

CERTIFICATE FOR ORDER

THE STATE OF TEXAS
COLLIN COUNTY
COLLIN COUNTY COMMUNITY COLLEGE DISTRICT

We, the undersigned officers of the Board of Trustees of the Collin County Community College District hereby certify as follows:

1. The Board of Trustees of the District convened in a regular meeting on August 27, 2024, at the regular designated meeting place, and the roll was called of the duly constituted officers and members of the Board, to wit:

Andrew Hardin; Chair; Place 9
Jim Orr; Secretary; Place 7
Cathie Alexander; Place 3
Dr. J. Robert Collins; Place 8
Megan Wallace; Place 1

Jay Saad; Vice Chair; Place 2
Dr. Raj Menon; Treasurer; Place 5
Stacy Anne Arias; Place 6
Greg Gomel; Place 4

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

ORDER AUTHORIZING THE ISSUANCE OF COLLIN COUNTY COMMUNITY COLLEGE DISTRICT CONSOLIDATED FUND REVENUE BONDS; APPOINTING A PRICING OFFICER AND DELEGATING TO THE PRICING OFFICER THE AUTHORITY TO APPROVE ON BEHALF OF THE ISSUER THE SALE AND DELIVERY OF THE BONDS; ESTABLISHING CERTAIN PARAMETERS FOR THE APPROVAL OF SUCH MATTERS BY THE PRICING OFFICER; AND OTHER RELATED MATTERS

was duly introduced for the consideration of the Board. It was then duly moved and seconded that the Order be passed; and, after due discussion, motion, carrying with it the passage of the Order, prevailed and carried, with all members of the Board shown present above voting "Aye," except as noted below:

NAYS: _____ ABSTENTIONS: _____

2. A true, full, and correct copy of the Order passed at the Meeting described in the above and foregoing paragraph is attached to and follows this Certificate; the Order has been duly recorded in the Board's minutes of the Meeting; the above and foregoing paragraph is a true, full, and correct excerpt from the Board's minutes of the Meeting pertaining to the passage of the Order; the persons named in the above and foregoing paragraph are the duly chosen, qualified, and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place, and purpose of the Meeting, and that the Order would be introduced and considered for passage at the Meeting, and each of the officers and members consented, in advance, to the holding of the Meeting for such purpose; and that the Meeting was open to the public, and public notice of the time, place, and purpose of the Meeting was given all as required by the Texas Government Code, Chapter 551.

3. The Chair of the Board of Trustees has approved and hereby approves the Order; and the Chair and the Secretary of the Board of Trustees hereby declare that their signing of this certificate shall constitute the signing of the attached and following copy of the Order for all purposes.

SIGNED AND SEALED ON AUGUST 27, 2024.

Chair, Board of Trustees
Collin County Community College District

Secretary, Board of Trustees
Collin County Community College District

(SEAL)

*Certificate For Order Authorizing the Issuance of Collin County Community College District
Consolidated Fund Revenue Bonds*

ORDER AUTHORIZING THE ISSUANCE OF COLLIN COUNTY COMMUNITY COLLEGE DISTRICT CONSOLIDATED FUND REVENUE BONDS; APPOINTING A PRICING OFFICER AND DELEGATING TO THE PRICING OFFICER THE AUTHORITY TO APPROVE ON BEHALF OF THE ISSUER THE SALE AND DELIVERY OF THE BONDS; ESTABLISHING CERTAIN PARAMETERS FOR THE APPROVAL OF SUCH MATTERS BY THE PRICING OFFICER; AND OTHER RELATED MATTERS

WHEREAS, Collin County Community College District (the “*Issuer*”) was organized, created and established pursuant to the laws of the State of Texas as a junior college district and political subdivision of the State of Texas, and the Issuer operates under the authority of the Texas Education Code, as amended; and

WHEREAS, the Board of Trustees of the Issuer (the “*Board*”) has determined a need for the acquisition, purchase, construction, improvement, enlargement, equipment, operation and maintenance of certain property, buildings, structures, activities, operations and facilities for and on behalf of the Issuer; and

WHEREAS, Section 130.123 and Section 130.125 of the Texas Education Code authorizes the Board to issue revenue bonds secured by liens on and pledges of all or any part of any of the revenues from any rentals, rates, charges, fees or other resources of the Board.

WHEREAS, the Board herein establishes a "*Financing System*" for the issuance of obligations secured by a first lien on and pledge of the Pledged Revenues (hereinafter defined) of the Issuer; and

WHEREAS, the Board has determined that it is advisable and in the best interests of the Issuer to issue the Bonds in accordance with the provisions of Chapter 130, Texas Education Code, as amended, specifically Sections 130.123 and 130.125 thereof and Chapter 1371, Texas Government Code, as amended (the "*Acts*"), for the purposes described herein; and

WHEREAS, the Issuer is an "Issuer" under Section 1371.001(4)(P), Texas Government Code, having (i) a principal amount of at least \$100 million in outstanding long term indebtedness, in long term indebtedness proposed to be issued, or a combination of outstanding or proposed long term indebtedness and (ii) some amount of long term indebtedness outstanding or proposed to be issued that is rated in one of the four highest rating categories for long term debt instruments by a nationally recognized rating agency for municipal securities, without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation; and

WHEREAS, the Board has determined that with the issuance of the Bonds it will have sufficient funds to meet the financial obligations of the Financing System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements (as defined below) of the Financing System and to meet all financial obligations of the Board relating to the Financing System; and

NOW THEREFORE, BE IT ORDERED BY THE BOARD OF TRUSTEES OF COLLIN COUNTY COMMUNITY COLLEGE DISTRICT THAT:

Section 1. CREATION OF THE REVENUE FINANCING SYSTEM AND ISSUANCE OF BONDS; DEFINITIONS

(a) The Board hereby establishes the Collin County Community College District Revenue Financing System (the "*Financing System*") consisting of available revenues of the Auxiliary Enterprise Fund and Pledged Tuition Fee for the purpose of providing a financing structure for revenue supported bonds and other lawful indebtedness to provide funds to design, construct, improve and equip certain District facilities consisting of kitchen/dining renovations, courtyard improvements and bookstore improvements at the Plano Campus; constructing and equipping a new health science building; improvements to the Wylie CTE Building; various security enhancements; and other capital improvements (the "*Projects*"). The Financing System shall be administered to allow for revenue supported bonds and other lawful indebtedness payable from Pledged Revenues. Each series of obligations issued under the Financing System as Parity Obligations shall be designated as "Consolidated Fund Revenue Bonds Series [year]" obligations.

(b) The Bonds of the Issuer are hereby authorized to be issued and delivered in the maximum aggregate principal amount hereinafter set forth to (i) the design, construct, improve and equip the Projects, (ii) funding a debt service reserve fund for the Bonds, and (iii) paying the costs of issuing the Bonds.

(c) DEFINITIONS. As used in this Order the following terms and expressions shall have the meanings set forth below, unless the text hereof specifically indicates otherwise:

"*Account*" means any account created, established and maintained under the terms of this Order.

"*Annual Debt Service Requirements*" means, for any Fiscal Year, the principal of and interest on all Parity Obligations coming due at Maturity (or that could come due on demand of the owner thereof other than by acceleration or other demand conditioned upon default by the Board on such debt, or be payable in respect of any required purchase of such debt by the Board) in such Fiscal Year, and, for such purposes, any one or more of the following rules shall apply at the election of the Board:

"*Authorized Denomination*" shall have the meaning as ascribed to said term in Section 3(b) of this Order.

"*Authentication Certificate*" shall have the meaning as ascribed to said term in Section 5(e) of this Order.

"*Auxiliary Enterprise Fund*" means revenues received from the District's Dining System, student housing, operations of campus bookstores, rentals of campus facilities, and similar auxiliary enterprises operated and maintained by the Issuer to the extent the income thereof is legally available for the payment of debt service on the Parity Obligations.

"*Board*" means the Board of Trustees of the Issuer.

"*Bond Counsel*" means McCall, Parkhurst & Horton L.L.P., or such other firm of attorneys of nationally recognized standing in the field of law relating to municipal revenue bonds selected by the Board.

"*Bondholder*" or "*Owner*" "*Registered Owner*" means the registered owner of any Parity Obligation registered as to ownership and the holder of any Parity Obligation payable to bearer.

"*Bonds*" means the Collin County Community College District Consolidated Fund Revenue Bonds, Series 2024, authorized by this Order and all substitute bonds exchanged therefor, and all other substitute and replacement bonds issued pursuant to this Order; and the term "*Bond*" means any of the Bonds.

"*Business Day*" means any day that is not a Saturday, Sunday, legal holiday, or a day on which banking institutions in The City of New York, New York or in the city where the Designated Trust Office of the Paying Agent/Registrar is located are authorized by law or executive order to close.

"*Code*" means the Internal Revenue Code of 1986, as amended.

"*Construction Fund*" means the Construction Fund established pursuant to Section 11 of this Order.

"*Credit Agreement*" means, collectively, a loan agreement, revolving credit agreement, agreement establishing a line of credit, letter of credit, reimbursement agreement, insurance contract, commitments to purchase Parity Obligations, purchase or sale agreements, interest rate swap agreements, currency exchange agreements, interest rate floor or cap agreements, or commitments or other contracts or agreements authorized, recognized and approved by the Board as a Credit Agreement in connection with the authorization, issuance, security, or payment of Parity Obligations and on a parity therewith.

"*Credit Facility*" means (i) a policy of insurance or a surety bond, issued by an issuer of policies of insurance insuring the timely payment of debt service on governmental obligations, provided that a Rating Agency having an outstanding rating on Parity Obligations would rate the Parity Obligations fully insured by a standard policy issued by the issuer in its three highest generic rating categories for such obligations; and (ii) a letter or line of credit issued by any financial institution, provided that a Rating Agency having an outstanding rating on the Parity Obligations would rate the parity obligations in its three highest generic rating categories for such obligations if the letter or line of credit proposed to be issued by such financial institution secured the timely payment of the entire principal amount of the Parity Obligations and the interest thereon.

"*Credit Provider*" means any bank, financial institution, insurance company, surety bond provider, or other entity that provides, executes, issues, or otherwise is a party to or provider of a Credit Agreement.

"*Dated Date*" means the Dated Date specified in the Pricing Certificate

"*Debt Service Fund*" means the Debt Service Fund established by the Board pursuant to Section 9 of this Order.

"*Delivery Date*" means the Delivery Date specified in the Pricing Certificate which is the date of delivery of the Bonds to the initial purchaser or purchasers thereof against payment therefor.

"*Designated Financial Officer*" means the Chair, District President or Chief Financial Officer of the Issuer.

"*Designated Trust Office*" shall have the meaning ascribed to said term in Section 5(b) of this Order.

"*Dining System*" means any and all facilities of the Issuer provided for the purpose of feeding the students and the faculty of, and visitors to, the Issuer, including all cafeterias, catering operations, snack bars, vending machines and similar facilities for the sale of food and other products.

"*Event of Default*" means each of the following occurrences or events for the purpose of this Order is hereby declared to be an Event of Default: (i) the failure to make payment of the principal of or interest on any of the Bonds when the same becomes due and payable; or (ii) the failure in the observance or performance of any of the covenants, conditions, or obligations of the Issuer, the failure to perform which materially, adversely affects the rights of the owners, including but not limited to, their prospect or ability to be repaid in accordance with this Order, and the continuation thereof for a period of 60 days after notice of such default is given by any owner to the Issuer; or (iii) commencement by the Issuer of a voluntary case or proceeding under any applicable federal or state bankruptcy, insolvency, reorganization or other similar law or any other case or proceeding to be adjudicated a bankrupt or insolvent.

"*Fiscal Year*" means any twelve-consecutive-month period established by the Issuer as its fiscal year.

"*Fund*" means any fund created, established, reaffirmed or maintained in accordance with the terms of this Order.

"*Issuer*" means the Collin County Community College District.

"*Maturity*" means the date on which the principal of a Bond or Parity Obligation or other indebtedness becomes due and payable as therein and herein provided, whether at scheduled maturity, by redemption, declaration of acceleration, or otherwise.

"*Non-Recourse Debt*" means any debt secured by a lien (other than a lien on Pledged Revenues), liability for which is effectively limited to the property subject to such lien with no recourse, directly or indirectly, to any other property of the Issuer attributable to the Financing System; provided, however, that such debt is being incurred in connection with the acquisition of property only, which property is not, at the time of such occurrence, owned by the Issuer and being used in the operations of the Issuer.

"*Order*" means this order authorizing the Bonds.

"*Outstanding*" when used with respect to Parity Obligations means, as of the date of determination, all Parity Obligations theretofore delivered under this Order, except: (1) Parity Obligations theretofore canceled and delivered to the Board or delivered to the Paying Agent or the Registrar for cancellation; (2) Parity Obligations deemed paid pursuant to the provisions of Section 31 of this Order or any comparable section of any order authorizing the issuance of Parity Obligations; (3) Parity Obligations upon transfer of or in exchange for and in lieu of which other Parity Obligations have been authenticated and delivered pursuant to this Order; and (4) Parity Obligations under which the obligations of the Board have been released, discharged, or extinguished in accordance with the terms thereof; provided, however, that, unless the same is acquired for purposes of cancellation, Parity Obligations owned by the Board shall be deemed to be outstanding as though it was owned by any other owner.

"*Outstanding Principal Amount*" means, with respect to all Parity Obligations or to a series or issue of Parity Obligations, the outstanding and unpaid principal amount of such Parity Obligations paying interest on a current basis and the outstanding and unpaid principal and compounded interest on such Parity Obligations paying accrued, accreted, or compounded interest only at maturity as of any Record Date established by a Registrar.

"*Parity Obligations*" means all bond indebtedness of the Board that may be issued or assumed in accordance with the terms of this Order that is secured by a pledge of the Pledged Revenues and includes the Bonds and any Additional Bonds.

"*Paying Agent/Registrar*," "*Paying Agent*" or "*Registrar*" means the agent appointed pursuant to Section 5 of this Order, or any successor to such agent.

"*Pledged Revenues*" shall mean, collectively, the lawfully available revenues of (a) the Auxiliary Enterprise Fund, (b) the Pledged Tuition Fee and (c) interest earnings of the revenues in (a) and (b) and on the General Operating Fund of the Issuer, which hereafter may be pledged to the payment of the Bonds, the Previously Issued Bonds or any Additional Bonds.

"*Pledged Tuition Fee*" shall mean that portion of the tuition charges now or hereafter authorized by Section 130.123, Texas Education Code (currently an amount not exceeding 25 percent of the tuition charges collected from each enrolled student for each semester or term) or otherwise permitted by law, to be collected from all regularly enrolled students of the Issuer (other than those exempt under Chapter 54, Texas Education Code, as amended, or other similar law)

that is permitted to be pledged to the payment of the Bonds, the Previously Issued Bonds or any Additional Bonds.

"*Purchaser*" means (i) if the Bonds are sold by negotiated sale, the underwriter or underwriting syndicate selected by the Pricing Officer, or (ii) if the Bonds are sold by competitive sale by soliciting public bids, the underwriter or underwriting syndicate awarded the Bonds by the Pricing Officer, or (iii) the bank who purchases the Bonds in a private placement transaction.

"*Pricing Certificate*" means the certificate executed by the Pricing Officer in accordance with the delegation made by the Board in Section 3 hereof, pursuant to which the terms and condition of the sale of the Bonds shall be established.

"*Pricing Officer*" means the District President or Chief Financial Officer of the Issuer.

"*Rating Agency*" means any nationally recognized municipal securities rating agency that has assigned a rating to the Bonds.

"*Record Date*" means the record date specified in the Pricing Certificate.

"*Registration Books*" means the books or records relating to the registration, payment, and transfer or exchange of the Bonds maintained by the Paying Agent/Registrar pursuant to Section 5(b) of this Order.

"*Required 2024 Reserve Amount*" means an amount determined by the Board to be the Required 2024 Reserve Fund Amount with respect to the Bonds as specified in the Pricing Certificate.

"*Reserve Fund Obligations*" means cash, investments authorized by Texas law, and any Credit Facility, or any combination of the foregoing that are deposited to a debt service reserve fund for a series or issue of Parity Obligations.

"*Revenue Fund*" means the Revenue Fund established by the Board pursuant to Section 8 of this Order.

"*Revenue Financing System*" or "*Financing System*" is the "Collin County Community College District Revenue Financing System," created by the Board in this Order, for the benefit of the campuses that is owned and operated by the Issuer.

"*Subordinated Debt*" means any debt that expressly provides that all payments thereon shall be subordinated to the timely payment of all Parity Obligations then outstanding or subsequently issued.

Section 2. PURPOSE AND DESIGNATION OF THE BONDS. Each Bond issued pursuant to this Order for purpose described in Section 1(b) above shall be designated "COLLIN COUNTY COMMUNITY COLLEGE DISTRICT CONSOLIDATED FUND REVENUE BONDS, SERIES 2024," payable to the respective Registered Owners thereof, or to the registered

assignee or assignees of said bonds or any portion or portion thereof (in each case, the "*Registered Owner*"). The Bonds shall be in the respective denomination and principal amounts, shall be numbered, shall mature and be payable on the date or dates in each of the years and in the principal amounts or amounts due at maturity, as applicable, and shall bear interest to their respective dates of maturity or redemption, if applicable, prior to maturity at the rates per annum, as set forth in the Pricing Certificate.

Section 3. DELEGATION TO PRICING OFFICER.

(a) As authorized by the Acts, the Pricing Officer shall have full and complete authority to act on behalf of the Issuer for the purposes of this Order and is specifically authorized to act on behalf of the Issuer in selling and delivering the Bonds. In addition to such other delegations set forth herein, the Pricing Officer is hereby authorized to, and charged with responsibility for (i) carrying out other procedures and entering into other documents and agreements specified in this Order, including the Paying Agent/Registrar Agreement, any bond purchase contract with the purchaser named therein, (iii) determining and fixing of the date of the Bonds, (iv) determining any additional or different designation or title by which the Bonds shall be known, (v) determining the principal amount of the Bonds to be issued, provided that the Bonds shall be in the aggregate principal amount not exceeding the maximum amount set forth below in this Section, (vi) determining the interest on the bonds, (vii) determining the price to be paid for the Bonds plus any accrued interest thereon, (viii) determining the rate or rates of interest to be borne by the Bonds (whether fixed, adjustable, determined in accordance with an index, or otherwise, (ix) determining the amount of each maturity of principal of the Bonds, (x) determining the due date of each such maturity, (xi) determining the interest payment dates and periods, (xii) determining the dates, price and terms, if any, upon and at which the Bonds shall be subject to redemption prior to due date or maturity at the option of the Issuer and/or any mandatory sinking fund redemption provisions, (xiii) oversee, as applicable, the preparation of a preliminary and final official statement and to approve and deem final such official statement in compliance with the United States Securities and Exchange Commission (the "*SEC*") Rule 15c2-12 (the "*Rule*") and to provide for and authorize the delivery to the Purchaser (as defined in the Pricing Certificate) of such materials in compliance with such Rule, and (xiv) determining and effectuating any other matters relating to the issuance, sale and delivery of the Bonds.

(a) (b) The Pricing Officer, acting for and on behalf of the Issuer, is authorized to arrange for the Bonds to be sold at negotiated sale or by private placement or competitive sale. The Pricing Officer is further authorized, for and on behalf of the Issuer, to approve any official statement, and any supplements thereto relating to the Bonds. No series of Bonds shall be issued pursuant to this Order unless each of the following parameters are satisfied as specified in the Pricing Certificate:

(A) The aggregate original principal amount of the Bonds shall not exceed \$200,000,000;

(B) The Bonds shall mature not more than twenty-one (21) years from their date of delivery; and

(C) The true interest cost for the Bonds shall not exceed 5.00%.

(b) In establishing the aggregate principal amount of the Bonds, the Pricing Officer shall establish an amount not exceeding the amount authorized in Subsection (a) above, which shall be sufficient in amount to provide for the purposes for which the Bonds are authorized and to pay costs of issuing the Bonds. The delegation made hereby shall expire if not exercised by the Pricing Officer on or prior to one hundred eighty (180) days from the date of this Order. The Bonds shall be sold at such price, with and subject to such terms as set forth in the Pricing Certificate.

(c) The Bonds may be sold by public offering (either through a negotiated or competitive offering) or by private placement. If the Bonds are sold by private placement, the Pricing Certificate shall so state, and the Pricing Certificate may conform this Order to such private placement, including the provisions hereof that pertain to the book-entry-only procedures (including eliminating the book-entry-only system of registrations, payment and transfers) and to the provisions relating to the undertaking of the Issuer in accordance with Rule 15c2-12 of the Securities and Exchange Commission (including eliminating or replacing such undertaking with an agreement to provide alternative disclosure information as permitted by applicable law).

(d) Notwithstanding the foregoing provisions, the Bonds shall not be delivered unless prior to delivery, the Bonds have been rated by a national recognized statistical rating agency in one of the four highest rating categories for long term obligations, as required by Chapter 1371, Texas Government Code. The Bonds shall be sold with and subject to such terms as set forth in the Pricing Certificate.

(e) The Board of Trustees hereby determines that the delegation of the authority to the Pricing Officer to approve the final terms of the Bonds set forth in this Order is, and the decisions made by the Pricing Officer pursuant to such delegated authority and incorporated into the Pricing Certificate are required to be, in the Issuer's best interests, and the Pricing Officer is hereby authorized to make and include in the Pricing Certificate a finding to that effect.

Section 4. INTEREST. The Bonds shall bear interest, calculated on the basis of a 360-day year of twelve 30-day months, from the Delivery Date specified in the FORM OF BONDS set forth in this Order, at the rate specified in the FORM OF BONDS, and said interest shall be payable in the manner provided and, on the dates, stated in the FORM OF BONDS.

Section 5. REGISTRATION, TRANSFER, AND EXCHANGE; AUTHENTICATION.

(a) ***Paying Agent/Registrar.*** The Pricing Officer is authorized to appoint a qualified bank to serve as Paying Agent/Registrar for the Bonds and the Pricing Officer shall execute a Paying Agent/Registrar Agreement on behalf of the Issuer.

(b) ***Registration Books.*** The Issuer shall keep or cause to be kept at the designated corporate trust office of the Paying Agent/Registrar in Austin, Texas (the "*Designated Trust*

Office") books or records for the registration of the transfer, exchange, and replacement of the Bonds (the "*Registration Books*") and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, exchanges, and replacements under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, exchanges, and replacements as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the registered owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each registered owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books at the Designated Trust Office of the Paying Agent/Registrar during regular business hours, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity.

(c) ***Ownership of Bonds.*** The entity in whose name any Bond shall be registered in the Registration Books at any time shall be deemed and treated as the absolute owner thereof for all purposes of this Order, whether or not such Bond shall be overdue, and, to the extent permitted by law, the Issuer and the Paying Agent/Registrar shall not be affected by any notice to the contrary; and payment of, or on account of, the principal of, premium, if any, and interest on any such Bond shall be made only to such registered owner. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

(d) ***Payment of Bonds and Interest.*** The Paying Agent/Registrar shall further act as the paying agent for paying the principal of, premium, if any, and interest on the Bonds, all as provided in this Order. The Paying Agent/ Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Bonds.

(e) ***Authentication.*** The Bonds initially issued and delivered pursuant to this Order shall be authenticated by the Paying Agent/Registrar by execution of the Paying Agent/Registrar's Authentication Certificate unless they have been approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and on each substitute Bond issued in exchange for any Bond or Bonds issued under this Order the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE (the "*Authentication Certificate*"). The Authentication Certificate shall be in the form set forth in the FORM OF BONDS.

(f) ***Transfer, Exchange, or Replacement.*** Each Bond issued and delivered pursuant to this Order, to the extent of the unpaid or unredeemed principal amount thereof, may, upon surrender of such Bond at the Designated Trust Office of the Paying Agent/Registrar, together with a written request therefor duly executed by the registered owner or the assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantee of signatures satisfactory to the Paying Agent/Registrar, may, at the option of the registered owner or such assignee or assignees, as appropriate, be exchanged for fully registered bonds, without interest coupons, in the appropriate form prescribed in the FORM OF BONDS set forth in ***Exhibit B*** to

this Order, in any Authorized Denomination (subject to the requirement hereinafter stated that each substitute Bond shall be of the same series and have a single stated maturity date), as requested in writing by such registered owner or such assignee or assignees, in an aggregate principal amount equal to the unpaid or unredeemed principal amount of any Bond or Bonds so surrendered, and payable to the appropriate registered owner, assignee, or assignees, as the case may be. If a portion of any Bond shall be redeemed prior to its scheduled maturity as provided herein, a substitute Bond or Bonds having the same series designation and maturity date, bearing interest at the same rate, and payable in the same manner, in Authorized Denominations at the request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon surrender thereof for cancellation. If any Bond or portion thereof is assigned and transferred, each Bond issued in exchange therefor shall have the same series designation and maturity date and bear interest at the same rate and payable in the same manner as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall exchange or replace Bonds as provided herein, and each fully registered bond delivered in exchange for or replacement of any Bond or portion thereof as permitted or required by any provision of this Order shall constitute one of the Bonds for all purposes of this Order, and may again be exchanged or replaced. On each substitute Bond issued in exchange for or replacement of any Bond or Bonds issued under this Order there shall be printed the Authentication Certificate. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign the Authentication Certificate, and, except as provided in subsection (e) above, no such Bond shall be deemed to be issued or outstanding unless the Authentication Certificate is so executed. The Paying Agent/Registrar promptly shall cancel all Bonds surrendered for transfer, exchange, or replacement. No additional orders or resolutions need be passed or adopted by the Issuer or any other body or person so as to accomplish the foregoing transfer, exchange, or replacement of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, and the Bonds shall be in typed or printed form. Pursuant to Chapter 1206, Texas Government Code, the duty of transfer, exchange, or replacement of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the Authentication Certificate, the exchanged or replaced Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds that were originally issued pursuant to this Order. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges, if any, for transferring, and exchanging any Bond or any portion thereof, but the one requesting any such transfer and exchange shall pay any taxes or governmental charges required to be paid with respect thereto as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, exchange, or replacement of Bonds or any portion thereof (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following interest payment date, or (ii) with respect to any Bond or portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date. To the extent possible, any new Bond issued in an exchange, replacement, or transfer of a Bond will be delivered to the registered owner or assignee of the registered owner not more than three business days after the receipt of the Bonds to be canceled and the written request as described above.

(g) ***Substitute Paying Agent/Registrar.*** The Issuer covenants with the registered owners of the Bonds that at all times while the Bonds are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Order, and that the Paying Agent/Registrar will be one entity. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 45 days written notice to the Paying Agent/Registrar, to be effective not later than 35 days prior to the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Order. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each registered owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Order, and a certified copy of this Order shall be delivered to each Paying Agent/Registrar.

(h) ***DTC Registration.*** Unless otherwise determined by the Pricing Officer in the Pricing Certificate, the Bonds initially shall be issued and delivered in such manner that no physical distribution of the Bonds will be made to the public, and The Depository Trust Company ("DTC"), New York, New York, initially will act as depository for the Bonds. DTC has represented that it is a limited purpose trust company incorporated under the law of the State of New York, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered under Section 17A of the Securities Exchange Act of 1934, as amended, and the Issuer accepts, but in no way verifies, such representations. Unless otherwise determined by the Pricing Officer in the Pricing Certificate, immediately upon initial delivery of the Bonds that are payable to the initial purchasers, the Paying Agent/Registrar shall cancel such Bonds, and substitute Bonds shall be delivered to and registered in the name of CEDE & CO., the nominee of DTC. So long as each Bond is registered in the name of CEDE & CO., the Paying Agent/Registrar shall treat and deal with DTC the same in all respects as if it were the actual and beneficial owner thereof. It is expected that DTC will maintain a book-entry system that will identify ownership of the Bonds in Authorized Denominations, with transfers of ownership being effected on the records of DTC and its participants pursuant to rules and regulations established by them, and that the Bonds initially deposited with DTC shall be immobilized and not be further exchanged for substitute Bonds except as hereinafter provided. The Issuer is not responsible or liable for any function of DTC, will not be responsible for paying any fees or charges with respect to its services, will not be responsible or liable for maintaining, supervising, or reviewing the records of DTC or its participants, or protecting any interests or rights of the beneficial owners of the Bonds. It shall be the duty of the DTC Participants, as defined in the Official Statement herein approved, to make all arrangements with DTC to establish this book-entry system, the beneficial ownership of the Bonds, and the method of paying the fees and

charges of DTC. The Issuer does not represent, nor does it in any respect covenant that the initial book-entry system establishment with DTC will be maintained in the future. Notwithstanding the initial establishment of the foregoing book-entry system with DTC, if for any reason any of the originally delivered Bonds is duly filed with the Paying Agent/Registrar with proper request for transfer and substitution, as provided for in this Order, substitute Bonds will be duly delivered as provided in this Order, and there will be no assurance or representation that any book-entry system will be maintained for such Bonds. To effect the establishment of the foregoing book-entry system, the Chair (or in his absence, the Vice Chair) of the Board is hereby authorized to execute a DTC Letter of Representation in the form provided by DTC to evidence the Issuer's intent to establish said book-entry system.

Section 6. FORM OF BONDS. The form of the Bonds, including the form of the Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas, with respect to the Bonds initially issued and delivered pursuant to this Order, shall be, respectively, substantially as set forth in *Exhibit B*, with such appropriate variations, omissions, or insertions as are permitted or required by this Order, and with the Bonds to be completed with the information set forth in the Pricing Certificate. The form of Bonds shall be completed with information set forth in the Pricing Certificate and shall be attached to the Pricing Certificate as an exhibit thereto.

Section 7. PLEDGE.

(a) *Pledge* The Bonds and any Additional Bonds, and the interest thereon, are and shall be secured by and payable from a first lien on and pledge of the Pledged Revenues, and the Pledged Revenues are further pledged to the establishment and maintenance of the Debt Service Fund and the Reserve Fund as provided in this Order. **THE BONDS ARE SPECIAL LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY FROM THE PLEDGED REVENUES, AND THE REGISTERED OWNERS THEREOF SHALL NEVER HAVE THE RIGHT TO DEMAND PAYMENT THEREOF OUT OF FUNDS RAISED OR TO BE RAISED BY TAXATION.** In addition, the Board may additionally secure Parity Obligations with one or more Credit Agreements, subject to satisfying any condition contained in the Acts relating to the Issuer executing and delivering Credit Agreements. The Board agrees to pay the principal of, premium, if any, and the interest on the Bonds when due, whether by reason of maturity or redemption.

(b) The Board covenants and agrees that, to the extent permitted by law, it will fix, charge and collect the Pledged Revenues from all students, faculty, staff, visitors and guests, as applicable, in such amounts as will be at least sufficient at all times to provide, together with other Pledged Revenues, the money for making all deposits required to be made to the credit of the Debt Service Fund and the Reserve Fund in connection with the Bonds and any Additional Bonds.

(c) Reserved.

(d) *Restriction on Issuance of Additional Debt on a Prior Lien Basis.* While any Bonds or Additional Bonds are Outstanding, no additional bonds, notes, or other obligations may be

issued or incurred by the Board that are secured by a pledge of or lien on the Pledged Revenues that is senior in right to the lien that secures the Parity Obligations.

(e) ***Restriction on Use of Credit Agreements in Connection with the Bonds.*** In connection with funding the Required Reserve Amount for the Bonds, the Board may provide a Credit Facility in the form of a surety bond, as further described in Section 10(h). Notwithstanding any other provision of this Order, if State law permits the Issuer to enter into a Credit Agreement or a Credit Facility for the Bonds after the Delivery Date, the Board must specifically approve any such Credit Agreement or Credit Facility and any such Credit Agreement or Credit Facility must be submitted to the Attorney General of Texas (if submission is then required by law) for approval.

Section 8. REVENUE FUND. The creation and establishment on the books of the Issuer of a separate account known as the "Collin County Community College District Revenue Bond Revenue Fund" (herein called the "*Revenue Fund*"), is hereby confirmed and approved. All collections of Pledged Revenues shall be credited to the Revenue Fund immediately upon receipt and as provided in this Order and in any order authorizing any Additional Bonds and such Revenue Fund shall be maintained so long as the Bonds remain Outstanding.

Section 9. DEBT SERVICE FUND. The creation and establishment on the books of the Issuer of a separate account known as the "Collin County Community College District Revenue Bond Debt Service Fund" (herein called the "*Debt Service Fund*") is hereby confirmed and approved. The Debt Service Fund shall be used to pay the principal of and interest on the Bonds and any Additional Bonds and such Debt Service Fund shall be maintained so long as the Bonds remain Outstanding.

Section 10. DEBT SERVICE RESERVE FUNDS; SERIES 2024 RESERVE FUND; BOND INSURANCE.

(a) The creation and establishment of the separate fund known as the "Collin County Community College District Revenue Bonds, Series 2024 Reserve Fund" (herein called the "*2024 Reserve Fund*") is hereby confirmed and approved. The 2024 Reserve Fund shall be maintained for so long as the Bonds remain Outstanding and used finally in retiring the last of the Bonds or for paying principal of and interest on any Bonds when and to the extent the amount in the Debt Service Fund is insufficient for such purpose. Such 2024 Reserve Fund may be funded, at the option of the Issuer, with cash or investments, with a Credit Facility or by any other legally authorized means as provided in and subject to this section of this Order. The amounts on deposit in the 2024 Reserve Fund shall secure only the Bonds.

(b) Amounts on deposit in the 2024 Reserve Fund may applied only for purposes of (i) paying the principal of, premium, if any, and interest on the Bonds when and if amounts on deposit in the Debt Service Fund and available to pay such amounts as the same shall become due are insufficient and (ii) in addition, may be used to the extent not required to maintain the Required 2024 Reserve Fund Amount, to pay, or provide for the payment of, the final principal amount of the Bonds so that they are no longer deemed to be "Outstanding" as such term is defined herein. The Issuer shall maintain an amount equal to the Required 2024 Reserve Fund Amount at all times in or held for the benefit of the 2024 Reserve Fund. The 2024 Reserve Fund shall be maintained

with the Pledged Revenues in accordance with Section 10(c) hereof. Subject to subsection (f) of this Section, the Issuer may at any time substitute a qualifying Credit Facility for all or part of the cash or other Credit Facility on deposit in, or held for the benefit of, the 2024 Reserve Fund.

(c) During such times as the 2024 Reserve Fund contains the Required 2024 Reserve Fund Amount, the Issuer may, at its option, withdraw any amount in the 2024 Reserve Fund in excess of the Required 2024 Reserve Fund Amount and, to the extent it represents proceeds from the sale of the Bonds, deposit such surplus in the Debt Service Fund, and, to the extent any such excess is from a source other than proceeds of the Bonds, in the Debt Service Fund or the Revenue Fund. When and so long as the cash and investment in the 2024 Reserve Fund and/or coverage afforded by a Credit Facility or insurance policy held for the account of the 2024 Reserve Fund total not less than the Required 2024 Reserve Fund Amount, no deposits need be made to the credit of the 2024 Reserve Fund; but, if and when the 2024 Reserve Fund at any time contains money, securities or a Credit Facility having a value that is less than the Required 2024 Reserve Fund Amount, the Issuer covenants and agrees to cause monthly deposits to be made to the 2024 Reserve Fund on or before the 1st day of each month (beginning the month next following the month the deficiency in the 2024 Reserve Fund occurred by reason of a draw on the Series Reserve Fund or the Credit Facility, if any, which funds all or part of the 2024 Reserve Fund, or as a result of a reduction in the market value of investments held for the account of the 2024 Reserve Fund), from Pledged Revenues in an amount specified in Section 10(b) hereof until the total 2024 Required Reserve Fund Amount then required to be maintained in the 2024 Reserve Fund has been fully restored.

(d) The Issuer further covenants and agrees that, subject only to the provisions of Section 12 hereof, the Pledged Revenues shall be applied and appropriated and used to maintain the Required 2024 Reserve Fund Amount and to cure any deficiency in such amounts as required by the terms of this Order.

(e) Notwithstanding any other provision of this Order, if a Credit Agreement or a Credit Facility is utilized in connection with the Bonds after the Delivery Date of the Bonds, the Board must specifically approve any such Credit Agreement or Credit Facility and any such Credit Agreement or Credit Facility must be submitted to the Attorney General of Texas (if submission is then required by law) for approval.

(f) In the event that the Issuer deposits a Credit Facility to the 2024 Reserve Fund and there is a draw upon the Credit Facility, the Issuer shall reimburse the issuer of such Credit Facility for such draw, in accordance with the terms of the Credit Facility and any agreement pursuant to which the Credit Facility is used, from Pledged Revenues, however, such reimbursement from Pledged Revenues shall be subject to the provisions of Section 10(c) and 12 hereof.

(h) The Issuer may, create and establish a debt service reserve fund (each, a "Future Reserve Fund") pursuant to the provisions of any order authorizing the issuance of Additional Bonds for the purpose of securing that particular issue or series of Additional Bonds or any specific group of issues or series of Additional Bonds and the amounts once deposited or credited to said Future Reserve Funds shall no longer constitute Pledged Revenues and shall be held solely for the benefit of the owners of the particular Additional Bonds for which such Future Reserve Fund was

established. Each Future Reserve Fund shall receive a pro rata amount of the Pledged Revenues after the requirements of the Debt Service Fund, which secures all Parity Obligations, have first been met. Each such Future Reserve Fund shall be designated in such manner as is necessary to identify the Parity Obligations it secures and to distinguish such Future Reserve Fund from the debt service reserve funds created for the benefit of other Parity Obligations.

Section 11. CONSTRUCTION FUND.

(a) The Issuer hereby creates and establishes and shall maintain on the books of the Issuer a separate fund to be entitled the "*Series 2024 Bonds Construction Fund*" for use by the Issuer for payment of all lawful costs associated with the Project as hereinbefore provided. Proceeds of the Bonds shall be deposited into the Construction Fund as specified in the Pricing Certificate. Upon payment of all such Project costs, any moneys remaining on deposit in said Fund shall be transferred to the Revenue Fund.

(b) The Issuer may place proceeds of the Bonds (including investment earnings thereon) and amounts deposited into the Interest and Sinking Fund in investments authorized by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended; provided, however, that the Issuer hereby covenants that the proceeds of the sale of the Bonds will be used as soon as practicable for the Project for which the Bonds are issued.

(c) All deposits authorized or required by this Order shall be secured to the fullest extent required by law for the security of public funds..

Section 12. FLOW OF FUNDS.

(a) Immediately after the sale and delivery of the Bonds, an amount equal to accrued interest, if any, received from such sale shall be deposited to the credit of the Debt Service Fund, and shall be used for paying interest on the Bonds;

FIRST: The Board shall transfer from the Pledged Revenues in the Revenue Fund and deposit to the credit of the Debt Service Fund the amounts, at the times, as follows: (1) on or before the date that is fifteen business days prior to each interest payment date, an amount which will be sufficient, together with any other monies then on hand therein and available for such purpose, to pay the interest scheduled to accrue and come due on the Bonds on the coming interest payment date; and (2) commencing on or before the date that is fifteen business days prior to each principal payment date, an amount equal to the principal scheduled to mature and come due on the Outstanding Bonds maturing on the coming maturity date.

SECOND: The foregoing notwithstanding, if at any time the Parity Obligations of the Issuer are payable solely on a semi-annual basis, deposits to the Debt Service Fund may be made on a semiannual basis on or before the date that is fifteen business days prior to each payment date, which shall be sufficient, together with any other money then available in the Debt Service Fund for such purpose, to pay the principal of and interest on the Parity Obligations scheduled to come

due on such interest or principal payment date. Promptly after the delivery of the Bonds, the Issuer shall cause to be deposited to the credit of the Debt Service Fund any accrued interest received from the sale and delivery of the Bonds.

THIRD: Pledged Revenues shall be deposited pro rata to the payment of the amounts required to be deposited and credited (i) to the 2024 Reserve Fund established in accordance with the provisions of this Order to maintain the Required 2024 Reserve Fund Amount therein, including amounts owed with respect to any Reserve Fund Obligation to restore the Required 2024 Reserve Fund Amount with respect to such reserve funds and (ii) to each other reserve fund created and established to maintain a reserve in accordance with the provisions of any order authorizing other Parity Obligations, including amounts owed with respect to any surety bond or insurance policy or similar instrument deposited in a debt service reserve fund established by any such order to restore the amount required to be on deposit therein with respect to such debt service reserve funds.

FOURTH: to the payment of the amounts required to be deposited and credited to any debt service fund or debt service reserve fund created and established for the payment of any Subordinated Debt issued by the Issuer as the same become due and payable.

(b) Any Pledged Revenues remaining in the Revenue Fund after satisfying the foregoing payments or making adequate and sufficient provision for the payment thereof, may be appropriated and used for any other Issuer purpose now or hereafter permitted by law.

Section 13. PAYMENTS. On or before the first scheduled interest payment date, and on or before each interest payment date and principal payment date thereafter while any of Parity Obligations are outstanding and unpaid, the Issuer shall make available to the Paying Agent/Registrar, out of the Debt Service Fund (and any Reserve Fund, if necessary and available) monies sufficient to pay such interest on and such principal amount of the Parity Obligations, as shall become due on such dates, respectively, at maturity or by redemption prior to maturity. The Paying Agent/Registrar shall destroy all paid Parity Obligations and, upon request from the Issuer, furnish the Issuer with an appropriate certificate of cancellation or destruction.

Section 14. INVESTMENTS. Money in any Fund or Account established or reaffirmed pursuant to this Order may, at the option of the Issuer, be placed or invested in investments authorized by Texas law consistent with the provisions of Section 16(h) of this Order. The value of any such Fund or Account shall be established by adding any money therein to the value of investment securities. The value of each such Fund or Account shall be established no less frequently than annually during the last month of each Fiscal Year. Earnings derived from the investment of moneys on deposit in the various Funds and Accounts shall be credited to the Fund or Account from which moneys used to acquire such investment shall have come. The value of investment securities in any Reserve Fund, in addition to the annual determination described above, shall be established at the time or times withdrawals are made therefrom. Investments shall be sold promptly when necessary to prevent any default in connection with the Bonds.

Section 15. STANDARDS OF OPERATION, RATE COVENANTS, PAYMENT OF MAINTENANCE COSTS.

(a) The Board covenants and agrees that, while any of the Bonds are outstanding and unpaid, the Issuer will continue its existence as a lawfully created community college district of the State of Texas.

(b) The Board covenants and agrees that the Issuer will maintain all of the facilities of the College in good and reasonable condition, working order, and state of repair for so long as any Bonds shall be outstanding and unpaid.

(c) The Board covenants to fix, impose, charge and collect the Pledged Revenues, as required by this Resolution, and will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Resolution and each resolution authorizing the issuance of Additional Bonds, and in each and every Bond and Additional Bond; that it will promptly pay or cause to be paid from the Pledged Revenues the principal of and interest on every Outstanding Bond and Additional Bond, on the dates and in the places and manner prescribed in such resolutions and the Outstanding Bonds or Additional Bonds; and that it will, at the times and in the manner prescribed, deposit or cause to be deposited from the Pledged Revenues the amounts required to be deposited into the Debt Service Fund and the 2024 Reserve Fund; and any registered owner of the Bonds or Additional Bonds may require the Board, its officials and employees, and any appropriate official of the State of Texas, to carry out, respect or enforce the covenants and obligations of this Resolution or any resolution authorizing the issuance of Bonds or Additional Bonds, by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the Issuer, its officials and employees, or any appropriate official of the State of Texas..

(d) To the extent that (i) the Pledged Revenues that remain after providing for the payment of the current debt service on the Parity Obligations that are outstanding from time to time, and (ii) such other funds, resources, and moneys that are available to the Issuer from time to time that do not constitute a part of Pledged Revenues, are not sufficient to operate and maintain the Issuer and the Issuer to the standards required by this Section, the Board, by appropriate official action, will cause the Issuer to levy for each year while any of the Bonds are outstanding and unpaid, an ad valorem maintenance tax, within the limits heretofore voted, or within such higher limits as may be hereafter established by a vote of the resident qualified voters of the Issuer in accordance with applicable law, at such rate or rates as will permit the maintenance and operation of the facilities of the Issuer that are located within the Issuer's taxing district, to the level and standards required by said subsections, with full allowance being made for delinquencies and costs of collection.

Section 16. GENERAL COVENANTS. The Board further represents, covenants, and agrees that while any Parity Obligations or interest thereon is outstanding:

(a) *Payment of Parity Obligations.* On or before each payment date for Parity Obligations, the Issuer shall make available to the Paying Agent for such Parity Obligations or to such other party as required by this Order, money sufficient to pay the interest on, principal of,

and premium, if any, on the Parity Obligations as will accrue or otherwise come due or mature, or be subject to mandatory redemption prior to maturity, on such date and the fees and expenses related to the Parity Obligations, including the fees and expenses of the Paying Agent and any Registrar, remarketing agent, tender agent, or Credit Provider.

(b) **Performance.** It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Order, in the order authorizing any other issue of Parity Obligations and in each and every Parity Obligation or evidence thereof. The Issuer will diligently pursue completion of the construction projects funded with the proceeds of the Bonds.

(c) **Redemption.** It will duly cause to be called for redemption prior to maturity, and will cause to be redeemed prior to maturity, all Parity Obligations that by their terms are mandatorily required to be redeemed prior to maturity, when and as so required.

(d) **Lawful Title.** The Issuer lawfully owns, has title to, or is lawfully possessed of the lands, buildings, and facilities now constituting the Issuer, and the Board will defend said title and title to any lands, buildings, and facilities that may hereafter become part of the Financing System, for the benefit of the owners of Parity Obligations against the claims and demands of all persons whomsoever.

(e) **Lawful Authority.** It is lawfully qualified to operate the Financing System and all services afforded by the same, and further to pledge the Pledged Revenues herein pledged in the manner prescribed herein and has lawfully exercised such right. It will operate and continuously maintain the Financing System and all services afforded thereby while any Parity Obligations are outstanding and unpaid.

(f) **Preservation of Lien.** It will not do or suffer any act or thing whereby the Financing System might or could be impaired, and that it will at all times maintain, preserve, and keep the real and tangible property of the Financing System and every part thereof in good condition, repair, and working order and operate, maintain, preserve, and keep the facilities, buildings, structures, and equipment pertaining thereto in good condition, repair, and working order. The Board hereby covenants and agrees to levy and collect within the Issuer an ad valorem maintenance tax, within the limits heretofore voted, or within such higher limits as may be hereafter established by a vote of the qualified voters of the Issuer in accordance with applicable law (with full allowance being made for delinquencies and costs of collection), at such rate or rates as will permit the maintenance and operation of the Issuer and the Financing System to the level and standards required by this Section.

(g) **No Additional Encumbrance.** It shall not incur additional Debt secured by the Pledged Revenues in any manner, except as permitted by this Order in connection with Parity Obligations, unless said Debt is made junior and subordinate in all respects to the liens, pledges, covenants, and agreements of this Order and any other order authorizing the issuance of Parity Obligations. Pledged Revenues not needed to pay the debt service on Parity Obligations, and Debt that is junior and subordinate thereto may be used by the Issuer for any lawful purpose.

(h) ***Investments and Security; Limitations on Derivatives.*** It will invest and secure money in all Accounts and Funds established pursuant to this Order in investments prescribed by State law for such Accounts and Funds, including, but not by way of limitation, by the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended, and that such investments are made in accordance with written policies adopted by the Board.

(i) ***Records.*** It will keep proper books of record and account in which full, true, and correct entries will be made of all dealings, activities, and transactions relating to the Issuer. Each year while Parity Obligations are outstanding, the Board will cause to be prepared from such books of record and account an annual financial report of the Issuer and shall furnish such report to the principal municipal bond rating agencies and any owner of Parity Obligations who shall request same.

(j) ***Inspection of Books.*** It will permit any owner or owners of twenty-five percent (25%) or more of the then Outstanding Principal Amount at all reasonable times to inspect all records, accounts, and data of the Board relating to the Pledged Revenues.

(k) ***Determination of Outstanding Parity Obligations.*** For all purposes of this Order, the judgment of the Designated Financial Officer of the Issuer shall be deemed final in the determination of which obligations of the Board constitute Parity Obligations.

(l) ***Payment of Administrative Costs of Parity Obligations.*** The Issuer shall timely make available to the paying agent for the outstanding Parity Obligations the fees and expenses of the paying agent or paying agents therefor.

Section 17. DISPOSITION OF ASSETS. The Board may convey, sell, or otherwise dispose of any properties of the Financing System provided:

(a) ***Ordinary Course.*** Such conveyance, sale, or disposition shall be in the ordinary course of business of the Issuer.

(b) ***Disposition Upon Board Determination.*** The Board shall determine that after the conveyance, sale, or other disposition of such properties, the Board shall have sufficient funds during each Fiscal Year during which Parity Obligations are to be outstanding to meet the financial obligations of the Financing System, including sufficient Pledged Revenues to satisfy the Annual Debt Service Requirements of the Financing System and to meet all financial obligations of the Board relating to the Financing System, including, without limitation, the payment of Parity Obligations.

(c) ***Compliance with Operative Federal Tax Covenants.*** Any conveyance, sale, or other disposition of property financed with the proceeds of Parity Obligations shall conform to the federal income tax covenants set forth in the order pursuant to which the Parity Obligations were issued.

Section 18. ISSUANCE OF ADDITIONAL OBLIGATIONS.

(a) *Parity Obligations.*

(i) The Issuer shall have the right and power at any time and from time to time, and in one or more Series or issues, to authorize, issue, and deliver additional parity revenue bonds (herein called "*Additional Bonds*"), in accordance with law, in any amounts, for any lawful purpose related to the Issuer, including the refunding of Parity Bonds, Additional Bonds or bonds secured by Pledged Revenues that is junior and subordinate in all respects to the liens, pledges, covenants and agreements hereof or any resolution authorizing the issuance of Additional Bonds. Such Additional Bonds, when issued and delivered in accordance with the provisions hereof, shall be secured by and made payable equally and ratably on a parity with the Parity Bonds, from a first lien on and pledge of the Pledged Revenues.

(ii) Additional Bonds shall be issued only in accordance with the provisions hereof, but notwithstanding any provisions hereof to the contrary, no installment, series, or issue of Additional Bonds shall be issued or delivered unless the Designated Financial Officer of the Issuer sign a written certificate to the effect that the Issuer is not in default as to any covenant, condition, or obligation in connection with all outstanding Parity Bonds and Additional Bonds, and the orders authorizing the same, that the Debt Service Fund and the Reserve Fund each contains the amount then required to be therein, and that the Pledged Revenues, in the most recent completed fiscal year of the Issuer, were at least equal to 1.15 times the average annual principal and interest requirements of all Parity Bonds and Additional Bonds to be outstanding after the delivery of the then proposed Additional Bonds.

(b) ***Non-Recourse Debt and Subordinated Debt.*** Non-Recourse Debt and Subordinated Debt may be incurred by the Board without limitation, except no Subordinated Debt may be incurred unless (i) a Designated Financial Officer shall deliver to the Board a certificate stating that, to the best of his or her knowledge, the Issuer possesses the financial capability to satisfy the Annual Debt Service Requirements of the Financing System and the Subordinated Debt after taking into account the then proposed Subordinated Debt.

(c) ***Credit Agreements.*** Payments to be made under a Credit Agreement may be treated as Parity Obligations if the Board makes a finding in the order authorizing the treatment of the obligations of the Issuer incurred under a Credit Agreement as a Parity Obligation that, based upon the findings contained in a certificate executed and delivered by a Designated Financial Officer, the Issuer will have sufficient funds to meet the financial obligations of the Financing System, including sufficient Pledged Revenues to satisfy the rate covenant set forth in Section 15 of this Order, after giving effect to the treatment of the Credit Agreement as a Parity Obligation.

Section 19. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.

(a) **Replacement Bonds.** In the event any outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new bond of the same series, principal amount, maturity, and interest rate, and in the same form, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) **Application for Replacement Bonds.** Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the applicant for a replacement bond shall furnish to the Issuer and to the Paying Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the applicant shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the applicant shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

(c) **Payment in Lieu of Replacement.** Notwithstanding the foregoing provisions of this Section, in the event any such Bond shall have matured, and no default has occurred that is then continuing in the payment of the principal of, redemption premium, if any, or interest on the Bond, the Issuer may authorize the payment of the same (without surrender thereof except in the case of a damaged or mutilated Bond) instead of issuing a replacement Bond, provided security or indemnity is furnished as above provided in this Section.

(d) **Charge for Issuing Replacement Bonds.** Prior to the issuance of any replacement bond, the Paying Agent/Registrar shall charge the owner of such Bond with all legal, printing, and other expenses in connection therewith. Every replacement bond issued pursuant to the provisions of this Section by virtue of the fact that any Bond is lost, stolen, or destroyed shall constitute a contractual obligation of the Issuer whether or not the lost, stolen, or destroyed Bond shall be found at any time, or be enforceable by anyone, and shall be entitled to all the benefits of this Order equally and proportionately with any and all other Bonds duly issued under this Order.

(e) **Authority for Issuing Replacement Bonds.** In accordance with Chapter 1206, Texas Government Code, this Section shall constitute authority for the issuance of any such replacement bond without the necessity of further action by the Issuer or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 5(f) of this Order for Bonds issued in exchange and replacement for other Bonds.

Section 20. AMENDMENT OF ORDER. (a) **Amendments Without Consent.** This Order and the rights and obligations of the Board and of the owners of the Bonds may be modified or amended at any time without notice to or the consent of any owner of the Bonds or any other Parity Obligations, solely for any one or more of the following purposes:

(i) To add to the covenants and agreements of the Board contained in this Order, other covenants and agreements thereafter to be observed, or to surrender any right or power reserved to or conferred upon the Board in this Order;

(ii) To cure any ambiguity or inconsistency, or to cure or correct any defective provisions contained in this Order, upon receipt by the Board of an opinion of Bond Counsel, that the same is needed for such purpose, and will more clearly express the intent of this Order;

(iii) To supplement the security for the Bonds, replace or provide additional Credit Facilities, or change the form of the Bonds or make such other changes in the provisions hereof as the Board may deem necessary or desirable and that shall not, in the judgment of the Board, materially adversely affect the interests of the owners of the outstanding Bonds;

(iv) To make any changes or amendments requested by any Rating Agency then rating or requested to rate Parity Obligations, as a condition to the issuance or maintenance of a rating, which changes or amendments do not, in the judgment of the Board, materially adversely affect the interests of the owners of the Bonds;

(v) To make such changes, modifications or amendments as may be necessary or desirable that shall not adversely affect the interests of the owners of the Bonds, in order, to the extent permitted by law, to facilitate the economic and practical utilization of Credit Agreements with respect to the Bonds; or

(vi) To make such other changes in the provisions hereof as the Board may deem necessary or desirable and that shall not, in the judgment of the Board, materially adversely affect the interests of the owners of the Bonds.

Notice of any such amendment may be, but is not required to be, published by the Board in the manner described in subsection (c) of this Section; provided, however, that the publication of such notice shall not constitute a condition precedent to the adoption of such amendatory order and the failure to publish such notice shall not adversely affect the implementation of such amendment as adopted pursuant to such amendatory order.

(b) ***Amendments With Consent.*** Subject to the other provisions of this Order, the owners of outstanding Bonds aggregating a majority in Outstanding Principal Amount shall have the right from time to time to approve any amendment, other than amendments described in subsection (a) of this Section, to this Order that may be deemed necessary or desirable by the Board; provided, however, that nothing herein contained shall permit or be construed to permit, without the approval of the owners of all of the outstanding Bonds, the amendment of the terms and conditions in this Order or in the Bonds so as to:

(i) Make any change in the maturity of the outstanding Bonds;

(ii) Reduce the rate of interest borne by outstanding Bonds;

- (iii) Reduce the amount of the principal payable on outstanding Bonds;
- (iv) Modify the terms of payment of principal of or interest on the outstanding Bonds, or impose any conditions with respect to such payment;
- (v) Affect the rights of the owners of less than all Bonds then outstanding; or
- (vi) Change the minimum percentage of the Outstanding Principal Amount of Bonds necessary for consent to such amendment.

(c) **Notice.** If at any time the Board shall desire to amend this Order for the purposes described in subsection (b) above, the Board shall cause notice of the proposed amendment to be published in a financial newspaper or journal of general circulation in The City of New York, New York or the State of Texas once during each calendar week for at least two successive calendar weeks. Such notice shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file at the principal office of the Registrar for inspection by all owners of Bonds. Such publication is not required, however, if the Board gives or causes to be given such notice in writing to each owner of Bonds. Such publication is not required with respect to amendments to this Order effected pursuant to the provisions of subsection (a) of this Section.

(d) **Receipt of Consents.** Whenever at any time not less than thirty days, and within one year, from the date of the first publication of said notice or other service of written notice of the proposed amendment the Board shall receive an instrument or instruments executed by all of the owners or the owners of at least a majority in Outstanding Principal Amount of Bonds, as appropriate, which instrument or instruments shall refer to the proposed amendment described in said notice and which instrument or instruments specifically consent to and approve such amendment in substantially the form of the copy thereof on file as aforesaid, the Board may adopt the amendatory order in substantially the same form.

(e) **Effect of Amendments.** Upon the adoption by the Board of any order to amend this Order pursuant to the provisions of this Section, this Order shall be deemed to be amended in accordance with the amendatory order, and the respective rights, duties, and obligations of the Board and all the owners of then outstanding Bonds and all future Bonds shall thereafter be determined, exercised, and enforced under the Order and this Order, as amended.

(f) **Consent Irrevocable.** Any consent given by any owner of Bonds pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication or other service of the notice provided for in this Section, and shall be conclusive and binding upon all future owners of the same Bonds during such period. Such consent may be revoked at any time after six months from the date of the first publication of such notice by the owner who gave such consent, or by a successor in title, by filing notice thereof with the Registrar and the Board, but such revocation shall not be effective if the owners of a majority in Outstanding Principal Amount of Bonds, prior to the attempted revocation, consented to and approved the amendment.

(g) **Ownership.** For the purpose of this Section, the ownership and other matters relating to all Bonds registered as to ownership shall be determined from the registration books kept by the Registrar therefor. The Registrar may conclusively assume that such ownership continues until written notice to the contrary is served upon the Registrar.

Section 21. COVENANTS REGARDING TAX-EXEMPTION. The Issuer covenants to refrain from any action that would adversely affect, or to take any action to assure, the treatment of the Bonds as obligations described in section 103 of the Code, the interest on which is not includable in the "gross income" of the holder for purposes of federal income taxation. In furtherance thereof, the Issuer covenants as follows:

(1) to take any action to assure that no more than 10 percent of the proceeds of the Bonds or the projects financed or refinanced therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds of the Bonds or the projects financed or refinanced therewith are so used, such amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Order or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(2) to take any action to assure that in the event that the "private business use" described in subsection (1) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed or refinanced therewith (less amounts deposited into a reserve fund, if any) then the amount in excess of 5 percent is used for a "private business use" which is "related" and not "disproportionate," within the meaning of section 141(b)(3) of the Code, to the governmental use;

(3) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(4) to refrain from taking any action which would otherwise result in the Bonds being treated as a "private activity bonds" within the meaning of section 141(b) of the Code;

(5) to refrain from taking any action that would result in the Bonds being "federally guaranteed" within the meaning of section 149(b) of the Code;

(6) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with --

(A) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less or, in the case of a current refunding bond, for a period of 90 days or less until such proceeds are needed for the purpose for which the bonds are issued,

(B) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(C) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the proceeds of the Bonds;

(7) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds does not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage); and

(8) to refrain from using the proceeds of the Bonds or proceeds of any prior bonds to pay debt service on another issue more than 90 days after the date of issue of Bonds in contravention of the requirements of section 149(d) of the Code (relating to advance refundings); and

(9) to pay to the United States of America at least once during each five-year period (beginning on the date of delivery of the Bonds) an amount that is at least equal to 90 percent of the "Excess Earnings," within the meaning of section 148(f) of the Code and to pay to the United States of America, not later than 60 days after the Bonds has been paid in full, 100 percent of the amount then required to be paid as a result of Excess Earnings under section 148(f) of the Code.

(b) Rebate Fund. In order to facilitate compliance with the above covenant (9), a "Rebate Fund" is hereby established by the Issuer for the sole benefit of the United States of America, and such fund shall not be subject to the claim of any other person, including without limitation the bondholders. The Rebate Fund is established for the additional purpose of compliance with section 148 of the Code.

(c) Proceeds. The Issuer understands that the term "proceeds" includes "disposition proceeds" as defined in the Treasury Regulations and, in the case of refunding bonds, transferred proceeds (if any) and proceeds of the refunded obligations expended prior to the date of issuance of the Bonds. It is the understanding of the Issuer that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify or expand provisions of the Code, as applicable to the Bonds, the Issuer will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the Issuer agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to

preserve the exemption from federal income taxation of interest on the Bonds under section 103 of the Code. In furtherance of such intention, the Issuer hereby authorizes and directs the Designated Financial Officer to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the Issuer, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

Section 22. ALLOCATION OF, AND LIMITATION ON, EXPENDITURES FOR THE PROJECT. The Issuer covenants to account for the expenditure of proceeds from the sale of the Bonds and any investment earnings thereon to be used for the Project on its books and records by allocating proceeds to expenditures within 18 months of the later of the date that (a) the expenditure on the Project is made or (b) each such Project is completed. The foregoing notwithstanding, the Issuer shall not expend such proceeds or investment earnings more than 60 days after the later of (a) the fifth anniversary of the date of delivery of the Bonds or (b) the date the Bonds are retired, unless the Issuer obtains an opinion of nationally-recognized bond counsel substantially to the effect that such expenditure will not adversely affect the tax-exempt status of the Bonds.

Section 23. DISPOSITION OF PROJECT. The Issuer covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the Issuer of cash or other compensation, unless the Issuer obtains an opinion of nationally-recognized bond counsel substantially to the effect that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of this Section, the portion of the property comprising personal property and disposed of in the ordinary course of business shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes of this Section, the Issuer shall not be obligated to comply with this covenant if it obtains an opinion of nationally-recognized bond counsel to the effect that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 24. ORDER TO CONSTITUTE A CONTRACT; EQUAL SECURITY. In consideration of the acceptance of the Bonds, the issuance of which is authorized hereunder, by those who shall hold the same from time to time, this Order shall be deemed to be and shall constitute a contract between the Issuer and the registered owners from time to time of the Bonds and the pledge made in this Order by the Board and the covenants and agreements set forth in this Order to be performed by the Board shall be for the equal and proportionate benefit, security, and protection of all registered owners, without preference, priority, or distinction as to security or otherwise of any of the Bonds authorized hereunder over any of the others by reason of time of issuance, sale, or maturity thereof or otherwise for any cause whatsoever, except as expressly provided in or permitted by this Order.

Section 25. INDIVIDUALS NOT LIABLE. All covenants, stipulations, obligations, and agreements of the Board contained in this Order shall be deemed to be covenants, stipulations, obligations, and agreements of the Financing System and the Board to the full extent authorized or permitted by the Constitution and laws of the State of Texas. No covenant, stipulation, obligation, or agreement herein contained shall be deemed to be a covenant, stipulation, obligation,

or agreement of any member of the Board or agent or employee of the Issuer in the individual capacity thereof and neither the members of the Board nor any officer thereof shall be liable personally on Parity Obligations when issued, or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 26. SEVERABILITY OF INVALID PROVISIONS. If any one or more of the covenants, agreements, or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements, or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements, or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Bonds issued hereunder.

Section 27. SPECIAL OBLIGATIONS. All Parity Obligations and the premium, if any, and the interest thereon shall constitute special obligations of the Issuer payable from the Pledged Revenues, and the owners thereof shall never have the right to demand payment out of funds raised or to be raised by taxation, or from any source other than the source specified in this Order. The obligation of the Issuer to pay or cause to be paid the amounts payable under this Order out of the Pledged Revenues shall be absolute, irrevocable, complete, and unconditional, and the amount, manner, and time of payment of such amounts shall not be decreased, abated, rebated, setoff, reduced, abrogated, waived, diminished, or otherwise modified in any manner or to any extent whatsoever, regardless of any right of setoff, recoupment, or counterclaim that the Board might otherwise have against any owner or any other party and regardless of any contingency, force majeure, event, or cause whatsoever and notwithstanding any circumstance or occurrence that may arise or take place before, during, or after the issuance of Parity Obligations while any Parity Obligations are outstanding.

Section 28. REMEDIES. Upon the happening of any Event of Default, each registered owner may proceed against the Issuer for the purpose of protecting and enforcing the rights of the registered owners under this Order, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the registered owners hereunder or any combination of such remedies. No remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Order, the right to accelerate the debt evidenced by the Bonds shall not be available as a remedy under this Order. The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

Section 29. PAYMENT AND PERFORMANCE ON BUSINESS DAYS. Except as provided to the contrary in the FORM OF BONDS, whenever under the terms of this Order or the Bonds, the performance date of any provision hereof or thereof, including the payment of principal of or interest on the Bonds, shall occur on a day other than a Business Day, then the performance

thereof, including the payment of principal of and interest on the Bonds, need not be made on such day but may be performed or paid, as the case may be, on the next succeeding Business Day with the same force and effect as if made on the date of performance or payment.

Section 30. LIMITATION OF BENEFITS WITH RESPECT TO THE ORDER.

With the exception of the rights or benefits herein expressly conferred, nothing expressed or contained herein or implied from the provisions of this Order or the Bonds is intended or should be construed to confer upon or give to any person other than the Board, the registered owners, AGM, and the Paying Agent/Registrar, any legal or equitable right, remedy, or claim under or by reason of or in respect to this Order or any covenant, condition, stipulation, promise, agreement, or provision herein contained. This Order and all of the covenants, conditions, stipulations, promises, agreements, and provisions hereof are intended to be and shall be for and inure to the sole and exclusive benefit of the Board, the registered owners, AGM and the Paying Agent/Registrar as herein and therein provided.

Section 31. DEFEASANCE OF OBLIGATIONS.

(a) ***Deemed Paid.*** Any Parity Obligation and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Debt") within the meaning of this Order, except to the extent provided in subsection (e) of this Section, when payment of the principal of such Parity Obligation, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will insure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar for the payment of its services until all Defeased Debt shall have become due and payable. At such time as a Parity Obligation shall be deemed to be a Defeased Debt hereunder, as aforesaid, such Parity Obligation and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the revenues herein levied and pledged as provided in this Order, and such principal and interest shall be payable solely from such money or Defeasance Securities. Upon entering into the Future Escrow Agreement with respect to any such Parity Obligations so defeased, such Parity Obligations shall no longer be outstanding for any purpose except for right of payment, and all rights of the Issuer to take any other action amending the terms of such Parity Obligations shall be extinguished.

(b) ***Investments.*** Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the Issuer be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Parity Obligations and interest thereon, with respect to which such money has been so deposited, shall be turned over to the Issuer, or deposited as directed in writing by the Issuer. Any Future Escrow Agreement pursuant to which

the money and/or Defeasance Securities are held for the payment of Defeased Debt may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution of other Defeasance Securities upon the satisfaction of the requirements specified in subsection (a)(i) or (ii) above. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Debt, with respect to which such money has been so deposited, shall be remitted to the Issuer or deposited as directed in writing by the Issuer.

(c) ***Selection of Defeased Debt.*** In the event that the Issuer elects to defease less than all of the principal amount of Parity Obligations of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Parity Obligations by such random method as it deems fair and appropriate.

(d) ***Defeasance Obligations.*** The term "Defeasance Securities" means any securities and obligations now or hereafter authorized by State law that are eligible to discharge obligations such as the Bonds.

(e) ***Continuing Duty of Paying Agent/Registrar.*** Until all Parity Obligations defeased under this Section of this Order shall become due and payable, the Paying Agent/Registrar for such Parity Obligations shall perform the services of Paying Agent/Registrar for such Parity Obligations the same as if they had not been defeased, and the Issuer shall make proper arrangements to provide and pay for such services.

Section 32. CUSTODY; APPROVAL; AND PREAMBLE. (a) The Designated Financial Officer is hereby authorized to have control of the Bonds issued hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and approval by the Attorney General of the State of Texas. The Designated Financial Officer is hereby authorized, to the extent deemed necessary or advisable thereby, in the discretion thereof, to request that (i) the Attorney General approve the Bonds as permitted by Chapter 1202, Texas Government Code, and (ii) the Comptroller of Public Accounts register the Bonds, and to cause an appropriate legend reflecting such approval and registration to appear on the Bonds and the substitute Bonds. The recitals and preamble to this Order is hereby adopted and made a part of this Order for all purposes.

(b) The obligation of the Purchaser to accept delivery of the Bonds is subject to the initial Purchaser being furnished with the final, approving opinion of McCall, Parkhurst & Horton L.L.P., bond counsel to the Issuer, which opinion shall be dated as of and delivered on the date of initial delivery of the Bonds to the Purchaser.

(c) In accordance with the provisions of Section 1202.004, Tex. Gov't Code Ann., in connection with the submission of the Bond by the Attorney General of Texas for review and approval, a statutory fee (an amount equal to 0.1% principal amount of the Bond, subject to a minimum of \$750 and a maximum of \$9,500) is required to be paid to the Attorney General upon the submission of the transcript of proceedings for the Bond. The Issuer hereby authorizes and directs that a check or ACH transfer in the amount of the Attorney General filing fee for the Bonds,

made payable to the "Texas Attorney General," be promptly furnished to the Issuer's Bond Counsel, for payment to the Attorney General in connection with his review of the Bond.

Section 33. COMPLIANCE WITH RULE 15c2 12 (17 C.F.R. § 240.15c2 12).

(b) Definitions. As used in this Section, the following terms have the meanings ascribed to such terms below:

(i) "*Financial Obligation*" means a: (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) a guarantee of the foregoing (a) and (b). The term Financial Obligation does not include any municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

(ii) "*MSRB*" means the Municipal Securities Rulemaking Board or any successor to its functions under the Rule.

(iii) "*Rule*" means SEC Rule 15c2 12, as amended from time to time.

(iv) "*SEC*" means the United States Securities and Exchange Commission.

(c) Annual Reports. The Issuer shall provide annually to the MSRB, in the electronic format prescribed by the MSRB, within the time provided in the Pricing Certificate, certain updated financial information and operating data pertaining to the Issuer, being the information described in the Pricing Certificate.

(d) Any financial information so to be provided shall be (i) prepared in accordance with the accounting principles described in the financial statements of the Issuer appended to the Official Statement, or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation, and (ii) audited, if the Issuer commissions an audit of such statements and the audit is completed within the period during which they must be provided. If the audit of such financial statements is not completed within such period, then the Issuer shall provide unaudited financial information within such period, and audited financial statements for the applicable fiscal year to the MSRB, when and if the audit report on such statements become available.

(e) If the Issuer changes its fiscal year, it will notify the MSRB of the change (and of the date of the new fiscal year end) prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section. The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any documents available to the public on the MSRB's internet website or filed with the SEC. All documents provided to the MSRB shall be accompanied by identifying information as prescribed by the MSRB.

(f) Event Notices.

(i) Material Event Notices. The Issuer shall notify the MSRB in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Bonds, if such event is material within the meaning of the federal securities laws:

(A) non-payment related defaults;

(B) modifications to rights of Registered Owners;

(C) Bond calls;

(D) release, substitution, or sale of property securing repayment of the Bonds;

(E) the consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;

(F) appointment of a successor or additional trustee or the change of name of a trustee;

(G) incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect Bondholders, if material.

(ii) Event Notices Without Regard to Materiality. The Issuer shall notify the MSRB in an electronic format as prescribed by the MSRB, in a timely manner (but not in excess of ten business days after the occurrence of the event) of any of the following events with respect to the Bonds, without regard to whether such event is considered material within the meaning of the federal securities laws:

(A) principal and interest payment delinquencies;

(B) unscheduled draws on debt service reserves reflecting financial difficulties;

(C) unscheduled draws on credit enhancements reflecting financial difficulties;

(D) substitution of credit or liquidity providers, or their failure to perform;

(E) adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

(F) tender offers;

(G) defeasances;

(H) rating changes;

(I) bankruptcy, insolvency, receivership or similar event of an obligated person;

(J) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the Issuer, any of which reflect financial difficulties.

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

(g) Limitations, Disclaimers, and Amendments.

(i) The Issuer shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as, the Issuer remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the Issuer in any event will give the notice required by subsection (e) hereof of any Bond calls and defeasance that cause the Issuer to no longer be such an "obligated person".

(ii) The provisions of this Section are for the sole benefit of the Registered Owners and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Issuer does not make any representation or warranty concerning such information or its usefulness to a decision to invest in or sell Bonds at any future date.

(iii) UNDER NO CIRCUMSTANCES SHALL THE ISSUER BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

(iv) No default by the Issuer in observing or performing its obligations under this Section shall comprise a breach of or default under the Order for purposes of any other provision of this Order. Nothing in this Section is intended or shall act to disclaim, waive, or otherwise limit the duties of the Issuer under federal and state securities laws.

(v) The provisions of this Section may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule since such offering as well as such changed circumstances and (2) either (a) the Registered Owners of a majority in aggregate principal amount (or any greater amount required by any other provision of this Order that authorizes such an amendment) of the outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determined that such amendment will not materially impair the interest of the Registered Owners and beneficial owners of the Bonds. If the Issuer so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with subsection (a) of this Section an explanation, in narrative form, of the reason for the amendment and of the impact of any change in the type of financial information or operating data so provided. The Issuer may also amend or repeal the provisions of this continuing disclosure agreement if the SEC amends or repeals the applicable provision of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, but only if and to the extent that the provisions of this sentence would not prevent an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds.

Section 34. FURTHER PROCEDURES. The Chair of the Board, the District President any Designated Financial Officer, and all other officers, employees, and agents of the Issuer, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the Issuer all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Order, the Bonds, the sale and delivery of the Bonds and fixing all details in connection with the Bonds.

Section 35. INCONSISTENT PROVISIONS. All indentures, orders or resolutions, or parts thereof, that are in conflict or inconsistent with any provision of this Order are hereby repealed to the extent of such conflict and the provisions of this Order shall be and remain controlling as to the matters contained herein.

Section 36. GOVERNING LAW. This Order shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 37. SEVERABILITY. If any provision of this Order or the application thereof to any circumstance shall be held to be invalid, the remainder of this Order and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Order would have been enacted without such invalid provision.

Section 38. REMEDIES FOR EVENTS OF DEFAULT.

(a) Remedies for Default. Upon the happening of any Event of Default, then and in every case, any Registered Owner or an authorized legal representative thereof, including, but not limited to, a trustee for such Registered Owner, may proceed against the Issuer or the Board of Trustees of the Issuer, as appropriate, for the purpose of protecting and enforcing the rights of the Registered Owners under this Order, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained in this Order, to enjoin any act or thing that may be unlawful or in violation of any right of the Registered Owners hereunder or any combination of such remedies. All such proceedings for remedy shall be instituted and maintained for the equal benefit of all Registered Owners of Bonds then outstanding.

(b) Remedies are Not Exclusive.

(i) No remedy conferred or reserved in this Order is intended to be exclusive of any other available remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or under the Bonds or now or hereafter existing at law or in equity; provided, however, that notwithstanding any other provision of this Order, the right to accelerate the debt service payments evidenced by the Bonds shall not be available as a remedy under this Order.

(ii) The exercise of any remedy herein conferred or reserved shall not be deemed a waiver of any other available remedy.

(iii) By accepting the delivery of a Bond authorized under this Order, such Registered Owner agrees that the certifications required to effectuate any covenants or representations contained in this Order do not and shall never constitute or give rise to a personal or pecuniary liability or charge against the officers, employees or trustees of the Issuer or the Board of Trustees of the Issuer.

Section 39. CONTINUED PERFECTION OF SECURITY INTEREST. Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of the Pledged Revenues granted by the Issuer under Section 7 of this Order, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the Pledged Revenues granted by the Issuer under Section 7 of this Order is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the registered owners of the Bonds the perfection of the security interest in said pledge, the Issuer agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

**EXHIBIT A
FORM OF BONDS**

The form of the Bond, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached only to the Bonds initially issued and delivered pursuant to this Resolution, shall be, respectively, substantially as follows, with such appropriate variations, omissions, or insertions as are permitted or required by this Order and with the Bonds to be completed with information set forth in the Pricing Certificate. The Form of Bond as it appears in this Exhibit A shall be completed, amended and modified by Bond Counsel to incorporate the information set forth in the Pricing Certificate but it is not required for the Form of Bond to reproduced as an exhibit to the Pricing Certificate.

The blanks in this section are intentional.

| | | |
|--------|--|---------------------------------|
| NO. R- | UNITED STATES OF AMERICA STATE OF TEXAS COLLIN COUNTY COMMUNITY COLLEGE DISTRICT CONSOLIDATED FUND REVENUE BOND, SERIES 2024 | PRINCIPAL AMOUNT \$ _____ |
|--------|--|---------------------------------|

| | | | |
|--------------------------|-------------------|--------------------------|------------------|
| <u>INTEREST RATE</u> | <u>DATED DATE</u> | <u>MATURITY DATE</u> | <u>CUSIP NO.</u> |
|--------------------------|-------------------|--------------------------|------------------|

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

On the maturity date specified above, the COLLIN COUNTY COMMUNITY COLLEGE DISTRICT, in the County of Collin, State of Texas (the "Issuer"), being a political subdivision of the State of Texas, hereby promises to pay to the Registered Owner set forth above, or registered assigns (hereinafter called the "Registered Owner") the principal amount set forth above, and to pay interest thereon from the [Dated Date / Delivery Date], on [] and semiannually on each [] and [] thereafter to the maturity date specified above, or the date of redemption prior to maturity, at the interest rate per annum specified above; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from

is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full.

The principal of and interest on this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Registered Owner hereof upon presentation and surrender of this Bond at maturity, or upon the date fixed for its redemption prior to maturity, at [-], which is the "Paying Agent/Registrar" for this Bond at its designated office for payment currently, Austin, Texas (the "Designated Payment/Transfer Office"). The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the order authorizing the issuance of this Bond (the "Order") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared at the close of business on the fifteenth day of the preceding month (the "Record Date") on the registration books kept by the Paying Agent/Registrar (the "Registration Books"). In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day next preceding the date of mailing of such notice. Notwithstanding the foregoing, during any period in which ownership of the Bond is determined only by a book entry at a securities depository for the Bond, any payment to the securities depository, or its nominee or registered assigns, shall be made in accordance with existing arrangements between the Issuer and the securities depository.

Any accrued interest due at maturity or upon the redemption of this Bond prior to maturity as provided herein shall be paid to the Registered Owner upon presentation and surrender of this Bond for redemption and payment at the Designated Payment/Transfer Office of the Paying Agent/Registrar. The Issuer covenants with the Registered Owner of this Bond that on or before each principal payment date, interest payment date, and accrued interest payment date for this Bond it will make available to the Paying Agent/Registrar, from the "Debt Service Fund" created by the Bond, the amounts required to provide for the payment, in immediately available funds, of all principal of and interest on the Bond, when due.

If the date for the payment of this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the designated corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal

holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

This Bond is dated as of [], 2024 and is authorized by the Issuer in accordance with the Constitution and laws of the State of Texas in the aggregate principal amount of \$[] issued pursuant to an order adopted on August [], 2024 (the "Order"), to (i) design, construct, improve and equip certain facilities consisting generally of kitchen/dining renovations, courtyard improvements and bookstore improvements at the Plano Campus; constructing and equipping a new health science building; improvements to the Wylie CTE Building; various security enhancements; and other capital improvements, (ii) funding a debt service reserve fund for the Bonds, and (iii) paying the costs of issuing the Bonds.

On [], 20__, or on any date thereafter, the Bonds of this Series maturing on and after August 1, 20__ may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, at par plus accrued interest to the date fixed for redemption as a whole, or in part, and, if in part, the particular maturities to be redeemed shall be selected and designated by the Issuer and if less than all of a maturity is to be redeemed, the Paying Agent/Registrar shall determine by lot the Bonds, or a portion thereof, within such maturity to be redeemed (provided that a portion of a Bond may be redeemed only in an integral multiple of \$5,000).

At least thirty (30) days prior to the date fixed for any redemption of Bonds or portions thereof prior to maturity a written notice of such redemption shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, at least 30 days prior to the date fixed for any such redemption, to the registered owner of each Bond to be redeemed at its address as it appeared on the Registration Books on the 45th day prior to such redemption date; provided, however, that the failure to send, mail or receive such notice, or any defect therein or in the sending or mailing thereof, shall not affect the validity or effectiveness of the proceedings for the redemption of any Bond. By the date fixed for any such redemption due provisions shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof that are to be so redeemed. If such written notice of redemption is sent and if due provision for such payment is made, all as provided above, the Bonds or portions thereof that are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being outstanding except for the right of the registered owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the registered owner, and in aggregate principal amount equal to the unredeemed portion thereof, will be issued to the registered owner upon the surrender thereof for cancellation, at the expense of the Board, all as provided by the Order.

[The Bonds maturing on [] in the years [] (the "Term Bonds") are subject to mandatory sinking fund redemption by lot prior to maturity in the following amounts, on the following dates and at a price of par plus accrued interest to the redemption date:

Term Bonds due [], 20[]

| | |
|--------------------------------|----------------------------|
| Mandatory Redemption Date: [] | Principal Amount: \$[],000 |
| Mandatory Redemption Date: [] | Principal Amount: \$[],000 |
| Mandatory Redemption Date: [] | Principal Amount: \$[],000 |
| Mandatory Redemption Date: []* | Principal Amount: \$[],000 |

* Stated Maturity

The principal amount of the Term Bonds required to be redeemed pursuant to the operation of the mandatory sinking fund redemption provisions shall be reduced, at the option of the Issuer by the principal amount of any Term Bonds of the stated maturity which, at least fifty days prior to a mandatory redemption date, (1) shall have been acquired by the Issuer, at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, (2) shall have been purchased and canceled by the Paying Agent/Registrar at the request of the Issuer with monies in the Interest and Sinking Fund at a price not exceeding the principal amount of the Term Bonds plus accrued interest to the date of purchase thereof, or (3) shall have been redeemed pursuant to the optional redemption provisions and not theretofore credited against a mandatory sinking fund redemption requirement.]

With respect to any optional redemption of the Bonds, unless certain prerequisites to such redemption required by the Order have been met and moneys sufficient to pay the principal of and premium, if any, and interest on the Bonds to be redeemed shall have been received by the Paying Agent/Registrar prior to the giving of such notice of redemption, such notice shall state that said redemption may, at the option of the Issuer, be conditional upon the satisfaction of such prerequisites and receipt of such moneys by the Paying Agent/Registrar on or prior to the date fixed for such redemption, or upon any prerequisite set forth in such notice of redemption. If a conditional notice of redemption is given and such prerequisites to the redemption and sufficient moneys are not received, such notice shall be of no force and effect, the Issuer shall not redeem such Bonds and the Paying Agent/Registrar shall give notice, in the manner in which the notice of redemption was given, to the effect that the Bonds have not been redeemed.

All Bonds of this series are issuable solely as fully registered bonds, without interest coupons, in the denomination of \$5,000 and any integral multiple of \$5,000 in excess thereof (the "Authorized Denomination"). As provided in the Bond Order, this Bond may, at the request of the registered owner or the assignee or assignees hereof, be assigned and transferred for a like aggregate principal amount Bond, without interest coupons, payable to the appropriate registered owner, assignee or assignees, as the case may be, in an Authorized Denomination, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Order. Among other requirements for such assignment and

transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with the proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond to the assignee this Bond is to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the registered owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond from time to time by the registered owner. In the case of the assignment and transfer of this Bond, the reasonable standard or customary fees and charges of the Paying Agent/Registrar will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment and transfer, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date.

In the event any Paying Agent/Registrar for this Bond is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Bond Order that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the registered owner of this Bond.

It is hereby certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; that the series of Bonds of which this Bond is one constitutes Parity Obligations under the Bond Order; and that the interest on and principal of this Bond, and other Bonds of this series are equally and ratably secured by and payable from a lien on and pledge of the Pledged Revenues. The Bond Order further provides that the Issuer may create a debt service reserve fund and fund it or provide for it to be funded in connection with the issuance of any Parity Obligations, and that such reserve shall secure only the Parity Obligations for which it is designated to secure. The Issuer has not created a debt service reserve fund in connection with the issuance of the Bonds.

The Issuer has reserved the right, subject to the restrictions referred to in the Bond Order, (i) to issue additional Parity Obligations, which also may be secured by and made payable from a lien on and pledge of the aforesaid Pledged Revenues, in the same manner and to the same extent as this Bond, and (ii) to amend the provisions of the Bond Order under the conditions provided in the Bond Order.

The registered owner hereof shall never have the right to demand payment of this Bond or the interest hereon out of any funds raised or to be raised by taxation or from any source whatsoever other than specified in the Bond Order.

By becoming the registered owner of this Bond, the registered owner thereby acknowledges all of the terms and provisions of the Bond Order, agrees to be bound by such terms and provisions, acknowledges that the Bond Order is duly recorded and available for inspection in

the official minutes and records of the Issuer, and agrees that the terms and provisions of this Bond and the Bond Order constitute a contract between each registered owner hereof and the Issuer.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be signed with the manual or facsimile signature of the Chair of the Board of Trustees of the Issuer and countersigned with the manual or facsimile signature of the Secretary of the Board of Trustees of the Issuer, and has caused the official seal of the Issuer to be duly impressed, or placed in facsimile, on this Bond.

Secretary, Board of Trustees
Collin County Community College District

Chair, Board of Trustees
Collin County Community College District

(SEAL)

(b) [Form of Registration Certificate of the Comptroller of Public Accounts]

COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.

I hereby certify that this Bond has been examined, certified as to validity, and approved by the Attorney General of the State of Texas, and that this Bond has been registered by the Comptroller of Public Accounts of the State of Texas.

Witness my signature and seal this _____.

Comptroller of Public Accounts of the State of Texas

(COMPTROLLER'S SEAL)

(c) [Form of Paying Agent/Registrar's Authentication Certificate]

PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE
(To be executed if this Bond is not accompanied by an
executed Registration Certificate of the Comptroller
of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond Order described in the text of this Bond; and that this Bond has been issued in exchange for a bond or bonds, or a portion of a bond or bonds of a series that originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

Dated: _____

[-]
[-], Texas
Paying Agent/Registrar

By: Authorized Representative

(d) [Form of Assignment]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____.
(Please insert Social Security or Taxpayer Identification Number of Transferee)

(Please print or typewrite name and address, including zip code, of Transferee.)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney, to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by an eligible guarantor institution participating in a securities transfer association recognized signature guarantee program.

NOTICE: The signature above must correspond with the name of the registered owner as it appears upon the front of this Bond in every particular, without alteration or enlargement or any change whatsoever.

INSERTIONS FOR THE INITIAL BOND

The initial Bond shall be in the form set forth in this Exhibit, except that:

- A. immediately under the name of the Bond, the headings "INTEREST RATE" and "MATURITY DATE" shall both be completed with the words "As shown below" and "CUSIP NO." shall be deleted.

- B. the first paragraph shall be deleted and the following will be inserted:

"ON THE MATURITY DATE SPECIFIED ABOVE, the COLLIN COUNTY COMMUNITY COLLEGE DISTRICT, in the County of Collin, State of Texas (the "Issuer"), being a political subdivision of the State of Texas, hereby promises to pay the Registered Owner specified above, or registered assigns (hereinafter called the "Registered Owner"), on August 1 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

| | | |
|--------------|-------------------------|-----------------------|
| <u>Years</u> | <u>Principal Amount</u> | <u>Interest Rates</u> |
|--------------|-------------------------|-----------------------|

(Information from the Pricing
Certificate to be inserted)

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from [] at the respective Interest Rate per annum specified above. Interest is payable on [] semiannually on each [] and [] thereafter to the date of payment of the principal installment specified above; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date next preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged is due by has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full."

The initial Bond shall be numbered "T-1."