

**AN ORDER AUTHORIZING AND PROVIDING FOR THE DEFEASANCE
AND REDEMPTION OF CERTAIN OUTSTANDING OBLIGATIONS OF
MARBLE FALLS INDEPENDENT SCHOOL DISTRICT; AUTHORIZING
THE EXECUTION OF AN ESCROW AGREEMENT; AND CONTAINING
OTHER PROVISIONS RELATED THERETO**

WHEREAS, the Board of Trustees (the “Board”) of the Marble Falls Independent School District (the “District”) previously adopted orders (the “Original Orders”) authorizing the issuance of obligations designated as “Marble Falls Independent School District Unlimited Tax Refunding Bonds, Series 2016A” (the “Series 2016A Obligations”) and “Marble Falls Independent School District Unlimited Tax Refunding Bonds, Series 2017” (the “Series 2017 Obligations” and, together with the Series 2016A Obligations, the “Obligations”); and

WHEREAS, the Series 2016A Obligations are currently outstanding in the principal amount of \$6,055,000 and the Series 2017 Obligations are currently outstanding in the principal amount of \$22,355,000; and

WHEREAS, a portion of the Obligations (the “Callable Obligations”) are subject to redemption at the option of the District on February 15, 2026, or on any date thereafter (in the case of Series 2016A Obligations) and August 15, 2026, or on any date thereafter (in the case of Series 2017 Obligations); and

WHEREAS, the Original Orders provide the notice requirements to effect the redemption of the Callable Obligations; and

WHEREAS, it is in the best interest of the District to redeem a portion of the Callable Obligations as herein provided in order to terminate the payment of interest thereon and to reduce the District’s aggregate debt service requirements in the years subsequent to the redemption date;

NOW, THEREFORE, BE IT ORDERED BY THE BOARD OF TRUSTEES OF THE MARBLE FALLS INDEPENDENT SCHOOL DISTRICT THAT:

Section 1.

(a) A portion of the Callable Obligations, maturing on the dates and in the principal amounts set forth in **Exhibit A** hereto (the “Redeemed Obligations”), are hereby called for redemption, and shall be redeemed on the dates set forth in **Exhibit A** hereto (the “Redemption Dates”). The Board’s election to exercise the District’s right to redeem the Redeemed Obligations and direction to provide notice of redemption is irrevocable upon the District’s transfer of lawfully available funds pursuant to subsection (b) of this section.

(b) To effectuate the defeasance and redemption of the Redeemed Obligations, at the direction of the President or Vice President of the Board or the District’s Superintendent or Executive Director of Finance (each, an “Authorized Representative”), the District shall transfer lawfully available funds in the amount sufficient to discharge the Redeemed Obligations (the “Defeasance Deposit”) to The Bank of New York Mellon Trust Company, National Association, as the escrow agent for the Obligations (the “Escrow Agent”); provided, that the Defeasance Deposit shall not exceed \$8,000,000.

(c) Notice of defeasance and redemption of the Redeemed Obligations shall be provided in accordance with the Original Orders.

Section 2. The Escrow Agreement (the “Escrow Agreement”), by and between the District and the Escrow Agent and relating to the Redeemed Obligations, in substantially the form attached hereto as **Exhibit B** and incorporated herein by reference as a part of this Order for all purposes, is hereby approved as to form and content, and such Escrow Agreement, together with such changes or revisions as may be necessary to accomplish the defeasance of the Redeemed Obligations or benefit the District, is hereby authorized to be executed by an Authorized Representative, for and on behalf of the District and as the act and deed of this Board; and such Escrow Agreement as executed by said officials shall be deemed approved by the Board and constitute the Escrow Agreement herein approved.

Furthermore, each Authorized Representative, the District’s Financial Advisor, and Bond Counsel, in cooperation with the Escrow Agent, are hereby authorized and directed to make the necessary arrangements for the deposit of cash and/or the purchase of any securities referenced in the Escrow Agreement and the delivery thereof to the Escrow Agent upon delivery to the Escrow Agent of the Defeasance Deposit described in Section 1 of this Order which shall be deposited to the credit of the special escrow fund established and maintained by the Escrow Agent for such purpose (the “Escrow Fund”), including the execution of subscription forms or agreements, if any, for the purchase of eligible securities for investment of amounts deposited to the Escrow Fund; all as contemplated and provided by the provisions of Chapter 1207, as amended, Texas Government Code, this Order, and the Escrow Agreement.

Section 3. An Authorized Representative is authorized and directed to instruct the paying agent/registrar(s) for the Redeemed Obligations to provide notice of the defeasance and redemption of the Redeemed Obligations, as provided and required by the Original Orders.

Section 4. An Authorized Representative is authorized to engage a recognized firm of certified or independent public accountants or other qualified finance professionals (the “Verification Agent”) to verify the sufficiency of the Defeasance Deposit to accomplish the defeasance of the Redeemed Obligations, to the extent such appointment is necessary or appropriate and in the event of the establishment of a net defeasance escrow fund; provided, however, that in the event of a gross defeasance of the Redeemed Obligations, the sufficiency of the Defeasance Deposit to accomplish such defeasance may be certified to the District by the District’s Financial Advisor or another qualified financial institution in lieu of verification by the Verification Agent.

Section 5. The President, Vice President, and Secretary of the Board are authorized to evidence adoption of this Order and, together with the District’s Superintendent and Executive Director of Finance, execute and deliver such agreements, certificates, notices, letters, and other instruments as any such official shall deem necessary, appropriate, or convenient to effect the defeasance and redemption described herein and otherwise give effect to the intent and purpose hereof.

Section 6. The Board hereby approves payment from lawfully available District funds of professional fees and expenses of the District’s Financial Advisor and Bond Counsel, the

Escrow Agent, the Verification Agent, and the paying agent/registrars for the Redeemed Obligations, respectively, and any other party whose services have been determined by an Authorized Representative to be necessary or appropriate to accomplish the purpose and intent of this Order.

Section 7. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Order for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 8. This Order shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 9. If any provision of this Order or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Order and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Order would have been enacted without such invalid provision.

Section 10. It is officially found, determined, and declared that the meeting at which this Order is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Order, was given, all as required by Chapter 551, as amended, Texas Government Code.

Section 11. This Order shall be in force and effect from and after its final passage, and it is so ordered.

* * * *

PASSED AND APPROVED, this the 15th day of April, 2024.

MARBLE FALLS INDEPENDENT SCHOOL
DISTRICT

President, Board of Trustees

ATTEST:

Secretary, Board of Trustees

(DISTRICT SEAL)

EXHIBIT A⁽¹⁾

Marble Falls Independent School District Unlimited Tax Refunding Bonds, Series 2016A, dated April 15, 2016:

Redeemed Obligations

CUSIP No. *	Stated Maturity	Outstanding Principal Amount (\$)	Principal Amount Called for Redemption (\$)	Interest Rate (%)
566030VD1	08/15/2035	620,000	620,000	2.500
566030VE9	08/15/2036	630,000	630,000	2.750
566030VF6	08/15/2037	655,000	655,000	2.750

Redemption Date for Series 2016A Obligations: February 15, 2026

* * * * *

Marble Falls Independent School District Unlimited Tax Refunding Bonds, Series 2017, dated January 15, 2017:

Redeemed Obligations

CUSIP No. *	Stated Maturity	Outstanding Principal Amount (\$)	Principal Amount Called for Redemption (\$)	Interest Rate (%)
566030WH1	08/15/2034	1,785,000	235,000	3.000
566030WJ7	08/15/2035	1,835,000	1,835,000	3.125
566030WK4	08/15/2036	1,895,000	1,895,000	3.125
566030WL2	08/15/2037	1,955,000	1,955,000	3.250

Redemption Date for Series 2017 Obligations: August 15, 2026

⁽¹⁾ In the event that the total Principal Amount Called for Redemption requires modification to permit the defeasance of the Principal Amount Called for Redemption based on the final pricing of escrow fund investments acquired with the Defeasance Deposit, the foregoing Principal Amount Called for Redemption identified for defeasance and redemption shall be revised at the direction of an Authorized Representative.

* The CUSIP number is included solely for the convenience of the Obligation holders. None of the District, Bond Counsel, or the Paying Agent/Registrar shall be responsible for the selection or the use of the CUSIP number, nor is any representation made as to its correctness on the Obligations or as indicated in any redemption notice.

EXHIBIT B
ESCROW AGREEMENT

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this “Escrow Agreement”), dated for convenience as of May 15, 2024, but effective on the Escrow Funding Date described herein, is made and entered into by and between the Marble Falls Independent School District, an independent school district duly created, organized, and existing under the Constitution and laws of the State of Texas (together with any successor to its duties and functions, the “District”), and The Bank of New York Mellon Trust Company, National Association, Dallas, Texas, as escrow agent (together with any successor or assign in such capacity, the “Escrow Agent”).

WHEREAS, the District has heretofore issued certain bonds (hereinafter defined as the “Obligations”) and the governing body of the District has determined that it desires to defease and redeem a portion of the Obligations in advance of their stated maturities;

WHEREAS, the governing body of the District has adopted an order (the “Defeasance Order”) authorizing the defeasance and redemption of certain of the Obligations identified herein in Exhibit C (the “Defeased Obligations”);

WHEREAS, to provide for the payment of the Defeased Obligations, the District has provided for the transfer to the Escrow Agent pursuant to this Escrow Agreement of lawfully available funds for such purpose (the “Escrow Deposits”); and

WHEREAS, the governing body of the District has further determined to effectuate the defeasance of the Defeased Obligations pursuant to this Escrow Agreement, under which provision is made for the safekeeping, investment, reinvestment, administration, and disposition of the Escrow Deposit so as to provide firm banking and financial arrangements for the discharge and final payment of the Defeased Obligations pursuant to Sections 1207.033 and 1207.062, Texas Government Code;

NOW, THEREFORE, in consideration of the mutual undertakings, promises, and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which hereby are acknowledged, and in order to secure the full and timely payment of the principal of and interest on the Defeased Obligations, the District and the Escrow Agent contract and agree as follows:

ARTICLE I

DEFINITIONS AND INTERPRETATIONS

Section 1.1 Definitions.

Unless otherwise expressly provided or unless the context clearly requires otherwise, the following terms shall have the respective meanings specified below for all purposes of this Escrow Agreement:

“Board” shall mean the District’s Board of Trustees.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder and under the Internal Revenue Code of 1954.

“Defeasance Order” shall mean the District’s order adopted by the Board on May 15, 2024, authorizing the defeasance and redemption of the Defeased Obligations.

“Defeasance Securities” means (a) Government Obligations, (b) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of the purchase thereof, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent, and (c) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date of the purchase thereof, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent.

“Defeased Obligations” shall mean the outstanding bonds of the District shown on Exhibit C hereto.

“District” shall mean the Marble Falls Independent School District, and any successor to its duties and functions.

“Escrow Agent” shall mean The Bank of New York Mellon Trust Company, National Association, Dallas, Texas, in its capacity as escrow agent hereunder, and any successor or assign in such capacity.

“Escrow Agreement” shall mean this escrow agreement.

“Escrow Deposits” shall mean, together, the Series 2016A Escrow Deposit and the Series 2017 Escrow Deposit.

“Escrow Funding Date” shall mean the date on which the District deposits with the Escrow Agent the Escrow Deposit described in Section 2.1.

“Escrow Funds” shall mean, together, the Series 2016A Escrow Fund and the Series 2017 Escrow Fund.

“Escrowed Securities” shall mean, together, the Series 2016A Escrowed Securities and the Series 2017 Escrowed Securities.

“Government Obligations” means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

“Limited Yield Securities” shall mean the non-callable United States Treasury Obligations-State and Local Government Series to be initially purchased with proceeds of the Escrow Deposit, as more fully described in the Report, together with all reinvestments of the proceeds thereof as may be directed in Section 4.2 or permitted in Section 4.3(b).

“Obligations” shall mean, collectively, the Series 2016A Obligations and the Series 2017 Obligations.

“Open Market Securities” shall mean Defeasance Securities, if any, to be purchased in the open market with cash and the proceeds of the Escrow Deposit, as more fully described in the Report, together with all reinvestments of the proceeds thereof as may be directed in Section 4.2 or permitted in Section 4.3(b), or cash or obligations substituted therefor pursuant to Section 4.3(a).

“Original Orders” shall mean the District’s orders authorizing the issuance, sale, and delivery of the Obligations.

“Paying Agent for the Defeased Obligations” shall mean The Bank of New York Mellon Trust Company, National Association.

“Report” shall mean the verification report prepared by the Verification Agent relating to the defeasance of the Defeased Obligations, a copy of which is attached hereto as Exhibit B, and any subsequent verification report required by Section 4.3.

“Series 2016A Escrow Deposit” shall mean the initial deposit into the Series 2016A Escrow Fund, as more particularly described in Section 2.1(a).

“Series 2016A Escrow Fund” shall mean the fund created in Section 3.1(a) of this Escrow Agreement to be administered by the Escrow Agent pursuant to the provisions of this Escrow Agreement.

“Series 2016A Escrowed Securities” shall mean the Limited Yield Securities and the Open Market Securities purchased for deposit in the Series 2016A Escrow Fund, as described in the Report.

“Series 2016A Obligations” shall mean the Marble Falls Independent School District Unlimited Tax Refunding Bonds, Series 2016A.

“Series 2017 Escrow Deposit” shall mean the initial deposit into the Series 2017 Escrow Fund, as more particularly described in Section 2.1(b).

“Series 2017 Escrow Fund” shall mean the fund created in Section 3.1(b) of this Escrow Agreement to be administered by the Escrow Agent pursuant to the provisions of this Escrow Agreement.

“Series 2017 Escrowed Securities” shall mean the Limited Yield Securities and the Open Market Securities purchased for deposit in the Series 2017 Escrow Fund, as described in the Report.

“Series 2017 Obligations” shall mean the Marble Falls Independent School District Unlimited Tax Refunding Bonds, Series 2017.

“Verification Agent” shall mean the recognized firm of certified public accountants appointed pursuant to the Defeasance Order.

Section 1.2 Interpretations.

The titles and headings of the articles and sections of this Escrow Agreement have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict the terms hereof. This Escrow Agreement and all of the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to achieve the intended purpose of providing for the defeasance and redemption of the Defeased Obligations in accordance with applicable law.

Capitalized terms used herein and not otherwise defined shall have the meaning assigned in the Defeasance Order.

ARTICLE II

DEPOSITS OF FUNDS AND ESCROWED SECURITIES

Section 2.1 Deposits to Escrow Funds.

(a) On the Escrow Funding Date, the District shall deposit, or cause to be deposited, with the Escrow Agent, for deposit in the Series 2016A Escrow Fund, the funds and Series 2016A Escrowed Securities described in the Report (the “Series 2016A Escrow Deposit”), consisting of the following:

- (i) As the beginning cash balance for the Series 2016A Escrow Fund as shown in the Report, \$____;
- (ii) the initial Limited Yield Securities with a purchase price of \$____; and
- (iii) the initial Open Market Securities with a purchase price of \$_____.

The Escrow Agent shall, upon the receipt thereof, acknowledge such receipt to the District in writing.

(b) On the Escrow Funding Date, the District shall deposit, or cause to be deposited, with the Escrow Agent, for deposit in the Series 2017 Escrow Fund, the funds and Series 2017 Escrowed Securities described in the Report (the “Series 2017 Escrow Deposit”), consisting of the following:

- (i) As the beginning cash balance for the Escrow Fund as shown in the Report, \$____;
- (ii) the initial Limited Yield Securities with a purchase price of \$____; and
- (iii) the initial Open Market Securities with a purchase price of \$_____.

The Escrow Agent shall, upon the receipt thereof, acknowledge such receipt to the District in writing.

ARTICLE III

CREATION AND OPERATION OF ESCROW FUNDS

Section 3.1 Escrow Funds.

On the Escrow Funding Date, the Escrow Agent will create in its books two special funds and irrevocable escrows to be known as the “Marble Falls Independent School District 2024 Series 2016A Defeasance Escrow Fund” (the “Series 2016A Escrow Fund”) and the “Marble Falls Independent School District 2024 Series 2017 Escrow Fund (the “Series 2017 Escrow Fund”). On the Escrow Funding Date, the Series 2016A Escrow Deposit described in subsection 2.1(a) will be deposited to the credit of the Series 2016A Escrow Fund, and the Series 2017 Escrow Deposit described in subsection 2.1(b) will be deposited to the credit of the Series 2017 Escrow Fund. The Series 2016A Escrow Deposit and all proceeds therefrom and the Series 2017 Escrow Deposit and all proceeds therefrom shall be the property of the Series 2016A Escrow Fund and the Series 2017 Escrow Fund, respectively, and shall be applied only in strict conformity with the terms and conditions hereof. All Escrowed Securities, all proceeds therefrom, and all cash balances from time to time on deposit in the Escrow Funds are hereby irrevocably pledged to the payment of the principal of, redemption premium, if any, and interest on the Defeased Obligations, which payment shall be made by timely transfers to the Paying Agent for the Defeased Obligations of such amounts at such times as are provided in Section 3.2. When the final transfers have been made to the Paying Agent for the Defeased Obligations for the payment of such principal of, redemption premium, if any, and interest on the Defeased Obligations, any balance then remaining in the applicable Escrow Fund shall be transferred to the District. When the final transfers have been made to the Paying Agent for the Defeased Obligations for the payment of such principal of, redemption premium, if any, and interest on the Defeased Obligations, and any balance has been transferred to the District as described in the immediately preceding sentence, the Escrow Agent shall thereupon be discharged from any further duties hereunder.

Section 3.2 Payment of Principal, Redemption Premium, if any, and Interest; Redemption of Certain Obligations.

- (a) The Escrow Agent is hereby irrevocably instructed to transfer to the Paying Agent for the Defeased Obligations from the cash balance from time to time on deposit in the applicable Escrow Fund the amounts required to pay the principal of, redemption premium, if any, and interest on the Defeased Obligations in the amounts and at the times shown in the Report.
- (b) Except for amounts transferred to the Paying Agent for the Defeased Obligations pursuant to Section 3.2(a) and to the District pursuant to Section 3.1 and Section 4.2, the Escrow Agent agrees that it shall never make any withdrawals from the Escrow Funds or assert any claims, liens, or charges against the Escrow Funds.

Section 3.3 Sufficiency of Escrow Funds.

The District represents (based upon the Report) that the successive receipts of the principal of and interest on the Escrowed Securities will assure that the cash balance on deposit from time to time in the Escrow Funds will be at all times sufficient to provide money for transfer to the Paying Agent for the Defeased Obligations at the times and in the amounts required to pay the interest on the Defeased Obligations as such interest comes due and to pay the principal of, redemption premium, if any, and interest on the Defeased Obligations as the Defeased Obligations mature or are called for redemption, all as more fully set forth in the Report. If, for any reason, at any time, the cash balances on deposit or scheduled to be on deposit in an Escrow Fund shall be insufficient to transfer the amounts required by the Paying Agent for the Defeased Obligations to make the payments set forth in Section 3.2, the District shall timely deposit into the applicable Escrow Fund, from lawfully available funds, additional funds in the amounts required to make such payments. Notice of any such insufficiency shall be given promptly by the Escrow Agent to the District as hereinafter provided, but the Escrow Agent shall not in any manner be responsible for any insufficiency of funds in the Escrow Fund or the District's failure to make additional deposits thereto.

Section 3.4 Trust Fund.

The Escrow Agent at all times shall hold the Escrow Funds, the Escrowed Securities, and all other assets of the Escrow Funds wholly segregated from all other funds and securities on deposit with the Escrow Agent; it shall never allow the Escrowed Securities or any other assets of the Escrow Funds to be commingled with any other funds or securities of the Escrow Agent; and it shall hold and dispose of the assets of the Escrow Funds only as set forth herein. The Escrowed Securities and other assets of the Escrow Funds always shall be maintained by the Escrow Agent for the benefit of the holders of the Defeased Obligations; and a special account evidencing such fact shall be maintained at all times on the books of the Escrow Agent. The holders of the Defeased Obligations shall be entitled to the same preferred claim and first lien upon the Escrowed Securities, the proceeds thereof, and all other assets of the Escrow Funds to which they are entitled as holders of the Defeased Obligations. The amounts received by the Escrow Agent under this Escrow Agreement shall not be considered as a banking deposit by the District, and the Escrow Agent shall have no right or title with respect thereto except as escrow agent under the terms hereof. The amounts received by the Escrow Agent hereunder shall not be subject to warrants, drafts, or checks drawn by the District or, except to the extent expressly herein provided, by the Paying Agent for the Defeased Obligations.

Section 3.5 Security for Cash Balances.

Cash balances from time to time on deposit in the Escrow Fund, to the extent not insured by the Federal Deposit Insurance Corporation or its successor, shall be collateralized with securities or obligations that are eligible under the laws of the State of Texas to secure and be pledged as collateral for trust accounts until the principal of and interest on the Defeased Obligations have been presented for payment and paid to the owners thereof.

ARTICLE IV

LIMITATION ON INVESTMENTS

Section 4.1 General.

Except as herein otherwise expressly provided, the Escrow Agent shall not have any power or duty to invest any money held hereunder, to make substitutions of the Escrowed Securities or to sell, transfer, or otherwise dispose of the Escrowed Securities.

Section 4.2 Reinvestment of Proceeds of Escrowed Securities.

The Escrow Agent is hereby authorized and directed to reinvest proceeds of the Escrowed Securities which are attributable to amounts received as principal of or interest on the Escrowed Securities and which are not immediately needed to pay the Defeased Obligations in Government Obligations selected by the District, in the amounts, and maturing and bearing interest, all as set out in the Report. The District hereby designates and appoints the Escrow Agent as its agent and duly authorized representative for purposes of subscribing for and purchasing such obligations, all of which shall constitute Escrowed Securities. Any income or increment earned from such reinvestment remaining after final payment of the Defeased Obligations shall be promptly transferred to the District as described in Section 3.1.

Section 4.3 Substitution of Securities.

- (a) Concurrently with the delivery of the Escrow Deposits, the District may, upon compliance with the conditions stated in subsection (c) of this Section 4.3, at its option, substitute cash or non-interest bearing obligations of the United States Treasury (i.e., Treasury obligations which mature and are payable in a stated amount on the maturity date thereof and for which there are no payments other than the payment made on the maturity date) for non-interest bearing Open Market Securities listed in the Report, but only if such cash and/or substituted non-interest bearing direct obligations of the United States Treasury:
 - (i) are in an amount, and/or mature in an amount, which, together with any cash substituted for such obligations, is equal to or greater than the amount payable on the maturity date of the obligation listed in the Report which such obligation is substituted, and
 - (ii) mature on or before the maturity date of the obligation listed in the Report for which such obligation is substituted.

The District may at any time substitute any Open Market Securities which, as permitted by the preceding sentence, were not deposited to the credit of the Escrow Funds, for the cash and/or obligations that were substituted concurrently with the delivery of the Escrow Deposits for such Open Market Securities.

- (b) At the written request of the District, and upon compliance with the conditions hereinafter stated in subsection (c) of this Section 4.3, the Escrow Agent shall sell,

transfer, otherwise dispose of or request the redemption of all or any portion of the Escrowed Securities and apply the proceeds therefrom to purchase Defeased Obligations or direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America which do not permit the redemption thereof at the option of the obligor.

- (c) Any such transaction described in subsections (a) and (b) of this Section 4.3 may be affected by the Escrow Agent only if (1) the Escrow Agent shall have received a written opinion from a recognized firm of certified public accountants that such transaction will not cause the amount of money and securities in the Escrow Fund to be reduced below an amount which will be sufficient, when added to the interest to accrue thereon, to provide for the payment of principal of, redemption premium, if any, and interest on the remaining Defeased Obligations as they become due, and (2) the Escrow Agent shall have received the unqualified written legal opinion of nationally recognized bond counsel or tax counsel acceptable to the District and the Escrow Agent to the effect that (a) such transaction will not cause any of the Defeased Obligations to be an “arbitrage bond” within the meaning of the Code and (b) that such transaction complies with the Constitution and laws of the State of Texas and with all relevant documents relating to the issuance of the Defeased Obligations.

Section 4.4 Arbitrage.

The District hereby covenants and agrees that it shall never request the Escrow Agent to exercise any power hereunder or permit any part of the money in the Escrow Funds or proceeds from the sale of Escrowed Securities to be used directly or indirectly to acquire any securities or obligations if the exercise of such power or the acquisition of such securities or obligations would cause any Defeased Obligation to be an “arbitrage bond” within the meaning of the Code.

ARTICLE V

RECORDS AND REPORTS

Section 5.1 Records.

The Escrow Agent shall keep books of record and account in which complete and correct entries shall be made of all transactions relating to the receipt, disbursement, allocation, and application of the money and Escrowed Securities deposited to the Escrow Funds and all proceeds thereof, and such books shall be available for inspection at reasonable hours and under reasonable conditions by the District and the holders of the Defeased Obligations.

Section 5.2 Reports.

For the period beginning on the Escrow Funding Date and ending on December 31, 2023, and for each twelve (12) month period thereafter while this Agreement remains in effect, the Escrow Agent shall prepare and send to the District within thirty (30) days following the end of such period a written report summarizing all transactions relating to the Escrow Funds during such period, including, without limitation, credits to the Escrow Funds as a result of interest payments

on or maturities of the Escrowed Securities and transfers from the Escrow Funds to the Paying Agent for the Defeased Obligations or otherwise, together with a detailed statement of all Escrowed Securities and the cash balances on deposit in the Escrow Funds as of the end of such period.

ARTICLE VI

CONCERNING THE ESCROW AGENT

Section 6.1 Representations of Escrow Agent.

The Bank of New York Mellon Trust Company, National Association, having an office in Dallas, Texas, hereby represents that it is (a) either (i) a Paying Agent for the Defeased Obligations or (ii) a trust company or commercial bank that does not act as a depository for the District, and (b) that it has all necessary power and authority to enter into this Escrow Agreement and undertake the obligations and responsibilities imposed upon it herein and that it will carry out all of its obligations hereunder.

Section 6.2 Limitation on Liability.

The liability of the Escrow Agent to transfer funds to the Paying Agent for the Defeased Obligations for the payments of the principal of, redemption premium, if any, and interest on the Defeased Obligations shall be limited to the proceeds of the Escrowed Securities and the cash balances from time to time on deposit in the Escrow Funds. Notwithstanding any provision contained herein to the contrary, the Escrow Agent shall have no liability whatsoever for the insufficiency of funds from time to time in the Escrow Funds or any failure of the obligor of the Escrowed Securities to make timely payment thereon, except for its obligation to notify the District promptly of any such occurrence upon the Escrow Agent having actual knowledge of such occurrence.

The recitals herein and in the Defeasance Order shall be taken as the statements of the District and shall not be considered as made by, or imposing any obligation or liability upon, the Escrow Agent. The Escrow Agent is not a party to the Defeasance Order or the Original Orders and in its capacity as Escrow Agent is not responsible for or bound by any of the provisions thereof. In its capacity as Escrow Agent, it is agreed that the Escrow Agent need look only to the terms and provisions of this Escrow Agreement.

The Escrow Agent makes no representation as to the value, condition, or sufficiency of the Escrow Funds, or any part thereof, or as to the title of the District thereto, or as to the security afforded thereby or hereby, and the Escrow Agent shall incur no liability or responsibility with respect to any of such matters.

It is the intention of the District and the Escrow Agent that the Escrow Agent shall never be required to risk, use, or advance its own funds or otherwise incur personal financial liability in the performance of any of its duties or the exercise of any of its rights and powers hereunder.

The Escrow Agent shall not be liable for the performance of any duties, except such duties as are specifically set forth in this Escrow Agreement, and no implied covenants or obligations

shall be read into this Escrow Agreement. Nothing herein contained shall relieve the Escrow Agent from liability for its own negligent action, negligent failure to act, or willful misconduct, except that this sentence shall not be construed to limit the effect of the immediately preceding sentence. The Escrow Agent shall not incur any liability for any error of judgment made in good faith by a responsible officer thereof, unless it shall be proved that it was negligent in ascertaining the pertinent facts. The Escrow Agent shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document believed by it to be genuine, and to have been signed or presented by the proper party or parties. The Escrow Agent may consult with counsel, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it in good faith and in accordance therewith.

The Escrow Agent may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents, attorneys, custodians, or nominees appointed with due care, and shall not be responsible for any willful misconduct or negligence on the part of any agent, attorney, custodian, or nominee so appointed.

The Escrow Agent agrees to accept and act upon instructions or directions pursuant to this Agreement sent by unsecured e-mail, facsimile transmission, or other similar unsecured electronic methods; provided, however, that the Escrow Agent shall have received an incumbency certificate listing persons designated to give such instructions or directions and containing specimen signatures of such designated persons, which such incumbency certificate shall be amended and replaced whenever a person is to be added or deleted from the listing. If the District elects to give the Escrow Agent e-mail or facsimile instructions (or instructions by a similar electronic method) and the Escrow Agent in its discretion elects to act upon such instructions, the Escrow Agent's understanding of such instructions shall be deemed controlling. The Escrow Agent shall not be liable for any losses, costs, or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The District agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Escrow Agent, including without limitation the risk of the Escrow Agent acting on unauthorized instructions, and the risk of interception and misuse by third parties.

Unless it is specifically provided otherwise herein, the Escrow Agent has no duty to determine or inquire into the happening or occurrence of any event or contingency or the performance or failure of performance of the District with respect to arrangements or contracts with others, with the Escrow Agent's sole duty hereunder being to safeguard the Escrow Funds and to dispose of and deliver the same in accordance with this Escrow Agreement. If, however, the Escrow Agent is called upon by the terms of this Escrow Agreement to determine the occurrence of any event or contingency, the Escrow Agent shall be obligated, in making such determination, only to exercise reasonable care and diligence, and in the event of error in making such determination the Escrow Agent shall be liable only for its own misconduct or its negligence. In determining the occurrence of any such event or contingency the Escrow Agent may request from the District or any other person such reasonable additional evidence as the Escrow Agent in its discretion may deem necessary to determine any fact relating to the occurrence of such event or contingency, and in this connection may make inquiries of, and consult with, the District, among others, at any time.

The Escrow Agent shall not be liable for any action taken or neglected to be taken by it in good faith in the exercise of reasonable care and believed by it to be within the discretion or power conferred upon it by this Escrow Agreement, nor shall the Escrow Agent be responsible for the consequences of any error of judgment; nor shall the Escrow Agent be answerable, except for its own neglect or willful misconduct, for any loss unless the same shall have been through its negligence or want of good faith.

In the absence of bad faith, the Escrow Agent may rely conclusively upon the truth, completeness, and accuracy of the statements, certificates, opinions, resolutions, and other documents conforming to the requirements of this Escrow Agreement and shall not be obligated to make any independent investigation with respect thereto.

To the full extent permitted by law, the District agrees to indemnify, defend, and hold the Escrow Agent and its officers, directors, agents, and employees harmless from and against any and all loss, damage, tax, liability, and expense that may be incurred by the Escrow Agent arising out of or in connection with its acceptance or appointment as Escrow Agent hereunder, including attorneys' fees and expenses of defending itself against any claim or liability in connection with its performance hereunder, except that the Escrow Agent shall not be indemnified for any loss, damage, tax, liability, or expense resulting from its own negligence or willful misconduct.

The Escrow Agent is authorized and directed to transfer funds relating to the closing in the manner disclosed in the closing memorandum prepared by the District's financial advisor or other agent which is delivered to the Escrow Agent by the District. The Escrow Agent may act on a facsimile or electronic mail transmission of the closing memorandum acknowledged in writing by the District or the District's financial advisor as the final closing memorandum. The Escrow Agent shall not be liable for any losses, costs, or expenses arising directly or indirectly from the Escrow Agent's reliance upon and compliance with such instructions.

Section 6.3 Compensation.

On the Escrow Funding Date, the District will pay the Escrow Agent for performing its services as Escrow Agent hereunder and for all expenses incurred or to be incurred by the Escrow Agent in the administration of this Escrow Agreement, the fees set out in Exhibit A. If the Escrow Agent is requested or required to perform any extraordinary services hereunder, the District hereby agrees to pay reasonable fees to the Escrow Agent for such extraordinary services and to reimburse the Escrow Agent for all expenses incurred by the Escrow Agent in performing such extraordinary services. It is expressly provided that the Escrow Agent shall look only to the District for the payment of such additional fees and reimbursement of such additional expenses. The Escrow Agent hereby agrees that in no event shall it ever assert any claim or lien against the Escrow Funds for any fees for its services, whether regular, additional, or extraordinary, as Escrow Agent, or in any other capacity, or for reimbursement for any of its expenses. The foregoing sentence shall survive the termination of this Escrow Agreement and the earlier removal or resignation of the Escrow Agent.

Section 6.4 Successor Escrow Agents.

If at any time the Escrow Agent or its legal successor or successors should become unable, through operation of law or otherwise, to act as escrow agent hereunder, or if its property and affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy or for any other reason or if the Escrow Agent resigns or is removed in accordance with this Section, a vacancy shall forthwith exist in the office of Escrow Agent hereunder. In such event the District, by appropriate action, shall promptly appoint an Escrow Agent to fill such vacancy. If no successor Escrow Agent shall have been appointed by the District within 60 days of such vacancy or Escrow Agent's giving notice of resignation, a successor may be appointed by the holders of a majority in aggregate principal amount of the Defeased Obligations then outstanding by an instrument or instruments in writing filed with the District, signed by such holders or by their duly authorized attorneys or the Escrow Agent may petition a court of competent jurisdiction for the appointment of a successor Escrow Agent. If, in a proper case, no appointment of a successor Escrow Agent shall be made pursuant to the foregoing provisions of this section within three months after a vacancy shall have occurred, the holder of any Defeased Obligation then outstanding may apply to any court of competent jurisdiction to appoint a successor Escrow Agent. Such court may thereupon, after such notice, if any, as it may deem proper, prescribe and appoint a successor Escrow Agent.

Any successor Escrow Agent shall be qualified to act in such capacity under Chapter 1207, Texas Government Code, as amended, and shall be a corporation organized and doing business under the laws of the United States or the State of Texas, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least \$50,000,000, and subject to supervision or examination by federal or state authority.

Any successor Escrow Agent shall execute, acknowledge, and deliver to the District and the Escrow Agent an instrument accepting such appointment hereunder, and the Escrow Agent shall execute and deliver an instrument transferring to such successor Escrow Agent, subject to the terms of this Agreement, all the rights, powers, and trusts of the Escrow Agent hereunder. Upon the request of any such successor Escrow Agent, the District shall execute any and all instruments in writing for more fully and certainly vesting in and confirming to such successor Escrow Agent all such rights, powers, and duties. The Escrow Agent shall pay over to its successor Escrow Agent a proportional part of the Escrow Agent's fee paid hereunder.

The Escrow Agent at the time acting hereunder may at any time resign and be discharged from the escrow hereby created by giving not less than sixty (60) days' written notice to the District specifying the date when such resignation will take effect. No such resignation shall take effect unless a successor Escrow Agent shall have been appointed by the holders of the Defeased Obligations or by the District as herein provided and such successor Escrow Agent shall have accepted such appointment, in which event such resignation shall take effect immediately upon the appointment and acceptance of a successor Escrow Agent.

The Escrow Agent may be removed at any time by an instrument or concurrent instruments in writing delivered to the Escrow Agent and to the District and signed by the holders of a majority in aggregate principal amount of the Defeased Obligations then outstanding.

ARTICLE VII
MISCELLANEOUS

Section 7.1 Notices.

Any notice, authorization, request, or demand required or permitted to be given hereunder shall be made or given in writing and shall be deemed to have been duly given when mailed by registered or certified mail, postage prepaid, addressed as follows:

To the Escrow Agent:

The Bank of New York Mellon Trust Company, National Association
Attn. Corporate Trust
2001 Bryan Street, 10th Floor
Dallas, TX 75201

To the District:

Marble Falls Independent School District
1800 Colt Circle
Marble Falls, Texas 78654
Attention: Superintendent

The United States Post Office registered or certified mail receipt showing delivery of the aforesaid shall be conclusive evidence of the date and fact of delivery. Either party hereto may change the address to which notices are to be delivered by giving to the other party not less than ten (10) days' prior written notice thereof.

Section 7.2 Termination of Responsibilities.

Upon the taking by the Escrow Agent of all the actions as described herein, the Escrow Agent shall have no further obligations or responsibilities hereunder to the District, the holders of the Defeased Obligations, or to any other person or persons in connection with this Escrow Agreement.

Section 7.3 Binding Agreement; Amendment.

This Escrow Agreement shall be binding upon the District and the Escrow Agent and their respective successors and legal representatives and shall inure solely to the benefit of the holders of the Defeased Obligations, the District, the Escrow Agent, and their respective successors and legal representatives. This Escrow Agreement shall not be subject to amendment without the written consent of the holders of all Defeased Obligations then outstanding.

Section 7.4 Severability.

If any one or more of the provisions contained in this Escrow Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or

unenforceability shall not affect any other provision of this Escrow Agreement, but this Escrow Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein.

Section 7.5 Governing Law.

This Escrow Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State of Texas.

Section 7.6 Counterparts.

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute one and the same Agreement.

Section 7.7 Time of Essence.

Time shall be of the essence in the performance of obligations from time to time imposed upon the Escrow Agent by this Escrow Agreement.

Section 7.8 Statutory Verifications. The Escrow Agent makes the following representation and covenants to enable the Issuer to comply with Chapters 2252, 2271, 2274, and 2276, Texas Government Code, as heretofore amended (the “Government Code”), in entering into this Agreement. As used in such verifications, “affiliate” means an entity that controls, is controlled by, or is under common control with the Escrow Agent within the meaning of SEC Rule 405, 17 C.F.R. § 230.405, and exists to make a profit. Liability for breach of any such verification prior to the expiration or earlier termination of this Agreement shall survive until barred by the applicable statute of limitations, and shall not be liquidated or otherwise limited by any provision of this Agreement, notwithstanding anything in this Agreement to the contrary.

a. Not a Sanctioned Company. The Escrow Agent represents that neither it nor any of its parent company, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Government Code. The foregoing representation excludes an Escrow Agent and each of its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization.

b. No Boycott of Israel. The Escrow Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and will not boycott Israel during the term of this Agreement. As used in the foregoing verification, “boycott Israel” has the meaning provided in Section 2271.001, Government Code.

c. No Discrimination Against Firearm Entities. The Escrow Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not have a practice, policy, guidance, or directive that discriminates

against a firearm entity or firearm trade association and will not discriminate against a firearm entity or firearm trade association during the term of this Agreement. As used in the foregoing verification, “discriminate against a firearm entity or firearm trade association” has the meaning provided in Section 2274.001(3), Government Code.

d. *No Boycott of Energy Companies.* The Escrow Agent hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott energy companies and will not boycott energy companies during the term of this Agreement. As used in the foregoing verification, “boycott energy companies” has the meaning provided in Section 2276.001(1), Government Code.

22. Form 1295. Submitted herewith is a completed Form 1295 in connection with the Escrow Agent’s participation in the execution of this Agreement generated by the Texas Ethics Commission’s (the “TEC”) electronic filing application in accordance with the provisions of Section 2252.908 of the Texas Government Code and the rules promulgated by the TEC (“Form 1295”). The City hereby confirms receipt of the Form 1295 from the Escrow Agent, and the City agrees to acknowledge such form with the TEC through its electronic filing application not later than the 30th day after the receipt of such form. The Escrow Agent and the City understand and agree that, with the exception of information identifying the City and the contract identification number, neither the City nor its consultants are responsible for the information contained in the Form 1295; that the information contained in the Form 1295 has been provided solely by the Escrow Agent; and, neither the City nor its consultants have verified such information.

[Execution Pages Follow]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

MARBLE FALLS INDEPENDENT SCHOOL
DISTRICT

By: _____
President, Board of Trustees

Address: 1800 Colt Circle
Marble Falls, Texas 78654

THE BANK OF NEW YORK MELLON TRUST
COMPANY, NATIONAL ASSOCIATION

By: _____
Name: _____
Title: _____

Address: 2001 Bryan Street, 10th Floor
Dallas, Texas 75201

EXHIBIT A

FEE SCHEDULE

EXHIBIT B

REPORT

EXHIBIT C

NOTICE OF DEFEASANCE AND REDEMPTION

NOTICE IS HEREBY GIVEN that the Marble Falls Independent School District (the “District”), acting through its Board of Trustees (the “Board”), has defeased and called for redemption the following outstanding obligations:

Marble Falls Independent School District Unlimited Tax Refunding Bonds, Series 2016A, dated April 15, 2016 (the “Obligations”), stated to mature on August 15 in the years and in the amounts as follows:

CUSIP No. *	Stated Maturity	Outstanding Principal Amount (\$)	Principal Amount Called for Redemption (\$)	Interest Rate (%)
566030VD1	08/15/2035	620,000	620,000	2.500
566030VE9	08/15/2036	630,000	630,000	2.750
566030VF6	08/15/2037	655,000	655,000	2.750

February 15, 2026 (the “Redemption Date”) is the date fixed for redemption of the Obligations, as directed by the Board. You are hereby notified that the Obligations must be presented for redemption on or before the Redemption Date and that on such date the redemption price of the Obligations shall become due and payable. As of the date of this notice, the District has deposited with The Bank of New York Mellon Trust Company, National Association, as escrow agent, cash, and securities sufficient to pay sufficient to pay the principal of, premium, if any, and interest on the Obligations to the Redemption Date.

NOTICE IS FURTHER GIVEN that the Obligations will be payable at and should be submitted either in person or by certified or registered mail to The Bank of New York Mellon Trust Company, National Association, at the following address:

The Bank of New York Mellon Trust Company, National
Association
2001 Bryan Street, 10th Floor
Dallas, Texas 75201
Attn: Corporate Trust

THIS NOTICE is issued and given pursuant to the redemption provisions reserved to the District in the proceedings authorizing the issuance of the Obligations.

WITNESS MY OFFICIAL SIGNATURE this 15th day of May 15, 2024.

MARBLE FALLS INDEPENDENT SCHOOL
DISTRICT

/s/ Kevin Naumann
President, Board of Trustees

* The CUSIP number is included solely for the convenience of the Obligation holders. None of the District, Bond Counsel, or the Paying Agent/Registrar shall be responsible for the selection or the use of the CUSIP number, nor is any representation made as to its correctness on the Obligations or as indicated in any redemption notice.

NOTICE OF DEFEASANCE AND REDEMPTION

NOTICE IS HEREBY GIVEN that the Marble Falls Independent School District (the “District”), acting through its Board of Trustees (the “Board”), has defeased and called for redemption the following outstanding obligations:

Marble Falls Independent School District Unlimited Tax Refunding Bonds, Series 2017, dated January 15, 2017 (the “Obligations”), stated to mature on August 15 in the years and in the amounts as follows:

<u>CUSIP No.*</u>	<u>Stated Maturity</u>	<u>Outstanding Principal Amount (\$)</u>	<u>Principal Amount Called for Redemption (\$)</u>	<u>Interest Rate (%)</u>
566030WH1	08/15/2034	1,785,000	235,000	3.000
566030WJ7	08/15/2035	1,835,000	1,835,000	3.125
566030WK4	08/15/2036	1,895,000	1,895,000	3.125
566030WL2	08/15/2037	1,955,000	1,955,000	3.250

August 15, 2026 (the “Redemption Date”) is the date fixed for redemption of the Obligations, as directed by the Board. You are hereby notified that the Obligations must be presented for redemption on or before the Redemption Date and that on such date the redemption price of the Obligations shall become due and payable. As of the date of this notice, the District has deposited with The Bank of New York Mellon Trust Company, National Association, as escrow agent, cash, and securities sufficient to pay the principal of, premium, if any, and interest on the Obligations to the Redemption Date.

NOTICE IS FURTHER GIVEN that the Obligations will be payable at and should be submitted either in person or by certified or registered mail to The Bank of New York Mellon Trust Company, National Association, at the following address:

The Bank of New York Mellon Trust Company, National
Association
2001 Bryan Street, 10th Floor
Dallas, Texas 75201
Attn: Corporate Trust

THIS NOTICE is issued and given pursuant to the redemption provisions reserved to the District in the proceedings authorizing the issuance of the Obligations.

WITNESS MY OFFICIAL SIGNATURE this 15th day of May 15, 2024.

MARBLE FALLS INDEPENDENT SCHOOL
DISTRICT

/s/ Kevin Naumann

President, Board of Trustees

* The CUSIP number is included solely for the convenience of the Obligation holders. None of the District, Bond Counsel, or the Paying Agent/Registrar shall be responsible for the selection or the use of the CUSIP number, nor is any representation made as to its correctness on the Obligations or as indicated in any redemption notice.