

**GENERAL OBLIGATION
TAXABLE LEASE PURCHASE ARRANGEMENT
AND NOTE**

DATED AS OF OCTOBER 22, 2025

BY AND BETWEEN

**NEW MEXICO STATE TREASURER,
as Lessor**

AND

**THE BOARD OF EDUCATION OF THE
AZTEC MUNICIPAL SCHOOL DISTRICT NO. 2,
as Lessee**

LEASE PURCHASE ARRANGEMENT

THIS LEASE PURCHASE ARRANGEMENT, dated as of October 22, 2025 (“Lease”), by and between New Mexico State Treasurer, as lessor (such lessor, together with any successor by merger, acquisition or otherwise, “Lessor”), and the Board of Education (the “Board”) as the governing body of the Aztec Municipal School District No. 2, (the “District”) a school district created pursuant to the laws of the State of New Mexico, as lessee (“Lessee”);

WITNESETH:

WHEREAS, Lessee, which is a school board as defined in NMSA 1978, Section 6-15A-3(D), as amended, wishes to facilitate the acquisition and purchase of certain Property (as defined herein) to be used by Lessee, and Lessee is authorized pursuant to the laws of the State of New Mexico, particularly the Educational Technology Equipment Act, NMSA 1978, Sections 6-15A-1 to 6-15A-17 as amended and the Public Securities Short-Term Interest Rate Act, NMSA 1978, Sections 6-18-1 through 6-18-16 NMSA 1978, as amended (collectively, the “Act”), to execute, perform, and make payments under contracts for such purposes and for the financing of “education technology equipment,” as defined in the Act at NMSA 1978, Section 6-15A-3(C); and

WHEREAS, the Board has determined that in order to accomplish its purposes, it is necessary and desirable to acquire the Property pursuant to this Lease; and

WHEREAS, Lessor, from the proceeds of the sale of the Note, will cause to be provided funds for the acquisition, delivery, and purchase of the Property to be leased pursuant to this Lease; and

WHEREAS, 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

WHEREAS, 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; and

NOW, THEREFORE, in consideration of the above premises and of the mutual covenants hereinafter contained, and for other good and valuable consideration, Lessor and Lessee agree as follows:

ARTICLE I: DEFINITIONS

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall, for all purposes of this Lease, have the meanings herein specified.

“Acquisition Costs” means, with respect to any item of the Property, the contract price paid or to be paid therefor upon acquisition or purchase thereof in accordance with

a purchase order or contract therefor. Acquisition Costs also include the administrative, engineering, legal, financial, and other costs incurred by Lessee in connection with the acquisition, purchase, or financing of the Property to the extent permitted by the Act.

“Acquisition Fund” means the 2025 Lease Acquisition Fund by that name established and maintained by Lessee pursuant to Section 3.1 of this Lease.

“Act” means the Education Technology Equipment Act, NMSA 1978, Sections 6-15A-1 to 6-15A-17, as amended and the Public Securities Short-Term Interest Rate Act, NMSA 1978, Sections 6-18-1 through 6-18-16 NMSA 1978, as amended.

“Bond Counsel” means an attorney duly admitted to the practice of law before the highest court of the State in which he/she maintains an office and who is not an employee of Lessor or Lessee.

“Certificate of Acceptance” means a written acknowledgment of Lessee Representative to Lessor stating that all of the Property described in such acknowledgment has been acquired, delivered, and installed in conformity with the specifications of the seller, in substantially the form of Exhibit C hereto.

“Closing Date” means the date on which this Lease is duly executed and delivered by the parties hereof.

“Fiscal Year” means the period beginning on July 1 in any year and ending on June 30 in the next year.

“Lease” means this Lease Purchase Arrangement.

“Lessee” means the Board of the District, a local school district organized and existing under the laws of the State of New Mexico.

“Lessee Representative” means the Superintendent of Schools or the Associate Superintendent and Finance Director of the District or any other person authorized by the Lessee to act on behalf of Lessee under or with respect to this Lease.

“Lessor” means New Mexico State Treasurer, and any successor thereto by merger, acquisition, assignment, or otherwise.

“Lessor’s Representative” means any person authorized by Lessor to act on behalf of Lessor under or with respect to this Lease.

“Note” means a note in the form attached hereto as Exhibit D evidencing the right to receive Rent Payments with components of principal and interest.

“Permitted Investments” means any investment allowed under the laws of the State for school districts.

“Person” means an individual, joint stock company, trust, unincorporated association, joint venture, corporation, business or owner trust, partnership, or other organization or entity (whether governmental or private).

“Property” means, to the extent permitted by the NMSA 1978 §§ 6-15A-3(C) education technology equipment used in the educational process.

“Rent Payment” means the payment or payments including the principal and interest component, due from Lessee to Lessor in accordance with Section 4.4 hereof.

“Rent Payment Date” means the dates on which Rent Payments are due under this Lease as provided in Section 4.4.

“Rent Payment Fund” means the fund or funds by that name established by Lessee pursuant to Section 4.4(c) of this Lease.

“State” means the State of New Mexico.

“Term” or “Term of this Lease” means the time during which this Lease is in effect, as provided in Section 4.2 hereof.

ARTICLE II: REPRESENTATIONS, COVENANTS AND WARRANTIES

Section 2.1. Representations, Covenants and Warranties of Lessee. Lessee represents, covenants, and warrants to Lessor as follows:

(a) Lessee has full power and authority to execute, deliver, and perform under this Lease; all required procedures with respect to Lessee’s execution, delivery, and performance of this Lease have been (or will be) complied with properly and in a timely manner; the execution, delivery, and performance of this Lease by Lessee have been duly authorized by Lessee and are not in contravention of any applicable laws or the terms of any other agreement to which Lessee is a party; this Lease evidences a valid and binding obligation of Lessee enforceable in accordance with its terms; and the Rent Payments are contractual obligations of Lessee.

(b) There are no pending or threatened actions, suits, proceedings, or investigations contesting the authority for execution, delivery, or performance of, or expenditure of funds pursuant to this Lease.

(c) Information supplied and statements made or to be made by Lessee in any financial statement or current budget prior to or contemporaneously with this Lease are now, and will be true and correct on the Closing Date, and do not and will not omit to state any material facts required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they are made, not misleading.

(d) Lessee has immediate need for, and expects to make immediate use of, substantially all of the Property being leased under this Lease, which need, at the time of approval of this Lease, is not temporary or expected to diminish in the foreseeable future.

Section 2.2. Representations, Covenants and Warranties of Lessor. Lessor represents, covenants, and warrants to Lessee as follows:

(a) *Organization and Good Standing.* Lessor is an instrumentality of the State of New Mexico by virtue of the laws of the State and is in good standing; has power to enter into this Lease; has full power to own, hold, finance and furnish Property in accordance herewith and to lease and sell the same; and has duly authorized the execution and delivery of this Lease.

(b) *No Conflicts.* Neither the execution and delivery of this Lease nor the fulfillment of or compliance with the terms and conditions hereof, nor the consummation of the transactions contemplated hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which Lessor is now a party or by which Lessor is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien, charge, or encumbrance whatsoever upon any of the property or assets of Lessor or upon the Property, except as provided under the terms hereof.

(c) *Valid and Binding Obligation.* This Lease, when executed and delivered by Lessor and assuming the valid execution and delivery hereof by Lessee, will constitute a legal, valid, and binding obligation of Lessor enforceable in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium, or other similar laws affecting creditors' rights generally and general equitable principles. The Lessor has taken all action necessary to enter into the Lease.

ARTICLE III: DEPOSIT OF MONEYS; ACQUISITION OF THE PROPERTY

Section 3.1. Deposit of Moneys. On the Closing Date, Lessor shall cause an amount equal to \$7,200,000 to be deposited into the Acquisition Fund, to be established and maintained at a depository of the District, to acquire the Property set forth in Exhibit A and to pay the financial and legal costs of the District associated with this Lease.

Section 3.2. Acquisition of the Property. Except as otherwise provided in this Section, Lessor agrees to the acquisition of the Property set forth in Exhibit A. Lessor hereby authorizes Lessee to enter into one or more contracts or purchase orders providing for the acquisition, purchase use and support of the Property. Lessee agrees that upon acquisition of any item of the Property it will take possession of that item of the Property under the terms and provisions of this Lease.

Lessee shall acquire such Property under this Lease within a reasonable period of time. Lessee may substitute other education technology equipment qualifying for financing pursuant to the Act for any item of Property, provided Lessee shall notify Lessor of such substitution and after all property (and property substituted for the Property) is acquired, Lessee shall provide an inventory and deliver the Certificate of Acceptance of the Property actually acquired under this Lease to Lessor.

Notwithstanding the foregoing, there shall be no offset or reduction for any reason of the Rent Payments required to be made by Lessee which are described herein.

Section 3.3. Payment of Acquisition Costs. As provided in Section 3.1, payment of the cost of acquiring Property shall be made from the moneys deposited by Lessor with Lessee in the Acquisition Fund.

Section 3.4. Unexpended Proceeds in Acquisition Fund. On the earlier of (a) three years from the Closing Date or (b) the filing with Lessor of the final inventory of Property as contemplated in the second paragraph of Section 3.2, Lessee shall cause to be transferred to the Rent Payment Fund all excess moneys remaining in the Acquisition Fund maintained by Lessee (other than any moneys, if any, retained therein to pay Acquisition Costs not then due and payable) to be applied to pay any portion of Rent Payments thereafter coming due.

ARTICLE IV: AGREEMENT TO LEASE; TERMINATION OF THIS LEASE; RENT PAYMENTS; TITLE TO PROPERTY

Section 4.1. Lease. Lessor hereby leases to Lessee the Property, and Lessee hereby leases the Property from Lessor, upon the terms and conditions set forth herein.

Section 4.2. Term of Lease. The Term of this Lease and of the right to use the Property described therein shall commence on the Closing Date and shall continue until all payments under this Lease to finance such Property have been paid in accordance with Exhibit B hereto and are no longer outstanding.

Section 4.3. Possession. It is contemplated that Lessee will take possession of each item of the Property in accordance with the terms of the acquisition contracts and purchase orders described in Section 3.2 hereof. Notwithstanding the failure of Lessee to take possession of any item of Property, however, each Rent Payment hereunder shall be due on the date set out in this Lease.

Section 4.4. Note, Registrar/Paying Agent, Rent Payments for Property, Pledge.

(a) *Note.* The right to receive Rent Payments shall be evidenced by the Note in the form attached hereto as Exhibit D. The Lessor or Note owner or its assignee may assign the right to receive all or a part of the Rent Payments to any Person.

(b) *Paying Agent/Registrar.* The principal of and interest components of the Rent Payments shall be payable in accordance with Exhibit B to the owners of the Note as shown on the registration books kept by BOKF, NA, as paying agent/registrar (such entity and any successor thereto, the “Paying Agent/Registrar” for the Lease and Note, upon maturity and upon presentation and surrender thereof at the principal offices of the Paying Agent/Registrar. Payment of interest on the Lease and Note (other than at maturity) shall be made by check or draft mailed by the Paying Agent/Registrar (or by such other arrangement as may be mutually agreed to by the Paying Agent/Registrar and the owner of any Note), on or before each interest payment date (or, if such interest payment date is not a business day, on or before the next succeeding business day), to the Note owner on the Record Date (defined below) at the address as it appears on the registration books kept by the Paying Agent/Registrar. All such payments shall be made in lawful money of the United States of America. The term “Record Date” as used herein with respect to any interest payment date shall mean the 15th day of the month (whether or not a business day) preceding the interest payment date. The owner of the Note as shown on the registration books on any Record Date with respect to any interest payment date shall be entitled to receive the interest payable thereon on such interest payment date notwithstanding any transfer or exchange thereof subsequent to such Record Date and prior to such interest payment date; but interest which is not timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name the Note is registered at the close of business on a special record date (the “Special Record Date”) fixed by the Paying Agent/Registrar for the payment of any such overdue interest. The Special Record Date shall be fixed by the Paying Agent/Registrar whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto, by first class mail, to the Note owner as of the fifth day preceding the mailing of such notice by the Paying Agent/Registrar, stating the Special Record Date and the date fixed for the payment of overdue interest.

(c) *Obligation to Pay.* Lessee agrees to pay Lessor, its successors, and assigns, for the right of use and support, of the Property, the sum obtained by adding the Rent Payments (denominated into components of principal and interest) in the amounts specified in Exhibit B hereto on each Rent Payment Date as reflected in such exhibit. Any amount held in the Rent Payment Fund on any date when a Rent Payment is required to be made shall be credited towards the Rent Payment then due and payable; and no Rent Payment need be made by Lessee into the Rent Payment Fund if the amounts then held in the Rent Payment Fund are at least equal to the Rent Payment then required to be paid. Lessee hereby covenants to establish and maintain with respect to the Lease, a special fund to be denoted the “Rent Payment Fund”, at a depository of the Lessee, solely for the benefit of this Lease. The Rent Payment Fund shall be kept separate and apart from all other funds and accounts of Lessee and held in trust for the benefit of Lessor, and shall be used only for paying Rent Payments. All ad valorem taxes levied and collected for the purpose of making such Rent Payments shall be deposited into the Rent Payment Fund, prior to the Rent Payment Date in the amount to be paid to the Lessor pursuant to Exhibit B of the Lease. The obligation of Lessee to make Rent Payments and Rebate Payments is absolute and unconditional and is not subject to abatement or set-off.

(d) *Tax Pledge.* There shall annually be assessed, levied, and collected upon all taxable property in District, in addition to all other taxes, a tax which will be sufficient to raise and produce the money required to pay the interest component of the Rent Payments as such interest component comes due and to provide and maintain a fund adequate to pay the principal component of the Rent Payments as such principal component matures, pursuant to Section 6-15A-6, as amended, as the same becomes due and payable, without limit as to rate or amount. The Board shall establish adequate budgetary provisions, approved by the New Mexico Public Education Department, to promptly pay all Rent Payments as they become due. This Section is hereby declared to be the certificate to the County Commissioners of San Juan County, New Mexico as to the amount of taxes necessary to be levied for the purposes herein stated. Said tax shall annually be assessed, levied and collected at the same time and in the same manner as other taxes are assessed and collected, but nothing herein contained shall be construed as to prevent Lessee thereof from applying any other legally available funds for that purpose to the payment of said Rent Payments as the same respectively mature and become due, and upon such payments, the levies herein provided for, may thereupon, to that extent, be diminished. The sums produced by the levies above provided to meet the Rent Payments when due are hereby applied for that purpose, and the amount for each year will be included in the annual budget and the appropriation bills to be adopted and passed by the Board of Education in each year, respectively. The Board does hereby levy and order to be levied, taxes sufficient to pay the Rent Payments. It shall be the duty of the Board annually at the time and in the manner provided by law for levying other taxes, if such action shall be necessary, to effectuate the provisions hereof with reference to the levy and collection of taxes; and the Board shall levy, extend, and collect such taxes in the manner provided by law for the purpose of funding the Rent Payment Fund for the payment of the Rent Payments. Such taxes, when collected, shall be kept for and applied only to the payment of the Rent Payments as hereinbefore specified. Said ad valorem taxes, sufficient to provide for the payment of the interest component and principal component of the Rent Payments as such interest component comes due and such principal component matures, are hereby pledged for such payment.

Section 4.5. Fair Rental Value. The Rent Payments for each rent payment period during the Term of this Lease shall constitute the total amount due for such rent payment period and shall be paid by Lessee in each rent payment period for and in consideration of the right of the use of the Property during each such period for which such rental is to be paid. The parties hereto have agreed and determined that the total of Rent Payments represents the fair value of the Property.

Section 4.6 Quiet Enjoyment. During the Term of this Lease, Lessor shall provide Lessee with quiet use and enjoyment of the Property, and during such term Lessee shall peaceably and quietly have and hold and enjoy the Property, without suit, trouble or hindrance from Lessor, except as expressly set forth herein. Lessor will, at the request of Lessee and at Lessee's cost, join in any legal action in which Lessee asserts its right to such possession and enjoyment to the extent Lessor may lawfully do so.

Notwithstanding the foregoing, Lessor shall have the right to inspect the Property as provided in Section 6.3 hereof.

Section 4.7. Title to the Property. During the Term of this Lease, Lessee shall hold title to the Property described herein and any and all additions which comprise repairs, replacements, or modifications. In the event of default as set forth in Section 8.1, remedies of Lessor shall be restricted as described in Section 8.2 hereof.

If Lessee pays all Rent Payments during the Term hereof as the same come due and payable, all right and interest of Lessor in and to all of the Property described in Exhibit A hereto shall be transferred to and vest in Lessee upon payment by Lessee of One Dollar (\$1.00) without the necessity of any additional document of transfer.

Section 4.8. Equitable Lien. Lessee hereby grants Lessor an Equitable Lien on the ad valorem taxes pledged to pay the Rent Payments as set forth in Section 4.4(d) hereof. Lessor acknowledges that it has an equitable lien on the Pledged Taxes but no security interest in the Property.

ARTICLE V: MAINTENANCE, TAXES, TAX COVENANTS AND OTHER MATTERS

Section 5.1. Maintenance, Utilities, Taxes and Assessments. Throughout the Term of this Lease, as part of the consideration this Lease, all improvement, repair, and maintenance of the Property shall be the responsibility of Lessee, and Lessee shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Property resulting from ordinary wear and tear or want of care on the part of Lessee or any sublessee thereof. In exchange for the Rent Payments herein provided, and subject to Lessor's equitable lien as hereinbefore set forth, Lessor agrees to, and does hereby grant Lessee the right to use the Property as hereinbefore and hereafter or specifically set forth.

Lessee shall use the Property only for its proper purposes and will not install, use, operate or maintain the Property improperly, carelessly or in violation of any applicable law, ordinance, rule or regulation of any governmental authority, or in a manner contrary to the nature of the Property or the use contemplated by its manufacturer. The Property shall be used solely in the conduct of Lessee's operations. Lessee shall obtain, at its expense, all registrations, permits, and licenses, if any, required by law for the installation and operation of the Property.

Lessee shall also pay or cause to be paid all taxes and assessments of any type or nature charged to Lessor or Lessee or levied, assessed or charged against any item of the Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments as are required to be paid during the Term of this Lease as and when the same become due.

Lessee may, at Lessee's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless Lessor shall notify Lessee that nonpayment is affecting timely payment of the Rent Payments, or in the case that, in the opinion of Bond Counsel, by nonpayment of any such items, the interest of Lessor in the Property will be materially endangered or the Property or any part thereof will be subject to loss or forfeiture, in which event Lessee shall promptly pay such taxes, assessments, or charges or provide Lessor with full security against any loss which may result from nonpayment, in form satisfactory to Lessor.

Section 5.2. Modification of the Property. Lessee, at its own expense, shall have the right to make additions, modifications and improvements to any item of the Property. All such additions, modifications and improvements shall thereafter comprise part of the Property and be subject to the provisions of this Lease. Such additions, modifications, and improvements shall not in any way damage the Property or cause it to be used for purposes other than those authorized under the provisions of State and federal law; and the Property, upon completion of any additions, modifications, and improvements made pursuant to this Section, shall be of a value which is not substantially less than the value of the Property immediately prior to the making of such additions, modifications and improvements. Lessee shall not alter, remove, destroy, or permanently cover any manufacturer's nameplate, serial number or other similar distinguishing number or mark on the Property. Lessee will not permit any mechanic's or other lien to be established or remain against the Property for labor or materials furnished in connection with any additions, modifications, improvements, repairs, renewals, or replacements made by Lessee pursuant to this Section; provided that if any such lien is established and Lessee shall first notify or cause to be notified Lessor of Lessee's intention to do so, Lessee may in good faith contest any lien filed or established against the Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide Lessor with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to Lessor. Upon the request of and at the expense of Lessee, Lessor will cooperate fully in any such contest.

The Property is and shall at all times be and remain personal property and will not be affixed to or be a part of the real property upon which it may be situated. If requested by Lessor, Lessee, at Lessee's expense, will furnish a landlord or mortgage waiver with respect to the Property.

Section 5.3. Liens. Lessee shall not, directly or indirectly, create, incur, assume, or suffer to exist any mortgage, pledge, lien, charge, encumbrance, or claim on or with respect to the Property, other than the respective rights of Lessor and Lessee as herein provided. Except as expressly provided in this Article V, Lessee shall promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, encumbrance or claim, for which it is responsible, if the same shall arise at any time. Lessee shall reimburse Lessor for any expense incurred by it in order to discharge or remove any such mortgage, pledge, lien, charge, or encumbrance of claim.

Section 5.4. Damage to or Destruction of Property. Upon the passage of risk of loss under the Uniform Commercial Code, Lessee shall bear the entire risk of loss, damage, theft or destruction of such Property from any and every cause whatsoever. No loss, damage, destruction, or other event shall release Lessee from the obligation to pay the full amount of Rent Payments or from any other obligation hereunder.

Section 5.5. Expenditures for the Property. Lessee covenants to account for the expenditure of lease proceeds and investment earnings to be used for the Property on their books and records.

Section 5.6. Reserved.

ARTICLE VI: DISCLAIMER OF WARRANTIES; ACCESS

Section 6.1. Warranties. LESSEE ACKNOWLEDGES AND AGREES THAT THE PROPERTY IS OF THE SIZE, DESIGN AND CAPACITY SELECTED BY LESSEE BASED UPON ITS OWN JUDGMENT. LESSOR HAS MADE AND MAKES NO WARRANTY, REPRESENTATION, OR COVENANT, EITHER EXPRESS OR IMPLIED, AND ASSUMES NO OBLIGATION WITH RESPECT TO THE TITLE, VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE OF THE PROPERTY OR ANY ITEM THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE PROPERTY OR ANY ITEM THEREOF ITS DESIGN, DELIVERY, INSTALLATION OR OPERATION OR THE CONFORMITY OF THE PROPERTY TO SPECIFICATIONS OR PURCHASE ORDERS. IN NO EVENT SHALL LESSOR BE LIABLE FOR INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES, IN CONNECTION WITH OR ARISING OUT OF THIS LEASE FOR THE EXISTENCE, FURNISHING, FUNCTIONING OR LESSEE'S USE OF THE EQUIPMENT.

Section 6.2. Lessee's Right to Enforce Warranties. Lessee shall have all rights with respect to the warranties of the manufacturers and any other persons with respect to the Property and the right to enforce such warranties against the manufacturers and such other persons. Any recovery under a warranty shall be payable to Lessee.

Section 6.3. Access to the Property. Lessee agrees that Lessor and any Lessor's Representative, and Lessor's successors or assigns, shall have the right at all times during regular business hours of Lessee and upon reasonable notice to Lessee to examine and inspect the Property.

Section 6.4. Release and Indemnification. Subject to the limitations and exceptions in the New Mexico Tort Claims Act, NMSA 1978, Sections 41-4-1 to 41-4-27, as amended, and to the extent it otherwise lawfully may, Lessee shall indemnify and save harmless Lessor and its agents, employees, officers, and directors from and, at Lessee's expense, defend Lessor and its agents, employees, officers, and directors against all liability, obligations, losses, damages, penalties, claims, actions, costs, and expenses (including but not limited to reasonable attorneys' fees) of whatsoever kind or nature which in any way relate to or arise out of this Lease or the selection, purchase, delivery, ownership, rental, possession, operation, condition, sale or return of the Property; provided that Lessee shall not indemnify any person under this Section 6.4 for any liability arising from such person's own negligence or willful misconduct. All amounts which become due from Lessee under this provision shall be credited with any amounts received by Lessor from insurance provided by Lessee and shall be payable by Lessee within thirty (30) days following demand therefor by Lessor and shall survive the termination or expiration of this Lease.

ARTICLE VII: ASSIGNMENT, SUBLEASING AND AMENDMENT

Section 7.1. Assignment and Subleasing by Lessee. This Lease may not be assigned or subleased by Lessee. Lessor may assign in whole or in part its rights, title and interest, under this Lease at any time subsequent to its execution without the necessity of obtaining the Lessee's consent.

Section 7.2. Amendment of Lease. This Lease may not be altered, modified or canceled without the consent of Lessor and Lessee. Notwithstanding anything herein to the contrary, without receiving the consent of any Person, Lessee may enter into personal property finance contracts with persons other than Lessor and pledge an ad valorem tax, as contemplated by the Constitution of the State of New Mexico and NMSA 1978, Section 6-15A-6, as amended, to support its obligations with respect to acquiring "education technology equipment," it being expressly agreed by Lessor and Lessee that this Lease does not constitute an exclusive method of financing or acquiring "education technology equipment" by Lessee.

ARTICLE VIII: EVENTS OF DEFAULT AND REMEDIES

Section 8.1. Events of Default Defined. The following shall be events of default under this Lease and the terms "Events of Default" and "Default" shall mean, whenever they are used herein, any one or more of the following events whether occurring voluntarily or involuntarily, by operation of law or pursuant to any order of any court or governmental agency:

(a) Lessee's failure to levy taxes in amounts sufficient to make any Rent Payment when due, to make such Rent Payment when due, or to provide the moneys levied for such purposes to Lessor in accordance with the terms hereof; or

(b) Lessee's failure to make any payment required hereunder, other than a Rent Payment, or its failure to comply with any other covenant, condition or agreement of Lessee hereunder for a period of thirty (30) days after notice thereof; or

(c) Any representation or warranty made by Lessee hereunder shall be found to be untrue in any material respect as of the date made; or

(d) Lessee makes, permits or suffers any unauthorized assignment, transfer or other disposition of this Lease or any interest herein, or of any part of the Property or any interest therein; or

(e) Lessee becomes insolvent or admits in writing its inability to pay its debts as they mature or applies for, consents to or acquiesces in the appointment of a trustee, receiver or custodian for Lessee or a substantial part of its property; or in the absence of such application, consent or acquiescence, a trustee, receiver or custodian is appointed for Lessee or a substantial part of its property and is not discharged within sixty (60) days of such appointment; or any bankruptcy, reorganization, debt

arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding is instituted by or against Lessee and, if instituted against Lessee, is consented to or acquiesced in by Lessee or is not dismissed within sixty (60) days of such institution; or

Section 8.2. Remedies Upon Event of Default. Upon the happening and continuance of any event of default specified in Section 8.1, the holders of the Notes(s), from time to time, may proceed to protect and enforce this Lease and enforce the pledge of Lessee's ad valorem taxes by such judicial proceedings as such Persons shall deem most effectual, either by suit in equity, mandamus or by action at law, whether for the specific performance of any covenant or agreement contained herein, or in aid of the exercise of any power granted herein. Before seeking to enforce any other legal or equitable right vested in the holders of the Note(s), from time to time, by this Lease or by law, such Persons must first seek through a mandamus action to enforce the payment of the Rent Payments due hereunder by the levying of ad valorem taxes, without limit as to rate or amount.

Section 8.3. No Waiver. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In the event any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach thereunder. In order to entitle the holders of the Note(s), from time to time, to exercise any remedy in this Article VIII, it shall not be necessary to give any notice, other than such notice as may be required in this Article VIII or by law.

ARTICLE IX: NO PREPAYMENT OF RENT PAYMENTS AND EXERCISE OF PURCHASE OPTION AT END OF LEASE

Section 9.1. No Optional Prepayment. The Rent Payment relating to this Lease may not be prepaid.

Section 9.2. Exercise of Lessee's Option to Purchase Property at End of Lease. Pursuant to the Act, Lessor grants to Lessee the right to purchase the Property at end of the Term of this Lease for \$1. Lessee hereby exercises such option to purchase and Lessor hereby acknowledges receipt of \$1 from Lessee and other valuable consideration.

ARTICLE X: MISCELLANEOUS

Section 10.1. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed to have been received 48 hours after deposit in the United States mail in registered, certified form with postage fully prepaid or by overnight carrier:

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

If to Lessor: New Mexico State Treasurer
2055 S. Pacheco Street
P.O. Box 5135
Santa Fe, NM 87505
Attn: Deputy State Treasurer

Lessor and Lessee, by notice given hereunder, may designate different addresses to which subsequent notices, certificates or other communications will be sent.

Section 10.2. Binding Effect and Beneficiaries. This Lease shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns (to the extent permitted hereby).

Section 10.3. Severability. In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 10.4. Investments. Amounts on deposit from time to time in the Rent Payment Fund and Acquisition Fund shall be invested in Permitted Investments subject to Section 5.4 hereof by Lessee; provided, however, that Lessee shall first obtain the written consent of Lessor before directing such investment.

Section 10.5. Net-Net-Net Lease. This Lease shall be deemed and construed to be a “net-net-net lease” and Lessee hereby agrees that Rent Payments shall be an absolute net return to Lessor, free and clear of any expenses, charges, or set-offs whatsoever.

Section 10.6. Further Assurances and Corrective Instruments. Lessor and Lessee agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property hereby leased or intended so to be or for carrying out the expressed intention of this Lease.

Section 10.7. Execution in Counterparts. This Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 10.8. Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State.

Section 10.9. Lessor and Lessee. Whenever under the provisions of this Lease the approval of Lessor or Lessee is required, or Lessor or Lessee is required to take some action at the request of the other, such approval or such request shall be given for Lessor by a Lessor Representative and for Lessee by a Lessee Representative, and any party hereto shall be authorized to rely upon any such approval or request.

Section 10.10. Timeliness. Time is of the essence. No covenant or obligation hereunder to be performed by Lessee may be waived except by the written consent of Lessor, and a waiver of any such covenant or obligation shall not be deemed a waiver of any other covenant or obligation as to any other occasion and shall not preclude Lessor from invoking such remedy at any later time prior to Lessee's cure of the condition giving rise to such remedy. Lessor's rights hereunder are cumulative and not alternative.

Section 10.11. Captions. The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or Section hereof.

IN WITNESS WHEREOF, Lessor has caused this Lease to be executed in its name by its duly authorized officers; and Lessee has caused this Lease to be executed in its name by its duly authorized officers, as of the date first above written.

NEW MEXICO STATE TREASURER,
as Lessor

By: _____
The Honorable Laura M. Montoya

BOARD OF EDUCATION OF
AZTEC MUNICIPAL SCHOOL DISTRICT NO. 2,
as Lessee

(DISTRICT SEAL)

By: _____
Fran Dobey, President

ATTEST:

By: _____
Laci L. Phillips Newland, Secretary

[Signature Page for Lease Purchase Arrangement and Note]

AUTHENTICATION

This Lease is the Lease described in the Resolution adopted by the Board of Education of the Aztec Municipal School District No. 2 on September 11, 2025 and has been duly registered on the registration books kept by the undersigned as Registrar/Paying Agent for the Lease and Note.

Date of Authentication and
Registration: October 22, 2025

BOKF, NA
as Registrar/Paying Agent

By: _____
Authorized Officer

[Signature Page for Lease Purchase Arrangement and Note]

EXHIBIT A

LIST OF EQUIPMENT

Education Technology Equipment as defined in Section 6-15A-3(C), NMSA 1978, as amended.

EXHIBIT B

RENT PAYMENTS, RENT PAYMENT DATES AND PREPAYMENTS

Schedule of Rent Payments and Rent Payment Dates:

Payment Date	Principal	Interest Rate	Interest Amount	Total Debt Service
10/23/2025	\$7,200,000.00	4.42256%	\$884.51	\$7,200,884.51

Each Rent Payment shall, in accordance with Section 4.4 of this Lease, be paid to Lessor on or before the date that it is due.

EXHIBIT C

CERTIFICATE OF ACCEPTANCE

Board of Education of the
Aztec Municipal School District No. 2
Aztec, New Mexico

We, the undersigned, hereby certify, the following:

1. The Property for which payment has been made from the Acquisition Fund is described and summarized in Exhibit A, to the Lease.
2. The Property described above has been acquired, delivered and installed in conformity with the specifications of the manufacturer.
3. This Certificate is the final Certificate of Acceptance pursuant to the above referenced Lease.

IN WITNESS WHEREOF, the undersigned have hereunto set our hands and affixed the seal of the Board of Education of the Aztec Municipal School District No. 2, San Juan County, New Mexico, this ___ day of _____, 20__.

AZTEC MUNICIPAL SCHOOL DISTRICT NO. 2

By: _____
Fran Dobey, President, Board of Education

(DISTRICT SEAL)

ATTEST:

By: _____
Laci L. Phillips Newland, Secretary, Board of Education

EXHIBIT D

FORM OF NOTE

**The Board of Education of the
Aztec Municipal School District No. 2
Taxable Education Technology Note, Series 2024
evidencing an undivided interest in
the right to receive certain Rent Payments payable by
Aztec Municipal School District No. 2,
San Juan County, New Mexico
under a
Taxable Lease Purchase Arrangement
dated as of October 22, 2025**

No. 1 \$7,200,000.00

Interest Rate	Maturity Date	Original Dated Date
4.42256%	October 23, 2025	October 22, 2025

OWNER: NEW MEXICO STATE TREASURER'S OFFICE

PRINCIPAL AMOUNT: SEVEN MILLION TWO HUNDRED THOUSAND DOLLARS

THIS CERTIFIES THAT the registered owner specified above, or registered assigns, has an undivided interest in rights to receive certain Rent Payments by The Board of Education of the Aztec Municipal School District No. 2, San Juan County, New Mexico (the "Board") under a Lease Purchase Arrangement dated as of October 22, 2025 (as amended or supplemented from time to time, the "Lease") between New Mexico State Treasurer, as lessor (the "Lessor") and the Board as lessee (the "Lessee"). The interest of the owner of this note is secured as provided in the Lease. As owner (the "Owner") of the Note, Series 2025 (the "2025 Note"), evidencing an undivided interest in the right to receive certain Rent Payments in the original aggregate principal amount of \$7,200,000, Owner is entitled to receive Rent Payments consisting of principal and interest at set out in the Lease. Capitalized terms used but not defined herein have the meaning assigned to them in the Lease.

The Board on the faith, credit and behalf of Aztec Municipal School District No. 2, San Juan County, New Mexico (the "District"), for value received, hereby promises to pay to the registered owner named above, or registered assigns, the principal amount hereof on the Maturity Date and to pay interest on the principal amount at the Interest Rate on October 23, 2025 (the "Interest Payment Date") from the Series Date to its maturity. The principal of the Note of the series of which this is one and interest due at maturity shall be payable to the registered owner thereof as shown on the registration books kept by BOKF, NA, as "registrar/paying agent" (such entity and any successor thereto, the "Registrar/Paying Agent") for the Note, upon maturity and upon presentation and surrender thereof at the principal offices of the Registrar/Paying Agent. If any note

shall not be paid upon such presentation and surrender at or after maturity, it shall continue to draw interest at the rate borne by the note until the principal thereof is paid in full. Payment of interest on the Note (other than at maturity) shall be made by check or draft mailed by the Registrar/Paying Agent (or by such other arrangement as may be mutually agreed to by the Registrar/Paying Agent and such registered owner), on or before each Interest Payment Date (or, if such Interest Payment Date is not a business day, on or before the next succeeding business day), to the registered owner thereof on the Record Date (defined below) at his address as it appears on the registration books kept by the Registrar/Paying Agent. All such payments shall be made in lawful money of the United States of America. The term "Record Date" as used herein with respect to any Interest Payment Date shall mean the fifteenth day of the month immediately preceding the Interest Payment Date. The person in whose name any Note is registered on any Record Date with respect to any Interest Payment Date shall be entitled to receive the interest payable thereon on such Interest Payment Date notwithstanding any transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date; but interest on any note which is not timely paid or duly provided for shall cease to be payable as provided above and shall be payable to the person in whose name such note is registered at the close of business on a special record date (the "Special Record Date") fixed by the Registrar/Paying Agent for the payment of any such overdue interest. The Special Record Date shall be fixed by the Registrar/Paying Agent whenever moneys become available for payment of overdue interest, and notice of any such Special Record Date shall be given not less than ten days prior thereto, by first-class mail, to the registered owner of the Note as of the fifth day preceding the mailing of such notice by the Registrar/Paying Agent, stating the Special Record Date and the date fixed for the payment of overdue interest.

The Note is fully registered and issuable in denominations of \$1,000 or any integral multiple thereof.

This Note of which this note is one (to the extent more than one note is issued), is limited to the total principal amount of \$7,200,000 of like tenor except as to number, denomination, maturity date, and interest rate, issued by the Board for the purpose of acquiring technology equipment to the extent permitted by NMSA 1978 §§ 6-15A-3(C), under the authority of and in full conformity with the Constitution and laws of the State of New Mexico (including §§ 6-15-3 through 6-15-10 NMSA 1978, and §§ 6-18-1 through 6-18-16 NMSA 1978, the Public Securities Short-Term Interest Rate Act, and acts amendatory and supplemental thereto), and pursuant to the resolutions of the Board duly adopted on August 14, 2025 and September 11, 2025 and made a law of the District prior to the issuance of this Note (the "Lease Purchase Arrangement Resolutions").

The Registrar/Paying Agent will maintain the books of the District for the registration of ownership of the Note. Upon the surrender for transfer of any note at the principal office of the Registrar/Paying Agent, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his attorney duly authorized in writing, the Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the Note to be transferred in the name of the transferee or

transferees a new note or notes in fully registered form of the same aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. The Note may be exchanged at the principal offices of the Registrar/Paying Agent for an equal aggregate principal amount of the note of other authorized denominations, and of the same maturity, series and interest rate. The Registrar/Paying Agent shall authenticate and deliver not more than three business days after receipt of the note to be exchanged a note or notes which the registered owner making the exchange is entitled to receive, bearing a number or numbers not contemporaneously outstanding. Exchanges and transfers of notes as herein provided shall be without charge to the owner or any transferee, but the Registrar/Paying Agent may require the payment by the owner of any note requesting exchange or transfer of any tax or other governmental charge required to be paid with respect to such exchange or transfer.

The person in whose name any note shall be registered on the registration books kept by the Registrar/Paying Agent, shall be deemed and regarded as the absolute owner thereof for the purpose of making payment thereof and for all other purposes except as may otherwise be provided with respect to payment of interest; and payment of or on account of either principal or interest on any note shall be made only to or upon the written order of the registered owner thereof or his legal representative, but such registration may be changed upon transfer of such note in the manner and subject to the conditions and limitations provided herein. All such payments shall be valid and effectual to discharge the liability upon such note to the extent of the sum or sums so paid.

If any note shall be lost, stolen, destroyed or mutilated, the Registrar/Paying Agent shall, upon receipt of the mutilated note and such evidence, information or indemnity relating thereto as it may reasonably require and as may be required by law, authenticate and deliver a replacement note or notes of a like aggregate principal amount of authorized denominations, and of the same maturity, interest rate and series, bearing a number or numbers not contemporaneously outstanding. If such lost, stolen, destroyed or mutilated note shall have matured, the Registrar/Paying Agent may pay such note in lieu of replacement.

For the punctual payment of the principal of and interest on this note as aforesaid and for the levy and collection of taxes in accordance with the statutes authorizing the issuance of this note, the full faith and credit of the District is hereby irrevocably pledged. The Board has, by the Lease Purchase Arrangement Resolution, ordered the creation of an interest and sinking fund for the payment of the Note. Such fund is to be held in trust for the benefit of the owner or owners of the Note.

It is hereby certified, recited and warranted that all the requirements of law have been complied with by the proper officials of the District in the issuance of this note; that the total indebtedness of the District, including that of this note, does not exceed any limit of indebtedness prescribed by the Constitution or laws of the State of New Mexico; that provision has been made for the levy and collection of annual taxes sufficient to pay the

principal of and the interest on this note when the same becomes due. This note shall not be valid or obligatory for any purpose until the Registrar/Paying Agent shall have manually signed the note of authentication hereon.

IN TESTIMONY WHEREOF, the Board of Education of Aztec Municipal School District No. 2, San Juan County, New Mexico, constituting the governing board of the District, has caused the seal of the District to be hereto affixed and this note to be signed and executed with the manual or facsimile signature of the President of the Board and subscribed and attested with the manual or facsimile signature of the Secretary of the Board, all as of the Series Date.

Fran Dobey, President, Board of Education
Aztec Municipal School District No. 2

(DISTRICT SEAL)

ATTEST:

Laci L. Phillips Newland, Secretary, Board of Education
Aztec Municipal School District No. 2

CERTIFICATE OF AUTHENTICATION

This note is one of the Note described in the Lease Purchase Arrangement Resolution and has been duly registered on the registration books kept by the undersigned as Registrar/Paying Agent for the Note.

Date of Authentication and
Registration: October 22, 2025

BOKF, NA
as Registrar/Paying Agent

By: _____
Authorized Officer

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto _____
whose social security or tax identification number is _____
the within note and irrevocably constitutes and appoints _____
attorney to transfer such note on the books kept for registration thereof, with full power
of substitution in the premises.

Dated: _____

Signature Guaranteed: _____

NOTE: The assignor's signature to this assignment must correspond with the
 name as it appears upon the face of the within note, in every particular,
 without alteration or enlargement or any change whatsoever.