

CERTIFICATE FOR ORDER

STATE OF TEXAS §
COUNTY OF BRAZORIA §
ALVIN INDEPENDENT SCHOOL DISTRICT §

We, the undersigned officers of the Board of Trustees (the “Board”) of Alvin Independent School District (the “District”), hereby certify as follows:

1. The Board of the District convened in a regular meeting on October 13, 2020, at the regular meeting place thereof, within the District, and via teleconference and video conference in compliance with an advisory issued by the Office of the Governor, and the roll was called of the duly constituted officers and members of the Board, to-wit:

Earl Humbird	President
Vivian Scheibel	Vice President
Tiffany Wennerstrom	Secretary
Regan Metoyer Peterson	Secretary
Julie Pickren	Trustee
Cheryl Harris	Trustee
Nicole Tonini	President

and all of such persons were present, except _____, thus constituting a quorum. Whereupon, among other business, the following was transacted at such meeting: a written

ORDER AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF ALVIN INDEPENDENT SCHOOL DISTRICT UNLIMITED TAX REFUNDING BONDS, IN ONE OR MORE SERIES, SETTING CERTAIN PARAMETERS FOR THE BONDS; AUTHORIZING A PRICING OFFICER TO APPROVE THE AMOUNT, THE INTEREST RATE, PRICE AND TERMS THEREOF AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATED THERETO; LEVYING A TAX AND PROVIDING FOR THE SECURITY AND PAYMENT OF SUCH BONDS; AND ENACTING OTHER PROVISIONS RELATING THERETO

was duly introduced for the consideration of such Board and read in full. It was then duly moved and seconded that such order be adopted; and, after due discussion, such motion, carrying with it the adoption of such order, prevailed and carried by the following vote:

AYES _____ NOES _____ ABSTENTIONS _____

2. That a true, full and correct copy of the aforesaid order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that such order has been duly recorded in the Board's minutes of such meeting; that the above and foregoing paragraph is a true, full and correct excerpt from the Board's minutes of such meeting pertaining to the adoption of such order; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that the order would be introduced and considered for adoption at such meeting, and each of such officers and members consented, in advance, to the holding of such meeting for such purpose; that such meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of such meeting was given as required by Chapter 551, Texas Government Code, as amended.

SIGNED AND SEALED this October 13, 2020.

President, Board of Trustees
Alvin Independent School District

Secretary, Board of Trustees
Alvin Independent School District

(SEAL)

ORDER AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF ALVIN INDEPENDENT SCHOOL DISTRICT UNLIMITED TAX REFUNDING BONDS IN ONE OR MORE SERIES; SETTING CERTAIN PARAMETERS FOR THE BONDS; AUTHORIZING A PRICING OFFICER TO APPROVE THE AMOUNT, THE INTEREST RATE, PRICE, AND TERMS THEREOF AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATED THERETO; LEVYING A TAX AND PROVIDING FOR THE SECURITY AND PAYMENT OF SUCH BONDS; AND ENACTING OTHER PROVISIONS RELATING THERETO

THE STATE OF TEXAS §
COUNTY OF BRAZORIA §
ALVIN INDEPENDENT SCHOOL DISTRICT §

WHEREAS, the District desires to refund all or a portion of its outstanding unlimited tax bonds as shall be designated in the Officer's Pricing Certificate, including without limitation, its Unlimited Tax Refunding Bonds, Series 2012, Unlimited Tax Schoolhouse Bonds, Series 2014A and Unlimited Tax Refunding Bonds, Series 2014C(the "Refunded Bonds");

WHEREAS, Chapter 1207, Texas Government Code ("Chapter 1207"), authorizes the District to issue refunding bonds and to deposit the proceeds from the sale thereof, and any other available funds or resources, directly with a place of payment (paying agent) for the Refunded Bonds, and such deposit, if made before such payment dates, shall constitute the making of firm banking and financial arrangements for the discharge and final payment of the Refunded Bonds;

WHEREAS, Chapter 1207 authorizes the District to enter into one or more escrow agreements with any paying agent for the Refunded Bonds with respect to the safekeeping, investment, reinvestment, administration and disposition of any such deposit, upon such terms and conditions as the District and such paying agent may agree, provided that such deposits may be invested and reinvested only in direct obligations of the United States of America, including obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, and which shall mature and bear interest payable at such times and in such amounts as will be sufficient to provide for the scheduled payment or prepayment of the Refunded Bonds;

WHEREAS, the Board of Trustees of the District hereby finds and declares a public purpose and deems it advisable to refund the Refunded Bonds;

WHEREAS, all the Refunded Bonds mature within 20 years of the date of the Bonds hereinafter authorized;

WHEREAS, the Bonds hereafter authorized are being issued and delivered pursuant to Chapter 1207 of the Texas Government Code, as amended;

WHEREAS, the Board deems it necessary and advisable to authorize the Pricing Officer (as defined herein) to execute an Officer's Pricing Certificate (as defined herein) within the parameters established herein with respect to one or more series of bonds;

NOW, THEREFORE

BE IT ORDERED BY THE BOARD OF TRUSTEES OF ALVIN INDEPENDENT SCHOOL DISTRICT:

1. Recitals; Consideration. It is hereby found and determined that the matters and facts set out in the preamble to this Order are true and correct.

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

“Act” means Chapter 1207, Texas Government Code, as amended.

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

“Bonds” means one or more series of Bonds issued by Alvin Independent School District authorized in this Order, as designated in an Officer’s Pricing Certificate.

“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.

“Capital Appreciation Bonds” means those Bonds bearing compound interest at the rate set out in the Officer’s Pricing Certificate to accrete from their date of delivery and compounding on the dates set forth in the Officer’s Pricing Certificate, payable only at maturity.

“Code” means the Internal Revenue Code of 1986, as amended.

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

“Current Interest Bonds” mean those Bonds on which interest is paid semiannually on the Interest Payment Dates.

“Debt Service Funds” means the interest and sinking funds for payment of the Bonds established by the District in Section 19 of this Order.

“District” means the Alvin Independent School District.

“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 among DTC Participants.

“Initial Bond” means each initial Current Interest Bond and/or initial Capital Appreciation Bond authorized by Section 4(b).

“Interest Payment Date”, when used in connection with any Current Interest Bond, means the dates set forth in the Officer’s Pricing Certificate.

“MSRB” means the Municipal Securities Rulemaking Board.

“Officer’s Pricing Certificate” means the certificate signed by the Pricing Officer and containing the information regarding each issuance of the Bonds specified herein.

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

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

“Pricing Officer” means any one of the Superintendent of Schools, the Chief Financial Officer, the Business Manager, the Finance Director, or the President of the Board of Trustees.

“Purchase Agreement” means the agreement between the District and the Underwriters described in Section 4(e) of this Order.

“Record Date” means, for any Interest Payment Date, the close of business on the last Business Day of the month next preceding each Interest Payment Date.

“Refunded Bonds” shall have the meaning set forth in the recitals hereof.

“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 The Bank of New York Mellon Trust Company, N.A., and its successors in that capacity.

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

“Underwriters” means the individual underwriter or underwriting syndicate identified in each Officer’s Pricing Certificate.

3. Authorization. The Bonds shall be issued in fully registered form in a maximum principal amount not to exceed \$170,290,000 for the purpose of (a) refunding and defeasing the Refunded Bonds and (b) paying the cost of issuance related thereto, under and in strict conformity with the Constitution and laws of the State of Texas, particularly the Act.

4. Delegation of Authority. As authorized by Section 1207.007, Texas Government Code, the Pricing Officer of the District is hereby authorized to act on behalf of the District in selling and delivering the Bonds in one or more series/installments of Bonds, through a date six months from the date of this Order (the "Expiration Date"). Bonds sold pursuant to a Purchase Agreement executed on or before the Expiration Date may be delivered after such date. The Pricing Officer's authority to sell and deliver the Bonds is subject to the conditions and carrying out the other procedures as set forth below:

(a) Designation. The Bonds shall be designated as Alvin Independent School District Unlimited Tax Refunding Bonds, Series 2020A and Series 2020B.

(b) The Bonds may be issued as Current Interest Bonds and/or Capital Appreciation Bonds.

(i) Each Initial Current Interest Bond shall be numbered ICI-1 and all other Current Interest Bonds shall be numbered in sequence beginning with RCI-1. Current Interest Bonds delivered on transfer of or in exchange for other Current Interest Bonds shall be numbered in order of their authentication by the Registrar, shall be in the denomination of \$5,000 or integral multiples thereof, and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

(ii) Each Capital Appreciation Bonds, if any, shall be initially issued bearing compound interest at the rates set out in the Officer's Pricing Certificate. The Initial Capital Appreciation Bond shall be numbered ICA-1 and all other Capital Appreciation Bonds shall be numbered in sequence beginning with RCA-1. Capital Appreciation Bonds delivered on transfer of or in exchange for other Capital Appreciation Bonds shall be numbered in order of their authentication by the Registrar, shall be in the Maturity Amount of \$5,000 or integral multiples thereof, and shall mature on the same date and bear interest at the same rate as the Bond or Bonds in lieu of which they are delivered.

(c) Date, Denomination, Interest Rates, and Maturities. The Bonds shall be dated, mature on the dates in each of the years and in the amounts set out in any Officer's Pricing Certificate, shall be subject to prior optional and mandatory redemption on the dates, for the redemption prices and in the amounts, set out in the Officer's Pricing Certificate, shall be tax-exempt or taxable bonds as set out in the Officer's Pricing Certificate and shall bear interest at

rates and from their issue date as set out in the Officer's Pricing Certificate payable on each Interest Payment Date. The maximum term of the Bonds shall not exceed 30 years.

(d) Selling and Delivering Bonds. The Pricing Officer shall determine any mandatory sinking fund redemption provisions for the Bonds, whether the Bonds will be issued as Current Interest Bonds and/or Capital Appreciation Bonds, and all other matters not expressly provided in this Order, relating to the issuance, sale and delivery of the Bonds, all of which shall be specified in the Officer's Pricing Certificate; provided that:

- (i) the price to be paid for the Bonds shall not be less than 90% of the aggregate original principal amount of the Bonds plus accrued interest thereon from their date to their delivery;
- (ii) the refunding of the Refunded Bonds must result in at least 3.0% net present value debt service savings; and
- (iii) the net effective interest rate on the Bonds shall not exceed the maximum rate allowed by Chapter 1204, Texas Government Code, as amended.

(e) Sale; Purchase Agreement. The Bonds shall be sold and delivered to the Underwriters at a price to be set forth in the Officer's Pricing Certificate, in accordance with the terms of one or more Purchase Agreements to be approved by the Pricing Officer. The Pricing Officer is hereby authorized and directed to execute one or more Purchase Agreements on behalf of the District, and the Pricing Officer and all other officers, agents and representatives of the District 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.

(f) Use of Proceeds. Proceeds from the sale of the Bonds shall, promptly upon receipt by the District, be applied as set forth in the Officer's Pricing Certificate.

5. Execution and Registration of Bonds. (a) The Bonds shall be signed by the President of the Board and countersigned by the Secretary of the Board, by their manual, lithographed, or facsimile signatures, and the official seal of the District 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 each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the District had been manually impressed upon each of the Bonds.

(b) If any officer of the District 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 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 Bond delivered at the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller, or by his or her duly authorized agent, which certificates shall be evidence that the Initial Bond has been duly approved by the Attorney General of the State of Texas and that they are valid and binding obligations of the District, and have been registered by the Comptroller.

(d) On the Closing Date, the Initial Bond, payable in stated installments to the Underwriters or their designee, executed by manual or facsimile signature of the President of the Board and Secretary of the Board, approved by the Attorney General, and registered and manually signed by the Comptroller, shall be delivered to the Underwriters or their designee. Upon payment for the Initial Bond, the Registrar shall cancel the Initial Bond and definitive Bonds shall be delivered to DTC.

6. Payment of Principal and Interest. The Registrar is hereby appointed as the paying agent 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 Dallas, 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, to the address of such Owner as shown on the Register.

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.

7. Successor Registrars. The District 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, duly qualified to serve as and perform the duties and services of Registrar for the Bonds. The District reserves the right to change the Registrar for the Bonds on not less than 30 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.

8. 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 District. 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. Book-Entry Only System. (a) The Initial Bond shall be registered in the name designated in the Officer's Pricing Certificate. Except as provided in Section 10 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 District 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 Order. Without limiting the immediately preceding sentence, the District 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 Order to the contrary, the District 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 Order, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District'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 District to make payments of amounts due pursuant to this Order. 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 Order with respect to interest checks being mailed to the Owner of record as of the Record Date, the phrase "Cede & Co." in this Order shall refer to such new nominee of DTC.

10. Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the District, in its sole discretion, determines that the beneficial owners of the Bonds should be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the District 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 Order.

11. Payments to Cede & Co. Notwithstanding any other provision of this Order 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 Letter of Representations.

12. Ownership; Unclaimed Principal and Interest. The District, 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 District 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 District 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.

13. Registration, Transfer, and Exchange. So long as any Bonds remain outstanding, the Registrar shall keep the Register at its principal payment office in Dallas, Texas. 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 Order.

Each Bond shall be transferable only upon the presentation and surrender thereof at the principal payment office of the Registrar in Dallas, 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 of the same type 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 Dallas, Texas, for a Bond or Bonds of the same type, maturity and interest rate 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 Order to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

The District 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 District.

14. 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 District, 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 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 District 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 District 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 District 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 District 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 District and the Registrar.

If, after the delivery of such replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the

District 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 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 District 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 District 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 Order to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

15. Cancellation of Bonds. All Bonds paid in accordance with this Order, and all Bonds in lieu of which exchange Bonds or replacement Bonds 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 District with appropriate certificates of destruction of such Bonds.

16. Optional and/or Mandatory Redemption; Defeasance. The Bonds are subject to optional and/or mandatory redemption as set forth in the Form of Bonds and in an Officer's Pricing Certificate.

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.

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

17. Forms. The form of the Bonds, including the form of Registration Certificate of the Comptroller, which shall be attached or affixed to each Initial Bond, the form of the

Constitution and laws of the State of Texas, Chapter 1207, Texas Government Code, and pursuant to an order adopted by the Board of Trustees of the District (the "Order"), which Order is of record in the official minutes of the District. [The Bonds are issued as (i) Capital Appreciation Bonds in the aggregate principal amount of \$ _____³ which pay interest only at maturity, and (ii) Current Interest Bonds in the aggregate principal amount of \$ _____⁴ which pay interest semiannually until maturity or earlier redemption.]⁵

THE DISTRICT RESERVES THE RIGHT, at its option, to redeem Bonds maturing on or after February 15, 20__ in whole or from time to time in part, in integral multiples of \$5,000, _____ on February 15, 20__, 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 District shall select the Bonds to be redeemed.

THE BONDS MATURING on February 15, 20__ and February 15, 20__ are subject to mandatory sinking fund redemption prior to maturity in part by lot at a redemption price equal to 100% of the principal amount redeemed plus accrued interest to the redemption date in the years and in the principal amounts specified in the sinking fund redemption schedules set forth below:

	<u>Mandatory Redemption Dates</u>	<u>Principal Amounts</u>
Term Bond Maturing February 15, 20__	February 15, 20__	\$
	February 15, 20__	
	February 15, 20__ (maturity)	
	<u>Mandatory Redemption Dates</u>	<u>Principal Amounts</u>
Term Bond Maturing February 15, 20__	February 15, 20__	\$
	February 15, 20__	
	February 15, 20__	
	February 15, 20__ (maturity)	

The particular Term Bonds to be mandatorily redeemed shall be selected by lot or other customary random selection method. The principal amount of any 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.

NOTICE OF ANY REDEMPTION shall be given by the Registrar at least thirty (30) days prior to the date fixed for redemption by first class mail, addressed to the registered owners of each Bond to be redeemed in whole or in part at the address shown on the books of

³ Insert from Officer's Pricing Certificate.

⁴ Insert from Officer's Pricing Certificate.

⁵ Remove bracketed language if there are no CABs.

registration kept by the Registrar. When Bonds or portions thereof have been called for redemption, and due provision has been made to redeem the same, the principal 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 terminate on the date fixed for redemption.

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the principal payment office of the Registrar in Dallas, 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 Order.

THIS BOND IS EXCHANGEABLE at the principal payment office of the Registrar in Dallas, Texas, for Bonds in the denomination of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Order.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Order 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 Order.

THE DISTRICT has covenanted in the Order 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; and that annual ad valorem taxes, without legal limit as to maximum rate or amount, sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the District, and have been pledged irrevocably for such payment.

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 District has been duly impressed, or placed in facsimile, on this Bond.

(SEAL)

ALVIN INDEPENDENT SCHOOL
DISTRICT

President, Board of Trustees

Secretary, Board of Trustees

(b) Form of Capital Appreciation Bonds (if required).

UNITED STATES OF AMERICA
STATE OF TEXAS
COUNTY OF BRAZORIA

REGISTERED
NUMBER

REGISTERED
MATURITY
\$ _____

ALVIN INDEPENDENT SCHOOL DISTRICT
UNLIMITED TAX REFUNDING BONDS⁶

MATURITY DATE:

ISSUANCE DATE:

7

CUSIP:

REGISTERED OWNER:

MATURITY AMOUNT:

DOLLARS

ALVIN INDEPENDENT SCHOOL DISTRICT (the "District") 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 the principal payment office of The Bank of New York Mellon Trust Company, National Association (the "Registrar"), the Maturity Amount identified above, representing the principal amount hereof and accrued and compounded interest hereon (both as shown in the table attached to this Bond), 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. The date of this Bond is _____⁸, but interest shall accrue on the principal amount hereof from the Issuance Date at the per annum rate specified on the Table of Accreted Values attached hereto. The Accreted Value (per \$5,000 of Maturity Amount) of this Bond, as of the Issuance Date and as of each _____⁹ and _____¹⁰ is set forth

⁶ As designated in the Officer's Pricing Certificate.

⁷ Insert from Officer's Pricing Certificate.

⁸ Insert from Officer's Pricing Certificate.

⁹ Insert from Officer's Pricing Certificate.

in the Table of Accreted Values attached hereto. Such value as of any other date shall be determined by straight-line interpolation between such values.

THIS BOND is one of a duly authorized issue of Bonds, aggregating \$ _____¹¹ the “Bonds”), issued for the purpose of (a) refunding and defeasing the Refunded Bonds and (b) paying the cost of issuance related thereto, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Chapter 1207, Texas Government Code, and pursuant to an order adopted by the Board of Trustees of the District (the “Order”), which Order is of record in the official minutes of the District. [The Bonds are issued as (i) Capital Appreciation Bonds in the aggregate principal amount of \$ _____¹² which pay interest only at maturity, and (ii) Current Interest Bonds in the aggregate principal amount of \$ _____¹³ which pay interest semiannually until maturity or earlier redemption.]¹⁴

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the principal payment office of the Registrar, in Dallas, 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 Order.

THIS BOND IS EXCHANGEABLE at the principal payment office of the Registrar, in Dallas, Texas, for Bonds in the denomination of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Order.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Order 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 Order.

THE DISTRICT has covenanted in the Order 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

¹⁰ Insert from Officer’s Pricing Certificate.

¹¹ Insert from Officer’s Pricing Certificate.

¹² Insert from Officer’s Pricing Certificate.

¹³ Insert from Officer’s Pricing Certificate.

¹⁴ Remove bracketed language if there are no CABs.

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; and that annual ad valorem taxes, without legal limit as to maximum rate or amount, sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the District, and have been pledged irrevocably for such payment.

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 District has been duly impressed, or placed in facsimile, on this Bond.

(AUTHENTICATION
CERTIFICATE)

(SEAL)

ALVIN INDEPENDENT SCHOOL
DISTRICT

President, Board of Trustees

Secretary, Board of Trustees

TABLE OF ACCRETED VALUES¹⁵

(c) Form of Comptroller's 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)

¹⁵ Insert from Officer's Pricing Certificate, if necessary.

(d) Form of Registrar's Authentication Certificate.

AUTHENTICATION CERTIFICATE

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

The Bank of New York Mellon Trust Company,
N.A., as Paying Agent/Registrar

By _____
Authorized Signature
Date of Authentication _____

(e) 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.

- (f) Form of Guarantee Endorsement.

PSF CERTIFICATE

Under the authority granted by Article 7, Section 5 of the Texas Constitution and Subchapter C of Chapter 45 of the Texas Education Code, the payment, when due, of the principal of and interest on the issuance by the Alvin Independent School District of its Unlimited Tax Refunding Bonds, Series 2020___, dated November 1, 2020, in the principal amount of \$_____¹⁶ is guaranteed by the corpus of the Permanent School Fund of the State pursuant to the bond guarantee program administered by the Texas Education Agency. This guarantee shall be removed in its entirety upon defeasance of such bonds.

Reference is hereby made to the continuing disclosure agreement of the Texas Education Agency, set forth in Section I of the Agency's Investment Procedure Manual and the Agency's commitment letter for the guarantee. Such disclosure agreement has been made with respect to the bond guarantee program, in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission, for the benefit of the holders and beneficial owners of the bonds.

In witness thereof I have caused my signature to be placed in facsimile on this bond.

Mike Morath
Commissioner of Education

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

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

(ii) in the first paragraph of the Current Interest 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 the dates, in each of the years and in the principal amounts identified in the following schedule

¹⁶ Insert from Officer's Pricing Certificate.

and with such installments bearing interest at the per annum rates set forth in the following schedule:”

[Information to be inserted from schedule in the Officer’s Pricing Certificate]

(iii) in the first paragraph of the Capital Appreciation Bond, the words “on the maturity date specified above” shall be deleted, and the words “the Maturity Amount identified above” shall be replaced with “the Maturity Amounts shown in the schedule below”.

[Information to be inserted from schedule in the Officer’s Pricing Certificate]

(iv) the Initial Bond shall be numbered ICI-1 and ICA-1, respectively.

18. CUSIP Numbers. 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.

19. Debt Service Funds; Tax Levy. Special funds to be designated “Alvin Independent School District Unlimited Tax Refunding Bonds, Series 2020A and 2020B Debt Service Funds” are hereby created, and the proceeds from all taxes levied, assessed and collected for and on account of the Bonds authorized by this Order shall be deposited, as collected, in such Fund. While the Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually assessed and collected in due time, form and manner, and at the same time as other District taxes are assessed, levied and collected, in each year, a continuing direct annual ad valorem tax, without legal limit as to maximum rate or amount, upon all taxable property in the District, sufficient to pay the interest on the Bonds as the same becomes due and to pay each installment of the principal of the Bonds as the same matures, full allowance being made for delinquencies and costs of collection, and said taxes are hereby irrevocably pledged to the payment of the interest on and principal of the Bonds and to no other purpose.

To pay the debt service coming due on any Bonds issued prior to receipt of the 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 amount shall be used for no other purpose.

Any money received by the District with respect to the Bonds as state assistance pursuant to the instructional allotment or as state assistance with existing debt, each as authorized by Chapter 46, Texas Education Code, shall be deposited in the applicable Debt Service Funds as required by Sections 46.009 and 46.035, Texas Education Code, respectively. The District will take into account the balance in the Debt Service Fund when it sets its debt service tax rate each year.

20. Application of Chapter 1208, Government Code. Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of the taxes granted by the District under Section 19 of this Order, and such pledge is therefore valid, effective and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the taxes granted by the District under Section 19 of this Order is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

21. Further Proceedings. After the Initial Bond has been executed, it shall be the duty of the President of the Board and other appropriate officials and agents of the District to deliver the Initial Bond and all pertinent records and proceedings to the Attorney General of the State of Texas, for examination and approval. After the Initial Bond has been approved by the Attorney General, they shall be delivered to the Comptroller for registration. Upon registration of the Initial Bond, 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.

22. Federal Income Tax Exclusion. For any Bonds for which the District 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 District covenants that it will monitor and control the receipt, investment, expenditure and use of all gross proceeds of the Bonds (including all property the acquisition, construction or improvement of which is to be financed directly or indirectly with the 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 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 District shall comply with each of the following covenants:

- (a) The District will use all of the proceeds of the Bonds to (i) provide funds for the purposes described in Section 3 hereof, which will be owned and operated by the District and (ii) to pay the costs of issuing the Bonds. The District will not use any portion of the proceeds of the Bonds to pay the principal of or interest or redemption premium on, any other obligation of the District or a related person.
- (b) The District will not directly or indirectly take any action, or omit to take any action, which action or omission would cause the Bonds to constitute "private activity bonds" within the meaning of Section 141(a) of the Code.

- (c) Principal of and interest on the Bonds will be paid solely from ad valorem taxes collected by the District and investment earnings on such collections.
- (d) Based upon all facts and estimates now known or reasonably expected to be in existence on the date the Bonds are delivered, the District 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 an "arbitrage bond" within the meaning of Section 148 of the Code.
- (e) At all times while the Bonds are outstanding, the District will identify and properly account for all amounts constituting gross proceeds of the Bonds in accordance with the Regulations. The District 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 District 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.
- (f) The District will not take any action or knowingly omit to take any action that, if taken or omitted, would cause the Bonds to be treated as "federally guaranteed" obligations for purposes of Section 149(b) of the Code.
- (g) The District represents that not more than fifty percent (50%) of the proceeds of the Bonds will be invested in nonpurpose investments (as defined in Section 148(f)(6)(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, and the District reasonably expects that at least eighty-five percent (85%) of the spendable proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within the three-year period beginning on the date of issue of the Bonds.
- (h) The District will take all necessary steps to comply with the requirement that certain amounts earned by the District on the investment of the gross proceeds of the Bonds, if any, be rebated to the federal government. Specifically, the District 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 District allocable to other obligations of the District or moneys which do not represent gross proceeds of any obligations of the District 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 any

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 District 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, interest thereon and any penalty.

- (i) The District will not directly or 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 a 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 Bonds not been relevant to either party.
- (j) The District will timely file or cause to be filed with the Secretary of the Treasury of the United States the information required by Section 149(e) of the Code with respect to the Bonds on such form and in such place as the Secretary may prescribe.
- (k) The District 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 District 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.
- (l) Proper officers of the District 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 date of issuance of the Bonds and stating whether there are facts, estimates or circumstances that would materially change the District's expectations. On or after the date of issuance of the Bonds, the District will take such actions as are necessary and appropriate to assure the continuous accuracy of the representations contained in such certificates.
- (m) 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 holders and any subsequent Bond holder and bond counsel to the District.

In complying with the foregoing covenants, the District may rely upon an unqualified opinion issued to the District by nationally recognized bond counsel that any action by the District 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 Order, the District'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.

23. Permanent School Fund Guarantee. The District has applied for and received approval from the Texas Commissioner of Education (the "Commissioner"), subject to compliance with the Commissioner's rules and regulations, for payment of the principal of and interest on the Bonds to be guaranteed by the Permanent School Fund of the State of Texas. If the Bonds are defeased, the guarantee of the Bonds will be removed in its entirety and, in case of default and in accordance with Texas Education Code §45.061, the Comptroller of Public Accounts will withhold the amount paid, plus interest, from the first state money payable to the District in the following order: foundation school fund, available school fund. In connection with the guarantee of the Bonds by the Permanent School Fund, the District, hereby certifies and covenants that

- (a) a certified copy of this Order and copies of the Official Notice of Sale and Final Official Statement (and final savings schedule for refunded bonds) shall be furnished to the Division of State Funding, School Facilities and Transportation, within ten (10) calendar days;
- (b) following any determination by the District that it is or will be unable to pay maturing or matured principal or interest on the bonds, the District will take all action required by Subchapter C of Chapter 45 of the Texas Education Code, as amended, including, but not limited to, the giving of timely notice of such determination to the Commissioner; and
- (c) the District will notify the Division of State Funding in writing within ten (10) calendar days of the defeasance of any guaranteed Bonds.

24. Continuing Disclosure Undertaking. (a) Annual Reports. The District 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 District of the general type included in the Official Statement under Tables 1 and 3 through 13 of Appendix A and in

Appendix D. The District will update and provide this information within six months after the end of each fiscal year. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles prescribed by the Texas State Board of Education or such other accounting principles as the District may be required to employ from time to time pursuant to State law or regulation and (2) audited, if the District commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not so provided, then the District shall provide unaudited financial statements for the applicable fiscal year by the required time, and audited financial statements when audited financial statements become available.

If the District 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 District otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB).

(b) The District shall notify the MSRB in an electronic format prescribed by the MSRB, in a timely manner (not in excess of ten (10) 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 District;

- (xiii) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, 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 or additional trustee or the change of name of a trustee, if material;
- (xv) incurrence of a Financial Obligation of the District or obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District or obligated person, 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 the Financial Obligation of the District or obligated person, any of which reflect financial difficulties.

The term “Financial Obligation” shall mean, for purposes of the events in clauses (xv) and (xvi), 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 (i) or (ii). The term “Financial Obligation” shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule. The District intends to comply with the events in clauses (xv) and (xvi), and the definition of “Financial Obligation”, with reference to the Rule, any other applicable federal securities laws and the guidance provided by the Commission in Release No. 34-83885 dated August 20, 2018 (the “2018 Release”), and any further amendments or written guidance provided by the Commission or its staff with respect the amendments to the Rule effected by the 2018 Release.

The District shall notify the MSRB, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with Section 24(a) of this Order by the time required by such Section.

(c) Limitations, Disclaimers, and Amendments. The District shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the District remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the District 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 District 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 District'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 District 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 DISTRICT 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 DISTRICT, 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 UNLIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

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

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

The provisions of this Section may be amended by the District 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 District, 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 District (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 District 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 District 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.

25. Official Statement. The District 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 Purchase Agreement and other relevant information. The use of such final Official Statement

by the Underwriters is hereby approved and authorized and the proper officials of the District are authorized to sign such Official Statement.

26. Refunding. The escrow agreements between the District and the escrow agent therein is hereby approved and the President of the Board of Trustees of the District is hereby authorized to execute and deliver and the Secretary of the Board of Trustees of the District is hereby authorized to attest to the escrow agreements. In addition, the Pricing Officer is authorized to purchase such federal securities, execute such subscriptions for the purchase of United States Treasury Securities, State and Local Government Series and to deposit such cash on hand of the District, as may be necessary for the escrow fund.

The refunding of the Refunded Bonds will result in the defeasance of the Refunded Bonds. The Refunded Bonds are hereby called for redemption as set forth in the Officer's Pricing Certificate. The paying agent/registrars for such Refunded Bonds is hereby instructed to publish and mail the appropriate notice of redemption as required by the orders of the District authorizing the issuance of such Refunded Bonds. The District hereby approves a contribution as set forth in the Officer's Pricing Certificate to the applicable escrow fund derived from funds on deposit in the interest and sinking fund for the Refunded Bonds, which will be applied to pay debt service on the Refunded Bonds.

27. Power to Revise Form of Documents. Notwithstanding any other provision of this Order, the President of the Board is hereby authorized to make or approve such revisions, additions, deletions, and variations to this Order and in the form of the documents attached hereto as exhibits as, in the judgment of the President, and in the opinion of Bond Counsel to the District, may be necessary or convenient to carry out or assist in carrying out the purposes of this Order, the Preliminary Official Statement, the final Official Statement, or as may be required for approval of the Bonds by the Attorney General of Texas; 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.

28. Amendments. The District may amend this Order without the consent of or notice to any Owner in any manner not detrimental to the interests of the Owners, including the curing of any ambiguity, inconsistency, or formal defect or omission therein. In addition, the District may with the written consent of the holders of a majority of the aggregate principal amount or, in the case of Capital Appreciation Bonds, Maturity Amount, of the Bonds then outstanding affected thereby, amend, add to, or rescind any of the provisions of the Order; except that, without the consent of the Owners of the Bonds affected, no such amendment, addition or rescission may (i) make any change in the maturity of any of the outstanding Bonds; (ii) reduce the rate of interest borne by any of the outstanding Bonds; (iii) reduce the amount of the principal of or Maturity Value of, or redemption premium, if any, payable on any outstanding Bonds; (iv) modify the terms of payment of principal or Maturity Value or, of interest or redemption premium on outstanding Bonds or any of them or impose any condition with respect to such payment; or (v) change the minimum percentage of the principal amount or, in the case of the Capital Appreciation Bonds, the Maturity Amount, of the Bonds necessary for consent to such amendment.

29. Related Matters. To satisfy in a timely manner all of the District's obligations under this Order and the Purchase Agreement, the President or Vice President, the Secretary or the Assistant Secretary, and all other appropriate officers and agents of the District are hereby authorized and directed to take all other actions that are reasonably necessary to provide for the issuance of the Bonds, including, without limitation, executing and delivering on behalf of the District all certificates, consents, receipts, requests, and other documents as may be reasonably necessary to satisfy the District's obligations under the Purchase Agreement and this Order and to direct the application of funds of the District consistent with the provisions of this Order.

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

31. 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 Order, against any official or employee of the District or any person executing any Bonds.

32. 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 this 13th day of October, 2020.

President, Board of Trustees
Alvin Independent School District

ATTEST:

Secretary, Board of Trustees
Alvin Independent School District

(SEAL)