

ORDER AUTHORIZING THE DEFEASANCE AND REDEMPTION OF A PORTION OF STEPHENVILLE INDEPENDENT SCHOOL DISTRICT BONDS

WHEREAS, Stephenville Independent School District (the "*District*") has issued the following public securities:

Stephenville Independent School District Unlimited Tax School Building Bonds, Series 2018 (the "*Bonds*");

WHEREAS, the Bonds maturing on February 15, 2036 through February 15, 2039 are subject to redemption prior to stated maturity, at the option of the District, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2026, or any date thereafter, at a redemption price equal to the principal amount thereof plus accrued interest to the date fixed for redemption;

WHEREAS, the Bonds maturing on February 15, 2028 through February 15, 2035 and on February 15, 2042 are subject to redemption prior to stated maturity, at the option of the District, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, on February 15, 2027, or any date thereafter, at a redemption price equal to the principal amount thereof plus accrued interest to the date fixed for redemption;

WHEREAS, Section 45.001, Texas Education Code, as amended, authorizes the District to levy, pledge, assess, and collect annual ad valorem taxes sufficient to pay the principal of and interest on its Bonds as or before the principal and interest become due; and

WHEREAS, this Board of Trustees of the District finds and determines that it is necessary and in the best interests of the District to use excess interest and sinking fund (I&S) tax collections to defease and redeem a portion of the Bonds, thus reducing the total dollar amount of debt service paid over the original life of the Bonds; and

WHEREAS, the District is authorized to deposit any available funds or resources, directly with a trust company or commercial bank that does not act as a depository for the District, in order to make financial arrangements for the final payment of its outstanding bonds; and

WHEREAS, the order that authorized the issuance of the Bonds provides that notice of redemption of the Bonds shall be mailed to the registered owners thereof at least thirty days prior to the redemption date; and

WHEREAS, it is hereby officially found and determined that the meeting at which this Order was passed was open to the public, and public notice of the time, place, and purpose of said meeting was given, all as required by Chapter 551, Texas Government Code.

THEREFORE, BE IT ORDERED BY THE BOARD OF TRUSTEES OF STEPHENVILLE INDEPENDENT SCHOOL DISTRICT:

Section 1. The District hereby exercises its option to redeem a portion of the Bonds on the first available call date of February 15, 2027 (the "*Redemption Date*"), in the principal amounts as follows (such Bonds are the "*Redeemed Bonds*"). The Superintendent and the Executive Director of Finance & Operations (each an "*Authorized Officer*") is authorized to modify the particular maturities, or portions thereof, of the Bonds that may be Redeemed Bonds to be redeemed on the Redemption Date.

Sinking Fund Payment Date	Principal Amount Outstanding	Principal Amount Redeemed	Principal Amount Remaining After Redemption
02/15/2041	\$2,820,000	\$345,000	\$2,475,000

Section 2. On or before August 30, 2024, the District shall deposit with or make available to The Bank of New York Mellon Trust Company, N.A., Dallas, Texas or any successor paying agent/registrars (the "*Paying Agent/Registrar*"), funds in an amount sufficient to pay the redemption price of the portion of the Redeemed Bonds called for redemption on the Redemption Date.

Section 3. The portion of the Redeemed Bonds so called for redemption shall be presented for redemption and payment to the Paying Agent/Registrar in accordance with a notice of redemption and shall not bear interest after the Redemption Date. The notice of redemption shall be mailed by the Paying Agent/Registrar at least thirty days prior to the Redemption Date by United States mail, first-class postage prepaid, to the registered owner of each Redeemed Bond to be redeemed at its address as it appeared on the day such notice of redemption is mailed and to major securities depositories, national bond rating agencies and bond information services.

Section 4. The Authorized Officer of the District is further authorized to enter into and execute on behalf of the District with the escrow agent named therein, an escrow agreement, which escrow agreement will provide for the escrow of the funds until needed only to pay the portion of the Redeemed Bonds so called for redemption plus accrued but unpaid interest. Each Authorized Officer is authorized to purchase such securities in the escrow fund under the escrow agreement, to execute such subscriptions for the purchase of the United States Treasury Securities, State and Local Government Series and to transfer and deposit such cash from available funds, as may be necessary or appropriate for the escrow fund described in the escrow agreement. The District may obtain, at its sole discretion, a report or certificate verifying that any investments purchased under the escrow fund will mature and pay interest in such amounts which, together with any uninvested funds in the escrow fund, will be sufficient to pay, when due, the principal of and interest on the Redeemed Bonds.

Section 5. Each Authorized Officer are hereby authorized and directed to take such actions and to execute and deliver such documents, certificates and receipts, including without limitation notice of redemption and material events notices with respect to the Redeemed Bonds, as necessary or appropriate to consummate the transactions authorized by this Order and to redeem the Redeemed Bonds in accordance with the provisions and requirements of said Bonds.

PASSED AND APPROVED ON AUGUST ____, 2023.

Secretary, Board of Trustees

President, Board of Trustees