

## **NOTE PURCHASE AGREEMENT**

**\$7,200,000**

**AZTEC MUNICIPAL SCHOOL DISTRICT NO. 2  
SAN JUAN COUNTY, NEW MEXICO  
TAXABLE GENERAL OBLIGATION EDUCATION TECHNOLOGY  
NOTE AND LEASE PURCHASE ARRANGEMENT  
SERIES 2025**

October 22, 2025

Board of Education  
Aztec Municipal School District No. 2

Ladies and Gentlemen:

New Mexico State Treasurer (the “Purchaser”) enters into this Note Purchase Agreement (“Agreement”) with Aztec Municipal School District No. 2 (the “District”) to purchase the Aztec Municipal School District No. 2 Taxable General Obligation Education Technology Lease Purchase Arrangement and Note, Series 2025 in the aggregate principal amount of \$7,200,000 (the “Note”). The Note shall bear interest at the rate of 4.42256% per annum and shall mature on October 23, 2025. The Note is issued pursuant to the Education Technology Equipment Act, Sections 6-15A-1 to 6-15A-17 NMSA 1978, and the Public Securities Short-Term Interest Rate Act, Sections 6-18-1 through 6-18-16 NMSA 1978, as amended (the “Public Securities Short-Term Interest Rate Act”, (collectively, “Act”), and the Resolutions of the Board of Education of the District (the “Board”) adopted on August 14, 2025 (the “Necessity Resolution”) and September 11, 2025 (the “Award Resolution”, and, together with the Necessity Resolution, the “Resolution”) authorizing the Lease Purchase Arrangement and sale of the Note (the “Resolution”) in the total principal amount of \$7,200,000, at a purchase price of \$7,200,000, which consists of the principal amount of the Note (the “Purchase Price”). Capitalized terms in this Agreement (including Exhibits) shall have the same definitions as set forth in the Resolution, unless the term is defined herein or the context used clearly requires otherwise.

1. **Purchase, Sale and Delivery of the Note.**

A. On the basis of the representations, warranties, covenants and agreements contained in this Agreement, the Resolution and the Note, and subject to the terms and conditions set forth herein and therein, the District agrees to sell to the Purchaser, and the Purchaser agrees to enter into the Lease Purchase Arrangement and to purchase from the District, the Note for the Purchase Price as set forth above. The Note shall be in the principal amount, mature on the date, bear interest at the rate and have the terms set forth in the Award Resolution and Exhibit A hereto.

B. The date of delivery of and payment for the Note is referred to in subparagraph C below in this Agreement as the “Closing Date.” The Note shall be delivered to the Purchaser on the Closing Date upon receipt of the Purchase Price by the District, and a copy of the Note shall be available for examination by the Purchaser prior to the Closing Date.

C. The parties hereto understand and agree that the Closing Date will occur on or about October 22, 2025, or such other mutually agreeable date.

D. Proceeds from the sale of the Note in an amount equal to the Purchase Price as set forth herein shall be available to the District on the Closing Date.

2. Representations, Warranties and Covenants of the District. By the Board and the District's acceptance of this Agreement, the Board and the District hereby represent and warrant to, and agree with, the Purchaser as follows:

A. The District is a school district duly organized and validly existing under the laws of the State;

B. In connection with the issuance of the Note, the District has complied in all respects with the Constitution of the State and the laws of the State, including the Act and has full legal right, power and authority to issue the Note and to enter into this Note Purchase Agreement and Lease Purchase Arrangement, to authorize the execution and delivery of the Note Purchase Agreement, Lease Purchase Arrangement, and the Note, to sell and deliver the Note to the Purchaser as provided herein and to carry out and consummate all other transactions contemplated by each of the aforesaid documents. The issuance of the Note under the Public Securities Short-Term Interest Rate Act will result in savings in interest cost to the District, and the issuance by the District of the Note under the Public Securities Short-Term Interest Rate Act is necessary in the best interest of the public health, safety, morals or welfare of the residents of the District.

C. The District is authorized to issue the Note for the purpose of (i) acquiring Education Technology Equipment in accordance with the Act and (ii) paying the costs of the Lease Purchase Arrangement and issuance of the Note (collectively, the "Project"). The District has the power to enter into the transactions contemplated by, and to carry out its obligations under, this Agreement and the Resolution. The President of the Board has duly executed the Resolution, which is valid and enforceable against the District and which authorizes the execution and delivery of this Agreement and the execution, issuance, sale and delivery of the Lease Purchase Arrangement and Note. At or prior to Closing, the District: (i) will have full legal right, power and authority to (A) perform its obligations under and comply with the provisions of the Resolution and the Act, (B) issue, execute and deliver, and perform its obligations under the Note, and (C) carry out and consummate the transactions contemplated by and perform its obligations under this Agreement, and the documents delivered in connection with the Resolution, the Note and the Act; and (ii) will have the full legal right, power and authority under the Act to execute and deliver this Agreement and to adopt the Resolution;

D. The Resolution and this Agreement constitute legal, valid and binding agreements of the District, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights. The Note, when issued, delivered and paid for, in accordance with the Resolution and this Agreement, will constitute legal, valid and binding general obligation of the District entitled to the benefits of the Resolution and will be enforceable in accordance with its terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement

of creditors' rights; and upon the issuance, authentication and delivery of the Note as aforesaid, the Resolution will provide the legally valid and binding pledge of ad valorem taxes it purports to pledge as set forth in the Resolution;

E. The proceeds of the Note will be used by the District only for payment of costs of the Project. The distribution and use of the Note proceeds will be in compliance with the provisions of the Resolution;

F. There is no litigation or proceeding pending or, to the knowledge of the undersigned, after due inquiry, threatened, in any way affecting the existence of the District, or seeking to restrain or to enjoin the issuance, sale or delivery of the Note, or in any way contesting or affecting the validity or enforceability of the Note, the Resolution, this Agreement or the pledge of the ad valorem taxes to repayment of the Note, or contesting the powers of the District or its authority with respect to the Note, the Resolution or this Agreement;

G. The issuance, sale and delivery of the Note, the execution and delivery of this Agreement and compliance with the obligations on the part of the District contained in this Agreement and in the Note do not conflict with or constitute a breach or default under any administrative regulation, judgment, decree, loan agreement, indenture, note, resolution, agreement or other instrument to which the District is a party or to which the District, or any of its properties or other assets, is otherwise subject;

H. Statements contained in any certificate of the District provided to the Purchaser pursuant to this Agreement or in connection with the delivery of the Note and delivered to the Purchaser shall be deemed representations and warranties by the District to the Purchaser;

I. The District is not in default, and has not been in default, in the payment of principal of, premium, if any, or interest on, any Note, or other obligation which it has issued, assumed or guaranteed as to payment of principal, premium, or interest;

J. Since July 1, 2025, the District has not incurred any material liabilities, direct or contingent, nor has there been any adverse change in the financial position of the District, arising from transactions in the ordinary course of business;

K. At or prior to the Closing Date, except as may be required under the securities law of the State, all approvals, consents and orders of any governmental authority having jurisdiction in the matter which would constitute a condition precedent to any of the actions to be taken by the District with respect to the Note prior to the Closing Date will have been obtained and will be in full force and effect;

L. The District agrees that neither this Agreement nor the Note will be amended without the prior written consent of the Purchaser.

3. Representations and Warranties of the Purchaser. The Purchaser represents and warrants, and agrees with the District, as follows:

A. As evidenced by the State Treasurer's Investment Policy, the Purchaser confirms that she is authorized to purchase the Note and has obtained the approval of the

investment in the Note by the State Board of Finance pursuant to Section 6-10-11 NMSA 1978, as amended, permitting moneys of the State to be invested by the State Treasurer with the prior approval of the investment by the State Board of Finance.

B. In connection with the purchase of the Note, the Purchaser acknowledges that no offering document or prospectus has been prepared with respect to the sale of the Note to the Purchaser, and that the Purchaser is buying the Note in a private placement by the District to the Purchaser. The Purchaser has reviewed such information as it deems relevant in making its decision to purchase the Note;

C. The Purchaser acknowledges that the Note will not be listed on any securities exchanges and that no trading market now exists in the Note, and none may exist in the future;

D. The Purchaser is purchasing the Note for its own account (and not on behalf of another) and has no present intention of reselling the Note; however, the Purchaser reserves the right to sell, pledge, transfer, convey, hypothecate, mortgage, or dispose of the Note at some future date determined by the Purchaser, but only to persons who have been provided sufficient information with which to make an informed decision to invest in the Note and in compliance with the Securities Act of 1933, as amended, the regulations promulgated thereunder and applicable state securities law and regulations; and

4. Conditions of Closing. The District's obligation to sell and the Purchaser's obligations under this Agreement to purchase and pay for the Note shall be subject to the following conditions:

A. The District shall have performed its obligations and agreements to be performed under the Resolution and this Agreement at or before the Closing Date, and the representations and warranties of the District contained in this Agreement shall be accurate as of the date of this Agreement and as of the Closing Date;

B. This Agreement shall have been duly authorized and executed by the Board and the Purchaser and shall be in full force and effect;

C. As determined by the Purchaser in its sole discretion, there shall not have been any material adverse change since the date of this Agreement relating to the District, or its operations;

D. On the Closing Date, the Purchaser shall receive the following, each in a form satisfactory to the Purchaser:

(1) The approving written legal opinion of Modrall, Sperling, Roehl, Harris & Sisk, P.A. ("Note Counsel") dated the Closing Date with respect to the Note;

(2) A certificate, dated the Closing Date, of an authorized officer of the Board to the effect that each of the representations and warranties of the Board and the District set forth in this Agreement is true, accurate and complete as of the Closing Date;

(3) A General and No-Litigation Certificate dated the Closing Date of an authorized officer of the Board and the District in a form acceptable to the Purchaser;

(4) A specimen Series 2025 Note;

(5) A Delivery, Deposit and Cross-Receipt Certificate satisfactory to the Purchaser, providing for the deposit of the Purchase Price and sale of the Note as provided in the Resolution;

(6) Such additional certificates, opinions or other documents as Note Counsel, Purchaser, or Purchaser's Counsel may reasonably require to evidence the satisfaction, as of the Closing Date, of the conditions then to be satisfied in connection with the transactions contemplated by the Resolution and this Agreement;

E. All matters relating to this Agreement, the Lease Purchase Arrangement, and the sale of the Note to the Purchaser, the Resolution and the consummation of the transactions contemplated by this Agreement and the Resolution shall be mutually satisfactory to and approved by the District and the Purchaser; and

F. No order, decree or injunction of any court of competent jurisdiction, nor any order, ruling, regulation or administrative proceeding by any governmental body or board, shall have been issued or commenced with the purpose or effect of prohibiting the issuance or sale of the Note.

If the District is unable to satisfy the conditions to the obligations of the Purchaser contained in this Agreement, or if the obligations of the Purchaser are terminated for any reason permitted by this Agreement, this Agreement may be terminated and neither the Purchaser nor the District shall have any further obligations under this Agreement. Payment by the Purchaser to the District of the Purchase Price shall be conclusive evidence that all of the conditions set forth in this section have been satisfied or waived by the Purchaser.

5. The Purchaser's Right to Cancel. The Purchaser shall have the right in its sole discretion to cancel its obligations under this Agreement to purchase the Note by notifying the District in writing of its election to do so between the date hereof and the Closing Date, if any of the following events occur prior to the Closing:

A. Legislation shall be enacted, or actively considered for enactment by the Congress, with an effective date on or prior to the date of Closing, or a decision by a court of the United States of America shall be rendered, or a ruling or regulation by the SEC or other governmental agency having jurisdiction over the subject matter shall be made, the effect of which is that (1) the Note is not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended and as then in effect, or the Securities Exchange Act of 1934, as amended and then in effect, or (2) the Resolution is not exempt from the registration, qualification or other requirements of the Trust Indenture Act of 1939, as amended and then in effect;

B. A stop order, ruling or regulation by the SEC shall be issued or made, the effect of which is that the sale of the Note, as contemplated herein, is in violation of any provision

of the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect;

C. There shall exist any fact or there shall occur any event which, in the sole judgment of the Purchaser, either (1) makes untrue or incorrect in any material respect any statement or information provided by the District to the Purchaser in connection with the sale of the Note by the District to the Purchaser or (2) is not reflected in statements or information provided by the District to the Purchaser in connection with the sale of the Note by the District to the Purchaser but should be reflected therein in order to make the statements and information contained therein not misleading in any material respect;

D. There shall have occurred any outbreak or escalation of hostilities, declaration by the United States of a national emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the sole judgment of the Purchaser, impractical or inadvisable to proceed with the purchase of the Note;

E. Trading in the District's outstanding securities shall have been suspended by the SEC or trading in securities generally on the New York Stock Exchange shall have been suspended or limited or minimum prices shall have been established on such Exchange;

F. A banking moratorium shall have been declared either by Federal, New York or State authorities; or

G. Any litigation shall be instituted, pending or threatened to restrain or enjoin the issuance, sale or delivery of the Note or in any way contesting or affecting any authority for or the validity of the Note, this Agreement, the Resolution, the existence or powers of the District, or any of the transactions described herein.

6. Representations and Agreements to Survive Delivery. All representations, warranties, covenants and agreements of the District and the Purchaser set forth in this Agreement and any other document relating to the issuance of the Note shall remain operative and in full force and effect during the term of this Agreement, regardless of any investigation made by or on behalf of the District or the Purchaser, and shall survive the delivery of and payment for the Note.

7. Payment of Expenses. The Purchaser shall pay the fees, expenses and costs incurred by it, and its counsel relating to the purchase of the Note. All other fees, expenses and costs to effect the authorization, preparation, issuance, delivery and sale of the Note shall be paid by the District including the expenses incurred by it, its Note counsel and its financial advisor relating to the preparation, issuance, delivery and sale of the Note.

8. Parties in Interest. This Agreement is solely for the benefit of the Purchaser and the District and their respective successors and no other person, partnership, association or corporation shall acquire or have any right under or by virtue of this Agreement.

9. Limitation of Liability. Notwithstanding anything in this Note Purchase Agreement to the contrary, no officer or employee of the Issuer or the Purchaser shall have any

personal liability as a result of any failure by the Issuer or the Purchaser to perform its obligations hereunder.

10. Applicable Law; Nonassignability. This Agreement shall be construed in accordance with the laws of the State of New Mexico. This Agreement may not be assigned by the District or the Purchaser.

11. Notice. Any notice or other communication to be given under this Agreement may be given by mailing or delivering the same in writing to:

New Mexico State Treasurer  
2055 S. Pacheco St. Suite 100  
Santa Fe, New Mexico 87505  
Attention: State Treasurer

Aztec Municipal School District No. 2  
1118 W. Aztec Boulevard,  
Aztec, New Mexico 87410  
Attn: Superintendent

12. Entire Agreement. This Agreement, when accepted by the District in writing as heretofore specified, shall constitute the entire agreement among the District and the Purchaser and is made solely for the benefit of the Purchaser and the District, and no other person shall acquire or have any right hereunder or by virtue hereof.

13. Amendments; Execution of Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document. This Agreement may not be effectively amended, changed, modified or altered without the written consent of all the parties hereto.

[Remainder of page intentionally left blank]

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed copy of this Note Purchase Agreement, whereupon it will become a binding agreement between the Purchaser and the District in accordance with its terms.

STATE OF NEW MEXICO, STATE  
TREASURER

By: \_\_\_\_\_  
The Honorable Laura M. Montoya



The foregoing is accepted and confirmed as of the  
date first above written:

AZTEC MUNICIPAL SCHOOL DISTRICT NO. 2  
BOARD OF EDUCATION

By: \_\_\_\_\_  
Fran Dobey, President

EXHIBIT A

DESCRIPTION OF NOTE

1. Principal Amount:	\$7,200,000.00
2. Purchase Price:	\$7,200,000.00
3. Issue Date:	October 22, 2025
4. Maturity Date:	October 23, 2025
5. Interest Rate:	4.42256%
6. Payment Due Upon Maturity:	\$7,200,884.51
7. Closing Date:	October 22, 2025
8. Accrued Interest:	\$0
9. Federal Tax Status	Taxable