and Secretary of the Corporation are hereby authorized to execute such agreement.

Section 5.02: Qualifications. Each Registrar shall be (i) a commercial bank, trust company, or other entity duly qualified and legally authorized under the laws of the United States or any state to serve as paying agent and registrar for the bonds.

Section 5.03: Maintaining Registrar. At all times while any Bonds are outstanding, the Corporation will maintain a Registrar that is qualified under Section 5.02 of this Resolution. If the Registrar resigns or otherwise ceases to serve as such, the Corporation will promptly appoint a replacement.

Section 5.04: Termination. The Corporation reserves the right to terminate the appointment of any Registrar by delivering to the entity whose appointment is to be terminated a certified copy of a resolution of the Corporation (i) giving notice of the termination of the appointment and of the Paying Agent/Registrar Agreement, stating the effective date of such termination, and (ii) appointing a successor Registrar.

Section 5.05: Notice of Change to Owners. Promptly upon each change in the entity serving as Registrar, the Corporation will cause notice of the change to be sent to each Owner by United States mail, first class postage prepaid, at the address in the Register, stating the effective date of the change and the name of the replacement Registrar and the mailing address of its principal payment office.

Section 5.06: Agreement to Perform Duties and Functions. By accepting the appointment as Registrar, the Registrar is deemed to have agreed to the provisions of this Resolution and that it will perform the duties and functions of Registrar prescribed hereby.

Section 5.07: Delivery of Records to Successor. If the Registrar is replaced, such Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar.

ARTICLE VI

FORM OF THE BONDS

Section 6.01: Form Generally. The form of the Bonds, including the form of the Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller which shall be attached or affixed to the Bonds initially issued shall be, respectively, substantially as follows, with such additions, deletions and variations as may be necessary or desirable and not prohibited by this Resolution, including any legend regarding municipal bond insurance if such insurance is obtained by the Initial Purchaser:

(a) Form of Bond.

NUMBER	DENOMINATION
No. _____	\$_____
REGISTERED	REGISTERED

UNITED STATES OF AMERICA
STATE OF TEXAS

WEBSTER ECONOMIC DEVELOPMENT CORPORATION
SALES TAX REVENUE BOND
SERIES 2022

INTEREST RATE:	MATURITY DATE:	ISSUANCE DATE:	CUSIP:
_____%	_____	September 15, 2022	

REGISTERED OWNER:

PRINCIPAL AMOUNT: DOLLARS

WEBSTER ECONOMIC DEVELOPMENT CORPORATION (the "Corporation"), a non-profit industrial development corporation governed by Chapters 501 and 505, Texas Local Government Code (the "Act"), in the State of Texas, promises to pay to the Registered Owner identified above or registered assigns, on the maturity date specified above, upon presentation and surrender of this Bond at BOKF NA dba Bank of Texas (the "Registrar"), at its principal payment

office in Dallas, Texas, the principal amount identified above, in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due the United States of America, and to pay interest on the unpaid principal amount hereof from the later of the Issuance Date specified above or the most recent interest payment date to which interest has been paid or provided for at the rate shown above, calculated on the basis of a 360-day year of twelve 30-day months. The date of this Bond is September 1, 2023. Interest on this Bond is payable by check on March 15 and September 15, beginning on March 15, 2023, mailed to the registered owner as shown on the books of registration kept by the Registrar as of the last business day of the month preceding each interest payment date.

THIS BOND is one of a series of bonds issued in the aggregate principal amount of \$[20,000,000] (herein referred to as the “Bonds”), issued pursuant to a certain Resolution of the Board of Directors of the Corporation (the “Resolution”) for the purposes of: (1) purchasing land, including 45.4 acres located within the city limits of the City of Webster adjacent to and north of Clear Creek and east of US Interstate 45, and the construction of buildings, equipment, facilities and improvements located within the city limits of the City of Webster to be used for recreation or community facilities and to promote new or expanded business development and (2) paying the costs of issuing the Bonds, all under and in strict conformity with the Constitution and laws of the State of Texas, particularly the Act.

THIS BOND AND ALL THE BONDS OF THE SERIES OF WHICH IT IS A PART, constitute special obligations of the Corporation and together with the additional parity bonds which the Corporation has reserved the right to issue are payable as to both principal and interest solely from a first lien on and pledge of the Pledged Revenues, as described in the Resolution, including sales tax revenues to be paid to the Corporation by the City of Webster, Texas (the “City”) from the economic development sales tax levied by the City pursuant to the Act.

NEITHER THE STATE OF TEXAS, THE CITY, NOR ANY POLITICAL CORPORATION, SUBDIVISION, OR AGENCY OF THE STATE SHALL BE OBLIGATED TO PAY THE BONDS OR THE INTEREST THEREON AND NEITHER THE FAITH AND CREDIT NOR THE TAXING POWER OF THE STATE, THE CITY, OR ANY OTHER POLITICAL CORPORATION, SUBDIVISION, OR AGENCY THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR THE INTEREST ON SUCH BONDS.

THE CORPORATION EXPRESSLY RESERVES THE RIGHT to issue additional sales tax revenue bonds on a parity with the Corporation’s outstanding bonds and the Bonds; provided, however, that any and all such additional bonds may be issued only in accordance with and subject to the covenants, conditions, limitations and restrictions relating thereto which are set out and contained in the Resolution, to which reference is hereby made for full particulars.

THE CORPORATION RESERVES THE RIGHT, at its option, to redeem Bonds maturing on or after September 15, 2028, in whole or from time to time in part, in integral multiples of \$5,000, on September 15, 2027, or any date thereafter at par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. If less than all the Bonds are to be redeemed, the Corporation shall select the Bonds to be redeemed.

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the principal payment office of the Registrar in Austin, Texas, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Resolution.

THIS BOND IS EXCHANGEABLE at the principal payment office of the Registrar in Austin, Texas, for bonds in the principal amount of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Resolution.

THE CORPORATION, the Registrar, and any other person may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Bond is overdue, and neither the Corporation nor the Registrar shall be affected by notice to the contrary.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Resolution unless this Bond is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Bond, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Resolution.

THE CORPORATION has covenanted in the Resolution that it will at all times provide a legally qualified registrar for the Bonds and will cause notice of any change of registrar to be mailed to each registered owner.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law; that this Bond does not exceed any Constitutional or statutory limitation; and that provision has been made for the payment of the principal of and interest on this Bond by an irrevocable pledge of the Pledged Revenues.

IN WITNESS WHEREOF, this Bond has been signed with the manual or facsimile signature of the President and countersigned with the manual or facsimile signature of the Secretary, and the official seal of the Corporation has been duly impressed, or placed in facsimile, on this Bond.

(AUTHENTICATION
CERTIFICATE)

(SEAL)

WEBSTER ECONOMIC
DEVELOPMENT CORPORATION

President, Board of Directors

Secretary, Board of Directors

(b) Form of Registration Certificate.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

WITNESS MY SIGNATURE AND SEAL this _____.

Comptroller of Public Accounts
of the State of Texas

(SEAL)

(c) Form of Registrar's Authentication Certificate.

AUTHENTICATION CERTIFICATE

It is hereby certified that this Bond has been delivered pursuant to the Resolution described in the text of this Bond.

BOKF NA, Austin, Texas

By _____
Authorized Signature
Date of Authentication _____

(d) Form of Assignment.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns, and transfers unto

(Please print or type name, address, and zip code of Transferee)

(Please insert Social Security or Taxpayer Identification Number of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

_____ attorney to transfer said Bond on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature Guaranteed: _____

Registered Owner

NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this Bond in every particular, without any alteration, enlargement or change whatsoever.

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

(e) The Initial Bond shall be in the form set forth in paragraphs (a), (b) (c) and (d) of this Section, except for the following alterations:

(i) immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As Shown Below" and the word "CUSIP" deleted;

(ii) in the first paragraph of the Bond, the words "on the Maturity Date specified above" and "at the rate shown above" shall be deleted and the following shall be inserted at the end of the first sentence "..., with such principal to be paid in installments on September 15 in each of the years and in the principal amounts identified in the following schedule and with such installments bearing interest at the per annum rates set forth in the following schedule:

Section 6.02: CUSIP Numbers; Bond Insurance. CUSIP Numbers may be printed on the Bonds, but errors or omissions in the printing of such numbers shall have no effect on the validity of the Bonds. If bond insurance is obtained by the Initial Purchaser, the Bonds may bear an appropriate legend as provided by the insurer.

ARTICLE VII

SALE OF THE BONDS; USE OF PROCEEDS

Section 7.01: Sale. The Bonds are hereby sold, pursuant to a competitive bid in accordance with the terms of the Notice of Sale and Bidding Instructions and the Official Bid Form, to the Initial Purchaser at a price of \$[_____._] (representing the principal amount of the Bonds of \$[_____.], plus a net premium on the Bonds of \$[_____.] and less an Initial Purchaser's discount of \$[_____.], which includes \$[_____.] to be used to purchase a municipal bond insurance policy for the Bonds). The Bonds shall be delivered to the Initial Purchaser upon payment therefore. It is hereby officially found, determined and declared that the terms of the sale of the Bonds are to the Initial Purchaser with the bid that provides for the lowest true interest cost to the Corporation. The President and other appropriate officials of the Corporation are hereby

authorized and directed to execute the Official Bid Form on behalf of the Corporation, and the President and all other officers, agents and representatives of the Corporation are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Bonds.

Section 7.02: Use of Proceeds.

- (a) Proceeds in the amount of \$[_____.] shall be used for the purposes described in Section 3.01 of this Resolution;
- (b) Proceeds in the amount of \$[_____.] shall be used to pay costs of issuance;
- (c) Proceeds in the amount of \$[_____.] shall be used to pay the Initial Purchaser's discount, which includes \$[_____.] to be used to purchase a municipal bond insurance policy for the Bonds;
- (d) Proceeds in amount of \$[_____.] shall be used to purchase a Reserve Fund Surety Policy; and
- (e) Any proceeds of the Bonds remaining after making all such deposits and payments shall be deposited into the Debt Service Fund.

Section 7.03: Official Statement. The Corporation hereby approves the form and content and distribution of the Preliminary Official Statement prepared in the initial offering and sale of the Bonds and hereby authorizes the preparation of a final Official Statement reflecting the terms of the Official Bid Form and other relevant information. The use of such final Official Statement by the Initial Purchaser is hereby approved and authorized and the proper officials of the Corporation are authorized to sign such Official Statement.

ARTICLE VIII

SECURITY AND SOURCE OF PAYMENT FOR ALL PARITY BONDS

Section 8.01: Pledge and Source of Payment. The Corporation hereby covenants and agrees that all Pledged Revenues shall be deposited and paid into the special funds established for Parity Bonds, as provided in this Resolution, and shall be applied in the manner set out herein, to provide for the payment of principal, interest and any redemption premium of the Parity Bonds and all expenses of paying, securing and insuring the same. The Parity Bonds constitute special obligations of the Corporation that are payable solely from, and equally and ratably secured by a first lien on, the Pledged Revenues, as collected and received by the Corporation, which Pledged Revenues are hereby pledged to the payment of the Parity Bonds and shall be set aside in the Debt Service Fund and Reserve Fund as hereinafter provided. The Parity Bonds shall be in all respects on a parity with and of equal dignity with one another.

Section 8.02: Special Funds. (a) The following special funds are hereby established, and such funds shall be maintained and accounted for as hereinafter provided, so long as any Parity Bonds remain outstanding:

(i) Webster Economic Development Corporation Sales Tax Revenue Fund (the “Revenue Fund”);

(ii) Webster Economic Development Corporation Sales Tax Revenue Bonds Debt Service Fund (the “Debt Service Fund”); and

(iii) Webster Economic Development Corporation Sales Tax Revenue Bonds Reserve Fund (the “Reserve Fund”).

(b) The Revenue Fund shall be maintained as a separate account on the books of the Corporation.

(c) The Debt Service Fund and the Reserve Fund (i) shall be maintained at an official depository bank of the Corporation separate and apart from all other funds and accounts of the Corporation, (ii) shall constitute trust funds which shall be held in trust for the benefit of the Owners of the Parity Bonds, and (iii) the proceeds of which shall be and are hereby pledged to the payment of the Parity Bonds. All of the funds named above shall be used solely as provided in this Resolution so long as any Parity Bonds remain outstanding.

Section 8.03: Flow of Funds. All Pledged Revenues shall be deposited upon receipt into the Revenue Fund.

(a) So long as the Outstanding Bonds remain outstanding and payable from Pledged Revenues, money from time to time on deposit in the Revenue Fund shall be applied as follows in the following order of priority:

(i) First, to make all deposits into the Debt Service Fund.

(ii) Second, to make all deposits into the Reserve Fund.

(iii) Third, to pay any amounts due to any bond insurer of Parity Bonds not paid pursuant to subsections (i) and (ii) above.

(iv) Fourth, to pay any amounts due to any issuer of a Reserve Fund Surety Policy not paid pursuant to subsections (i) or (ii) above.

(v) Fifth, to pay administrative expenses of the Corporation.

(vi) Sixth, to pay any amounts due the City for economic development costs incurred on behalf of or pursuant to contracts with the Corporation.

(vii) Seventh, for any lawful purpose.

(b) Whenever the total amounts on deposit to the credit of the Debt Service Fund and the Reserve Fund (not taking into account any Reserve Fund Surety Policies in the Reserve Fund) shall be equivalent to the sum of the aggregate principal amount of all outstanding Parity Bonds plus the aggregate amount of all interest accrued and to accrue thereon, no further payments need be made into the Debt Service Fund or the Reserve Fund.

Section 8.04: Debt Service Fund. On or before the last Business Day of each month so long as any Parity Bonds remain outstanding, there shall be transferred into the Debt Service Fund from the Revenue Fund:

(i) such amounts, in approximately equal monthly installments, as will be sufficient to accumulate the amount required to pay the interest scheduled to become due on the Parity Bonds on the next interest payment date; and

(ii) such amounts, in approximately equal monthly installments, as will be sufficient to accumulate the amount required to pay the next maturing principal of the Parity Bonds, including the principal amounts of, and any redemption premium on, any Parity Bonds payable as a result of the exercise or operation of any optional or mandatory redemption provision contained in any resolution authorizing the issuance of Parity Bonds.

Money deposited to the credit of the Debt Service Fund shall be used solely for the purpose of paying principal (at maturity or prior redemption or to purchase Parity Bonds issued as term bonds in the open market to be credited against mandatory redemption requirements), interest and any redemption premium on the Parity Bonds, plus all bank charges and other costs and expenses relating to such payment. The Registrar shall destroy all paid Parity Bonds and shall provide the Corporation with appropriate certificates of destruction.

Section 8.05: Reserve Fund. (a) Unless the Reserve Fund Requirement is funded from bond proceeds, on or before the last Business Day of each month so long as any Parity Bonds remain outstanding, and after making the transfers into the Debt Service Fund required in the preceding Section, there shall be transferred into the Reserve Fund from the Revenue Fund, in approximately equal monthly installments, amounts sufficient to accumulate within 36 months the Reserve Fund Requirement. Each increase in the Reserve Fund Requirement resulting from the issuance of Additional Bonds shall be accumulated within 36 months of the issuance of such bonds by making transfers from the Revenue Fund into the Reserve Fund in approximately equal monthly installments of amounts sufficient for such purpose. After the Reserve Fund Requirement has accumulated in the Reserve Fund and so long thereafter as the Reserve Fund contains the Reserve Fund Requirement, no further deposits shall be required to be made into the Reserve Fund, and any excess amounts may be transferred to the Revenue Fund. But if and whenever the balance in the Reserve Fund is reduced below the Reserve Fund Requirement, either due to a draw on the funds or reduction or cancellation of a Reserve Fund Surety Policy, the Corporation shall make deposits into the Reserve Fund from the first funds available for such purpose until the Reserve Fund again equals the Reserve Fund Requirement. The Reserve Fund shall be used to pay the principal of and interest on the Parity Bonds at any time when there is not sufficient money available in the Debt Service Fund for such purpose and to pay and retire the last Parity Bonds to mature or be redeemed.

(b) The Corporation expressly reserves the right at any time to satisfy all or any part of the Reserve Fund Requirement by obtaining for the benefit of the Reserve Fund a Reserve Fund Surety Policy (as defined below). In the event the Corporation elects to substitute at any time a Reserve Fund Surety Policy for any funded amounts in the Reserve Fund, it may apply any bond proceeds thereby released, including investment earnings on bond proceeds, to any purposes for which the bonds were issued and any other funds thereby released to any purposes for which such

funds may lawfully be used, including the payment of debt service on the Parity Bonds. A “Reserve Fund Surety Policy” shall be an insurance policy or other credit agreement in a principal amount equal to the portion of the Reserve Fund Requirement to be satisfied and issued by a financial institution or insurance company. A Reserve Fund Surety Policy shall be for the pro rata benefit of all Parity Bonds. The premium for any such policy shall be paid from bond proceeds or other funds of the Corporation lawfully available for such purpose. Any Reserve Fund Surety Policy shall be authorized by resolution and submitted to the Attorney General for examination and approval.

All surplus in the Reserve Fund in excess of the Reserve Fund Requirement may, at the option of the Corporation, be deposited in the Revenue Fund; provided, however, that bond proceeds deposited in the Reserve Fund and investment earnings on such proceeds, may only be used of the purposes for which the bonds were issued.

(c) The Corporation hereby authorizes the President and Secretary to enter into a Reserve Fund Surety Policy issued by Build America Mutual in an amount sufficient to satisfy the Reserve Fund Requirement for all outstanding Parity Bonds, including the Bonds, and to execute any instruments in connection with that transaction. The provisions regarding the Reserve Fund Surety Policy attached as **Exhibit A** are incorporated herein by reference and made a part of this Resolution.

Section 8.06: Deficiencies in Funds. If in any month there shall not be deposited into any Fund maintained pursuant to this Article the full amounts required herein, amounts equivalent to such deficiency shall be set apart and paid into such Fund or Funds from the first available and unallocated money in the Revenue Fund, and such payment shall be in addition to the amounts otherwise required to be paid into such Funds during the succeeding month or months.

Section 8.07: Investment of Funds; Transfer of Investment Income. (a) Money in the Revenue Fund, the Debt Service Fund and the Reserve Fund may, at the option of the Corporation, be invested as permitted by law; provided that all such deposits and investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times, and provided further that in no event shall such deposits or investments of money in the Reserve Fund mature later than the final maturity date of the Parity Bonds. Any obligation in which money is so invested shall be kept and held in the Fund from which the investment was made. All such investments shall be promptly sold when necessary to prevent any default in connection with the Parity Bonds.

(b) All interest and income derived from such deposits and investments shall be credited as received to the Fund from which the investment was made.

ARTICLE IX

ADDITIONAL BONDS

Section 9.01: Issuance of Superior Lien Obligations Prohibited. The Corporation hereby covenants that so long as any principal or interest pertaining to any Parity Bonds remain

outstanding and unpaid, it will not authorize or issue obligations secured by a lien on or pledge of the Pledged Revenues superior to the lien securing the Parity Bonds.

Section 9.02: Issuance of Additional Bonds Authorized. In addition to the right to issue obligations of inferior lien, the Corporation reserves the right to issue Additional Bonds which, when duly authorized and issued in compliance with law and the terms and conditions hereinafter appearing, shall be on a parity with the Bonds herein authorized, payable from and equally and ratably secured by a lien on and pledge of the Pledged Revenues; and the Bonds and Additional Bonds shall in all respects be of equal dignity. The Additional Bonds may be issued in one or more installments, provided, however, that none shall be issued unless and until the following conditions have been met:

(a) The Corporation is not then in default as to any covenant, condition or obligation prescribed in the resolution authorizing the issuance of the Bonds or any previously issued Additional Bonds.

(b) Each of the funds created for the payment, security and benefit of the Parity Bonds contains the amount of money then required to be on deposit therein.

(c) The Corporation has secured from a Certified Public Accountant (“CPA”), a certificate or report reflecting that for the Fiscal Year next preceding the date of the proposed Additional Bonds, or a consecutive 12-month period out of the 15-month period next preceding the month in which the resolution authorizing the proposed Additional Bonds is adopted, the Sales Tax Revenues were equal to at least 125% of the maximum annual principal and interest requirements on all Parity Bonds to be outstanding after the issuance of the proposed Additional Bonds, provided that, in the event of an increase in the rate of the Sales Tax that becomes effective prior to the date of the resolution authorizing the issuance of the Additional Bonds, such CPA certificate or report shall calculate the Sales Tax Revenues for the calculation period as if such increased rate were in effect during such period.

(d) The Additional Bonds mature on, and interest is payable on, the same days of the year as the Bonds.

(e) Parity Bonds may be refunded upon such terms and conditions as the Board may deem to be in the best interest of the Corporation; and if less than all outstanding Parity Bonds are refunded, the proposed refunding obligations shall be considered as “Additional Bonds” under the provisions of this Section, and the report or certificate required by paragraph (c) shall give effect to the issuance of the proposed refunding obligations and shall not give effect to the obligations being refunded.

ARTICLE X

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 10.01: Pledged Revenues. (a) The Corporation represents and warrants that it is and will be authorized by applicable law and by its articles of incorporation and bylaws to authorize and issue the Bonds, to adopt this Resolution and to pledge the Pledged Revenues in the manner and to the extent provided in this Resolution, and that the Pledged Revenues are and will remain

free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge and lien created in or authorized by this Resolution except as expressly provided herein for Additional Bonds.

(b) The Bonds and the provisions of this Resolution are and will be the valid and legally enforceable obligations of the Corporation in accordance with the terms of this Resolution, subject only to any applicable bankruptcy or insolvency laws or to any applicable law affecting creditors rights generally.

(c) The Corporation shall at all times, to the extent permitted by applicable law, defend, preserve and protect the pledge of the Pledged Revenues and all the rights of the Owners under this Resolution and the resolutions authorizing the issuance of any Additional Bonds, against all claims and demands of all persons whomsoever.

(d) The Corporation will take, and use its best efforts to cause the City to take, all steps reasonably necessary and appropriate to collect the Sales Tax to the fullest extent permitted by the Act and other applicable law.

Section 10.02: Accounts, Periodical Reports and Certificates. The Corporation shall keep or cause to be kept proper books of record and account (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to the funds and accounts established by this Resolution and which, together with all other books and papers of the Corporation, shall at all times be subject to the inspection of the Owner or Owners of not less than 5% in principal amount of the Bonds then outstanding or their representatives duly authorized in writing.

Section 10.03: General. The Directors and Officers of the Corporation shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Corporation under the provisions of this Resolution.

Section 10.04: Payment of the Bonds. While any of the Bonds are outstanding and unpaid, there shall be made available to the Registrar, out of the Debt Service Fund, money sufficient to pay the interest on and the principal of the Bonds, as applicable, when due.

Section 10.05: Provisions Concerning Federal Income Tax Exclusion. The Corporation intends that the interest on the Bonds shall be excludable from gross income of the owners thereof for federal income tax purposes pursuant to Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended, (the "Code") and all applicable temporary, proposed and final regulations (the "Regulations") and procedures promulgated thereunder and applicable to the Bonds. For this purpose, the Corporation covenants that it will monitor and control the receipt, investment, expenditure and use of all gross proceeds of the Bonds and take or omit to take such other and further actions as may be required by Sections 103 and 141 through 150 of the Code and the Regulations to cause the interest on the Bonds to be and remain excludable from the gross income, as defined in Section 61 of the Code, of the owners of the Bonds for federal income tax purposes. Without limiting the generality of the foregoing, the Corporation shall comply with each of the following covenants:

(a) The Corporation shall not use, permit the use of or omit to use Gross Proceeds or any other amounts (or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with Gross Proceeds) in a manner which, if made or omitted, respectively, would cause the interest on any Bond to become includable in the gross income, as defined in Section 61 of the Code, of the owner thereof for federal income tax purposes. Without limiting the generality of the foregoing, unless and until the Corporation shall have received a written opinion of counsel nationally recognized in the field of municipal bond law to the effect that failure to comply with such covenant will not adversely affect the exemption from federal income tax of the interest on any Bond, the Corporation shall comply with each of the specific covenants in this Section.

(b) Except as permitted by Section 141 of the Code and the regulations and rulings thereunder, the Corporation shall, at all times prior to the last stated maturity of the Bonds,

- (1) exclusively own, operate, and possess all property the acquisition, construction, or improvement of which is to be financed directly or indirectly with Gross Proceeds of such series of the Bonds and not use or permit the use of such Gross Proceeds or any property acquired, constructed, or improved with such Gross Proceeds in any activity carried on by any person or entity other than a state or local government, unless such use is solely as a member of the general public, or
- (2) not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds of such series of the Bonds or any property the acquisition, construction or improvement of which is to be financed directly or indirectly with such Gross Proceeds other than taxes of general application and interest earned on investments acquired with such Gross Proceeds pending application for their intended purposes.

(c) Except to the extent permitted by Section 141 of the Code and the regulations and rulings thereunder, the Corporation shall not use Gross Proceeds of the Bonds to make or finance loans to any person or entity other than a state or local government. For purposes of the foregoing covenant, Gross Proceeds are considered to be “loaned” to a person or entity if (1) property acquired, constructed or improved with Gross Proceeds is sold or leased to such person or entity in a transaction which creates a debt for federal income tax purposes, (2) capacity in or service from such property is committed to such person or entity under a take-or-pay, output, or similar contract or arrangement, or (3) indirect benefits, or burdens and benefits of ownership, of such Gross Proceeds or such property are otherwise transferred in a transaction which is the economic equivalent of a loan.

(d) Except to the extent permitted by Section 148 of the Code and the regulations and rulings thereunder, the Corporation shall not, at any time prior to the earlier of the final stated maturity or final payment of the Bonds, directly or indirectly invest Gross Proceeds of the Bonds in any Investment (or use such Gross Proceeds to replace money so invested), if as a result of such investment the Yield of all Investments allocated to such Gross Proceeds whether then held or previously disposed of, exceeds the Yield on the Bonds.

(e) Based on all of the facts and estimates now known or reasonably expected to be in existence on the date the Bonds are delivered, the Corporation reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds or any portion thereof to be “arbitrage bonds” within the meaning of Section 148 of the Code.

(f) At all times while the Bonds are outstanding, the Corporation will identify and properly account for all amounts constituting gross proceeds of the Bonds in accordance with the Regulations. The Corporation will monitor the yield on the investments of the proceeds of the Bonds and, to the extent required by the Code and the Regulations, will restrict the yield on such investments to a yield which is not materially higher than the yield on the Bonds. To the extent necessary to prevent the Bonds from constituting “arbitrage bonds,” the Corporation will make such payments as are necessary to cause the yield on all yield restricted nonpurpose investments allocable to the Bonds to be less than the yield that is materially higher than the yield on the Bonds.

(g) The Corporation will not take any action or knowingly omit to take any action, if taken or omitted, would cause the Bonds to be treated as “federally guaranteed” obligations for purposes of Section 149(b) of the Code.

(h) The Corporation represents that not more than fifty percent (50%) of the proceeds of the Bonds was invested in nonpurpose investments (as defined in Section 148(f)(b)(A) of the Code) having a substantially guaranteed yield for four years or more within the meaning of Section 149(g)(3)(A)(ii) of the Code.

(i) The Corporation will take all necessary steps to comply with the requirement that certain amounts earned by the Corporation on the investment of the gross proceeds of the Bonds, if any, be rebated to the federal government. Specifically, the Corporation will (i) maintain records regarding the receipt, investment and expenditure of the gross proceeds of the Bonds as may be required to calculate such excess arbitrage profits separately from records of amounts on deposit in the funds and accounts of the Corporation allocable to other obligations of the Corporation or moneys which do not represent gross proceeds of any obligations of the Corporation and retain such records for at least six years after the day on which the last outstanding Bond is discharged, (ii) account for all gross proceeds under a reasonable, consistently applied method of accounting, not employed as an artifice or device to avoid, in whole or in part, the requirements of Section 148 of the Code, including any specified method of accounting required by applicable Regulations to be used for all or a portion of the gross proceeds, (iii) calculate, at such times as are required by applicable Regulations, the amount of excess arbitrage profits, if any, earned from the investment of the gross proceeds of the Bonds and (iv) timely pay, as required by applicable Regulations, all amounts required to be rebated to the federal government. In addition, the Corporation will exercise reasonable diligence to assure that no errors are made in the calculations required by the preceding sentence and, if such an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter, including payment to the federal government of any delinquent amounts owed to it, including interest thereon and penalty.

(j) The Corporation will not indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal

government by entering into any investment arrangement with respect to the gross proceeds of the Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in smaller profit or a larger loss than would have resulted if such arrangement had been at arm's length and had the yield on the issue not been relevant to either party.

(k) The Corporation will timely file or cause to be filed with the Secretary of the Treasury of the United States the information required by Section 149(c) of the Code with respect to the Bonds on such form and in such place as the Secretary may prescribe.

(l) The Corporation will not issue or use the Bonds as part of an "abusive arbitrage device" (as defined in Section 1.148-10(a) of the Regulations). Without limiting the foregoing, the Bonds are not and will not be a part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code and the Regulations, by (i) enabling the Corporation to exploit the difference between tax exempt and taxable interest rates to gain a material financial advantage, or (ii) increasing the burden on the market for tax-exempt obligations.

(m) Proper officers of the Corporation charged with the responsibility for issuing the Bonds are hereby directed to make, execute and deliver certifications as to facts, estimates or circumstances in existence as of the issue date and stating whether there are facts, estimates or circumstances that would materially change the Corporation's expectations. On or after the issue date, the Corporation will take such actions as are necessary and appropriate to assure the continuous accuracy of the representations contained in such certificates.

(n) The covenants and representations made or required by this Section are for the benefit of the Bond holders and any subsequent Bond holder, and may be relied upon by the Bond holder and any subsequent Bond holder and bond counsel to the Corporation.

In complying with the foregoing covenants, the Corporation may rely upon an unqualified opinion issued to the Corporation by nationally recognized bond counsel that any action by the Corporation or reliance upon any interpretation of the Code or Regulations contained in such opinion will not cause interest on the Bonds to be includable in gross income for federal income tax purposes under existing law.

Notwithstanding any other provision of this Resolution, the Corporation's representations and obligations under the covenants and provisions of this Section shall survive the defeasance and discharge of the Bonds for as long as such matters are relevant to the exclusion of interest on the Bonds from the gross income of the owners for federal income tax purposes.

Section 10.06: Not Qualified Tax-Exempt Obligations. The Corporation has not designated the Bonds as "qualified tax-exempt obligations" as defined in Section 265(b)(3) of the Code.

ARTICLE XI

DEFAULT AND REMEDIES

Section 11.01: Events of Default. Each of the following occurrences or events for the purpose of this Resolution is hereby declared to be an “Event of Default,” to-wit:

- (i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or
- (ii) default in the performance or observance of any other covenant, agreement or obligation of the Corporation under this Resolution, and the continuation thereof for a period of 30 days after notice of such default is given by any Owner to the Corporation.

Section 11.02: Remedies for Default. (a) Upon the happening of an Event of Default, then and in every case any Owner or an authorized representative thereof, including but not limited to, a trustee or trustees therefor, may proceed against the Corporation for the purpose of protecting and enforcing the rights of the Owners under this Resolution, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein.

(b) All such proceedings shall be instituted and maintained for the equal benefit of all Owners of Bonds then outstanding.

Section 11.03: Remedies Not Exclusive. (a) No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Resolution, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Resolution.

(b) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

ARTICLE XII

DISCHARGE

Section 12.01: Discharge. The Corporation may discharge its obligation to the Owners of any or all of the Parity Bonds to pay principal, interest and redemption premium (if any) thereon in any manner then permitted by law.

ARTICLE XIII

CONTINUING DISCLOSURE UNDERTAKING

Section 13.01: Continuing Disclosure Undertaking. As used in this Section, the following terms have the meanings ascribed to such terms below:

“*MSRB*” means the Municipal Securities Rulemaking Board.

“*Rule*” means SEC Rule 15c2-12, as amended from time to time.

“*SEC*” means the United States Securities and Exchange Commission.

(a) The Corporation will provide certain updated financial information and operating data to the MSRB annually in an electronic format as prescribed by the MSRB and available via the Electronic Municipal Market Access (“EMMA”) system at www.emma.msrb.org. The information to be updated includes all quantitative financial information and operating data with respect to the Corporation of the general type included in Tables 1 through 4 and in APPENDIX B of the Official Statement described in Section 7.03 hereof. The Corporation will update and provide this information within six months after the end of each fiscal year.

If the Corporation changes its fiscal year, it will submit a notice of such change to the MSRB, and the date of the new fiscal year end prior to the next date by which the Corporation otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided may be set forth in full in one or more documents or may be included by specific reference to any document available to the public on the MSRB’s Internet Web site or filed with the SEC, as permitted by the SEC Rule. The updated information will include audited financial statements, if the City commissions an audit and it is completed by the required time. If audited financial statements are not available by the required time, the Corporation will provide audited financial statements when and if such audited financial statements become available and unaudited financial statements within twelve (12) months after fiscal year end, unless audited financial statements are sooner provided. Any such financial statements will be prepared in accordance with the accounting principles described in APPENDIX B or such other accounting principles as the City may be required to employ from time to time pursuant to State law or regulation.

(b) Material Event Notices. The Corporation shall notify the MSRB in an electronic format prescribed by the MSRB, in a timely manner (not in excess of ten (10) business days after the occurrence of the event), of any of the following events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the Corporation;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the Corporation or the sale of all or substantially all of the assets of the Corporation, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (xiv) Appointment of a successor trustee or change in the name of the trustee, if material;
- (xv) Incurrence of a financial obligation of the Corporation, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a financial obligation of the Corporation, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the Corporation, any of which reflect financial difficulties.

For the purposes, any event described in the immediate preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Corporation in a proceeding United States Bankruptcy Code or any other proceeding under state or federal law in which a court or governmental authority has assumed

jurisdiction over substantially all of the assets or business of the Corporation, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Corporation.

For purposes of (xv) and (xvi) above, the term “financial obligation” means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in 15c2-12 Rule) has been provided to the MSRB consistent with the Rule. The Corporation intends the words used in the above clauses (15) and (16) and in the definition of financial obligation above to have the meanings ascribed to them in SEC Release No. 34-83885 dated August 20, 2018.

The Corporation shall notify the MSRB, in a timely manner, of any failure by the Corporation to provide financial information or operating data in accordance this Section by the time required by such Section.

(c.) Limitations, Disclaimers, and Amendments. The Corporation shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Corporation remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the Corporation in any event will give notice of any deposit made in accordance with Texas law that causes Bonds no longer to be outstanding.

The provisions of this Section are for the sole benefit of the holders and the beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Corporation undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Corporation’s financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Corporation does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

UNDER NO CIRCUMSTANCES SHALL THE CORPORATION BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE CORPORATION, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

No default by the Corporation in observing or performing its obligations under this Section shall comprise a breach of or default under this Resolution for purposes of any other provision of this Resolution.

Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Corporation under federal and state securities laws.

The provisions of this Section may be amended by the Corporation from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, or status or type of principal payment of the Corporation, if (1) the agreement, as so amended, would have permitted an underwriter to purchase or sell Bonds in the initial primary offering in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the holders of a majority in aggregate amount of the outstanding Bonds consent to such amendment or (b) a person unaffiliated with the Corporation (such as nationally recognized bond counsel) determines that the amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The Corporation may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds. If any such amendment is made, the Corporation will include in its next annual update an explanation in narrative form of the reasons for the change and its impact on the type of operating data or financial information being provided.

ARTICLE XIV

MUNICIPAL BOND INSURANCE AND SURETY POLICY PROVISIONS

Section 14.1: [Municipal Bond Insurance Provisions]. The Corporation hereby authorizes obtaining the Policy (defined below). The President, Secretary and all other appropriate officers and agents of the Corporation are hereby authorized to take any action necessary for the issuance of the Policy, including, without limitation, the execution of any agreements or other documents necessary for same. The terms and provisions contained in this Section 14.1 shall control and supersede any conflicting or inconsistent provisions in this Resolution.

(a) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

“*BAM*” shall mean Build America Mutual Assurance Company, or any successor thereto.

“*Insured Obligations*” means the Bonds.

“*Issuer*” means the Corporation.

“*Late Payment Rate*” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank, N.A., at its

principal office in The City of New York, New York, as its prime or base lending rate (“Prime Rate”) (any change in such Prime Rate to be effective on the date such change is announced by JPMorgan Chase Bank, N.A.) plus 3%, and (ii) the then applicable highest rate of interest on the Insured Obligations and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. In the event JPMorgan Chase Bank, N.A., ceases to announce its Prime Rate, the Prime Rate shall be the prime or base lending rate of such other bank, banking association or trust company as BAM, in its sole and absolute discretion, shall designate. Interest at the Late Payment Rate on any amount owing to BAM shall be computed on the basis of the actual number of days elapsed in a year of 360 days.

“*Policy*” shall mean the Municipal Bond Insurance Policy issued by BAM that guarantees the scheduled payment of principal of and interest on the Insured Obligations when due.

“*Security Documents*” means this Resolution, the Bonds and/or any additional or supplemental document executed in connection with the Insured Obligations

(b) Notice and Other Information to be given to BAM. The Issuer will provide BAM with all notices and other information it is obligated to provide (i) under the continuing disclosure agreement contained herein and (ii) to the holders of Insured Obligations under the Security Documents.

The notice address of BAM is: Build America Mutual Assurance Company, 200 Liberty Street, 27th Floor, New York, NY 10281, Attention: Surveillance, Re: Policy No. 2017B0168, Telephone: (212) 235-2500, Telecopier: (212) 235-1542, Email: notices@buildamerica.com. In each case in which notice or other communication refers to an event of default or a claim on the Policy, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel at the same address and at claims@buildamerica.com or at Telecopier: (212) 235-5214 and shall be marked to indicate “URGENT MATERIAL ENCLOSED.”

(c) Defeasance. The investments in the defeasance escrow relating to Insured Obligations shall be limited to non-callable, direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, or as otherwise maybe authorized under State law and approved by BAM.

At least (three) 3 Business Days prior to any defeasance with respect to the Insured Obligations, the Issuer shall deliver to BAM draft copies of an escrow agreement, an opinion of bond counsel regarding the validity and enforceability of the escrow agreement and the defeasance of the Insured Obligations, a verification report (a “Verification Report”) prepared by a nationally recognized independent financial analyst or firm of certified public accountants regarding the sufficiency of the escrow fund. Such opinion and Verification Report shall be addressed to BAM and shall be in form and substance satisfactory to BAM. In addition, the escrow agreement shall provide that:

- (i) Any substitution of securities following the execution and delivery of the escrow agreement shall require the delivery of

a Verification Report, an opinion of bond counsel that such substitution will not adversely affect the exclusion (if interest on the Insured Obligations is excludable) from gross income of the holders of the Insured Obligations of the interest on the Insured Obligations for federal income tax purposes and the prior written consent of BAM, which consent will not be unreasonably withheld.

- (ii) The Issuer will not exercise any prior optional redemption of Insured Obligations secured by the escrow agreement or any other redemption other than mandatory sinking fund redemptions unless (i) the right to make any such redemption has been expressly reserved in the escrow agreement and such reservation has been disclosed in detail in the official statement for the refunding bonds, and (ii) as a condition to any such redemption there shall be provided to BAM a Verification Report as to the sufficiency of escrow receipts without reinvestment to meet the escrow requirements remaining following any such redemption.
 - (iii) The Issuer shall not amend the escrow agreement or enter into a forward purchase agreement or other agreement with respect to rights in the escrow without the prior written consent of BAM.
- (d) Trustee and Paying Agent.
- (i) BAM shall receive prior written notice of any name change of the trustee, if any trustee is hereafter appointed (the “Trustee”) or the paying agent (the “Paying Agent”) for the Insured Obligations or the resignation or removal of the Trustee or, if applicable, the Paying Agent. Any Trustee must be (A) a national banking association that is supervised by the Office of the Comptroller of the Currency and has at least \$250 million of assets, (B) a state-chartered commercial bank that is a member of the Federal Reserve System and has at least \$1 billion of assets, or (C) otherwise approved by BAM in writing.
 - (ii) No removal, resignation or termination of the Trustee, if applicable, or the Paying Agent shall take effect until a successor, acceptable to BAM, shall be qualified and appointed.
 - (iii) Nothing herein shall be interpreted as requiring the Corporation to appoint a Trustee for the Bonds. Any

requirements imposed on a Trustee shall apply only if the Corporation hereafter appoints a Trustee for the Bonds.

(e) Amendments, Supplements and Consents. BAM's prior written consent is required for all amendments and supplements to the Security Documents, with the exceptions noted below. The Issuer shall send copies of any such amendments or supplements to BAM and the rating agencies which have assigned a rating to the Insured Obligations.

(i) *Consent of BAM.* Any amendments or supplements to the Security Documents shall require the prior written consent of BAM with the exception of amendments or supplements:

A. To cure any ambiguity or formal defect or omissions or to correct any inconsistent provisions in the transaction documents or in any supplement thereto, or

B. To grant or confer upon the holders of the Insured Obligations any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the holders of the Insured Obligations, or

C. To add to the conditions, limitations and restrictions on the issuance of bonds or other obligations under the provisions of the Security Documents other conditions, limitations and restrictions thereafter to be observed, or

D. To add to the covenants and agreements of the Issuer in the Security Documents other covenants and agreements thereafter to be observed by the Issuer or to surrender any right or power therein reserved to or conferred upon the Issuer.

E. To issue additional parity debt in accordance with the requirements set forth in the Security Documents.

(ii) *Consent of BAM in Addition to Bondholder Consent.* Any amendment, supplement, modification to, or waiver of, any of the Security Documents that requires the consent of holders of the Insured Obligations or adversely affects the rights or interests of BAM shall be subject to the prior written consent of BAM.

(iii) *Insolvency.* Any reorganization or liquidation plan with respect to the Issuer must be acceptable to BAM. The Trustee and each owner of the Insured Obligations hereby appoint BAM as their agent and attorney-in-fact with respect to the Insured Obligations and agree that BAM may at any time during the continuation of any proceeding by or against the Issuer under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding") direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement

proceeding in connection with an Insolvency Proceeding (a “Claim”), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Trustee and each owner of the Insured Obligations delegate and assign to BAM, to the fullest extent permitted by law, the rights of the Trustee and each owner of the Insured Obligations with respect to the Insured Obligations in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

- (iv) *Control by BAM Upon Default.* Anything in the Security Documents to the contrary notwithstanding, upon the occurrence and continuance of a default or an event of default, BAM shall be entitled to control and direct the enforcement of all rights and remedies granted to the holders of the Insured Obligations or the Trustee or Paying Agent for the benefit of the holders of the Insured Obligations under any Security Document. No default or event of default may be waived without BAM’s written consent.
- (v) *BAM as Owner.* Upon the occurrence and continuance of a default or an event of default, BAM shall be deemed to be the sole owner of the Insured Obligations for all purposes under the Security Documents, including, without limitations, for purposes of exercising remedies and approving amendments.
- (vi) *Consent of BAM for acceleration.* BAM’s prior written consent is required as a condition precedent to and in all instances of acceleration.
- (vii) *Grace Period for Payment Defaults.* No grace period shall be permitted for payment defaults on the Insured Obligations. No grace period for a covenant default shall exceed 30 days without the prior written consent of BAM.
- (viii) *Special Provisions for Insurer Default.* If an Insurer Default shall occur and be continuing, then, notwithstanding anything in paragraphs (e)(i)-(v) above to the contrary, (1) if at any time prior to or following an Insurer Default, BAM has made payment under the Policy, to the extent of such payment BAM shall be treated like any other holder of the Insured Obligations for all purposes, including giving of consents, and (2) if BAM has not made any payment under the Policy, BAM shall

have no further consent rights until the particular Insurer Default is no longer continuing or BAM makes a payment under the Policy, in which event, the foregoing clause (1) shall control. For purposes of this paragraph, "Insurer Default" means: (A) BAM has failed to make any payment under the Policy when due and owing in accordance with its terms; or (B) BAM shall (i) voluntarily commence any proceeding or file any petition seeking relief under the United States Bankruptcy Code or any other Federal, state or foreign bankruptcy, insolvency or similar law, (ii) consent to the institution of or fail to controvert in a timely and appropriate manner, any such proceeding or the filing of any such petition, (iii) apply for or consent to the appointment of a receiver, trustee, custodian, sequestrator or similar official for such party or for a substantial part of its property, (iv) file an answer admitting the material allegations of a petition filed against it in any such proceeding, (v) make a general assignment for the benefit of creditors, or (vi) take action for the purpose of effecting any of the foregoing; or (C) any state or federal agency or instrumentality shall order the suspension of payments on the Policy or shall obtain an order or grant approval for the rehabilitation, liquidation, conservation or dissolution of BAM (including without limitation under the New York Insurance Law).

(f) BAM As Third Party Beneficiary. BAM is recognized as and shall be deemed to be a third party beneficiary of the Security Documents and may enforce the provisions of the Security Documents as if it were a party thereto.

(g) Payment Procedure Under the Policy.

In the event that principal and/or interest due on the Insured Obligations shall be paid by BAM pursuant to the Policy, the Insured Obligations shall remain outstanding for all purposes, not be defeased or otherwise satisfied and not be considered paid by the Issuer, the assignment and pledge of the trust estate and all covenants, agreements and other obligations of the Issuer to the registered owners shall continue to exist and shall run to the benefit of BAM, and BAM shall be subrogated to the rights of such registered owners.

In the event that on the second (2nd) business day prior to any payment date on the Insured Obligations, the Paying Agent or Trustee has not received sufficient moneys to pay all principal of and interest on the Insured Obligations due on such payment date, the Paying Agent or Trustee shall immediately notify BAM or its designee on the same business day by telephone or electronic mail, of the amount of the deficiency. If any deficiency is made up in whole or in part prior to or on the payment date, the Paying Agent or Trustee shall so notify BAM or its designee.

In addition, if the Paying Agent or Trustee has notice that any holder of the Insured Obligations has been required to disgorge payments of principal of or interest on the Insured Obligations pursuant to a final, non-appealable order by a court of competent jurisdiction that such payment constitutes an avoidable preference to such holder within the meaning of any applicable bankruptcy law, then the Paying Agent or Trustee shall notify BAM or its designee of such fact by telephone or electronic mail, or by overnight or other delivery service as to which a delivery receipt is signed by a person authorized to accept delivery on behalf of BAM.

The Paying Agent or Trustee shall irrevocably be designated, appointed, directed and authorized to act as attorney-in-fact for holders of the Insured Obligations as follows:

If there is a deficiency in amounts required to pay interest and/or principal on the Insured Obligations, the Paying Agent or Trustee shall (i) execute and deliver to BAM, in form satisfactory to BAM, an instrument appointing BAM as agent and attorney-in-fact for such holders of the Insured Obligations in any legal proceeding related to the payment and assignment to BAM of the claims for interest on the Insured Obligations, (ii) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Policy payment from BAM with respect to the claims for interest so assigned, (iii) segregate all such payments in a separate account (the "BAM Policy Payment Account") to only be used to make scheduled payments of principal of and interest on the Insured Obligation, and (iv) disburse the same to such respective holders; and

If there is a deficiency in amounts required to pay principal of the Insured Obligations, the Paying Agent or Trustee shall (i) execute and deliver to BAM, in form satisfactory to BAM, an instrument appointing BAM as agent and attorney-in-fact for such holder of the Insured Obligations in any legal proceeding related to the payment of such principal and an assignment to BAM of the Insured Obligations surrendered to BAM, (ii) receive as designee of the respective holders (and not as Paying Agent) in accordance with the tenor of the Policy payment therefore from BAM, (iii) segregate all such payments in the BAM Policy Payment Account to only be used to make scheduled payments of principal of and interest on the Insured Obligation, and (iv) disburse the same to such holders.

The Trustee shall designate any portion of payment of principal on Insured Obligations paid by BAM, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Obligations registered to the then current holder, whether DTC or its nominee or otherwise, and shall issue a replacement Insured Obligation to BAM, registered in the name directed by BAM, in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Insured Obligation shall have no effect on the amount of principal or interest payable by the Issuer on any Insured Obligation or the subrogation or assignment rights of BAM.

Payments with respect to claims for interest on and principal of Insured Obligations disbursed by the Paying Agent or Trustee from proceeds of the Policy shall not be considered to discharge the obligation of the Issuer with respect to such Insured

Obligations, and BAM shall become the owner of such unpaid Insured Obligations and claims for the interest in accordance with the tenor of the assignment made to it under the provisions of the preceding paragraphs or otherwise. The Security Documents shall not be discharged or terminated unless all amounts due or to become due to BAM have been paid in full or duly provided for.

Irrespective of whether any such assignment is executed and delivered, the Issuer, and the Paying Agent and, if applicable, Trustee agree for the benefit of BAM that:

They recognize that to the extent BAM makes payments directly or indirectly (*e.g.*, by paying through the Paying Agent or, if applicable, Trustee), on account of principal of or interest on the Insured Obligations, BAM will be subrogated to the rights of such holders to receive the amount of such principal and interest from the Issuer, with interest thereon, as provided and solely from the sources stated in the Security Documents and the Insured Obligations; and

They will accordingly pay to BAM the amount of such principal and interest, with interest thereon as provided in the transaction documents and the Insured Obligations, but only from the sources and in the manner provided therein for the payment of principal of and interest on the Insured Obligations to holders, and will otherwise treat BAM as the owner of such rights to the amount of such principal and interest.

(h) Additional Payments. The Issuer agrees unconditionally that it will pay or reimburse BAM on demand any and all reasonable charges, fees, costs, losses, liabilities and expenses that BAM may pay or incur, including, but not limited to, fees and expenses of BAM's agents, attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of the Security Documents ("Administrative Costs"). For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation and overhead attributable to the time of employees of BAM spent in connection with the actions described in the preceding sentence. The Issuer agrees that failure to pay any Administrative Costs on a timely basis will result in the accrual of interest on the unpaid amount at the Late Payment Rate, compounded semi-annually, from the date that payment is first due to BAM until the date BAM is paid in full.

Notwithstanding anything herein to the contrary, the Issuer agrees to pay to BAM (i) a sum equal to the total of all amounts paid by BAM under the Policy ("BAM Policy Payment"); and (ii) interest on such BAM Policy Payments from the date paid by BAM until payment thereof in full by the Issuer, payable to BAM at the Late Payment Rate per annum (collectively, "BAM Reimbursement Amounts") compounded semi-annually. The Issuer hereby covenants and agrees that the BAM Reimbursement Amounts are payable from and secured by a lien on and pledge of the same revenues and other collateral pledged to the Insured Obligations on a parity with debt service due on the Insured Obligations.

(i) Debt Service Reserve Fund. The prior written consent of BAM shall be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Debt

Service Reserve Fund, if any. Amounts on deposit in the Debt Service Reserve Fund shall be applied solely to the payment of debt service due on the Insured Obligations.

(j) Exercise of Rights by BAM. The rights granted to BAM under the Security Documents to request, consent to or direct any action are rights granted to BAM in consideration of its issuance of the Policy. Any exercise by BAM of such rights is merely an exercise of the BAM's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the holders of the Insured Obligations and such action does not evidence any position of BAM, affirmative or negative, as to whether the consent of the holders of the Insured Obligations or any other person is required in addition to the consent of BAM.

(k) BAM shall be entitled to pay principal or interest on the Insured Obligations that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer (as such terms are defined in the Policy) and any amounts due on the Insured Obligations as a result of acceleration of the maturity thereof in accordance with the Security Documents, whether or not BAM has received a claim upon the Policy.

(l) No contract shall be entered into or any action taken by which the rights of BAM or security for or source of payment of the Insured Obligations may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of BAM.

(m) If an event of default occurs under any agreement pursuant to which any Obligation of the Issuer has been incurred or issued and that permits the holder of such Obligation or trustee to accelerate the Obligation or otherwise exercise rights or remedies that are adverse to the interest of the holders of the Insured Obligations or BAM, as BAM may determine in its sole discretion, then an event of default shall be deemed to have occurred under this Resolution and the related Security Documents for which BAM or the Trustee (if applicable), at the direction of BAM, shall be entitled to exercise all available remedies under the Security Documents, at law and in equity. For purposes of the foregoing "Obligation" shall mean any bonds, loans, certificates, installment or lease payments or similar obligations that are payable and/or secured on a parity or subordinate basis to the Insured Obligations.

Section 14.2: Reserve Fund Surety Policy. The Corporation hereby authorizes obtaining the Reserve Policy (defined below). The President, Secretary and all other appropriate officers and agents of the Corporation are hereby authorized to take any action necessary for the issuance of the Reserve Policy, including, without limitation, the execution of any agreements or other documents necessary for same. The terms and provisions contained in this Section 14.2 shall control and supersede any conflicting or inconsistent provisions in this Resolution.

(a) The Issuer shall repay any draws under the Municipal Bond Debt Service Reserve Insurance Policy (the "Reserve Policy") and pay all related reasonable expenses incurred by BAM (the "Bond Insurer"). Interest shall accrue and be payable on such draws and expenses from the date of payment by the Bond Insurer at the Late Payment Rate. "Late Payment Rate" means the lesser of (A) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in the City of New York, as its prime or base lending rate ("Prime Rate") (any change in such Prime Rate to be effective on the date such changes are announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest

rate of interest on the Bonds, and (B) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. In the event JPMorgan Chase Bank ceases to announce its Prime Rate publicly, Prime Rate shall be the publicly announced prime or base lending rate of such bank, banking association or trust company bank as the Bond Insurer in its sole and absolute discretion shall specify.

Repayment of draws and payment of expenses and accrued interest thereon at the Late Payment Rate (collectively, the "Policy Costs") shall commence in the first month following each draw, and each such monthly payment shall be in an amount at least equal to 1/12 of the aggregate of Policy Costs related to such draw.

Amounts in respect of Policy Costs paid to the Bond Insurer shall be credited first to interest due, then to the expenses due and then to principal due. As and to the extent that payments are made to the Bond Insurer on account of principal due, the coverage under the Reserve Policy will be increased by a like amount, subject to the terms of the Reserve Policy.

All cash and investments in the Debt Service Reserve Fund established for the Bonds shall be transferred to the Debt Service Fund for payment of the debt service on the Bonds before any drawing may be made on the Reserve Policy or any other Reserve Fund Credit Instrument in lieu of cash.

Payment of any Policy Cost shall be made prior to replenishment of any cash amounts. Draws on all Reserve Fund Credit Instruments (including the Reserve Policy) on which there is available coverage shall be made on a pro-rata basis (calculated by reference to the coverage then available thereunder) after applying all available cash and investments in the Debt Service Reserve Fund. Payment of Policy Costs and reimbursement of amounts with respect to other Reserve Fund Credit Instruments shall be made on a pro-rata basis prior to replenishment of any cash drawn from the Debt Service Reserve Fund. For the avoidance of doubt, "available coverage" means the coverage then available for disbursement pursuant to the terms of the applicable alternative credit instrument without regard to the legal or financial ability or willingness of the provider of such instrument to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw.

(b) Draws under the Reserve Policy may only be used to make payments on Bonds insured by the Bond Insurer.

(c) If the Issuer shall fail to pay any Policy Costs in accordance with the requirements of paragraph (a) above, the Bond Insurer shall be entitled to exercise any and all legal and equitable remedies available to it, including those provided under this Indenture other than (i) acceleration of the maturity of the Bonds, or (ii) remedies which would adversely affect owners of the Bonds.

(d) This Resolution shall not be discharged until all Policy Costs owing to the Bond Insurer shall have been paid in full. The Issuer's obligation to pay such amount shall expressly survive payment in full of the Bonds.

(e) The Paying Agent shall ascertain the necessity for a claim upon the Reserve Policy in accordance with the provisions of paragraph (a) hereof and provide notice to the Bond Insurer at least three business days prior to each date upon which interest or principal is due on the Bonds.

(f) The Reserve Policy shall expire on the earlier of the date the Bonds are no longer outstanding and the final maturity date of the Bonds.]

ARTICLE XV

MISCELLANEOUS

Section 15.01: Further Proceedings. The President, the Secretary, and other appropriate officials of the Corporation are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Resolution.

Section 15.02: Power to Revise Form of Documents. Notwithstanding any other provision of this Resolution, the President, Secretary and other appropriate officials of the Corporation are each hereby authorized to make or approve such revisions, additions, deletions and variations to this Resolution, in the judgment of the President, Secretary and other appropriate officials of the Corporation, and in the opinion of Bond Counsel to the Corporation, as may be necessary or convenient to carry out or assist in carrying out the purposes of this Resolution, the Preliminary Official Statement, and the final Official Statement; provided, however, that any changes to such documents resulting in substantive amendments to the terms and conditions of the Bonds or such documents shall be subject to the prior approval of the Board.

Section 15.03: Severability. If any Section, paragraph, clause or provision of this Resolution 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 Resolution.

Section 15.04: Paying Agent/Registrar Agreement. The form of agreement setting forth the duties of the Registrar is hereby approved, and an appropriate official of the Corporation is hereby authorized to execute such agreement for and on behalf of the Corporation.

Section 15.05: No Personal Liability. No recourse shall be had for payment of the principal of or interest on any Bonds or for any claim based thereon, or on this Resolution, against any official or employee of the Corporation or any person executing any Bonds.

Section 15.06: Parties Interested. Nothing in this Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Corporation, the Registrar and the Owners of the Bonds, any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Resolution shall be for the sole and exclusive benefit of the Corporation, the Registrar and the Owners of the Bonds.

Section 15.07: Repealer. All orders, resolutions and other actions of the Corporation, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 15.08: Open Meeting. It is hereby officially found and determined that the meeting at which this Resolution was adopted was open to the public, and that public notice of the time, place and purpose of said meeting was given, all as required by the Texas Open Meetings Act.

[Signature page follows]

ADOPTED AND EFFECTIVE this 16th day of August, 2022.

President, Board of Directors
Webster Economic Development Corporation

ATTEST:

Secretary, Board of Directors
Webster Economic Development Corporation

(SEAL)

EXHIBIT A

Reserve Fund Surety Policy