

ORDER AUTHORIZING THE ISSUANCE OF FORT BEND COUNTY,
TEXAS, TAX ANTICIPATION NOTES, SERIES 2022B

THE STATE OF TEXAS §
COUNTY OF FORT BEND §

WHEREAS, Fort Bend County, Texas (the “County”) is authorized to issue notes payable from ad valorem taxes pursuant to Chapter 1431, Texas Government Code;

WHEREAS, the Commissioners Court of the County, on the recommendation of the County Auditor, hereby finds and determines that it is necessary and in the best interest of the County and its citizens to issue the “Fort Bend County, Texas, Tax Anticipation Notes, Series 2022B” for the purposes herein described and that the Note shall be payable from and secured by ad valorem taxes levied, within the limits prescribed by law, on all taxable property within the County; Now, Therefore

BE IT ORDAINED BY FORT BEND COUNTY:

1. Definitions. Throughout this order the following terms and expressions as used herein shall have the meanings set forth below:

“Act” means Chapter 1431, Texas Government Code.

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

“Code” means the Internal Revenue Code of 1986.

“Commissioners Court” means the officers of Fort Bend County, including the Commissioner of each of Precinct 1, Precinct 2, Precinct 3, and Precinct 4.

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

“County” means Fort Bend County, Texas.

“Debt Service Fund” means the Debt Service fund established by the County pursuant to Section 15 of this Order.

“Default rate” means [__%] above the current interest rate on the Note.

“Event of Taxability” means any event, based on the action or inaction of the County, or any misrepresentation or warranty by the County, which results in the interest on the Note becoming includable in the gross income of the holder thereof.

“Event of Taxability Rate” means a per annum interest rate of [__%].

“Final Maturity” means March 1, 2029.

“Initial Note” means the Initial Note authorized by Section 5(d) of this Order.

“Interest Payment Date,” when used in connection with the Note, means interest is payable semiannually on each March 1 and September 1 through Final Maturity, commencing on March 1, 2029.

“Issuance Date” means the date on which the Note are delivered to and paid for by the Purchaser.

“Note” means the note of the Fort Bend County, Texas, Tax Anticipation Notes, Series 2022B authorized in this Order, unless the context clearly indicates otherwise.

“Order” as used herein and in the Note means this order authorizing the Note.

“Owner” means any person who shall be the registered owner of any outstanding Note.

“Placement Agent” means FHN Financial.

“Private Placement Letter” means the letter agreement described in Section 18 of this Order.

“Purchaser” means [_____].

“Record Date” means, for any Interest Payment Date, the close of business on the 15th day of the month next 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 Note registered to, each Owner.

“Registrar” or “Paying Agent” means [Zions Bancorporation, National Association dba Amegy Bank] and its successors in that capacity.

2. Authorization. The Note shall be issued pursuant to the Act in fully registered form, without coupons, in the aggregate principal amount of [\$30,000,000] for (a) the acquisition, construction and renovation of public works in the County, including County drainage improvements, parks and park facilities, and (b) paying the costs of professional services incurred in connection with any of the foregoing projects and the costs of issuance of the Note.

3. Designation, Date, and Interest Payment Dates. The Note shall be designated as the “FORT BEND COUNTY, TEXAS, TAX ANTICIPATION NOTES, SERIES 2022B,” and shall be dated November 1, 2022. The Note shall bear interest payable on each Interest Payment Date at the rate set forth below from the later of the Issuance Date, or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve 30-day months.

4. Initial Note; Numbers and Denominations. The Note shall be initially issued as a single fully registered obligation in the principal amount of [\$30,000,000], and bearing interest at the rate of [___%]; provided however, if any payment of principal or interest on the Note is not paid when due and owing, the delinquent amount shall bear interest at the Default Rate and, if the delinquent amount is not paid within 90 days of the due date, the entire principal amount of the Note shall bear interest at the Default Rate. In addition, upon the occurrence of an Event of Taxability, the Note shall bear interest at the Event of Taxability Rate until such time as the Event of Taxability is cured or the final maturity of the Note. The Note may be transferred and exchanged as set out in this Order. The Note shall mature on March 1, 2029 with certain mandatory redemptions in the years and the amounts in the Form of Note in Section 14 herein.

The Note will be issued in a denomination equal to the principal amount of the issue. The Note may be transferred in whole, but not in part, subject to the satisfaction of transfer restrictions of the type included in the Private Placement Letter.

5. Execution of Note; Seal. (a) The Note shall be signed on behalf of the County by the County Judge, and countersigned by the County Clerk, by their manual, lithographed, or facsimile signatures, and the official seal of the County shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Note shall have the same effect as if the Note had been signed manually and in person by each of said officers, and such facsimile seal on the Note shall have the same effect as if the official seal of the County had been manually impressed upon each of the Note.

(b) If any officer of the County whose manual or facsimile signature shall appear on the Note shall cease to be such officer before the authentication of such Note or before the delivery of such Note, 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 Note shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Order unless and until there appears thereon the Registrar's Authentication Certificate 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 Certificate described above, the Initial Note 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 Note has been duly approved by the Attorney General of the State of Texas and that it is a valid and binding obligation of the County, and has been registered by the Comptroller.

(d) On the Issuance Date, the Initial Note, being a single note representing the entire principal amount of the Note, payable in stated installments to the Purchaser or its designee, executed by manual or facsimile signature of the County Judge, and the County Clerk, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, shall be delivered to the Purchaser or its designee. If the Purchaser desires, it may hold the Initial Note in lieu of holding definitive Note.

6. Payment of Principal and Interest. The principal of the Note 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 to the Registrar at its principal payment office in Houston, Texas. The interest on each Note 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, to the address of such Owner as shown on the Register, or by wire transfer if requested by the Owner.

If the date for payment of the principal of or interest on any Note 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.

7. Successor Registrars. The County covenants that at all times while the Note is outstanding it will provide a commercial bank, trust company, financial institution or other entity duly qualified and legally authorized to serve as and perform the duties and services of Registrar for the Note. The County reserves the right to change the Registrar on not less than thirty (30) days written notice to the Registrar, so long as any such notice is effective not less than sixty (60) days prior to the next succeeding principal or interest payment date on the Note; provided, that the County shall not terminate the initial Paying Agent/Registrar so long as the initial Purchaser is the sole owner of the Note. 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.

8. Special Record Date. If interest on any Note 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 County. 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.

9. Ownership; Unclaimed Principal and Interest. The County, the Registrar and any other person may treat the person in whose name any Note is registered as the absolute owner of such Note for the purpose of making and receiving payment of the principal of or interest on such Note, and for all other purposes, whether or not such Note is overdue, and neither the County 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 Note in accordance with this Section shall be valid and effectual and shall discharge the liability of the County and the Registrar upon such Note to the extent of the sums paid.

Amounts held by the Registrar which represent principal of and interest on the Note 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.

10. Registration, Transfer, and Exchange. So long as any Note remains outstanding, the Registrar shall keep the Register at its principal payment office in [Houston, Texas], and subject to such reasonable regulations as it may prescribe, the Registrar shall provide for the registration and transfer of Note in accordance with the terms of this Order.

Each Note shall be transferable only upon the presentation and surrender thereof at the principal payment office of the Registrar in [Houston, 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 Note in proper form for transfer, the Registrar shall authenticate and deliver in exchange therefor, within three Business Days after such presentation, a new Note, 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 Note so presented.

Note shall be exchangeable upon presentation and surrender at the principal payment office of the Registrar in [Houston, Texas], for a Note of like maturity and interest rate and in any authorized denomination, in an aggregate amount equal to the unpaid principal amount of the Note presented for exchange. The Registrar shall be and is hereby authorized to authenticate and deliver exchange Note in accordance with the provisions of this Section. Each Note delivered in accordance with this Section shall be entitled to the benefits and security of this Order to the same extent as the Note in lieu of which such Note is delivered.

The County or the Registrar may require the Owner of any Note 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 Note. Any fee or charge of the Registrar for such transfer or exchange shall be paid by the County.

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

The County or the Registrar may require the Owner of a mutilated Note 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 County or the Registrar may require the Owner of a lost, apparently destroyed or wrongfully taken Note, before any replacement Note is issued, to:

- (1) furnish to the County and the Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Note;
- (2) furnish such security or indemnity as may be required by the Registrar and the County 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 County and the Registrar.

If, after the delivery of such replacement Note, a bona fide purchaser of the original Note in lieu of which such replacement Note was issued presents for payment such original Note, the County and the Registrar shall be entitled to recover such replacement Note from the person to whom it was delivered or any person taking therefrom, except a bona fide 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 County or the Registrar in connection therewith.

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

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

12. Cancellation of Note. Any Note paid in accordance with this Order, and any Note in lieu of which exchange Note or replacement Note are authenticated and delivered in accordance herewith, shall be cancelled and destroyed upon the making of proper records regarding such payment. The Registrar shall furnish the County with appropriate certificates of destruction of such Note.

13. Optional Redemption; Defeasance. (a) The Note is subject to optional and/or mandatory redemption as set forth in Section 14 herein.

(b) Not less than thirty (30) days prior to a redemption date for the Notes, a notice of redemption will be sent by U.S. mail, first class postage prepaid, in the name of the County to the Owner of the Note to be redeemed in whole or in part at the address of such Owner appearing on the Register at the close of business on the business day next preceding the date of mailing. Such notices shall state the redemption date, the redemption price, the place at which the Note is to be

surrendered for payment. Any notice of redemption so mailed as provided in this Section will be conclusively presumed to have been duly given, whether or not the Registered Owner receives such notice. By the date fixed for redemption, due provision shall be made with the Paying Agent/Registrar for payment of the redemption price of the Notes or portions thereof to be redeemed. When Notes have been called for redemption in whole or in part and notice of redemption has been given as herein provided, the Notes or portions thereof so redeemed shall no longer be regarded to be outstanding, except for the purpose of receiving payment solely from the funds so provided for redemption, and interest which would otherwise accrue after the redemption date on any Note or portion thereof called for redemption shall terminate on the date fixed for redemption.

14. Forms. The form of the Note, including the form of the Registrar's Authentication Certificate, the form of Assignment, and the form of Registration Certificate of the Comptroller shall be, respectively, substantially as follows, with such additions, deletions and variations as may be necessary or desirable and not prohibited by this Order:

(a) Form of Note.

UNITED STATES OF AMERICA
STATE OF TEXAS
FORT BEND COUNTY

NUMBER
I-1
REGISTERED

DENOMINATION
[\$30,000,000]
REGISTERED

FORT BEND COUNTY, TEXAS
TAX ANTICIPATION NOTES
SERIES 2022B

INTEREST RATE:	MATURITY DATE:	DATED DATE:	ISSUANCE DATE:
[__%]	March 1, 2029	November 1, 2022	November 10, 2022

REGISTERED OWNER: [_____].

PRINCIPAL AMOUNT: THIRTY MILLION DOLLARS

Fort Bend County, Texas (the "County") promises to pay to the registered owner identified above, or registered assigns (the "Registered Owner"), on the maturity date specified above, upon presentation and surrender of this Note at [Zions Bancorporation, National Association dba Amegy Bank,] (the "Registrar") at its principal payment office in Houston, Texas, the principal amount identified above, payable 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 thereon, calculated on the basis of a 360-day year of twelve 30-day months. Annual principal payments commence on March 1, 2023 and are payable on each

September 1 thereafter through Final Maturity, and semi-annual interest payments commence on March 1, 2023 and are payable on each September 1 and March 1 thereafter through Final Maturity.

THIS NOTE is one of a duly authorized issue of Note, aggregating [\$30,000,000] (the “Note”), shall be issued pursuant to the Act in fully registered form, without coupons, in the aggregate principal amount of \$30,000,000 for (a) the acquisition, construction and renovation of public works in the County, including County drainage improvements, parks and park facilities, and (iv) paying the costs of issuance of the Note.

THIS NOTE MAY BE TRANSFERRED ONLY TO “ACCREDITED INVESTORS” AS THAT TERM IS DEFINED IN SECURITIES AND EXCHANGE COMMISSION RULE 144A.

THIS NOTE may be transferred in whole, but not in part, subject to the satisfaction of transfer restrictions of the type included in the Private Placement Letter.

THIS NOTE IS EXCHANGEABLE at the principal payment office of the Registrar in [Houston, Texas], for Note in the principal amount of \$100,000 or any integral multiple of \$1,000 in excess thereof, subject to the terms and conditions of the Order.

THE NOTE is subject to mandatory redemption prior to maturity in the amounts and on the dates set out below, at a price equal to the principal amount to be redeemed plus accrued interest to the redemption date:

TERM BONDS MATURING IN THE YEAR [20]

Mandatory Redemption Principal Installments

The particular Term Bonds to be mandatorily redeemed shall be selected by lot or other customary random selection method. The principal amount of the Term Bonds to be mandatorily redeemed on such mandatory redemption date shall be reduced by the principal amount of such Term Bond which, by the 45th day prior to such mandatory redemption date, either has been purchased in the open market and delivered or tendered for cancellation by or on behalf of the District to the Paying Agent/Registrar or optionally redeemed and which, in either case, has not previously been made the basis for a reduction under this sentence.

Notwithstanding any provision herein or in the Order to the contrary, no surrender or presentment of the Note shall be required for receipt of payment thereon except at Final Maturity.

[THE COUNTY RESERVES THE RIGHT, at its option, to redeem Bonds maturing on or after [March 1, 2024], in whole, but not in part, in integral multiples of \$5,000, on or after [January 1, 2024] or any date thereafter at par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption. The County further reserves the right to redeem Bonds maturing on or after [March 1, 2023], in whole, but not in part, in integral multiples of \$5,000, on

any date prior to [January 1, 2024] at a price of [102%] of par plus accrued interest on the principal amounts called for redemption to the date fixed for redemption.]

NOTICE OF ANY REDEMPTION shall be given at least thirty (30) days prior to the date fixed for redemption by first class U.S. mail, postage prepaid, addressed to the registered owner of the Note to be redeemed in whole or in part at the address shown on the books of registration kept by the Paying Agent/Registrar. When Note or portions thereof have been called for redemption, and due provision has been made to redeem the same, the amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the amounts called for redemption shall cease to accrue on the date fixed for redemption.

THIS NOTE shall not be valid or obligatory for any purpose or be entitled to any benefit under the Order unless this Note 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.

THIS NOTE IS TRANSFERABLE only upon presentation and surrender at the principal corporate trust office of the Paying Agent/Registrar, accompanied by an assignment duly executed by the Registered Owner or its authorized representative, subject to the terms and conditions of the Order.

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

THE COUNTY has covenanted in the Order that it will at all times provide a legally qualified registrar for the Note 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 Note 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 Note have been performed, exist and have been done in accordance with law; and that annual ad valorem taxes sufficient to provide for the payment of the interest on and principal of this Note, as such interest comes due and such principal matures, have been levied and ordered to be levied, within the limits prescribed by law, against all taxable property in the County and have been pledged irrevocably for such payment.

IN WITNESS WHEREOF, this Note has been signed with the manual or facsimile signature of the County Judge, and countersigned with the manual or facsimile signature of the County Clerk and the official seal of the County has been duly impressed, or placed in facsimile, on this Note.

(AUTHENTICATION
CERTIFICATE)

(SEAL)

FORT BEND COUNTY, TEXAS

County Judge

County Clerk

(b) Form of Registration Certificate.

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO. _____

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

WITNESS MY SIGNATURE AND SEAL this _____.

(SEAL)

Comptroller of Public Accounts
of the State of Texas

(c) Form of Registrar's Authentication Certificate.

AUTHENTICATION CERTIFICATE

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

Paying Agent/Registrar

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 Note and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer said Note on the books kept for registration thereof, with full power of substitution in the premises.

DATED: _____

Signature Guaranteed:

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

Registered Owner

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

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

(i) the Initial Note shall be numbered I-1.

15. Debt Service Fund; Tax Levy. The proceeds from all taxes levied, assessed and collected for and on account of the Note authorized by this Order shall be deposited, as collected, in a special fund to be designated "Fort Bend County, Texas, Tax Anticipation Notes, Series 2022B, Debt Service Fund." While the Note or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually levied, assessed and collected in due time, form and manner and at the same time other County taxes are levied, assessed and collected, in each year, a continuing direct annual ad valorem tax, within the limits prescribed by law, upon all taxable property in the County sufficient to pay the current interest on said Note as the same becomes due, and to provide and maintain a sinking fund sufficient to pay the principal of the Note as such principal matures but never less than two percent (2%) of the original principal amount of the Note each year, full allowance being made for delinquencies and costs of collection, and said taxes when collected shall be applied to the payment of the interest on and principal of the Note and to no other purpose.

To pay the debt service coming due on the Note prior to receipt of taxes levied to pay such debt service, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amounts shall be used for no other purpose.

16. Application of Chapter 1208, Texas Government Code. Chapter 1208, Texas Government Code, applies to the issuance of the Note and the pledge of the taxes granted by the County under Section 15 of this Order, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Note are outstanding an unpaid such that the pledge of the taxes granted by the County under Section 15 of this Order is to be subject to the filing requirements of Chapter 9, Texas Business & Commerce Code, then in order to preserve to the registered owners of the Note the perfection of the security interest in said pledge, the County agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Texas Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

17. Further Proceedings. After the Note has been executed, it shall be the duty of the

County Judge and other appropriate officials and agents of the County to deliver the Initial Note and all pertinent records and proceedings to the Attorney General of the State of Texas, for examination and approval. After the Initial Note has been approved by the Attorney General, it shall be delivered to the Comptroller for registration. Upon registration of the Initial Note, the Comptroller (or the Comptroller's bond clerk or an assistant bond clerk lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein and the seal of said Comptroller shall be impressed, or placed in facsimile, thereon.

18. Sale; Private Placement Letter. The Note is hereby sold and shall be delivered to the Purchaser at a price of par, in accordance with the terms of the Private Placement Letter of even date herewith, presented to and hereby approved by the Commissioners Court, which price and terms are hereby found and determined to be the most advantageous reasonably obtainable by the County. The County Judge and other appropriate officials of the County are hereby authorized to execute the Private Placement Letter and 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 Note.

19. Covenants to Maintain Tax Exempt Status.

(a) Definitions. When used in this Section, the following terms have the following meanings:

“Code” means the Internal Revenue Code of 1986.

“Computation Date” has the meaning stated in Section 1.148-1(b) of the Regulations.

“Gross Proceeds” has the meaning stated in Section 1.148-1(b) of the Regulations.

“Investment” has the meaning stated in Section 1.148-1(b) of the Regulations.

“Issue Date” for each series or sub-series of the Note or other obligations of the County is the respective date on which such series or sub-series of the Note or other obligations of the County is delivered against payment therefor.

“Net Sale Proceeds” has the meaning stated in Section 1.148-1(b) of the Regulations.

“Nonpurpose Investment” has the meaning stated in Section 1.148-1(b) of the Regulations.

“Proceeds” has the meaning stated in Section 1.148-1(b) of the Regulations.

“Rebate Amount” has the meaning stated in Section 1.148-3 of the Regulations.

“Regulations” means the temporary or final Income Tax Regulations applicable to the Note issued pursuant to Sections 141 through 150 of the Code. Any reference to a section of the Regulations shall also refer to any successor provision to such section hereafter promulgated by the Internal Revenue Service pursuant to Sections 141 through 150 of the Code and applicable to the Note.

“Yield of”

(1) any Investment shall be computed in accordance with Section 1.148-5 of the Regulations, and

(2) the Note shall be computed in accordance with Section 1.148-4 of the Regulations.

(b) Not to Cause Interest to Become Taxable. The County shall not use, permit the use of or omit to use Gross Proceeds of the Note 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 Note 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 County 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 Note, the County shall comply with each of the specific covenants in this Section.

(c) No Private Use or Private Payments. Except as permitted by Section 141 of the Code and the regulations and rulings thereunder, the County shall, at all times after the Issue Date of any Note and prior to the last stated maturity of the Note,

(i) 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 the Note 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

(ii) not directly or indirectly impose or accept any charge or other payment for use of Gross Proceeds of the Note 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.

(d) No Private Loan. Except to the extent permitted by section 141 of the Code and the regulations and rulings relating to section 141 of the Code, the County shall not use Gross Proceeds of

the Note 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.

(e) Not to Invest at Higher Yield. Except to the extent permitted by Section 148 of the Code and the regulations and rulings thereunder, the County shall not, at any time prior to the earlier of the final stated maturity or final payment of the Note, directly or indirectly invest Gross Proceeds of the Note 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 Note.

(f) Not Federally Guaranteed. Except to the extent permitted by Section 149(b) of the Code and the regulations and rulings thereunder, the County shall not take or omit to take any action which would cause the Note to be federally guaranteed within the meaning of Section 149(b) of the Code and the regulations and rulings thereunder.

(g) Information Report. The County shall timely file with the Secretary of the Treasury the information required by Section 149(e) of the Code with respect to the Note on such forms and in such place as such Secretary may prescribe.

(h) Payment of Rebate Amount. Except to the extent otherwise provided in Section 148(f) of the Code and the regulations and rulings thereunder, the County shall:

(i) account for all Gross Proceeds of the Note (including all receipts, expenditures and investments thereof) on its books of account separately and apart from all other funds (and receipts, expenditures and investments thereof) and shall retain all records of such accounting for at least nine years after the final Computation Date. The County may, however, to the extent permitted by law, commingle Gross Proceeds of the Note with other money of the County, provided that the County separately accounts for each receipt and expenditure of such Gross Proceeds and the obligations acquired therewith,

(ii) calculate the Rebate Amount with respect to the Note not less frequently than each Computation Date, in accordance with rules set forth in Section 148(f) of the Code, Section 1.148-3 of the Regulations, and the rulings thereunder. The County shall maintain a copy of such calculations for at least three years after the final Computation Date,

(iii) as additional consideration for the purchase of the Note by the initial purchaser thereof and the loan of the money represented thereby, and in order to induce such purchase by measures designed to ensure the excludability of the interest

thereon from the gross income of the owners thereof for federal income tax purposes, pay to the United States the amount described in paragraph (ii) above at the times, in the installments, to the place, in the manner and accompanied by such forms or other information as is or may be required by Section 148(f) of the Code and the regulations and rulings thereunder, and

(iv) exercise reasonable diligence to assure that no errors are made in the calculations required by paragraph (ii) and, if such error is made, to discover and promptly to correct such error within a reasonable amount of time thereafter, including payment to the United States of any interest and any penalty required by the Regulations.

(i) Not to Divert Arbitrage Profits. Except to the extent permitted by Section 148 of the Code and the regulations and rulings thereunder, the County shall not, at any time after the Issue Date of the Note and prior to the earlier of the final stated maturity or final payment of the Note, enter into any transaction that reduces the amount required to be paid to the United States pursuant to Subsection (h) of this Section because such transaction results in a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the Yield of the Note not been relevant to either party.

(j) Not Hedge Bonds. The County will not invest more than fifty (50) percent of the Proceeds of the Note in Nonpurpose Investments having a guaranteed yield for four years or more. On the Issue Date, the County will reasonably expect that at least eighty-five (85) percent of the Net Sale Proceeds of the Note will be used to carry out the governmental purpose of such series within three years after the Issue Date.

20. Use of Proceeds. Proceeds from the sale of the Note shall be used for the purposes described in Section 2 of this Order and for paying the costs of issuance of the Note. Any proceeds remaining after accomplishing the purposes set out in Section 2 and paying costs of issuance, including earnings on investments of such proceeds, shall be transferred to the Debt Service Fund.

21. Related Matters. The County Judge, the Commissioners Court, the County Clerk, the County Auditor and other appropriate officials of the County are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms of this Order.

22. Registrar. The form of agreement setting forth the duties of the Registrar is hereby approved, and the appropriate officials of the County are hereby authorized to execute such agreement for and on behalf of the County.

23. No Personal Liability. No recourse shall be had for payment of the principal or interest on any Note or for any claim based thereon, or on this Order, against any official or employee of the County or any person executing any Note.

24. Open Meeting. It is hereby officially found and determined that the meeting at which this Order 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.

PASSED AND APPROVED on the ____ day of October, 2022.

County Judge
Fort Bend County, Texas

ATTEST:

County Clerk
Fort Bend County, Texas

(SEAL)