

Agenda of Special Meeting

The Board of Trustees Splendora ISD

A Special meeting of the Board of Trustees of Splendora ISD will be held November 2, 2020, beginning at 5:30 PM in the Video Conference.

The subjects to be discussed or considered or upon which any formal action may be taken are as listed below. Items do not have to be taken in the order shown on this meeting notice.

Unless removed from the consent agenda, items identified within the consent agenda will be acted on at one time.

1. Strategic Direction - Why We Exist 3
2. Roll Call
3. Video Conference Script to be Read by Board President 4
4. Invocation
5. U.S. & State of Texas Pledge of Allegiances 5
6. Good Things
7. Audience 6
8. CONSENT AGENDA ITEM(S)
 - A. Approval of Authorized Activity Fund Signatures to include Kevin Lynch, Dr. Tami Greggerson, T&L Secretary, Campus Principals, Campus Assistant Principals, Campus Secretary/Bookkeeper, Athletic Director, Athletic Director Secretary. 7
9. ACTION ITEM(S)
 - A. Consideration and approval of an Order Authorizing the Issuance, Sale and Delivery of Splendora Independent School District Unlimited Tax Refunding Bonds, Series 2020; Authorizing a Pricing Officer to Approve the Amount, the Interest Rates, Price, Redemption Provisions and Terms Thereof and Certain Other Procedures and Provisions Related Thereto. 8
10. REGULAR MEETING NOVEMBER 16, 2020 AGENDA REVIEW 48
11. Adjourn

If, during the course of the meeting, discussion of any item on the agenda should be held in a closed meeting, the Board will conduct a closed meeting in accordance with the Texas Open Meetings Act, Government Code, Chapter 551, Subchapters D and E. Before any closed meeting is convened, the presiding officer will publicly identify the section or sections of the Act authorizing the closed meeting. All final votes, actions, or decisions will be taken in open meeting.

The notice for this meeting was posted in compliance with the Texas Open Meeting Act on _____, at

For the Board of Trustees



STRATEGIC DIRECTION - *why we exist*

VISION Right People. Right Things. Right Way. Right Resources. Right Relationships

MISSION Cultivating Exceptional People

| BELIEFS - <i>why we act</i> | PRINCIPLES |
|--|--|
| <u>Student-Focused</u> : We believe the greatest outcomes result when students come first. | <ul style="list-style-type: none"> • Be accountable. • Live with integrity. • Focus on student needs. |
| <u>Relationships</u> : We believe positive and supportive relationships create the conditions for students to be advocates in their education. | <ul style="list-style-type: none"> • Value each other. |
| <u>Culture</u> : We believe a healthy, collaborative culture fosters exploration and innovation in a supportive environment. | <ul style="list-style-type: none"> • Ensure a safe physical, emotional, + social environment. |
| <u>Servant Leaders</u> : We believe servant leaders and critical thinkers strengthen our community and democracy. | <ul style="list-style-type: none"> • Develop servant leaders. |
| <u>Learning</u> : We believe all students deserve high-quality, engaging learning experiences that honor the potential in each student. | <ul style="list-style-type: none"> • Create a dynamic learning environment. |

LEARNER PROFILE

The Splendor ISD Learner Profile provides an educational setting where every student is empowered to be: Self Motivated, Confident, An Adaptable Learner, A Critical Thinker, A Productive Citizen

STRATEGIC GOALS

Goal 1: Establish a shared commitment to district beliefs, the need for continuous innovation, and a focus on the future.

Goal 2: Ensure the focus of school district activity is on improving the quality of learning experiences for all.

Goal 3: Enhance the capacity to increase student engagement through digital learning.

Goal 4: Enact a communication strategy that results in a common language and a shared commitment to student success.

Goal 5: Establish a culture that promotes social, emotional and physical well-being for all.

On March 16th Governor Gregg Abbott granted a request by Attorney General Ken Paxton to temporarily suspend a limited number of open meetings laws to the extent necessary to allow telephonic or videoconference meetings in response to the Coronavirus (COVID-19). In accordance with those suspended rules, we certify the following:

- 1) Notice of this meeting has been posted online for at least 72 hours (1 hour if an emergency meeting or emergency supplemental item).
- 2) Although members of the board are not gathered in a central, physical location, we do have a quorum in attendance at this meeting by videoconference or telephone call.
- 3) We are meeting by use of ZOOM software application which allows two-way communication for members of the public.
- 4) As we would at any in-person meeting, members of the public who have followed the instructions on the meeting notice for registering to speak during the public comment portion will be unmuted for 3 minutes to speak. If the speaker submitted written comments in advance, Katie Key (Superintendent's secretary) or the Board Secretary, will read the comments into record before or during the board's consideration of that item. If you would like to provide comment at a future meeting conducted by videoconference or telephone call, please follow instructions on the meeting notice.
- 5) All other meeting procedures will adhere to board-adopted procedures to the extent practicable.
- 6) An audio recording of this meeting is being made and will be available to the public at a later date.
- 7) This software application allows for up to 100 people to view and interact at a time. We apologize in advance for any unforeseeable difficulties and ask for your patience as we navigate unprecedented conditions.
- 8) If you have questions about these suspended laws, please call the Office of the Attorney General at 888-672-6787 or by email at TOMA@oag.texas.gov

U.S. Pledge:

"I pledge allegiance to the flag of the United States of America, and to the republic for which it stands, one nation under God, indivisible, with liberty and justice for all."

Texas Pledge:

"Honor the Texas flag; I pledge allegiance to thee, Texas, one state under God, one and indivisible."

AUDIENCE - Participants must have signed up prior to Board Meeting start time. Participants may address the Board on any agenda item. Participation is limited to three minutes to make comments to the Board, unless the participant requires the use of a translator, in which case participation is limited to six minutes. The Board will only consider complaints that remain unresolved after being addressed through proper administrative channels and when they have been placed on the agenda. Please note the Board of Trustees shall not deliberate, respond, or make decisions regarding any subject that is not included on the agenda that is posted. For further information on these requirements, contact Katie Key, Superintendent Secretary at 281-689-4441.



**Splendor ISD Board of Trustees
Agenda Item Information Form**

Board Meeting Date: 11/02/2020

Submitted Date: 10/27/2020

Agenda Business Items:

- X Consent Agenda Item
(Board has acted on items such as this previously)
New Action
(Board has not seen information previously and allows for more time to discuss)

Information Only Items:

- Presentation
- Recognition
- Information

Name of Person Responsible: Kevin Lynch

Department or Campus: Administration Office

Topic: Approval of Authorized Activity Fund Signatures to include Kevin Lynch, Dr. Tami Greggerson, T&L Secretary, Campus Principals, Campus Assistant Principals, Campus Secretary/Bookkeeper, Athletic Director, Athletic Director Secretary.

Background Information: Our Bank is requiring board minutes authorizing signers for student activity account checks. This is new to us.

Attachments: N/A

Superintendent's Resolutions: Recommended



**Splendor ISD Board of Trustees
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Consent Agenda Item
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Name of Person Responsible: Kevin Lynch

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Topic: Consideration and approval of an Order Authorizing the Issuance, Sale and Delivery of Splendor Independent School District Unlimited Tax Refunding Bonds, Series 2020; Authorizing a Pricing Officer to Approve the Amount, the Interest Rates, Price, Redemption Provisions and Terms Thereof and Certain Other Procedures and Provisions Related Thereto.

Background Information: Joe Morrow will present.

Attachments: Order Authorizing the Issuance, Sale and Delivery of Splendor Independent School District Unlimited Tax Refunding Bonds, Series 2020; Authorizing a Pricing Officer to Approve the Amount, the Interest Rates, Price, Redemption Provisions and Terms Thereof and Certain Other Procedures and Provisions Related Thereto.

Superintendent's Resolutions: Recommended

ORDER AUTHORIZING THE ISSUANCE, SALE AND DELIVERY OF SPLENDORA INDEPENDENT SCHOOL DISTRICT UNLIMITED TAX REFUNDING BONDS, SERIES 2020; AUTHORIZING A PRICING OFFICER TO APPROVE THE AMOUNT, THE INTEREST RATES, PRICE, REDEMPTION PROVISIONS AND TERMS THEREOF AND CERTAIN OTHER PROCEDURES AND PROVISIONS RELATED THERETO; AND CONTAINING OTHER MATTERS RELATED THERETO

WHEREAS, the Splendora Independent School District (the “District”) has heretofore issued certain unlimited tax bonds (hereinafter defined as the “Refundable Bonds”) that are identified in Exhibit B hereto;

WHEREAS, the District is authorized by Chapter 1207, Texas Government Code, as amended, to issue refunding bonds for the purpose of refunding bonds (hereinafter defined as the “Refunded Bonds”) that the District desires to refund in advance of their maturities and to accomplish such refunding by (i) depositing directly with any place of payment for the Refunded Bonds or with any trust company or commercial bank that does not act as a depository for the District and is named by the District as the Escrow Agent (as herein defined), or (ii) depositing directly with the paying agent for the Refunded Bonds, proceeds from the sale of such refunding bonds, together with any other available funds, in an amount sufficient to provide for the payment or redemption of the Refunded Bonds, and pursuant to such chapter such deposit shall constitute the making of firm banking and financial arrangements for the discharge and final payment or redemption of the Refunded Bonds;

WHEREAS, the District desires to either (i) enter into an escrow agreement with the Escrow Agent (hereinafter defined), as authorized in Chapter 1207, Texas Government Code, as amended, or (ii) make a deposit with the paying agent for the Refunded Bonds, pursuant to which proceeds of the refunding bonds herein authorized, together with any other available funds, will be deposited, invested and applied in a manner sufficient to provide for the full and timely payment of all principal of, premium, if any, and interest on the Refunded Bonds;

WHEREAS, upon the issuance of the refunding bonds herein authorized and the deposit with the paying agent for the Refunded Bonds or the creation of the escrow referred to above, the Refunded Bonds shall no longer be regarded as being outstanding, except for the purpose of being paid pursuant to such Escrow Agreement, if any, and the pledges, liens, trusts and all other covenants, provisions, terms and conditions of the order authorizing the issuance of the Refunded Bonds shall be, with respect to the Refunded Bonds, discharged, terminated and defeased;

WHEREAS, it is hereby found and determined that the refunding must result in a net present value savings of at least _____ percent (_____%) of the Refunded Bonds, and that such benefit is sufficient consideration and constitutes the public purpose for the issuance of the Bonds (as herein defined) and the refunding of the Refunded Bonds, and such refunding is in the best interests of the District; and

WHEREAS, pursuant to Section 1207.007, Texas Government Code, as amended, the District wishes to authorize the Pricing Officers herein designated to act on behalf of the District as herein provided;

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

1. Definitions. Throughout this Order the following terms and expressions as used herein shall have the meanings set forth below:

The term “Accreted Value” shall mean the original principal amount of a Premium Capital Appreciation Bond plus the initial premium, if any, paid therefor with interest thereon compounded semiannually on the dates established by a Pricing Officer (each such date being an “Accretion Date”) as the case may be, next preceding the date of such calculation (or the date of calculation, if such calculation is made on an Accretion Date), at the stated yield shown therefor in the Table of Accreted Values set forth in the Pricing Certificate. For any date other than an Accretion Date, the Accreted Value shall be determined by a straight-line interpolation between the values for the applicable semi-annual compounding dates, based on 30-day months.

The term “Attorney General” shall mean the Attorney General of Texas.

The term “Board” shall mean the Board of Trustees of the District.

The term “Bond Purchase Agreement” shall mean the agreement between the District and the Purchasers providing for the sale of Bonds at such price, with and subject to such terms as determined by a Pricing Officer pursuant to Section 21 of this Order.

The term “Bonds” shall mean the Splendor Independent School District Unlimited Tax Refunding Bonds, Series 2020, authorized in this Order, unless the context clearly indicates otherwise.

The term “Business Day” shall mean any day which is not a Saturday, Sunday, a day on which the Paying Agent/Registrar is authorized by law or executive order to remain closed or a legal holiday.

The term “Code” shall mean the Internal Revenue Code of 1986, as amended.

The term “Comptroller” shall mean the Comptroller of Public Accounts of the State of Texas.

The term “Current Interest Bonds” shall mean those Bonds maturing on the dates, in each of the years and in the principal amounts set forth in the Pricing Certificate.

The term “Debt Service Fund” shall mean the interest and sinking fund established by the District pursuant to Section 20 of this Order.

The term “District” shall mean the Splendora Independent School District, and any successor to its duties and functions.

The term “DTC” shall mean The Depository Trust Company of New York, New York, or any successor securities depository.

The term “DTC Participant” shall mean brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC Participants.

The term “Escrow Agent” shall mean a trust company or commercial bank as described in Section 1207.061, Texas Government Code, as amended, as determined by the Pricing Officer in the Pricing Certificate, serving in the capacity of escrow agent for the Refunded Bonds, and its successors in the capacity of escrow agent for the Refunded Bonds.

The term “Escrow Agreement” shall mean the Escrow Agreement, if any, between the Board and the Escrow Agent, substantially in the form attached hereto as Exhibit C and approved by the District and as approved by a Pricing Officer pursuant to Section 24 of this Order.

The term “Interest Payment Date”, when used with respect to the Current Interest Bonds, shall mean the date(s) determined by a Pricing Officer and set forth in the Pricing Certificate.

“Investor Letter” shall mean the letter agreement between the District and the Purchaser providing for the sale of Bonds at such price, with and subject to such terms as determined by a Pricing Officer pursuant to Section 21 of this Order.

The term “Issuance Date” shall mean the date on which the Bonds are delivered to and paid for by the Purchaser.

The term “Maturity Amount,” as used with respect to any Premium Capital Appreciation Bond, shall mean the amount paid to the Owner thereof at maturity, which shall include both principal and accrued interest.

The term “MSRB” shall mean the Municipal Securities Rulemaking Board.

The term “Maximum Rate” shall mean the maximum “net effective interest rate” allowable under Section 1204.006, Texas Government Code, as amended, currently 15%.

The term “Order” as used herein and in the Bonds shall mean this order authorizing the Bonds.

The term “Outstanding,” when used with respect to the Bonds, shall mean, as of a particular date, all Bonds theretofore and thereupon delivered pursuant to this Order except: (a) any Bond canceled by or on behalf of the District at or before such date; (b) any Bond

defeased pursuant to the defeasance provisions of this Order or otherwise defeased as permitted by applicable law; and (c) any Bond in lieu of or in substitution for which a replacement Bond shall have been delivered pursuant to this Order.

The term “Owner” or “Registered Owner” shall mean any person who shall be the registered owner of any outstanding Bond.

The term “Paying Agent/Registrar” shall mean a person, including a trust company or commercial bank, authorized to serve as paying agent and registrar for the Bonds under Texas law, as determined by the Pricing Officer in the Pricing Certificate, serving in the capacity of paying agent and registrar for the Bonds, and its successors in the capacities of paying agent and registrar for the Bonds.

The term “Premium Capital Appreciation Bonds” shall mean those Bonds issued in the principal amounts maturing on the dates, in each of the years and in the Maturity Amounts set forth in the Pricing Certificate.

The term “Pricing Certificate” shall mean the certificate of a Pricing Officer provided in accordance with Section 21 of this Order.

The term “Pricing Officer” shall mean one or more of the following: the President or the Secretary or Assistant Secretary of the Board of Trustees, the Superintendent of Schools or the Assistant Superintendent of Business and Operations.

The term “Purchaser” shall mean either: (i) the underwriting syndicate named on the cover page of the Official Statement authorized pursuant to Section 30 hereof; (ii) the winning bidder of any competitive sale as described in Section 21 hereof; or (iii) the purchasers of the Bonds pursuant to a private placement as described in Section 21 hereof.

The term “Record Date” shall mean the last business day of the month next preceding each Interest Payment Date.

The term “Refundable Bonds” shall mean those bonds identified in Exhibit B hereto that are Outstanding on the date of the sale of the Bonds.

The term “Refunded Bonds” shall mean one or more Refundable Bonds selected in accordance with Section 2(b) of this Order, which are deemed to be paid, retired and no longer outstanding as a result of the deposit of the proceeds of the Bonds, together with other available funds of the District, if any, in an amount sufficient to defease such Refunded Bonds, as authorized by Chapter 1207 and the orders authorizing the Refunded Bonds.

The term “Register” shall mean the books of registration kept by the Paying Agent/Registrar in which are maintained the names and addresses of, and the principal amounts of the Bonds registered to, each Owner.

The term “Report” shall have the meaning assigned in the Escrow Agreement.

The term “Rule” shall mean SEC Rule 15c2-12, as amended from time to time.

The term “SEC” shall mean the United States Securities and Exchange Commission.

All terms defined herein and all pronouns used in this Order shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the sections are for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms and provisions hereof. This Order and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the levy of ad valorem taxes to pay the principal of and interest on the Bonds.

2. Name, Amount, Purpose and Authorization.

(a) The Bonds, to be known and designated as the SPLENDORA INDEPENDENT SCHOOL DISTRICT UNLIMITED TAX REFUNDING BONDS, SERIES 2020 (unless otherwise designated by a pricing Officer in a Pricing Certificate), shall be issued in fully registered form, without coupons, in an aggregate principal amount not to exceed ELEVEN MILLION THREE HUNDRED NINETY FIVE THOUSAND AND NO/100 DOLLARS (\$11,395,000) for the purposes of (i) providing funds to refund the Refunded Bonds and (ii) paying costs of issuance of the Bonds and of refunding the Refunded Bonds. The Bonds are issued pursuant to Chapter 1207, Texas Government Code, as amended, and all other applicable law.

(b) The principal amount of the Bonds shall be established by a Pricing Officer in an amount necessary to provide funds sufficient to refund the Refunded Bonds and pay the costs associated with the refunding of the Refunded Bonds and the issuance of the Bonds; provided, however, that the following conditions shall be met for the issuance of the Bonds: in establishing the aggregate principal amount of the Bonds, a Pricing Officer shall establish the principal amount of the Bonds (including the aggregate principal amount of Bonds to be issued as Current Interest Bonds and the aggregate principal amount of Bonds to be issued as Premium Capital Appreciation Bonds) in an aggregate principal amount not to exceed the amount authorized in subsection (a) of this Section, which amount shall be sufficient to provide for the defeasance of the Refunded Bonds (as determined by a Pricing Officer) and which results in (i) a target present value savings for the refunding of at least _____ percent (____%) of the Refunded Bonds; and (ii) the latest maturity date of the Bonds will not exceed the latest maturity date of the Refunded Bonds.

In exercising the authority granted to a Pricing Officer to sell Bonds for the purpose of refunding the Refunded Bonds, such Pricing Officer, acting severally and individually, may exercise any authority granted under Chapter 1207, Texas Government Code (as in effect on the date a Pricing Officer effectuates the sale of the Bonds), including, without limitation, (i) the selection of the particular maturities and principal amounts of the Refundable Bonds to be refunded (including the execution and delivery of any notices of redemption required in connection therewith) and (ii) establishing the terms and details related to the issuance and sale of the Bonds, including whether the Bonds shall be sold by means of a negotiated sale, a competitive sale or a private placement.

3. Date, Denomination, Interest Rate and Maturities.

(a) Interest on the Current Interest Bonds shall be payable on each Interest Payment Date until maturity or prior redemption. Interest on the Premium Capital Appreciation Bonds shall accrete on each Accretion Date until maturity or prior redemption. The Bonds shall bear interest at the fixed rate or rates of interest per annum (which interest rate shall not exceed the Maximum Rate), calculated on the basis of a 360-day year composed of twelve 30-day months, determined in accordance with the procedures for the sale of the Bonds set forth in Section 21 of this Order. The Bonds shall mature and become payable on the dates and in each of the years and amounts (either through serial maturities or mandatory redemptions of term bonds) as determined by a Pricing Officer pursuant to Section 21 of this Order; provided that no Bond shall mature more than forty (40) years after the dated date thereof.

(b) The Initial Current Interest Bond and each Current Interest Bond authenticated prior to the first Record Date for the Bonds shall bear interest from the date thereof. Each Current Interest Bond authenticated on or after the first Record Date for the Current Interest Bonds shall bear interest from the Interest Payment Date immediately preceding the date of authentication, unless such Current Interest Bond is authenticated after any Record Date but on or before the next following Interest Payment Date, in which case such Current Interest Bond shall bear interest from such next following Interest Payment Date; provided, however, that if at the time of delivery of any exchange or replacement Current Interest Bond the interest on the Current Interest Bond that it replaces or for which it is being exchanged is due but has not been paid, then such Current Interest Bond shall bear interest from the date to which such interest has been paid in full. The Current Interest Bonds will be dated as of the date determined by a Pricing Officer pursuant to Section 21 of this Order, and shall be issued initially in denominations equal to the entire principal amount of each scheduled maturity of the Current Interest Bonds. The Current Interest Bonds shall initially be evidenced by an Initial Current Interest Bond numbered IR-1, and thereafter by definitive bonds numbered in sequence beginning with R-1. Any Current Interest Bond delivered on transfer of or in exchange for a Current Interest Bond or Current Interest Bonds shall be numbered in order of its authentication by the Paying Agent/Registrar, shall be in the denomination of \$5,000 or an integral multiple thereof (or such other denomination as determined by a Pricing Officer at the time of the sale of the Bonds), and shall mature on the same date and bear interest at the same rate as the Current Interest Bond or Current Interest Bonds in lieu of which it is delivered. Interest on the Current Interest Bonds shall be payable in the manner provided in the Form of Current Interest Bond attached hereto in Exhibit A.

(c) The Premium Capital Appreciation Bonds shall bear interest from the Issuance Date. The Premium Capital Appreciation Bonds will be dated as of the date determined by a Pricing Officer pursuant to Section 21 of this Order, and shall be issued initially in denominations equal to the entire principal amount of each scheduled maturity of the Premium Capital Appreciation Bonds. The Premium Capital Appreciation Bonds shall initially be evidenced by an Initial Premium Capital Appreciation Bond numbered ICR-1, and thereafter by definitive bonds numbered in sequence beginning with CR-1. Any Premium Capital Appreciation Bond delivered on transfer of or in exchange for a Premium Capital Appreciation Bond or Premium Capital Appreciation Bonds shall be numbered in order of its authentication by the Paying Agent/Registrar, shall be in the Maturity Amount of \$5,000 or any integral multiple thereof (or such other denomination as determined by a Pricing Officer at the time of the sale of the Bonds),

and shall mature on the same date and bear interest at the same rate as the Premium Capital Appreciation Bond or Premium Capital Appreciation Bonds in lieu of which it is delivered. Interest on the Premium Capital Appreciation Bonds shall be payable in the manner provided in the Form of Premium Capital Appreciation Bond attached hereto in Exhibit A.

4. Execution of Bonds; Seal. The Bonds shall be signed by the President or the Vice President of the Board and countersigned by the Secretary or Assistant Secretary of the Board, by their manual, lithographed or facsimile signatures, and the official seal of the District shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of such officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the District had been manually impressed upon each of the Bonds. If any officer of the District whose manual or facsimile signature shall be on the Bonds shall cease to be such officer before the authentication of such Bonds or before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes as if such officer had remained in such office.

5. Approval by Attorney General; Registration by Comptroller. The Bonds to be initially issued shall be delivered to the Attorney General for approval and shall be registered by the Comptroller. The President or the Vice President and the Secretary or Assistant Secretary of the Board are authorized hereby to have control and custody of the Bonds and all necessary records and proceedings pertaining thereto pending their delivery, and the President or the Vice President and the Secretary or Assistant Secretary and other officers and employees of the District are hereby authorized and directed to make such certifications and to execute such instruments as may be necessary to accomplish the delivery of the Bonds and to assure the investigation, examination and approval thereof by the Attorney General and the registration of the initial Bonds by the Comptroller. Upon registration of the Bonds, the Comptroller (or the Comptroller's bond clerk, or an assistant bond clerk lawfully designated in writing to act for the Comptroller) shall manually execute the registration certificate of the Comptroller substantially in the form provided in Exhibit A of this Order, and such certificate shall be affixed or attached to the Bonds to be initially issued, and the seal of the Comptroller shall be impressed, or placed in facsimile, thereon.

6. Authentication. Except for the Bonds to be initially issued, which need not be authenticated by the Paying Agent/Registrar, only such Bonds as shall bear thereon a certificate of authentication, substantially in the form provided in Exhibit A to this Order, manually executed by an authorized representative of the Paying Agent/Registrar, shall be entitled to the benefits of this Order or shall be valid or obligatory for any purpose. Such duly executed certificate of authentication shall be conclusive evidence that the Bond so authenticated was delivered by the Paying Agent/Registrar hereunder.

7. Payment of Principal and Interest. The Paying Agent/Registrar is hereby appointed as the registrar and paying agent for the Bonds pursuant to the terms and provisions of the Paying Agent/Registrar Agreement, a substantial copy of which is attached hereto as Exhibit D, which is hereby authorized and approved by the Board and which the appropriate officials of the District are hereby authorized to execute. The Pricing Officers of the District, acting severally and individually, are each hereby authorized to execute, attest and affix the District's seal to the Paying Agent/Registrar Agreement, the terms and provisions of which are hereby approved. Such

initial registrar and paying agent and any successor, by undertaking the performance of the duties of the registrar and paying agent hereunder, and in consideration of the payment of any fees pursuant to the terms of the agreement between the Paying Agent/Registrar and the District and/or the deposits of money pursuant to this Order, shall be deemed to accept and agree to abide by the terms of this Order. All money transferred to the Paying Agent/Registrar in its capacity as registrar or paying agent for the Bonds under this Order (except any sums representing registrar or paying agent fees) shall be held in trust for the benefit of the District, shall be the property of the District and shall be disbursed in accordance with this Order. Subject to the provisions of Section 16 of this Order, all matured Bonds presented to the Paying Agent/Registrar for payment shall be paid without the necessity of further instructions from the District. Such Bonds shall be canceled as provided herein.

The principal and Maturity Amount of the Bonds shall be payable, without exchange or collection charges, in any coin or currency of the United States of America which, on the date of payment, is legal tender for the payment of debts due the United States of America, upon their presentation and surrender as they respectively become due and payable at the principal payment office of the Paying Agent/Registrar. The interest on each Current Interest Bond shall be payable by check on the Interest Payment Date and mailed by the Paying Agent/Registrar on or before each Interest Payment Date to the Owner of record as of the Record Date to the address of such Owner as shown on the Register. Any accrued interest payable at maturity or redemption on a Current Interest Bond shall be paid upon presentation and surrender of such Bond at the principal payment office of the Paying Agent/Registrar.

If the date for payment of the principal or Maturity Amount of or interest on any Bond is not a Business Day, then the date for such payment shall be the next succeeding Business Day with the same force and effect as if made on the date payment was originally due.

8. Successor Paying Agent/Registrars. The District covenants that at all times while any Bonds are outstanding it will provide a legally qualified bank, trust company, financial institution or other agency to act as Paying Agent/Registrar for the Bonds. The District reserves the right to change the Paying Agent/Registrar for the Bonds on not less than sixty (60) days' written notice to the Paying Agent/Registrar, as long as any such notice is effective not less than 60 days prior to the next succeeding principal or interest payment date on the Bonds. Promptly upon the appointment of any successor Paying Agent/Registrar, the previous Paying Agent/Registrar shall deliver the Register or a copy thereof to the new Paying Agent/Registrar, and the new Paying Agent/Registrar shall notify each Owner, by United States mail, first class postage prepaid, of such change and of the address of the new Paying Agent/Registrar. Each Paying Agent/Registrar hereunder, by acting in that capacity, shall be deemed to have agreed to the provisions of this Order.

9. Special Record Date. If interest on any Current Interest Bond is not paid on any Interest Payment Date and continues unpaid for thirty (30) days thereafter, the Paying Agent/Registrar shall establish a new record date for the payment of such interest, to be known as a Special Record Date. The Paying Agent/Registrar shall establish a Special Record Date when funds to make such interest payment are received from or on behalf of the District. Such Special Record Date shall be fifteen (15) days prior to the date fixed for payment of such past due interest, and notice of the date of payment and the Special Record Date shall be sent by United States mail,

first class, postage prepaid, not later than five (5) days prior to the Special Record Date, to each Owner of record of an affected Current Interest Bond as of the close of business on the Business Day prior to the mailing of such notice.

10. Ownership; Unclaimed Principal and Interest. The District, the Paying Agent/Registrar and any other person may treat the person in whose name any Bond is registered as the absolute Owner of such Bond for the purpose of making and receiving payment of the principal or Maturity Amount of or interest on such Bond and for all other purposes, whether or not such Bond is overdue, and neither the District nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the person deemed to be the Owner of any Bond in accordance with this Section shall be valid and effectual and shall discharge the liability of the District and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Amounts held by the Paying Agent/Registrar which represent principal or Maturity Amount of and interest on the Bonds remaining unclaimed by the Owner after the expiration of three (3) years from the date such amounts have become due and payable shall be reported and disposed of by the Paying Agent/Registrar in accordance with the applicable provisions of Texas law, including, to the extent applicable, Title 6 of the Texas Property Code, as amended. To the extent such provisions of the Property Code do not apply to the funds, such funds shall be paid by the Paying Agent/Registrar to the District upon receipt by the Paying Agent/Registrar of a written request therefor from the District. The Paying Agent/Registrar shall have no liability to the Owners of the Bonds by virtue of actions taken in compliance with this Section.

11. Registration, Transfer and Exchange. As long as any Bonds remain Outstanding, the Paying Agent/Registrar shall keep the Register at its principal corporate trust office and, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with the terms of this Order. If the Bonds are issued pursuant to an Investor Letter, any such transfer will be further subject to the terms of transfer described in such Investor Letter.

Each Bond shall be transferable only upon the presentation and surrender thereof at the principal corporate trust office of the Paying Agent/Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the Registered Owner or his authorized representative in form satisfactory to the Paying Agent/Registrar. Upon due presentation of any Bond in proper form for transfer, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor, within seventy-two (72) hours after such presentation, a new Bond or Bonds, registered in the name of the transferee or transferees, in authorized denominations and of the same maturity and aggregate principal amount or Maturity Amount and bearing interest at the same rate as the Bond or Bonds so presented.

All Bonds shall be exchangeable upon presentation and surrender thereof at the principal corporate trust office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount or Maturity Amount of the Bond or Bonds presented for exchange. The Paying Agent/Registrar shall be and is hereby authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section. Each Bond delivered in accordance with

this Section shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

The District or the Paying Agent/Registrar may require the Owner of any Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with the transfer or exchange of such Bond. Any fee or charge of the Paying Agent/Registrar for such transfer or exchange shall be paid by the District.

The Paying Agent/Registrar shall not be required to transfer or exchange any Bond called for redemption in whole or in part during the 45-day period immediately prior to the date fixed for redemption; provided, however, that such limitation shall not apply to the transfer or exchange by the Owner of the unredeemed portion of a Bond called for redemption in part.

12. Book-Entry Only System. Unless otherwise determined by the Pricing Officer in the Pricing Certificate, the definitive Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Unless otherwise determined by the Pricing Officer in the Pricing Certificate, upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 15 hereof, all of the Outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Order with respect to interest checks being mailed to the Owner at the close of business on the Record Date, the word "Cede & Co." in this Order shall refer to such new nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the District and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the District and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (b) the delivery to any DTC Participant or any other person, other than a Bondholder, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption or (c) the payment to any DTC Participant or any other person, other than a Bondholder, as shown in the Register, of any amount with respect to principal or Maturity Amount of Bonds, premium, if any, or interest on the Bonds.

Except as provided in Section 15 of this Order, the District and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute Owner of such Bond for the purpose of payment of principal or Maturity Amount, of premium, if any, and of interest on Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal or Maturity Amount of Bonds, premium, if any, and interest on the Bonds only to or upon the order of the respective owners, as shown in the Register as provided in this Order, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of

principal or Maturity Amount, of premium, if any, and of interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner shall receive a Bond certificate evidencing the obligation of the District to make payments of amounts due pursuant to this Order.

13. Payments and Notices to Cede & Co. Notwithstanding any other provision of this Order to the contrary, as long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal or Maturity Amount, premium, if any, and interest on the Bonds, and all notices with respect to such Bonds shall be made and given, respectively, in the manner provided in the representation letter of the District to DTC.

14. Successor Securities Depository; Transfer Outside Book-Entry Only System. In the event that the District or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the representation letter of the District to DTC, and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certified Bonds, the District or the Paying Agent/Registrar shall (a) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended, notify DTC of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (b) notify DTC of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Bondholders transferring or exchanging Bonds shall designate, in accordance with the provisions of this Order.

15. Mutilated, Lost or Stolen Bonds. Upon the presentation and surrender to the Paying Agent/Registrar of a damaged or mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate and principal amount or Maturity Amount bearing a number not contemporaneously outstanding. The District or the Paying Agent/Registrar may require the Owner of a damaged or mutilated Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith, including the fees and expenses of the Paying Agent/Registrar.

If any Bond is lost, apparently destroyed or wrongfully taken, the District, pursuant to the applicable laws of the State of Texas and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall execute and the Paying Agent/Registrar shall authenticate and deliver a replacement Bond of like maturity, interest rate and principal amount or Maturity Amount, bearing a number not contemporaneously outstanding. The District or the Paying Agent/Registrar may require the Owner of a lost, apparently destroyed or wrongfully taken Bond, before any replacement Bond is issued, to:

(a) furnish to the District and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;

(b) furnish such security or indemnity as may be required by the Paying Agent/Registrar and the District to save them harmless;

(c) pay all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar and any tax or other governmental charge that may be imposed; and

(d) meet any other reasonable requirements of the District and the Paying Agent/Registrar.

If, after the delivery of a replacement Bond, a bona fide purchaser of the original Bond in lieu of which such replacement Bond was issued presents for payment such original Bond, the District and the Paying Agent/Registrar shall be entitled to recover such replacement Bond from the person to whom it was delivered or any person taking therefrom, except a bona fide purchaser, and shall be entitled to recover upon the security or indemnity provided therefor to the extent of any loss, damage, cost or expense incurred by the District or the Paying Agent/Registrar in connection therewith.

If any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the District in its discretion may, instead of issuing a replacement Bond, authorize the Paying Agent/Registrar to pay such Bond.

Each replacement Bond delivered in accordance with this Section shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

16. Cancellation of Bonds. All Bonds paid or redeemed in accordance with this Order, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment. The Paying Agent/Registrar shall furnish the District with appropriate certificates of destruction of such Bonds.

17. Redemption Prior to Maturity. The Bonds shall be subject to redemption prior to maturity on such dates, at such prices and in such amounts as shall be provided in the Pricing Certificate and upon the terms and conditions set forth in Exhibit A to this Order.

18. Forms. The forms of the Current Interest Bonds and the Premium Capital Appreciation Bonds, including the form of the 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, which shall be attached or affixed to the Bonds initially issued shall be, respectively, substantially as shown in Exhibit A hereto, with such additions, deletions and variations as determined by a Pricing Officer, including any insurance legend or statement, as may be necessary or desirable and not prohibited by this Order.

19. Opinion of Bond Counsel; CUSIP. The approving opinion of Orrick, Herrington & Sutcliffe LLP, Houston, Texas, Bond Counsel, and CUSIP Numbers may be printed on the Bonds, but errors or omissions in the printing of such opinion or such numbers shall have no effect on the validity of the Bonds.

20. Debt Service Fund; Tax Levy. A special fund to be designated "Splendora Independent School District Unlimited Tax Refunding Bonds, Series 2020 Debt Service Fund"

(the “Debt Service Fund”) is hereby created. The proceeds from (i) all taxes levied, assessed and collected for and on account of the Bonds authorized by this Order and (ii) state aid, if any, that is required by law to be deposited into the Debt Service Fund shall be deposited, as collected, in the Debt Service Fund. Money on deposit in the Debt Service Fund may, at the option of the District, be invested as permitted under Texas law, provided that all such investments shall be made in such manner that the money will be available at the proper time or times. For purposes of maximizing investment returns, money in the Debt Service Fund may be invested with other money of the District in common investments, or in a common pool of investments, which shall not be deemed to be or constitute a commingling of such money as long as safekeeping receipts or certificates of participation clearly evidencing the investment or investment pool in which such money is invested and the share thereof purchased with such money or owned by the Debt Service Fund are held by or on behalf of the Debt Service Fund. Money in the Debt Service Fund may, to the extent necessary, be used to make any required payments to the federal government under the Code to assure that interest on the Bonds is excludable from gross income for federal income tax purposes.

While the Bonds or any part of the principal thereof or interest thereon remain outstanding and unpaid, there is hereby levied and there shall be annually assessed and collected in due time, form and manner, and at the same time as other District taxes are assessed, levied and collected, in each year, beginning with the current year, a continuing direct annual ad valorem tax upon all taxable property in the District, without legal limit as to rate or amount, sufficient to pay the interest on the Bonds as the same becomes due and to pay each installment of the principal of the Bonds as the same matures, full allowance being made for delinquencies and costs of collection; provided, however, that the amount of tax levied shall take into account the proceeds of state aid payments, if any, on deposit in the Debt Service Fund for the Bonds and required for compliance with Section 45.0031, Texas Education Code. Such taxes are hereby irrevocably pledged to the payment of the principal of and interest on the Bonds and to no other purpose.

21. Sale and Delivery of Bonds, Approval of Bond Purchase Agreement, Insurance, Purchaser’s Bid or Investor letter; Rating. A Pricing Officer, acting severally and individually, is hereby authorized to act for and on behalf of the District in connection with the issuance and sale of the Bonds. In that capacity, a Pricing Officer, acting for and on behalf of the District, shall determine (a) the date for issuance and sale of the Bonds and (b) subject to the limitations of Sections 2 and 3, the aggregate principal amount and the principal amortization schedule for the Bonds, the rate or rates of interest to be borne by the Bonds, the price of the Bonds (which shall be not less than ninety-five percent (95%) of the par amount of the Bonds, plus any accrued interest thereon), the dates on which such interest shall be payable, the terms, if any, on which the Bonds shall be subject to optional and mandatory redemption and other terms and conditions relating to the issuance, sale and delivery of the Bonds including the determination to utilize or not utilize municipal bond insurance or the Permanent School Fund Guarantee Program of the State of Texas, all as shall be set forth in the Pricing Certificate; provided, that at the time of issuance of the Bonds, a Pricing Officer, on behalf of the District, shall deliver a written certificate (i) stating that the parameters set forth in Section 2(b) have been satisfied (including a statement as to the present value savings as a percent of the Refunded Bonds), (ii) identifying the Refunded Bonds and setting forth the terms and details for the redemption prior to maturity (if applicable) of the Refunded Bonds and (iii) setting forth the amount of proceeds of the Bonds to be deposited with the paying agent for the Refunded Bonds or in the escrow fund established in accordance with the Escrow Agreement.

A Pricing Officer, acting severally and individually, is authorized to determine whether the bonds will be sold by means of a negotiated sale, a competitive sale or a private placement. As applicable, a Pricing Officer, acting severally and individually, is authorized to: (i) designate in the Pricing Certificate and Bond Purchase Agreement the senior managing underwriter for the Bonds and such additional underwriters as he or she deems appropriate; (ii) designate in the Pricing Certificate and by means of acceptance of a bid the Purchaser in a competitive sale as he or she deems appropriate; or (iii) designate in the Pricing Certificate and Investor Letter such Purchaser in a private placement as he or she deems appropriate, in each case to assure that the Bonds are sold on the most advantageous terms to the District; and, a Pricing Officer, acting severally and individually, for and on behalf of the District, is authorized to execute and deliver the Bond Purchase Agreement, Purchaser's bid or Investor Letter providing for the sale of Bonds at such price, with and subject to such terms as determined by a Pricing Officer pursuant to this Section 21. Such Bond Purchase Agreement, Purchaser's Bid or Investor Letter shall be substantially in the form and substance previously approved by the Board or commonly approved by other boards of trustees (as determined by Bond Counsel) in connection with the authorization of unlimited tax bonds with such changes as are acceptable to a Pricing Officer. In the event the Bond Purchase Agreement or Investor Letter shall not be executed, or a Purchaser's bid has not been executed and accepted by a Pricing Officer on or before 5:00 p.m. on the 180th day after the date of the approval of this Order, the delegation to a Pricing Officer pursuant to this Order shall cease to be effective unless the District shall act to extend such delegation.

The obligation of the Purchaser to accept delivery of the Bonds shall be subject to the Purchaser being furnished with the final, approving opinion of Orrick, Herrington & Sutcliffe LLP, Houston, Texas, Bond Counsel for the District, which opinion shall be dated as of and delivered on the date of delivery of the Bonds to the Purchaser. The engagement of such firm as Bond Counsel for the District in connection with the issuance, sale and delivery of the Bonds is hereby approved, ratified and confirmed.

The District hereby acknowledges that the sale of the Bonds may be contingent upon the guarantee of the Permanent School Fund of the State of Texas or the issuance of a policy of municipal bond insurance. A Pricing Officer is authorized to apply for and pay any costs associated with (i) the guarantee of the principal of and interest on the Bonds by the Permanent School Fund of the State of Texas or (ii) one or more municipal bond insurance policies to guarantee the payment of the principal of and interest on the Bonds, which guarantee or insurance shall be specified in the Pricing Certificate; and, any acts of a Pricing Officer relating to applications for any such guarantee or insurance are hereby authorized, approved, ratified and confirmed. The Pricing Certificate may contain provisions related to the Permanent School Fund or bond insurance policies, if any, including payment provisions thereunder, and the rights of the bond insurer(s), and any such provisions shall be read and interpreted as an integral part of this Order. The appropriate officials and representatives of the District are hereby authorized and directed to execute such commitments, agreements (including reimbursement agreements), certificates and other documents and to do any and all things necessary or desirable to obtain any such guarantee or insurance, and the printing on the Bonds of an appropriate legend or statement regarding such guarantee or insurance, as provided by the Texas Education Agency or a bond insurer for the Bonds, is hereby approved.

The Pricing Officers, each acting severally and individually, are hereby authorized to take such action as they deem necessary or appropriate in seeking ratings on the Bonds from one or more nationally recognized rating agencies, and any such action is hereby ratified and confirmed.

22. Covenants to Maintain Tax Exempt Status. For any Bonds for which the District intends that the interest on the Bonds shall be excludable from gross income of the owners thereof for federal income tax purposes pursuant to Sections 103 and 141 through 150 of the Internal Revenue Code of 1986, as amended (the “Code”), and all applicable temporary, proposed and final regulations (the “Regulations”) and procedures promulgated thereunder and applicable to the Bonds: For this purpose, the District covenants that it will monitor and control the receipt, investment, expenditure and use of all gross proceeds of the Bonds (including all property the acquisition, construction or improvement of which is to be financed directly or indirectly with the proceeds of the Bonds) and take or omit to take such other and further actions as may be required by Sections 103 and 141 through 150 of the Code and the Regulations to cause interest on the Bonds to be and remain excludable from the gross income, as defined in Section 61 of the Code, of the owners of the Bonds for federal income tax purposes. Without limiting the generality of the foregoing, the District shall comply with each of the following covenants:

- (a) The District will use all of the proceeds of the Bonds to (i) provide funds for the purposes described in Section 2 hereof, which will be owned and operated by the District and (ii) to pay the costs of issuing the Bonds.
- (b) The District will not directly or indirectly take any action, or omit to take any action, which action or omission would cause the Bonds to constitute “private activity bonds” within the meaning of Section 141(a) of the Code.
- (c) Principal of and interest on the Bonds will be paid solely from ad valorem taxes collected by the District and investment earnings on such collections.
- (d) Based upon all facts and estimates now known or reasonably expected to be in existence on the date the Bonds are delivered, the District reasonably expects that the proceeds of the Bonds will not be used in a manner that would cause the Bonds or any portion thereof to be an “arbitrage bond” within the meaning of Section 148 of the Code.
- (e) At all times while the Bonds are outstanding, the District will identify and properly account for all amounts constituting gross proceeds of the Bonds in accordance with the Regulations. The District will monitor the yield on the investments of the proceeds of the Bonds and, to the extent required by the Code and the Regulations, will restrict the yield on such investments to a yield which is not materially higher than the yield on the Bonds. To the extent necessary to prevent the Bonds from constituting “arbitrage bonds,” the District will make such payments as are necessary to cause the yield on all yield restricted nonpurpose investments allocable to the Bonds to be less than the yield that is materially higher than the yield on the Bonds.

- (f) The District will not take any action or knowingly omit to take any action that, if taken or omitted, would cause the Bonds to be treated as “federally guaranteed” obligations for purposes of Section 149(b) of the Code.
- (g) The District represents that not more than fifty percent (50%) of the proceeds of the Bonds will be invested in nonpurpose investments (as defined in Section 148(f)(6)(A) of the Code) having a substantially guaranteed yield for four years or more within the meaning of Section 149(g)(3)(A)(ii) of the Code, and the District reasonably expects that at least eighty-five percent (85%) of the spendable proceeds of the Bonds will be used to carry out the governmental purpose of the Bonds within the three-year period beginning on the date of issue of the Bonds.
- (h) The District will take all necessary steps to comply with the requirement that certain amounts earned by the District on the investment of the gross proceeds of the Bonds, if any, be rebated to the federal government. Specifically, the District will
 - (i) maintain records regarding the receipt, investment, and expenditure of the gross proceeds of the Bonds as may be required to calculate such excess arbitrage profits separately from records of amounts on deposit in the funds and accounts of the District allocable to other obligations of the District or moneys which do not represent gross proceeds of any obligations of the District and retain such records for at least six years after the day on which the last outstanding Bond is discharged,
 - (ii) account for all gross proceeds under a reasonable, consistently applied method of accounting, not employed as an artifice or device to avoid in whole or in part, the requirements of Section 148 of the Code, including any specified method of accounting required by applicable Regulations to be used for all or a portion of any gross proceeds, (iii) calculate, at such times as are required by applicable Regulations, the amount of excess arbitrage profits, if any, earned from the investment of the gross proceeds of the Bonds and (iv) timely pay, as required by applicable Regulations, all amounts required to be rebated to the federal government. In addition, the District will exercise reasonable diligence to assure that no errors are made in the calculations required by the preceding sentence and, if such an error is made, to discover and promptly correct such error within a reasonable amount of time thereafter, including payment to the federal government of any delinquent amounts owed to it, interest thereon and any penalty.
- (i) The District will not directly or indirectly pay any amount otherwise payable to the federal government pursuant to the foregoing requirements to any person other than the federal government by entering into any investment arrangement with respect to the gross proceeds of the Bonds that might result in a reduction in the amount required to be paid to the federal government because such arrangement results in a smaller profit or a larger loss than would have resulted if such arrangement had been at arm's length and had the yield on the Bonds not been relevant to either party.
- (j) The District will timely file or cause to be filed with the Secretary of the Treasury of the United States the information required by Section 149(e) of the Code with respect to the Bonds on such form and in such place as the Secretary may prescribe.

- (k) The District will not issue or use the Bonds as part of an “abusive arbitrage device” (as defined in Section 1.148-10(a) of the Regulations). Without limiting the foregoing, the Bonds are not and will not be a part of a transaction or series of transactions that attempts to circumvent the provisions of Section 148 of the Code and the Regulations, by (i) enabling the District to exploit the difference between tax-exempt and taxable interest rates to gain a material financial advantage, or (ii) increasing the burden on the market for tax-exempt obligations.
- (l) Proper officers of the District charged with the responsibility for issuing the Bonds are hereby directed to make, execute and deliver certifications as to facts, estimates or circumstances in existence as of the date of issuance of the Bonds and stating whether there are facts, estimates or circumstances that would materially change the District's expectations. On or after the date of issuance of the Bonds, the District will take such actions as are necessary and appropriate to assure the continuous accuracy of the representations contained in such certificates.
- (m) The covenants and representations made or required by this Section are for the benefit of the Bond holders and any subsequent Bond holder, and may be relied upon by the Bond holders and any subsequent Bond holder and bond counsel to the District.

In complying with the foregoing covenants, the District may rely upon an unqualified opinion issued to the District by nationally recognized bond counsel that any action by the District or reliance upon any interpretation of the Code or Regulations contained in such opinion will not cause interest on the Bonds to be includable in gross income for federal income tax purposes under existing law.

Notwithstanding any other provision of this Order, the District's representations and obligations under the covenants and provisions of this Section shall survive the defeasance and discharge of the Bonds for as long as such matters are relevant to the exclusion of interest on the Bonds from the gross income of the owners for federal income tax purposes.

23. Qualified Tax Exempt Obligations. If so determined by a Pricing Officer, the District will designate the Bonds as “qualified tax-exempt obligations” as defined in Section 265(b)(3) of the Code. If so designated by a Pricing Officer, the District represents the following: (a) that during the calendar year 2020 (or 2021 if the Bonds are issued in 2021), the District (including all entities which issue obligations on behalf of the District), has not designated nor will designate obligations, which when aggregated with the Bonds will result in more than \$10,000,000 of “qualified tax-exempt obligations” being issued and (b) that the District has examined its financing needs for the calendar year 2020 (or 2021 if the Bonds are issued in 2021) and reasonably anticipates that the amount of bonds, leases, loans or other obligations, together with the Bonds and any other tax-exempt obligations heretofore issued by the District (plus those of all entities which issue obligations on behalf of the District) during the calendar year 2020 (or 2021 if the Bonds are issued in 2021)), when the higher of the face amount or the issue price of each such tax-exempt obligation issued for the calendar year 2020 (or 2021 if the Bonds are issued in 2021) by the District is taken into account, will not exceed \$10,000,000.

24. Use of Proceeds; Transfer from Existing Interest and Sinking Fund for Refunded Bonds. Proceeds from the sale of the Bonds shall, promptly upon receipt by the District, be applied as follows:

(a) An amount equal to the sum of the accrued interest on the Current Interest Bonds shall be deposited into the Debt Service Fund;

(b) Proceeds from the sale of the Bonds in an amount determined by a Pricing Officer (together with funds, if any, provided by the District) shall be applied to establish an escrow fund or to make a cash deposit to refund the Refunded Bonds, as more fully provided below;

(c) An amount equal to the costs of issuance of the Bonds, as approved by the District, shall be applied to pay such costs as the District may arrange; and

(d) Any proceeds of the Bonds remaining after making all such deposits and payments shall be deposited into the Debt Service Fund.

25. Escrow Agreement or Deposit with Paying Agent for Refunded Bonds. The discharge and defeasance of the Refunded Bonds shall be effectuated by either a cash deposit with the paying agent for the Refunded Bonds or pursuant to the terms and provisions of the Escrow Agreement, the terms and provisions of which are hereby approved, subject to such insertions, additions and modifications as shall be approved by a Pricing Officer:

(a) to minimize the District's costs of refunding;

(b) to comply with all applicable laws and regulations relating to the refunding of the Refunded Bonds; and

(c) to carry out the other intents and purposes of this Order, including the execution of the Escrow Agreement, if applicable, and any Pricing Officer is hereby authorized to execute, attest and deliver such Escrow Agreement on behalf of the District in multiple counterparts.

26. Redemption of Refunded Bonds.

(a) To maximize the District's present value savings and to minimize the District's costs of refunding, the District hereby authorizes and directs that certain of the Refunded Bonds shall be called for redemption prior to maturity in the amounts, on the dates and at the redemption prices determined by a Pricing Officer in accordance with Section 21 of this Order, and a Pricing Officer is hereby authorized and directed to take all necessary and appropriate action to give or cause to be given a notice of redemption and/or a notice of defeasance to the holders or paying agent/registrar, as appropriate, of such Refunded Bonds, and, if required, to publish such notices, all in the manner required by the documents authorizing the issuance of such Refunded Bonds.

(b) Any Pricing Officer or their designee are hereby authorized and directed to take all necessary and appropriate action to give or file, or to cause to be given or filed, material events

notices with respect to the Refunded Bonds, as required by the orders authorizing the issuance of the Refunded Bonds and the Rule (as hereinafter defined).

27. Purchase of Escrowed Securities. If the Escrow Agreement is utilized, to assure the purchase of the Escrowed Securities referred to in the Escrow Agreement, a Pricing Officer is hereby authorized to subscribe for, agree to purchase and purchase obligations of the United States of America or other securities authorized by law, in such amounts and maturities and bearing interest at such rates as may be provided for in the Report to be attached to the Escrow Agreement, and to execute any and all subscriptions, agreements, commitments, letters of authorization and other documents necessary to effectuate the foregoing. Any actions heretofore taken for such purpose are hereby ratified and approved.

28. Continuing Disclosure Undertaking.

(a) Unless otherwise determined by a Pricing Officer, the District shall provide annually to the MSRB within six months after the end of each fiscal year, financial information and operating data with respect to the District of the general type included in the final Official Statement authorized by Section 30 of this Order, being the information described in the Pricing Certificate. The District shall update such information within six months after the end of each fiscal year. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles prescribed by the Texas State Board of Education or such other accounting principles as the District may be required to employ from time to time pursuant to State law or regulation and (2) audited, if the District commissions an audit of such statements and the audit is completed within the period during which they must be provided. If audited financial statements are not so provided, then the District shall provide unaudited financial statements for the applicable fiscal year by the required time, and audited financial statements when and if audited financial statements become available.

If the District 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 District 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 documents (i) available to the public on the MSRB's internet web site or (ii) filed with the SEC.

(b) The District shall provide notice of any of the following events with respect to the Bonds to the MSRB through EMMA, in a timely manner, and not more than 10 business days after the occurrence of the event:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;

- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, 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 of determinations with respect to the tax-exempt status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of holders of the Bonds, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership, or similar event of the District, which shall occur as described below;
- (xiii) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of its assets, 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, if material;
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;
- (xv) Incurrence of a Financial Obligation of the District, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the District, any of which affect security holders, if material; and
- (xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District, any of which reflect financial difficulties.

As used in clause (12), above, the phrase “bankruptcy, insolvency, receivership or similar event” means the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets of the District, or if jurisdiction has been assumed by leaving the Board and official or officers of the District in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District. The District intends that the words used in clauses (15) and (16), above, and the definition of Financial Obligation in this Order have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

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

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

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 District 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 District’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 District 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.

UNDER NO CIRCUMSTANCES SHALL THE DISTRICT 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 DISTRICT, 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.

No default by the District in observing or performing its obligations under this Section shall constitute a breach of or default under the Order for purposes of any other provision of this Order.

Nothing in this Section is intended to or shall act to disclaim, waive, or otherwise limit the duties of the District under federal and state securities laws.

The provisions of this Section may be amended by the District 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 District, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell the Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, 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 District (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the Registered Owners and beneficial owners of the Bonds. If the District so amends the provisions of this Section, it shall include with any amended financial information or operating data next provided in accordance with this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided. The District may also amend or repeal the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or a court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the District also may amend the provisions of this Section in its discretion in any other manner or circumstance, but in any case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling Bonds in the primary offering of the Bonds, giving effect to (a) such provisions as so amended and (b) any amendments or interpretations of the Rule.

29. Related Matters. To satisfy in a timely manner all of the District's obligations under this Order, the President or the Vice President, Secretary or Assistant Secretary of the Board, Superintendent and all other appropriate officers, agents and representatives of the District, including a Pricing Officer, are hereby authorized and directed to take all other actions that are reasonably necessary to provide for the issuance of the Bonds, including, without limitation, executing and delivering on behalf of the District all certificates, consents, receipts, requests and other documents as may be reasonably necessary to satisfy the District's obligations under this Order and to direct the transfer and application of funds of the District consistent with the provisions of this Order.

30. Order a Contract - Amendments. This Order shall constitute a contract with the Owners from time to time, be binding on the District, and shall not be amended or repealed by the District so long as any Bond remains Outstanding except as permitted in this Section. The District may, without the consent of or notice to any Owners, from time to time and at any time, amend this Order in any manner not detrimental to the interests of the Owners, including the curing of

any ambiguity, inconsistency, or formal defect or omission herein. In addition, the District may, with the consent of Owners who own a majority of the aggregate principal amount and Maturity Amount, as applicable, of the Bonds then Outstanding affected thereby, amend, add to, or rescind any of the provisions of this Order; provided that, without the consent of all Owners of Bonds affected, no such amendment, addition, or rescission shall (i) extend the time or times of payment of the principal of, Maturity Amount of, premium, if any, and interest on the Bonds, reduce the principal amount or Maturity Amount thereof, the redemption price, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, Maturity Amount, premium, if any, or interest on the Bonds, (ii) give any preference to any Bond over any other Bond, or (iii) reduce the aggregate principal amount or Maturity Amount of Bonds required to be held by Owners for consent to any such amendment, addition, or rescission.

When used with reference to the Bonds, “Outstanding” shall mean, as of a particular date, all Bonds theretofore and thereupon delivered pursuant to this Order except: (a) any Bonds canceled by or on behalf of the District at or before such date; (b) any Bonds defeased pursuant to the defeasance provisions of this Order or otherwise defeased as permitted by applicable law; and (c) any Bonds in lieu of or in substitution for which a replacement Bond shall have been delivered pursuant to this Order.

31. Official Statement. If necessary, a Pricing Officer, acting severally and individually, is authorized and directed to provide for and oversee, as applicable, the preparation of a preliminary and final official statement, a notice of sale or a private placement memorandum in connection with the issuance of the Bonds, and to approve and deem final such official statement in compliance with the Rule and to provide for and authorize the delivery to the Purchaser of such materials in compliance with such Rule.

32. Power to Revise Form of Documents. Notwithstanding any other provision of this Order, a Pricing Officer is hereby authorized to make or approve such revisions, additions, deletions, and variations to this Order and in the form of the documents attached hereto as exhibits as, in the judgment of a Pricing Officer, and in the opinion of Bond Counsel to the District, may be necessary or convenient to carry out or assist in carrying out the purposes of this Order, the preliminary official statement, final official statement, notice of sale or private placement memorandum, as applicable, or as may be required for approval of the Bonds by the Attorney General of Texas; provided, however, that any changes to such documents resulting in substantive amendments to the terms and conditions of the Bonds or such documents shall be subject to the prior approval of the Board.

33. No Personal Liability. No recourse shall be had for payment of the principal of or interest on any Bonds or for any claim based thereon, or on this Order, against any official or employee of the District or any person executing any Bonds.

34. Permanent School Fund Guarantee Program. In the event that the Bonds are guaranteed by Permanent School Fund of the State of Texas, the District covenants to comply timely with all applicable requirements and procedures under Article VII, Section 5 of the Texas Constitution, Subchapter C of Chapter 45, Texas Education Code and the Rules of the State Board of Education relating to the guarantee of the principal of and interest on the Bonds by the Permanent School Fund of the State of Texas. Upon defeasance of the Bonds, either at or prior to

maturity in accordance with applicable law, the guarantee of the principal of and interest on the Bonds by the Permanent School Fund of the State of Texas shall be removed in its entirety. If the District is unable to pay the principal or Maturity Amount of or interest on a guaranteed Bond, the amount necessary to pay the principal or interest will be transferred to the Registrar for the Bonds from the Permanent School Fund of the State of Texas, and the amounts so transferred, plus interest, will be withheld by the Comptroller from the first State money payable to the District, first from the Foundation School Fund and, if necessary, from the Available School Fund.

35. Defeasance. The District may defease the provisions of this Order and discharge its obligation to the Owners of any or all of the Bonds to pay the principal of and interest thereon in any manner now or hereafter permitted by law, including by depositing with the Paying Agent/Registrar or with the Comptroller of the State of Texas either:

(a) cash in an amount equal to (i) the principal amount of and interest thereon on the Current Interest Bonds to the date of maturity or earlier redemption, if any, and/or (ii) the Maturity Amount of the Capital Appreciation Bonds, or

(b) pursuant to an escrow or trust agreement, cash and/or (i) direct non-callable obligations of United States of America, including obligations that are unconditionally guaranteed by the United States of America; (ii) non-callable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the Board adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent; or (iii) non-callable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date the Board adopts or approves the proceedings authorizing the issuance of refunding bonds, are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, which, in the case of (i), (ii) or (iii), may be in book-entry form, and the principal of and interest on which will, when due or redeemable at the option of the holder, without further investment or reinvestment of either the principal amount thereof or the interest earnings thereon, provide money in an amount which, together with other moneys, if any, held in such escrow at the same time and available for such purpose, shall be sufficient to provide for the timely payment of (A) the principal of and interest thereon on the Current Interest Bonds to the date of maturity or earlier redemption, if any, and (B) the Maturity Amount of the Capital Appreciation Bonds; provided, however, that if any of such Bonds are to be redeemed prior to their respective dates of maturity, provision shall have been made for giving notice of redemption as provided in this Order. Upon such deposit, such Bonds shall no longer be regarded to be outstanding or unpaid. Any surplus amount not required to accomplish such defeasance shall be returned to the District.

36. Notice. Any notice, demand, direction, request or other instrument authorized or required by this Order to be given to or filed with the District or the Paying Agent/Registrar shall be deemed to have been given only upon receipt. Any notice shall be sent by first class mail, postage prepaid, to the address specified below or, to such other address as may be designated in writing by the parties:

District: Splendor Independent School District
23419 FM 2090
Splendor, Texas 77372
Attention: Assistant Superintendent of Business and Operations

Paying Agent/Registrar: As described in the Paying Agent/Registrar Agreement

37. Open Meeting. It is hereby officially found and determined that the meeting at which this Order was adopted was open to the public, and public notice of the time, place and purpose of said meeting was given, all as required by the Open Meetings Law, Chapter 551, Texas Government Code, as amended.

38. Effective Date. This Order shall be in full force and effect from and upon its adoption.

39. Severability. If any section, paragraph, clause or provision of this Order shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Order.

40. Repealer. All orders, resolutions and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

[signature page follows]

PASSED AND APPROVED this _____ day of _____, 2020.

President, Board of Trustees
Splendor Independent School District

Secretary, Board of Trustees
Splendor Independent School District

(SEAL)

Exhibit A – Form of Bond
Exhibit B – Schedule of Refundable Bonds
Exhibit C – Escrow Agreement
Exhibit D – Paying Agent/Registrar Agreement

EXHIBIT A

FORMS OF BONDS

[FORM OF CURRENT INTEREST BOND]

UNITED STATES OF AMERICA
STATE OF TEXAS

NUMBER
¹R-
REGISTERED

PRINCIPAL AMOUNT
\$ _____
REGISTERED

SPLENDORA INDEPENDENT SCHOOL DISTRICT
UNLIMITED TAX REFUNDING BOND
SERIES 2020

²INTEREST RATE: _____% ²MATURITY DATE: _____, _____
³DATED DATE: _____, 20__ ²CUSIP: _____

REGISTERED OWNER:

PRINCIPAL AMOUNT: _____ DOLLARS

⁴SPLENDORA INDEPENDENT SCHOOL DISTRICT (the "District"), for value received, promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date specified above, upon presentation and surrender of this Bond at the principal payment office of _____³, _____, Texas, or its successor (the "Paying Agent/Registrar"), the Principal Amount identified above, payable in any coin or currency of the United States of America

¹ Initial Bond shall be numbered IR-1.

² Omitted from Initial Bond.

³ Insert from the Pricing Certificate.

⁴ The first sentence of the Initial Bond shall read as follows:

"SPLENDORA INDEPENDENT SCHOOL DISTRICT (the "District"), for value received hereby promises to pay, to the Registered Owner identified above or registered assigns, in each of the years and in the principal amounts set forth in the following schedule: [Insert information regarding years of maturity, principal amounts and interest rates from the Pricing Certificate] upon presentation and surrender of this bond at the principal payment office of _____³, _____, Texas or its successor (the "Paying Agent/Registrar") in any coin or currency of the United States of America which on the date of payment of such principal is legal tender for the payment of debts due the United States of America, and to pay interest thereon at the rate shown above, calculated on the basis of a 360-day year composed of twelve 30-day months, from the later of the Dated Date identified above or the most recent interest payment date to which interest has been paid or duly provided for."

which on the date of payment of such principal is legal tender for the payment of debts due the United States of America, and to pay interest thereon at the rate shown above, calculated on the basis of a 360-day year of twelve 30-day months, from the later of the Dated Date specified above, or the most recent interest payment date to which interest has been paid or duly provided for. Interest on this bond is payable on each _____ and _____, beginning ⁵ _____, _____ until maturity, by check dated as of the interest payment date and mailed to the Registered Owner of record as of the last business day of the month next preceding each interest payment date, to the address of such owner, as shown on the books of registration kept by the Paying Agent/Registrar. Any accrued interest due at maturity shall be paid upon presentation and surrender of this Bond at the principal payment office of the Paying Agent/Registrar.

THIS BOND is one of a duly authorized issue of bonds, aggregating ⁵\$ _____ (the "Bonds"), issued for the purposes of refunding certain outstanding bonds of the District as described in an order adopted by the Board of Trustees of the District (the "Order"), including paying the costs of issuance of the Bonds and of refunding the bonds being refunded, all pursuant to Chapter 1207, Texas Government Code, as amended. The Bonds are issued as Bonds in the aggregate principal amount of ⁵\$ _____ that pay interest semiannually until maturity (the "Current Interest Bonds") and Bonds in the aggregate principal amount of ⁵\$ _____ that pay interest only at maturity or prior redemption (the "Premium Capital Appreciation Bonds"). This Bond is a Current Interest Bond⁶.

⁷THE DISTRICT RESERVES THE RIGHT, at its option, to redeem prior to maturity the Current Interest Bonds maturing on or after ⁵ _____, _____, in whole or in part, on ⁵ _____, _____ or on any date thereafter, at a price equal to par plus accrued interest to the date of redemption.

⁸THIS BOND is not subject to redemption prior to maturity.

⁹THE BONDS MATURING on _____ in the years ⁵ _____, _____ (the "Term Bonds") are subject to mandatory sinking fund redemption in the following amounts (subject to reduction as hereinafter provided), on the following dates, in each case at a redemption price equal to the principal amount of the Bonds or the portions thereof so called for redemption plus accrued interest to the date fixed for redemption:

⁵ To be completed pursuant to the terms of sale as referenced in the Pricing Certificate.

⁶ If no Premium Capital Appreciation Bonds are issued, the previous two sentences shall be replaced with the following: "The Bonds are issued in the aggregate principal amount of ⁵\$ _____ that pay interest semiannually until maturity," and any other references to Current Interest Bonds or Premium Capital Appreciation Bonds shall be removed as appropriate.

⁷ Included if optional redemption provisions are included in the Pricing Certificate.

⁸ Included if optional redemption provisions are not included in the Pricing Certificate.

⁹ Paragraph included if mandatory sinking fund redemption provision are included in the Pricing Certificate.

| | | |
|----------------------------|--|---------------------------------|
| | <u>Mandatory Redemption Dates</u> | <u>Principal Amounts</u> |
| Term Bonds Maturing | | |
| ⁵ _____, _____ | ⁵ _____, _____ | ⁵ \$ _____ |

The particular Term Bonds to be redeemed shall be selected by the Registrar by lot or other customary random selection method, on or before January 1 of each year in which Term Bonds are to be mandatorily redeemed. The principal amount of Term Bonds to be mandatorily redeemed in each year shall be reduced by the principal amount of such Term Bonds that have been optionally redeemed on or before January 1 of such year and which have not been made the basis for a previous reduction.

¹⁰NOT LESS THAN THIRTY (30) DAYS prior to a redemption date, a notice of redemption will be sent by U.S. mail, first class postage prepaid, in the name of the District to each registered owner of a Bond to be redeemed in whole or in part at the address of the registered owner appearing on the registration books of the Registrar at the close of business on the business day next preceding the date of mailing. When Bonds or portions thereof have been called for redemption and due provision has been made to redeem the same, the amounts so redeemed shall be payable solely from the funds provided for redemption, and interest which would otherwise accrue on the Bonds or portions thereof called for redemption shall terminate on the date fixed for redemption.

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the principal corporate trust office of the Paying Agent/Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Order.

THIS BOND IS EXCHANGEABLE at the principal corporate trust office of the Paying Agent/Registrar for bonds in the principal amount of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Order.

THE REGISTRAR IS NOT REQUIRED to accept for transfer or exchange any Bond called for redemption in whole or in part during the 45-day period immediately prior to the date fixed for redemption; provided, however, that such limitation shall not apply to the transfer or exchange by the Registered Owner of the unredeemed portion of any Bond called for redemption in part.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Order unless this Bond is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Paying Agent/Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Bond, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Order.

¹⁰ Included if optional redemption provisions or mandatory sinking fund redemption provisions are included in the Pricing Certificate.

THE DISTRICT has covenanted in the Order that it will at all times provide a legally qualified registrar for the Bonds and will cause notice of any change of registrar to be mailed to each registered owner.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law; that the Bonds do not exceed any constitutional or statutory limitation; and that annual ad valorem taxes, without legal limit as to rate or amount, sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the District and have been pledged irrevocably for such payment.

IN WITNESS WHEREOF, this bond has been signed with the manual or facsimile signature of the President or the Vice President of the Board of Trustees of the District and countersigned with the manual or facsimile signature of the Secretary or Assistant Secretary of the Board of Trustees of the District, and the official seal of the District has been duly impressed, or placed in facsimile, on this bond.

SPLENDORA INDEPENDENT SCHOOL
DISTRICT

(SEAL)

President, Board of Trustees

Secretary, Board of Trustees

* * *

[FORM OF PREMIUM CAPITAL APPRECIATION BOND]

UNITED STATES OF AMERICA
STATE OF TEXAS

NUMBER
¹CR-
REGISTERED

MATURITY AMOUNT
\$ _____
REGISTERED

SPLENDORA INDEPENDENT SCHOOL DISTRICT
UNLIMITED TAX REFUNDING BOND
SERIES 2020

²INTEREST RATE: _____% ²MATURITY DATE: _____, _____ ³ISSUANCE DATE: _____, 2020 ²CUSIP: _____

REGISTERED OWNER:

MATURITY AMOUNT: _____ DOLLARS

⁴SPLENDORA INDEPENDENT SCHOOL DISTRICT (the "District"), for value received, promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date specified above, upon presentation and surrender of this bond at the principal payment office of _____³, _____, Texas, or its successor (the "Paying Agent/Registrar"), the Maturity Amount identified above, representing the principal amount hereof, premium, if any, and accrued and compounded interest hereon, in any coin or currency of the United States of America which on the date of payment is legal tender for the payment of debts due the United States of America. This Bond shall be dated ³_____, 20___, but compound interest shall accrue on the principal amount hereof from the Issuance Date at the per annum rate specified above. The accreted value (per \$5,000 of Maturity Amount) as of the Issuance Date and as of each _____ and _____ is set forth in the Table of Accreted Values attached hereto. Such value as of any other date shall be determined by straight-line interpolation between such values.

- 1 Initial Bond shall be numbered ICR-1.
- 2 Omitted from Initial Bond.
- 3 Insert from the Pricing Certificate.
- 4 The first sentence of the Initial Bond shall read as follows:

SPLENDORA INDEPENDENT SCHOOL DISTRICT (the "District"), for value received hereby promises to pay, to the Registered Owner identified above or registered assigns, in each of the years and in the Maturity Amounts set forth in the below schedule upon presentation and surrender of this bond at the principal payment office of _____³, _____, Texas, in any coin or currency of the United States of America which on the date of payment is legal tender for the payment of debts due the United States of America: [Insert information regarding years of maturity, Maturity Amounts and yield from the Pricing Certificate].

THIS BOND is one of a duly authorized issue of bonds, aggregating ⁵\$_____ (the “Bonds”), issued for the purposes of refunding certain outstanding bonds of the District as described in an order adopted by the Board of Trustees of the District (the “Order”), including paying the costs of issuance of the Bonds and of refunding the bonds being refunded, all pursuant to Chapter 1207, Texas Government Code, as amended. The Bonds are issued as Bonds in the aggregate principal amount of ⁵\$_____ that pay interest semiannually until maturity (the “Current Interest Bonds”) and Bonds in the aggregate principal amount of ⁵\$_____ that pay interest only at maturity (the “Premium Capital Appreciation Bonds”). This Bond is a Premium Capital Appreciation Bond.

THIS BOND is not subject to redemption prior to maturity.⁵

THIS BOND IS TRANSFERABLE only upon presentation and surrender at the corporate trust office of the Paying Agent/Registrar, duly endorsed for transfer or accompanied by an assignment duly executed by the registered owner or his authorized representative, subject to the terms and conditions of the Order.

THIS BOND IS EXCHANGEABLE at the corporate trust office of the Paying Agent/Registrar, for bonds in the Maturity Amount of \$5,000 or any integral multiple thereof, subject to the terms and conditions of the Order.

THIS BOND shall not be valid or obligatory for any purpose or be entitled to any benefit under the Order unless this Bond is either (i) registered by the Comptroller of Public Accounts of the State of Texas by registration certificate attached or affixed hereto or (ii) authenticated by the Paying Agent/Registrar by due execution of the authentication certificate endorsed hereon.

THE REGISTERED OWNER of this Bond, by acceptance hereof, acknowledges and agrees to be bound by all the terms and conditions of the Order.

THE DISTRICT has covenanted in the Order that it will at all times provide a legally qualified registrar for the Bonds and will cause notice of any change of registrar to be mailed to each registered owner.

IT IS HEREBY certified, recited and covenanted that this Bond has been duly and validly issued and delivered; that all acts, conditions and things required or proper to be performed, to exist and to be done precedent to or in the issuance and delivery of this Bond have been performed, exist and have been done in accordance with law; that the Bonds do not exceed any constitutional or statutory limitation; and that annual ad valorem taxes, without legal limit as to rate or amount, sufficient to provide for the payment of the interest on and principal of this Bond, as such interest comes due and such principal matures, have been levied and ordered to be levied against all taxable property in the District and have been pledged irrevocably for such payment.

⁵ To be completed pursuant to the terms of sale as referenced in the Pricing Certificate.

IN WITNESS WHEREOF, this bond has been signed with the manual or facsimile signature of the President or the Vice President of the Board of Trustees of the District and countersigned with the manual or facsimile signature of the Secretary or Assistant Secretary of the Board of Trustees of the District, and the official seal of the District has been duly impressed, or placed in facsimile, on this bond.

SPLENDORA INDEPENDENT SCHOOL
DISTRICT

(SEAL)

President, Board of Trustees

Secretary, Board of Trustees

* * *

TABLE OF ACCRETED VALUES

The Accreted Value, initial offering price (all per \$5,000 of Maturity Amount), together with the yield to maturity are as follows. Accreted Values are calculated based on the initial offering price and yield to maturity and, except at maturity, do not equal principal amount plus accrued interest for any purpose except as provided in the Order.

[To be determined in Pricing Certificate]

* * *

[FORM OF REGISTRATION CERTIFICATE OF COMPTROLLER]

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 _____.

(SEAL)

Comptroller of Public Accounts
of the State of Texas

* * *

[FORM OF REGISTRAR'S AUTHENTICATION CERTIFICATE]

AUTHENTICATION CERTIFICATE

It is hereby certified that this bond has been delivered pursuant to the Order described in the text of this bond, in exchange for or in replacement of a bond, bonds or a portion of a bond or bonds of an issue of bonds which was originally approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

[Paying Agent/Registrar]

By: _____

Authorized Signature: _____

Date of Authentication: _____

* * * *

[FORM OF ASSIGNMENT]

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____

(Please print or type name, address and zip code of Transferee)

(Please insert Social Security or Taxpayer Identification Number of Transferee)

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

DATED: _____

Signature Guaranteed:

NOTICE: Signature must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature above must correspond to the name of the registered owner as shown on the face of this bond in every particular, without any alteration, enlargement or change whatsoever.

* * * *

[FORM OF PERMANENT SCHOOL FUND CERTIFICATE]

PERMANENT SCHOOL FUND 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 Splendora Independent School District of its Unlimited Tax Refunding Bonds, Series 2020, dated ¹¹_____, in the principal amount of ¹¹\$_____ 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

* * * *

[FORM OF STATEMENT OF INSURANCE]

[To be determined in Pricing Certificate]

* * * *

¹¹ To be completed pursuant to the terms of sale as referenced in the Pricing Certificate.

EXHIBIT B

SCHEDULE OF REFUNDABLE BONDS

- Unlimited Tax School Building Bonds, Series 2013

EXHIBIT C
ESCROW AGREEMENT

[See Tab No. ____]

EXHIBIT D
PAYING AGENT/REGISTRAR AGREEMENT

[See Tab __]



**Splendoria ISD Board of Trustees
Agenda Item Information Form**

Board Meeting Date: November 2, 2020

Submitted Date: October 29, 2020

Agenda Business Items:

- Consent Agenda Item
(Board has acted on items such as this previously)
- New Action
(Board has not seen information previously and allows for more time to discuss)

Information Only Items:

- Presentation
- Recognition
- Information

Name of Person Responsible: Dr Jeff Burke

Department or Campus: Superintendent

Topic: Regular Meeting November 16, 2020 Agenda Review

Background Information: Regular Meeting Agenda Review

Attachments: N/A

Superintendent's Resolutions: