

March 21, 2023

Dr. Roosevelt Nivens, Superintendent
Lamar Consolidated Independent School District
3911 Avenue I
Rosenberg, Texas 77471-3901

Dear Dr. Nivens:

Please be informed that your application for guarantee pursuant to the bond guarantee program (the "Guarantee Program") administered by the Texas Education Agency (the "Agency") of the Lamar Consolidated Independent School District's (the "District") Unlimited Tax Schoolhouse Bonds, Series 2023A, dated August 23, 2023, in the principal amount of \$540,000,000.00 (the "Bonds") has been preliminarily approved for guarantee in accordance with the Guarantee Program, subject to the following requirements: (1) the bond rating of the issue must be below the "AAA" category by a nationally recognized municipal bond rating service, (2) the District must include in its Official Statement relating to the Bonds the language set forth in the PSF Bond Guarantee Program Disclosure Language (the "Official Statement Disclosure"), entitled "THE PERMANENT SCHOOL FUND GUARANTEE PROGRAM" available at the following web link: http://tea.texas.gov/Finance_and_Grants/State_Funding/Facilities_Funding_and_Standards/Bond_Guarantee_Program/, and (3) each Bond must have printed on or attached to it the statement of guarantee in the form of the attachment to this letter entitled "PSF CERTIFICATE" (the "Bond Legend").

The preliminary approval of the Guarantee Program was based upon the capacity of the Permanent School Fund to guarantee bonds according to statutory and regulatory limits. At this time capacity is at a level that interim notifications of the district's intention to move forward with the sale of the bonds are not necessary.

In consideration for the application fee of the District, other valuable consideration with respect to the issuance of the Bonds by the District and the agreement of the District evidenced by the acceptance of the terms of this letter, and in order to induce investors to purchase the Bonds (and for their benefit) the Agency will (1) comply with the terms of the portion of State Board of Education investment policy codified in Section I of the Agency's Investment Procedure Manual ("Section I"), undertaking to provide ongoing information with respect to the Guarantee Program (including, specifically, the Permanent School Fund), and (2) provide or cause to be provided audited annual financial statements for the Guarantee Program, the Permanent School Fund (the "PSF") and the State of Texas to the MSRB (as such term is defined in Section I), when and if available, as required by rule

15c2-12 of the Securities and Exchange Commission ("Rule 15c2-12"). Financial data provided in accordance with this agreement will include audited financial statements of, or relating to, the State or the PSF, when and if such audits are commissioned and available. Financial statements of the State will be prepared in accordance with generally accepted accounting principles as applied to state governments, as such principles may be changed from time to time, or such other accounting principles as the State Auditor is required to employ from time to time pursuant to State law or regulation. Financial statements of the PSF will be prepared on a flow of economic resources measurement focus and the accrual basis of accounting in accordance with Statement No. 20 of the Governmental Accounting Standards Board, or such other accounting principles as the Agency is required to employ from time to time pursuant to State law or regulation.

This agreement shall become effective with respect to the Bonds upon the issuance of the Bonds, if the District takes the steps required by this letter for the effectuation of the guarantee of the Bonds by the PSF pursuant to the Guarantee Program, and will remain in effect (and may be enforced in an action for mandamus or specific performance by beneficial owners of the Bonds but not otherwise) so long as the Agency or the State is an "obligated person" with respect to such guarantee within the meaning of Rule 15c2-12.

Because of limitations on Agency staff dedicated to the administration of the Guarantee Program, the Agency will be unable to respond to requests to review and comment upon proposed Official Statement disclosures concerning Rule 15c2-12 undertaken by the Agency or upon the Bond Legend to be printed on or attached to the Bonds. However, the Agency hereby represents to the District for its benefit and the benefit of the underwriters of the Bonds (if the Bonds are being sold in a negotiated sale) or the initial purchasers of the Bonds (if the Bonds are being sold competitively) that the information in the Official Statement Disclosure is accurate as of the date of this letter.

Upon sale of the bonds, please provide written notification to the School Finance Department within ten (10) calendar days as to whether or not the guarantee is in effect. Should the PSF guarantee be in effect, this notification must include a copy of each of the following:

1. The order of the Board of Trustees certifying the sale of the guaranteed bonds (which is to include a statement that if the guaranteed bonds are defeased, the guarantee of such bonds would be removed in its entirety), and a statement that in case of default, and in accordance with Texas Education Code §45.061, the comptroller of public accounts will withhold the amount paid, plus interest, from the first state money payable to the school district in the following order: Foundation School Fund, Available School Fund,
2. the Official Notice of Sale,
3. the Final Official Statement and
4. for refunded bonds, a present value final savings schedule.

Only after the above items have been received will an original of the Bond Legend to be printed or attached to the Bonds and the "Certificate With Respect To Arbitrage" be sent

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to your bond counselor with copies to your financial advisor and the rating service(s).
Sample copies of these two documents are enclosed for your convenience.

If bonds guaranteed by the Guarantee Program are defeased, the district shall notify the School Finance Department in writing within ten (10) calendar days of such action. If you have questions, please feel free to contact bgp@tea.texas.gov.

Thank you for your cooperation and assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "James Terry". The signature is fluid and cursive, with a long horizontal stroke extending from the end.

James Terry, Ph.D., CPA, RTSBA

Associate Commissioner School Finance/Chief School Finance Officer

Enclosures

cc: Terrell Palmer; Jonathan Frels

CERTIFICATE WITH RESPECT TO ARBITRAGE

THE STATE OF TEXAS: TEXAS EDUCATION AGENCY:

The Texas Education Agency hereby certifies with respect to the issuance by Lamar Consolidated Independent School District (the "District") of the Unlimited Tax Schoolhouse Bonds, Series 2023A, dated August 23, 2023, in the principal amount of \$540,000,000.00 (the "Bonds") as follows:

1. The Permanent School Fund (the "Fund") created by Article 7, Section 5 of the Texas Constitution is a perpetual state trust fund authorized for the benefit of the public schools of the State of Texas.
2. The Bonds are guaranteed, pursuant to Article 7, Section 5 of the Texas Constitution and Section 45.051, et seq., of the Texas Education Code, by the corpus of the Fund.
3. The Fund has satisfied each of the factual requirements of paragraphs (d)(1)(i) through (d)(1)(iii) of Section 1.148-11(d)(1) of the Treasury Regulations on and after August 16, 1986.
4. Based upon the unaudited records of the Texas Education Agency and the General Land Office, the outstanding amount of the bonds guaranteed by the Fund on the sale date of the bonds did not exceed 500 percent of the total cost of the assets held by the Fund on December 16, 2009.
5. If the Bonds are defeased, the Fund guarantee shall be withdrawn in its entirety.

TEXAS EDUCATION AGENCY

By James Terry, Ph.D., CPA, RTSBA
Associate Commissioner School Finance/Chief School Finance Officer

PSF CERTIFICATE

Under the authority granted by Article 7, Section 5 of the Texas Constitution and Subchapter C of Chapter 45 of the Texas Education Code, the payment, when due, of the principal of and interest on the issuance by the Lamar Consolidated Independent School District of its Unlimited Tax Schoolhouse Bonds, Series 2023A, dated August 23, 2023, in the principal amount of \$540,000,000.00 is guaranteed by the corpus of the Permanent School Fund of the State pursuant to the bond guarantee program administered by the Texas Education Agency. This guarantee shall be removed in its entirety upon defeasance of such bonds.

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

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

Mike Morath
Commissioner of Education

This statement authorizes the use of my signature to be placed in facsimile on the above bonds.

*The bracketed paragraph should be omitted from bond issues which aggregate less than \$1,000,000, as such offerings are totally exempted from Rule 15c2-12.