

**Notice of Public Budget Hearing**  
**The Board of Trustees**  
**Fort Bend Independent School District**

Monday, January 24, 2022

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Notice is hereby given that a Board of Trustees Public Budget Hearing will be held on Monday, January 24, 2022, beginning at 6:00 PM in the Board Room of the Fort Bend ISD Administration Building, 16431 Lexington Blvd., Sugar Land, TX 77479. Members of the public may also register to

address the Board at the following address:

<https://www.fortbendisd.com/cms/lib/TX01917858/Centricity/Domain/83/New%20Agenda%20Review%20Address%20Form%201-12-21.pdf>. Requests to address the Board must be submitted no later than 4:30 p.m. on the day of the meeting. It is the Board of Trustees' intent that a quorum of the Board of Trustees will be physically present at this location, although one or more Trustees may participate via video conference. The agenda packet for the meeting can be found here: <https://meetings.boardbook.org/Public/Organization/649>.

1. Call to order at 6:00 PM with announcement by the chair as to the presence of a quorum, that the meeting has been duly called and that notice of the meeting has been posted for the time and manner required by law.
2. National Anthem
3. Invocation
4. Recognitions 4
5. Audience Items
6. Information 6
  - A. Superintendent's 100 Day Report
7. Board Members' Report 7
  - A. Activity Report
  - B. Special Reports
8. Action 7
  - A. Consider approval of Order of Election on Saturday, May 7, 2022 to elect Trustees for Positions 3 and 7
9. Consent Agenda  
*All items under the Consent Agenda are acted upon by one motion. Upon a Board Member's request, any item on the Consent Agenda shall be moved to the Action portion of the regular agenda.*

A. Consider approval of 2022-23 school calendar and related staff development waivers	10
B. Consider approval of General Fund Budget Amendment for 2021-22	14
C. Consider approval of order authorizing the issuance of Fort Bend ISD Unlimited Tax School Building and Refunding Bonds.	16
D. Consider approval of order authorizing the issuance of Fort Bend ISD Fixed Rate Unlimited Tax Refunding Bonds.	29
E. Consider approval of order authorizing the issuance of Fort Bend ISD Variable Rate Unlimited Tax Refunding Bonds.	85
F. Consider approval of offer for the buyout of one (1) Fort Bend ISD cell tower site lease.	182
10. Scalable Systems	
A. Consider Approval of Purchases Exceeding \$50,000. Specifically for:	
1. Consider approval for purchase of musical instrument repair and related services from multiple vendors.	184
2. Consider approval for the purchase of Local Area Network (LAN) equipment related items and services.	188
3. Consider approval of the continued purchase of moving services from multiple vendors with Choice Partners Cooperative.	193
4. Consider approval of expenditures through the School Health Support Grant.	195
11. Convene in closed session under Texas Open Meetings Act, Texas Government Code, Chapter 551 under the following sections: 551.071 - For the purpose of a private consultation with the Board's attorney on any or all subjects or matters authorized by law; Section 551.072 - Consider purchase, exchange, lease, or value of real property, Section 551.074 - Personnel matters, Section 551.076 - Security matters, Section 551.082 - Student discipline matter or complaint, or Section 551.0821 - Personally identifiable information about public school student.	
A. Deliberate recommendation for Chief Human Resources Officer	
B. Deliberate scheduling a meeting to hear a Level 3 Employee Grievance Appeal or Assign the Level 3 Employee Grievance Appeal to the Board's Designated Hearing Officer, Myra Schexnayder	
C. Informal feedback to the Superintendent	
12. Reconvene in Open Session	
13. Consider Action on Closed Session Items	
14. Adjournment	

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The following Fort Bend ISD Goals may be referenced in agenda items included in this document:

- Goal 1: Fort Bend ISD will provide an equitable learning environment that provides all students access to the FBISD curriculum.
- Goal 2: Fort Bend ISD will ensure students own and are responsible for their learning, behavior, and progress through the FBISD curriculum.
- Goal 3: Fort Bend ISD will provide an inclusive, collaborative, and fluid learning environment with opportunities for both risk-taking and success.
- Goal 4: Fort Bend ISD will develop students' social-emotional, academic, literacy, language, and life skills in a robust Collaborative Community at every school.
- Goal 5: Fort Bend ISD will develop an organizational culture that embraces care, respect, safety, and inclusion.

**For: Fort Bend ISD Board of Trustees**  
**Date: January 24, 2022**  
**Action: Recognitions**  
**Department: Communications**

### **Recommendation**

The Administration recommends that the Board recognize:

- Ridge Point High School Volleyball Team for winning the district title and participating in the state tournament
- Sugar Land Middle School Counseling Team for earning the CREST Award for Counseling Excellence
- Dulles Middle School Symphony Orchestra for being selected to perform at the Texas Music Educators Association annual conference
- The administration, on behalf of the entire Fort Bend ISD community would like to recognize the Fort Bend ISD Board of Trustees for their commitment and service to the District in Honor of School Board Recognition Month

### **Summary**

Ridge Point High School volleyball team is being recognized for winning the District's title. This accomplishment advanced the team to the state tournament where they reached the semi-final game.

Sugar Land Middle School Counseling team has earned the CREST Award for Counseling Excellence for 2021-22. The CREST award recognizes schools with outstanding counseling programs, and schools receiving the CREST award have demonstrated a commitment to using the Texas Model to improve the lives and achievement of students in academic, career, and personal social domains.

Dulles Middle School Symphony Orchestra has been selected to perform as an Invited Orchestra at the Texas Music Educators Association (TMEA) annual 2022 Convention. The Dulles MS full orchestra was selected from recordings submitted by middle schools from across the state of Texas.

School Board Recognition Month is observed in Texas each January to build awareness among our citizens about the important and vital role that an elected Board of Education plays in our society.

Fort Bend ISD is proud to recognize and express its sincere appreciation to the members of our Board of Trustees – seven individuals who have a strong and unyielding commitment to doing what is best for the children in our district. By contributing countless hours of their time, our Board members work to ensure that our

educational system is governed in the most effective and efficient manner possible, and with the best interests of students at heart.

Please join us in recognizing our Fort Bend ISD Board of Trustees: President, Dave Rosenthal, Vice President, Jim Rice, Board Secretary, Dr. Shirley Rose-Gilliam, and Board Members – Judy Dae, Kristen Davison Malone, Angie Hanan and Denetta Williams.

In addition, we also want to express our sincere appreciation to the families of our Board Members, who give up valuable family time when Board Members are away from home to conduct district business.

Recommended by:

Dr. Christie Whitbeck  
Superintendent of Schools

Submitted by:

Veronica V. Sopher  
Chief Communications Officer

**For: Fort Bend ISD Board of Trustees**  
**Date: January 24, 2022**  
**Information: Superintendent 100 Day Report**  
**Department: Superintendent**

Summary

The superintendent will provide an overview of observations during her first 100 days in FBISD. The presentation will include a summary of her activities, information about what she and staff are working toward on the path forward.

Recommended by:

Christie Whitbeck  
Superintendent of Schools

**For: Fort Bend ISD Board of Trustees**  
**Date: January 24, 2022**  
**Action: Consideration and Approval - Order of Election of Trustees, Positions 3 and 7**  
**References: Board Policy BBB (LOCAL)**  
**Board Governance**  
**Department: Legal Services**

**Recommendation**

The Administration is seeking Board action as required by the Texas Election Code and Fort Bend ISD Board Policy BBB (LOCAL) to Order an Election on May 7, 2022 for one person to serve the full terms of Trustee Positions 3 and 7.

**Background:**

Texas Election Code §3.001 requires the governing body of a political subdivision to order each general election. Pursuant to Board Policy BBB (LOCAL), the three-year term of office for Trustee Positions 3 and 7, currently held by Mr. Jim Rice and Mr. Dave Rosenthal, expires in 2022. Texas Election Code §41.001 establishes the uniform election date for public school districts as the first Saturday in May in an even-numbered year, which is May 7, 2022. The Board must order an election no later than 78 days prior to the election, which is Thursday, February 17, 2022. The Administration is recommending the Board consider and approve the Order of Election before candidates may submit an application a place on the ballot.

On December 17, 2021, the Administration posted the Notice of Deadline to File Applications for Place on the Ballot for the May 7, 2022 Board of Trustee Election, Positions 3 and 7. In compliance with the Election Code §141.040, the Notice of Deadline to File is posted at the Fort Bend ISD Administration Building and on the District's website. The period for candidates to file an application for a place on the May ballot opens Wednesday January 19, 2022 before the next regular meeting of the Board scheduled for January 24, 2022. The filing period closes Friday February 18, 2022 at 5:00 p.m.

The attached Order of Election, submitted for your review in draft format, was prepared in accordance with state law and FBISD Policy BBB. The contents of the election order include: (1) the dates and times of the early voting, (2) the location of each early voting site, and (3) any other information required by law. Early voting locations are subject to change by the Fort Bend County Elections Administrator.

Recommended by:

Christie Whitbeck  
Superintendent of Schools

Submitted by:

Robert Scamardo  
General Counsel

**ORDER OF ELECTION**  
(Orden de Elección)

**An Election is Ordered to be held on Saturday, May 7, 2022 for voting in the Fort Bend Independent School District Trustee Election to elect one person for each position to serve the full terms of positions 3 and 7.** (Se ordena una elección que será el sábado 7 de mayo 2022 para votar en la elección regente del distrito escolar independiente de Fort Bend para elegir una persona para que sirva los términos completos de las posiciones tres (3) y siete (7).

**Early Voting by Personal Appearance will be conducted as follows** (La votación anticipada, solamente en persona, se llevará a cabo de tal manera):

**Main Early Voting Site** (Sitio principal de votación anticipada):

**Fort Bend ISD Administration Building, Lobby  
16431 Lexington Boulevard  
Sugar Land, Texas 77479**

**And such other early voting polling places as may be designated or amended by the early voting clerk (county elections administrator) pursuant to Section 271.006 of the Texas Election Code, which may include, but are not limited to, the following:**

**Branch Early Voting Sites** (Sitios de votación anticipada):

<b>Hightower High School</b>	<b>3333 Hurricane Lane, Missouri City, TX</b>
<b>James Bowie Middle School</b>	<b>700 Plantation Dr., Richmond, TX</b>
<b>James Reese CT Center</b>	<b>12300 University Blvd., Sugar Land, TX</b>
<b>Ridge Point High School</b>	<b>500 Waters Lake Blvd., Missouri City, TX</b>
<b>Sartartia Middle School</b>	<b>8125 Homeward Way Sugar Land, TX</b>
<b>Beasley City Hall</b>	<b>319 S. 3<sup>rd</sup> St., Beasley, TX</b>
<b>Chasewood Clubhouse</b>	<b>7622 Chasewood Dr., Missouri City, TX</b>
<b>Clyde &amp; Nancy Jacks Conference Center</b>	<b>3232 Austin Parkway, Sugar Land, TX</b>
<b>Fort Bend County Road &amp; Bridge</b>	<b>3743 School St., Needville, TX</b>
<b>Fort Bend County Rosenberg Annex</b>	<b>4520 Reading Rd., Rosenberg, TX</b>
<b>Four Corners Community Center</b>	<b>15700 Old Richmond Rd., Sugar Land, TX</b>
<b>Irene Stern Community Center</b>	<b>6920 Fulshear-Katy Rd., Fulshear, TX</b>
<b>Lost Creek Park</b>	<b>3703 Lost Creek Blvd., Sugar Land, TX</b>
<b>Meadows Place City Hall</b>	<b>One Troyan Drive, Meadows Place, TX</b>
<b>Missouri City Community Center</b>	<b>1522 Texas Parkway, Missouri City, TX</b>
<b>Quail Valley Fund Office</b>	<b>3603 Glenn Lakes, Missouri City, TX</b>
<b>Sienna Branch Library</b>	<b>8411 Sienna Springs Blvd., Missouri City, TX</b>
<b>Sugar Land Branch Library</b>	<b>550 Eldridge Rd., Sugar Land, TX</b>
<b>Sugar Land City Hall</b>	<b>2700 Town Center Blvd., Sugar Land, TX</b>
<b>Water Maintenance Facility</b>	<b>110 N. 8<sup>th</sup> St., Richmond, TX</b>

**Schedule for:** Fort Bend ISD Admin. Bldg. – 16431 Lexington Blvd., Sugar Land, TX  
*Horario para:*

<b><u>Day</u></b> ( <i>Día</i> )	<b><u>Date</u></b> ( <i>Fecha</i> )	<b><u>Hours</u></b> ( <i>Horas</i> )
Monday – Friday (Lunes – Viernes)	April 25 – 29, 2022 (Abril 25 – 29, 2022)	8:00 a.m. – 7:00 p.m. (8:00 a.m. – 7:00 p.m.)
Saturday (Sábado)	April 30, 2022 (Abril 30, 2022)	CLOSED (CERRADO)
Sunday (Domingo)	May 1, 2022 (Mayo 1, 2022)	CLOSED (CERRADO)
Monday – Tuesday (Lunes – Martes)	May 2 – 3, 2022 (Mayo 2 – 3, 2022)	7:00 a.m. – 7:00 p.m. (7:00 a.m. – 7:00 p.m.)

**Applications to vote by mail should be mailed to** (Las solicitudes para votar por correo deben enviarse a):

<b>Name of Early Voting Clerk:</b> (Nombre del Secretario/a de la Votación Adelantada)	<b>John Oldham, Fort Bend County Elections Administrator</b>
<b>Address:</b> (Dirección)	<b>301 Jackson St., Richmond, TX 77469</b>
<b>Telephone Number:</b> (Número de teléfono)	<b>281-341-8670</b>
<b>Email Address:</b> (Dirección de Correo Electrónico)	<b>vote@fortbendcounty.tx.gov</b>
<b>Early Voting Clerk’s Website:</b> (Sitio web del Secretario/a de Votación Adelantada)	<b>fortbendvotes.org</b>

**The last day to receive an application for a ballot to be voted by mail is at the close of business on Tuesday, April 26, 2022** (El último día para recibir una solicitud para su papeleta de voto por correo será al final de labores el martes 26 de abril 2022).

**The deadline for receiving early voting ballots by mail is Saturday, May 7, 2022 no later than 7:00 P.M.** (La fecha límite para recibir por correo su papeleta de votación anticipada será el sábado, 7 de mayo 2022 a las 7:00 PM).

**Issued this the \_\_\_\_ day of \_\_\_\_\_, 2022** (Emitada este día \_\_\_\_ de \_\_\_\_\_ 2022).

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**Signature of the Presiding Officer** (Firma del Oficial Encargado)  
Dave Rosenthal, President, Board of Trustees, Fort Bend ISD

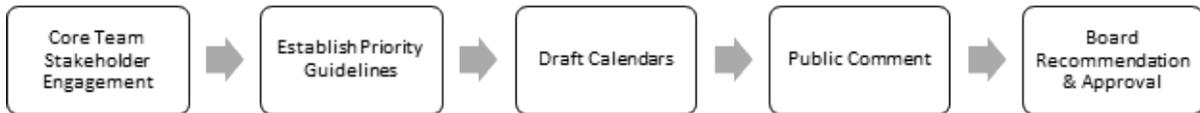
**For: Fort Bend ISD Board of Trustees**  
**Date: January 24, 2022**  
**Action: Action: Approve 2022–23**  
**School Calendar**  
**References: Board Policy EB (Legal)**  
**District Goal 1**  
**Department: Human Resources &**  
**Organizational**  
**Transformation**

**Recommendation**

Consideration and possible approval of the 2022–23 school calendar and related staff development waivers.

**Summary**

Annually, the Organizational Transformation department launches the calendar development process in the fall. FBISD’s academic calendar is designed through a collaborative process with all stakeholders. The graphic below outlines the process.



The 2022–23 proposed District calendar was created through the collaboration of Core Team stakeholder engagement meetings that included teachers, principals, and district leaders. Following the Core Team meetings, staff garnered input from the District Planning and Advisory Committee to support development of priority guidelines for draft calendars. Next, the Calendar Committee comprised of students, staff, teachers, principals, parents, community members and a Board member met to review draft calendars aligned to the guidelines. Following review, the Administration posted [three draft calendars](#) for public comment.

The table below shows the results of public comments, by calendar. Attached is the graphical representation of the results and analysis of the FBISD Calendar Survey for 2022 – 23. There were 6,066 responses to the survey.

Rating	Option A	Option B	Option C
5 – strongly in favor or 4	41%	51%	34%
3 – neutral	24%	12%	24%
1 – strongly opposed or 2	36%	37%	42%

While the overall feedback showed Calendar B as the most popular, the Calendar Committee noticed that the only stakeholder group who did not have the highest percentage in support of Calendar B were the teachers who voted. The teacher group had the strongest opposing numbers for Calendar B. The committee investigated the teacher stakeholder comments to analyze the main reason behind the strong opposition. Two themes that surfaced were concerns related to adding 5 minutes to the school day and the early start of the school year.

After discussion, the committee did not feel they had enough information to propose a calendar to Administration therefore they recommended that the District pursue additional stakeholder feedback. Staff met with E-Team to discuss the option of returning to stakeholders for additional feedback. In addition, staff disaggregated the data for all stakeholder groups beyond teachers. This data evidenced the following trends:

- concern around adding additional minutes to the school day
- maintain an early end to the school year, prior to Memorial Day
- ensure an adequate length of the summer

After discussion with E-Team, it was decided to adjust calendar B to address stakeholder concerns. This allows the District to honor the calendar that was the most popular with the collective group as well as accommodate the teacher' and other stakeholder concerns within the proposed calendar. Staff reconvened the Calendar Committee to gain consensus for the adjustments and garner support to propose the new calendar for consideration and adoption.

Key elements of the proposed 2022–23 calendar include:

- Does not require an additional 5 minutes added to the school day
- Provides a start date for students on August 10, 2022
- Ensures adequate summer break for teachers (9 weeks) and students (10.5 weeks)
- Concludes the school year prior to Memorial Day
- Includes five staff development days prior to the start of the school year with four and a half staff development days embedded in the school year. Moves District Professional Learning prior to the start of school allowing flexibility across the summer for teachers to engage (August 2, 3)
- Maintains traditional holiday structure (a weeklong Thanksgiving break, a two-week winter break, a weeklong Spring Break)
- Starts both semesters mid-week
- Concludes final exams and first semester before Winter Break
- Aligns Spring Break with most surrounding districts
- Provides a Fall elementary early release day for parent conferences

The proposed calendar meets all TEA requirements. It provides a total of 175 days of student instruction while maintaining the 187 teacher contract days. The calendar

includes at least 75,600 operational minutes, as required by the TEA, as well at least 1185 additional operational minutes (exceeding the TEA required minimum of 840). The TEA requirement is the equivalent of two days, should FBISD need to cancel school during inclement weather. The calendar also indicates additional inclement weather make up days on the calendar (February 20, April 10). Note: TEA defines operational minutes as the time from the first school bell to the last school bell, or bell-to-bell.

FBISD's Local Innovation Plan, adopted by the Board in March of 2017, provides flexibility to the start and end dates of instruction allowing the calendar committee to take steps toward an instructional calendar that is more innovative and serves the best interests of students. Administration is currently in the process of renewing the Local Innovation Plan to support continuation of this innovation.

The Administration will submit the staff development waiver through an online process following Board approval of the calendar and waiver submission. The action item includes approval of the Staff Development Minutes Waiver, and the waiver will be for the 2022–23 school year only. The waiver provides for a maximum of 2,100 total waiver minutes to use for staff development, and the proposed 2022–23 District calendar contains 1800 waived staff development minutes.

Recommended by:

Dr. Christie Whitbeck  
Superintendent of Schools

Submitted by:

Stephanie Williams  
Executive Director Organizational Transformation

## 2022 - 2023 PROPOSED Instructional Calendar

**August**  
2-3 ..... District Professional Learning Day  
4-5, 8 ..... Professional Learning Day  
9 ..... Teacher Work Day  
10 ..... First Day of Classes 1st Semester  
Beginning of 1st Nine Weeks

**September**  
5 ..... Holiday/Labor Day  
22 ..... Elementary Parent Conf. & Early Release  
23 ..... Professional Learning Day/No Students

**October**  
7 ..... Early Release - All Students  
End of 1st Nine Weeks  
10 ..... Holiday  
11 ..... Beginning of 2nd Nine Weeks  
31 ..... Professional Learning Day/No Students

**November**  
21-25 ..... Holiday/Thanksgiving Break

**December**  
13-16 ..... Exams  
15 ..... Early Release - MS/HS  
16 ..... Early Release - All Students  
End of 1st Semester/End of 2nd Nine Weeks  
19-23, 26-30 ..... Holiday/Winter Break

**January**  
2 ..... Holiday/Winter Break  
3 ..... Professional Learning Day/No Students  
4 ..... Professional Development (4 Hours)  
Teacher Work Day (3.5 Hours)  
5 ..... First Day of Classes 2nd Semester  
Beginning of 3rd Nine Weeks  
16 ..... Holiday/Martin L. King, Jr. Day

**February**  
16 ..... Early Release - All Students  
17 ..... Professional Learning Day/No Students  
20 ..... Holiday/Inclement Weather Make-up Day

**March**  
10 ..... End of 3rd Nine Weeks  
13-17 ..... Holiday/Spring Break  
20 ..... Beginning of 4th Nine Weeks

**April**  
7 ..... Holiday  
10 ..... Holiday/Inclement Weather Make-up Day

**May**  
22-25 ..... Exams  
24 ..... Early Release - MS/HS  
25 ..... Early Release - All Students  
Last Student Day/End of 2nd Semester/  
End of 4th Nine Weeks  
26 ..... Teacher Work Day  
29 ..... Holiday/Memorial Day  
TBD ..... Graduation

**July**  
3-7 ..... District Offices and Campuses Closed

**KEY**

- District Professional Learning
- Professional Learning - No Students
- Professional Development - Half Day
- Teacher Work Day - No Students
- First Day of Semester Classes
- [ ] Beginning/End of Nine Weeks
- { } Exams
- Holiday
- Early Release - ES
- Early Release - MS & HS
- Inclement Weather Make-up Day

This Calendar Reflects the Following	ES	MS	HS
Total Days of Instruction	175	175	175
Total Teacher Contract Days	187	187	187
Operational Minutes per Full Day	435	435	435
Operational Minutes per Early Release Days	240	270	245
Total Operational Minutes Pre-Waiver	75150	75135	74985
Waiver Minutes for Professional Learning	1800	1800	1800
Total Operational Min. w/ Approved Waivers	76950	76935	76785
Bank of Operational Minutes	1350	1335	1185

HB 2442 requires a minimum of 75,600 operational minutes with any applicable waivers and at least a minimum bank of 840 operational minutes. The bank of operational minutes can be used in the event of bad weather and other issues of health and safety. FBIISD reserves the right to revise the calendar, pending Board approval, to meet the minimum required operational minutes each year.

### S M T W T F S August 2022

	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

### September 2022

				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	

### October 2022

						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

### November 2022

6	7	8	9	10	11	12					
13	14	15	16	17	18	19					
20	21	22	23	24	25	26					
27	28	29	30								

### December 2022

4	5	6	7	8	9	10					
11	12	13	14	15	16	17					
18	19	20	21	22	23	24					
25	26	27	28	29	30	31					

### January 2023

1	2	3	4	5	6	7					
8	9	10	11	12	13	14					
15	16	17	18	19	20	21					
22	23	24	25	26	27	28					
29	30	31									

### S M T W T F S February 2023

			1	2	3	4					
5	6	7	8	9	10	11					
12	13	14	15	16	17	18					
19	20	21	22	23	24	25					
26	27	28									

### March 2023

			1	2	3	4					
5	6	7	8	9	10	11					
12	13	14	15	16	17	18					
19	20	21	22	23	24	25					
26	27	28	29	30	31						

### April 2023

											1
2	3	4	5	6	7	8					
9	10	11	12	13	14	15					
16	17	18	19	20	21	22					
23	24	25	26	27	28	29					
30											

### May 2023

7	8	9	10	11	12	13					
14	15	16	17	18	19	20					
21	22	23	24	25	26	27					
28	29	30	31								

### June 2023

4	5	6	7	8	9	10					
11	12	13	14	15	16	17					
18	19	20	21	22	23	24					
25	26	27	28	29	30						

### July 2023

											1
2	3	4	5	6	7	8					
9	10	11	12	13	14	15					
16	17	18	19	20	21	22					
23	24	25	26	27	28	29					
30	31										

1st Semester Grading Period	84 Days
1st Nine Weeks	8/10 - 10/7 13
2nd Nine Weeks	10/11 - 12/16 43

2nd Semester Grading Period	91 Days
3rd Nine Weeks	1/5 - 3/10 44
4th Nine Weeks	3/20 - 5/25 47

Cultural and religious observances of families in FBIISD can be accessed on the [Diversity Calendar](http://www.fortbendisid.com/diversity) at www.fortbendisid.com/diversity.

**For: Fort Bend ISD Board of Trustees**  
**Date: January 24, 2022**  
**Action: Consideration and Approval:**  
**Budget Amendment**  
**References: Board Governance**  
**Department: Business and Finance**

**Recommendation**

Consideration and possible approval of a General Fund budget amendment for 2021-22.

**Summary**

**Fund 199 (General Fund)**

The following budget amendment is being recommended to increase state revenues and expenses by \$1.9 million for dollar value of personal protective equipment delivered from Texas Department of Emergency Management on behalf of the Texas Education Agency. The state delivered gowns, masks, gloves, hand sanitizer as well as Covid-19 testing kits as detailed below to the District:

<b>Type</b>	<b>Quantity</b>	<b>Value</b>
COVID Testing Kits	1,296	259,200
Gowns	6,480	19,440
N-95 Masks	430,920	1,495,260
Non-Medical Masks	272,000	165,920
Surgical Masks	60,000	31,480
Hand Sanitizer	1,092	15,834
Gloves	33,000	4,703
<b>Total</b>		<b>1,991,837</b>

In addition, local revenue and expenses are being increased by \$122,163, comprised of \$105,061 for the donation of air quality equipment by Honeywell International and \$17,102 in other donations received by campuses and departments.

Lastly, federal revenue is being increased by \$14.4 million for reimbursement from Elementary and Secondary School Emergency Relief Grant (ESSER) for reimbursement of Covid-19 expenditures made in fiscal year 2020-21.

Fund	Function	Orig. Budget	Budget Amendment	Amended Budget
199	57 – Local Revenues	\$436,660,846	\$122,163	\$436,783,009
199	58 – State Revenue	274,330,714	1,991,837	276,322,551
199	59 – Federal Revenues	15,650,000	14,400,000	30,050,000
	<b>Total Revenue</b>	<b>\$726,641,560</b>	<b>\$16,514,000</b>	<b>\$743,155,560</b>
<b>Expenditures</b>				
199	11 – Instruction	\$456,856,074		\$456,856,074
199	12 – Instructional Resource Media	8,954,349		\$8,954,349
199	13 – Curriculum Development	14,709,283		\$14,709,283
199	21 – Instructional Leadership	19,938,454		\$19,938,454
199	23 – School Leadership	49,716,939		\$49,716,939
199	31 – Guidance Counseling Evaluation	37,784,964		\$37,784,964
199	32 – Social Work Services	1,828,411		\$1,828,411
199	33 – Health Services	8,974,719	1,991,837	\$10,966,556
199	34 – Student Transportation	25,698,425		\$25,698,425
199	35 – Food Services	64,816		\$64,816
199	36 – Co-Curricular	14,975,686	-	\$14,975,686
199	41 – General Administrative	22,820,807	-	\$22,820,807
199	51 – Facilities Maintenance	64,229,259	122,163	64,351,422
199	52 – Security & Monitoring	10,515,822	-	\$10,515,822
199	53 – Data Processing	19,431,140	-	\$19,431,140
199	61 – Community Services	747,492	-	\$747,492
199	81 – Facility Acquisition	-	-	\$0
199	99 – Payment to Member/SSA	399,597	-	\$399,597
199	99 – Other Intergovernmental charges	3,586,470	-	\$3,586,470
	<b>Total Expenditures</b>	<b>\$761,232,707</b>	<b>\$2,114,000</b>	<b>\$763,346,707</b>
199	Other Sources	2,500,000	-	2,500,000
<b>199</b>	<b>Net Change</b>	<b>(\$32,091,147)</b>	<b>\$14,400,000</b>	<b>(\$17,691,147)</b>
	Fund Balance - Beginning	215,928,896	-	215,928,896
	<b>Fund Balance - Ending</b>	<b>183,837,749</b>		<b>\$198,237,749</b>

Fund Balance Reserve - %

25%

Fund Balance Reserve - Days

90 days

Submitted by:

Christie Whitbeck  
Superintendent of Schools

Bryan Guinn  
Chief Financial Officer

**For: Fort Bend ISD Board of Trustees**  
**Date: January 24, 2022**  
**Action: Consent: Consideration and Approval –  
Conversion Order**  
**References: Board Policy CCA (Legal)**  
**Department: Business and Finance**

### **Recommendation**

The Administration is seeking Board approval of an Order Authorizing the Conversion of the Fort Bend Independent School District Variable Rate Unlimited Tax Refunding Bonds, Series 2019A to a New Rate Period; Authorizing the Preparation of a Remarketing Memorandum; and Enacting Other Provisions Relating Thereto (the “Conversion Order”).

### **Summary**

In connection with the District’s \$428 million November 7, 2007 Bond, \$484 million November 6, 2014 Bond, and \$992.6 million November 6, 2018 Bond approved by the voters, the District issued \$100,000,000 of Variable Rate Unlimited Tax Refunding Bonds, Series 2019A (the “Bonds”) in May 2019. As of November 30, 2021, the Bonds had an outstanding balance of \$83,075,000 and a principal payment of \$1,520,000 is due on August 1, 2022. The Bonds are currently outstanding with a three-year Initial Rate Period, which ends on July 31, 2022. During this Initial Rate Period, the Bonds bear interest at an Initial Rate of 1.95%.

Pursuant to the terms of the order authorizing the issuance of the Bonds, the District is obligated to use its best efforts to cause a conversion of the outstanding Bonds from the Initial Rate Period to a new rate period. The Conversion Order authorizes the District to either (i) convert the Bonds to a new Term Rate Period not to exceed five years in length or (ii) convert the Bonds to a fixed rate.

A conversion to a new Term Rate Period will result in the reset of the variable interest rate for the duration of the new Term Rate Period for the Bonds. A conversion to a fixed rate would result in setting a long-term fixed rate for the Bonds.

In a separate agenda item, the Administration is recommending approval of a Fixed Rate Order that would give the District the flexibility to refund the Bonds to a fixed rate if favorable market conditions exist. The District has more flexibility in how it may structure its fixed rate debt in connection with a refunding than it does in connection with a fixed rate conversion. The Administration is requesting the adoption of the Fixed Rate Order and this Conversion Order to allow the District to monitor market conditions and choose the option that is most advantageous for the District.

Administration is also recommending an agenda item for the approval of a Variable Rate Order that would give the District the flexibility to refund the Bonds with a series of variable rate bond in order to achieve market efficiencies in connection with setting the new variable rate. The Administration is requesting the adoption of the Variable Rate Order and this Conversion Order to allow the District to monitor market conditions and choose the option that is most advantageous for the District.

The order that originally authorized the issuance of the Bonds requires the Board of Trustees to make certain determinations and authorizations in connection with the conversion of the Bonds into new rate periods. The Conversion Order is the mechanism by which the Board of Trustees takes that action. The Conversion Order contains the following Board actions:

1. It provides for the conversion of the Bonds (i) into a Term Rate Period of up to five years or (ii) into a fixed rate;
2. It establishes a Stepped Rate (the rate of interest the Bonds would bear if there were a failed remarketing until the Bonds could be remarketed) of 7.00% and confirms a Maximum Rate for the Bonds of 7.00% as provided in the Original Order, but provides the Pricing Officer with the authority to lower the Stepped Rate and Maximum Rate if market conditions would allow for such a reduction;
3. It authorizes the Pricing Officer to establish the redemption provisions for the Bonds during the new rate period in response to market conditions;
4. It authorizes the preparation of a Remarketing Memorandum to be used in connection with the remarketing of the Bonds;
5. It authorizes the Pricing Officer to retain or terminate existing Remarketing Agent and appoint a new Remarketing Agent for the Bonds and authorizes the Pricing Officer to approve the fees of the Remarketing Agent as provided in the Remarketing Agreement; and
6. Pursuant to the terms of the Original Order, the Superintendent and Chief Financial Officer are the Pricing Officers authorized to establish final terms of the remarketing.

The District's bond counsel, Bracewell LLP has prepared and reviewed the Conversion Order. The District's financial advisor, Hilltop Securities, has also reviewed the Conversion Order.

Unless the Bonds are refunded under the Fixed Rate Order or the Variable Rate Order, the District expects the remarketing of the Bonds to close on August 1, 2022, with the pricing to occur within one month prior to the closing date.

As required by the Fiscal and Budgetary Strategy, Exhibit A (Disclosure Strategy), approved by the Board in October 2020, the Chief Financial Officer will provide a summary of the pricing as well as the final Official Statement to the Board for each debt transaction shortly after the transaction has priced.

Recommended by:

Dr. Christie Whitbeck  
Superintendent of Schools

Submitted by:

Bryan Guinn  
Chief Financial Officer

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ORDER

AUTHORIZING THE CONVERSION OF THE FORT BEND INDEPENDENT SCHOOL DISTRICT VARIABLE RATE UNLIMITED TAX REFUNDING BONDS, SERIES 2019A TO A NEW RATE PERIOD; AUTHORIZING THE PREPARATION OF A REMARKETING MEMORANDUM; AND ENACTING OTHER PROVISIONS RELATING THERETO

Adopted: January 24, 2022

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AN ORDER AUTHORIZING THE CONVERSION OF THE FORT BEND INDEPENDENT SCHOOL DISTRICT VARIABLE RATE UNLIMITED TAX REFUNDING BONDS, SERIES 2019A TO A NEW RATE PERIOD; AUTHORIZING THE PREPARATION OF A REMARKETING MEMORANDUM; AND ENACTING OTHER PROVISIONS RELATING THERETO

WHEREAS, the Fort Bend Independent School District (the “District”) has previously issued and there remains outstanding the District’s Variable Rate Unlimited Tax Refunding Bonds, Series 2019A (the “Bonds”); and

WHEREAS, the Bonds were authorized to be issued pursuant to an order adopted by the Board of Trustees (the “Board”) of the District on January 22, 2019 (the “Original Bond Order”) and an Officer’s Pricing Certificate executed pursuant thereto, dated April 23, 2019 (the “Original Pricing Certificate” and together with the Original Bond Order, the “Original Order”); and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meaning given to such terms in the Original Order; and

WHEREAS, pursuant to the terms of the Original Order, the Bonds were issued in an Initial Rate Period and are subject to mandatory tender for purchase following the last day of such Initial Rate Period, which mandatory tender of the Bonds is scheduled to occur on August 1, 2022; and

WHEREAS, pursuant to the terms of the Original Order, the District is obligated to use its best efforts to cause the Bonds to be converted from the Initial Rate Period to a different Rate Period on August 1, 2022; and

WHEREAS, the Board has found and determined that it is necessary and in the best interest of the District to approve and authorize the conversion of the Bonds from the Initial Rate Period to either (i) a Term Rate Period, with such new Term Rate Period not to exceed five years in duration, or (ii) a Fixed Rate Period, and the District desires to delegate authority to the Pricing Officer to determine certain terms of the Bonds upon such conversion, all as more particularly set forth herein; and

WHEREAS, the Board further desires to authorize the preparation and distribution of a remarketing memorandum to be used in connection with the conversion and remarketing of the Bonds and certain actions with respect to the engagement of the Remarketing Agent; NOW THEREFORE

BE IT ORDERED BY THE BOARD OF TRUSTEES OF THE FORT BEND INDEPENDENT SCHOOL DISTRICT:

**ARTICLE I**  
**DEFINITIONS AND OTHER PRELIMINARY MATTERS**

Section 1.01. Definitions. Unless defined in the recitals to this order (this “Conversion Order”) or unless the context shall require otherwise, all capitalized terms used herein and not otherwise defined shall have the meaning given to such terms in the Original Order. For the purposes of this Conversion Order and the Order, the term “Pricing Officer” includes the person serving as either Superintendent of the District or the Chief Financial Officer of the District, whether in a permanent capacity or in an interim capacity.

Section 1.02. Table of Contents, Titles, and Headings. The table of contents, titles, and headings of the Articles and Sections of this Conversion Order have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Conversion Order or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.03. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Conversion Order and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein.

Section 1.04. Authority for this Conversion Order. This Conversion Order is adopted pursuant to the provisions of Chapter 45 of the Texas Education Code and Chapter 1371 of the Texas Government Code and the Original Order.

Section 1.05. Original Bond Order and Original Pricing Certificate to Remain in Force. Except as modified by this Conversion Order or the Conversion Pricing Certificate (as defined in Section 2.01(e) hereof), the Original Bond Order and the Original Pricing Certificate shall remain in full force and effect with respect to the Bonds and the other matters covered therein.

**ARTICLE II**  
**AUTHORIZATION; CONVERSION OF BONDS**

Section 2.01. Approval and Authorization for Conversion of the Bonds.

(a) Pursuant to the applicable provisions of the Original Order, on the first Business Day immediately following the last day of the Initial Rate Period for the Bonds (which Business Day is August 1, 2022), the District hereby approves and authorizes the conversion of the Bonds from the Initial Rate Period to either (i) a Term Rate Period or (ii) a Fixed Rate Period. If the Bonds are converted to a Term Rate Period, such Term Rate Period shall commence on the Term Rate Conversion Date, which pursuant to the Original Order is deemed to be August 1, 2022, and end on the date specified in the Conversion Pricing Certificate that is not later than August 2,

2027, and no Liquidity Agreement or Liquidity Facility shall be provided for the Bonds upon such conversion to a Term Rate Period. Pursuant to the terms of the Original Order, the Bonds shall be subject to mandatory tender for purchase on the first Business Day immediately following the last day of such Term Rate Period, if converted to a Term Rate Period. If the Bonds are converted to a Fixed Rate Period, such Fixed Rate Period shall commence on the Fixed Rate Conversion Date, which pursuant to the Original Order is deemed to be August 1, 2022, and end at the stated maturity or maturities of the Bonds.

(b) Upon the conversion of the Bonds to either (i) a Term Rate Period or (ii) a Fixed Rate Period as approved and authorized herein, the Bonds shall have such terms as set forth in the Original Order and the Original Pricing Certificate, except as modified by this Conversion Order and the Conversion Pricing Certificate.

(c) Unless otherwise determined by the Pricing Officer and set forth in the Conversion Pricing Certificate, if the Bonds are converted to a Term Rate Period, the Stepped Rate for the Bonds shall be equal to 7.00%, provided, however, that the Pricing Officer may not approve a Stepped Rate that exceeds the Maximum Rate for the Bonds, which is 7.00%.

(d) Unless otherwise determined by the Pricing Officer and set forth in the Conversion Pricing Certificate, including modifications made in accordance with Section 3.04(h) of the Original Order, the Bonds shall be subject to redemption at the option of the District as provided in Article V of the Original Order.

(e) As authorized by Chapter 1371, Texas Government Code, as amended, and the provisions of the Original Order, the Pricing Officer is hereby authorized to act on behalf of the District in connection with the remarketing and conversion of the Bonds, including determining the applicable Rate Period for the Bonds, determining any changes to the Stepped Rate and redemption provisions for the Bonds or a particular subseries of the Bonds upon the conversion thereof to either (i) a Term Rate Period or (ii) a Fixed Rate Period as approved and authorized herein, and all other matters relating to the remarketing and conversion of the Bonds. The Pricing Officer is further authorized to select or to direct the Paying Agent/Registrar to select the Bonds to be converted to a Fixed Rate Period in accordance with Section 3.04(a) of the Original Bond Order. Any determinations by the Pricing Officer shall be set forth in an Officer's Pricing Certificate (the "Conversion Pricing Certificate") delivered to the Remarketing Agent, the Paying Agent/Registrar and the Tender Agent on or before the Conversion Date for the conversion of the Bonds to either (i) a Term Rate Period or (ii) a Fixed Rate Period approved and authorized herein. Any finding or determination by the Pricing Officer as authorized herein shall have the same force and effect as a finding or determination made by the Board.

The conversion of the Bonds to either (i) a Term Rate Period or (ii) a Fixed Rate Period as approved and authorized herein shall be accomplished in accordance with the provisions of the Original Order, the Original Pricing Certificate and this Conversion Order, and the Pricing Officer and all other employees and officers of the District are authorized and directed to perform all such acts and things necessary or desirable to accomplish such conversion of the Bonds, all as more particularly set forth in Section 3.07 hereof.

Section 2.02. Remarketing Memorandum. The District hereby authorizes the preparation of a remarketing memorandum or other disclosure document (the “Remarketing Memorandum”) in accordance with the District’s Disclosure Strategy, for use in the remarketing of the Bonds in connection with the conversion thereof from the Initial Rate Period to either (i) a Term Rate Period or (ii) a Fixed Rate Period as approved and authorized herein, and authorizes the Pricing Officer to deem the Remarketing Memorandum final within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934 (the “Rule”) on behalf of the District. The use of the Remarketing Memorandum by the Remarketing Agent (in the form and with such appropriate variations as shall be approved by the Pricing Officer and the Remarketing Agent) is hereby approved and authorized and the proper officials of the District are authorized to execute such Remarketing Memorandum, if required.

Section 2.03. Appointment of Remarketing Agent. The Pricing Officer is hereby authorized to determine whether to retain the current Remarketing Agent or to terminate the existing Remarketing Agent Agreement and appoint a new Remarketing Agent. If the Pricing Officer elects to appoint a new Remarketing Agent, the selection and appointment of the new Remarketing Agent for the Bonds shall be set forth in an Officer’s Pricing Certificate. The Remarketing Agent shall signify its acceptance of the duties and obligations imposed on it hereunder by its execution of a Remarketing Agreement. The Board hereby approves the form of Remarketing Agreement specifying the duties and responsibilities of the District and the Remarketing Agent. The Pricing Officer, the President of the Board, or the Vice President of the Board are hereby authorized and directed to execute and deliver the Remarketing Agreement for and on behalf of the District and the Board, with such changes as the person executing the same may approve. Any such Remarketing Agreement as executed by the Pricing Officer, the President of the Board or the Vice President of the Board shall be deemed to be the Remarketing Agreement herein approved and authorized to be executed and delivered for and on behalf of the District and the Board. The Pricing Officer is hereby authorized and directed to approve the fees of the Remarketing Agent as provided under the Remarketing Agreement with respect to the Bonds. The Pricing Officer or other District officials are hereby authorized to provide any notices required under the Original Order or the Remarketing Agreement.

Section 2.04. Amendment to Section 13.02 of the Original Bond Order. Pursuant to the provisions of the Original Bond Order, including Section 14.01(h) of the Original Bond Order, effective on the Conversion Date paragraphs (13) and (14) of Section 13.02(a) are amended and restated and paragraphs (15) and (16), including the note to paragraphs (15) and (16), are added to read as follows:

(13) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such action or the termination of a definitive agreement relating to any such actions, other than pursuant to these terms, if material;

(14) Appointment of successor or additional paying agent/registrars or the change of name of a paying agent/registrars; if material;

(15) 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

(16) 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.

Note to paragraphs (15) and (16): For purposes of the events identified in paragraphs (15) and (16) of this section and in the definition of Financial Obligation in Section 1.01, the District intends the words used in such paragraphs to have the meanings ascribed to them in SEC Release No. 34-83885 dated August 20, 2018 (the “2018 Release”) and any further written guidance provided by the SEC or its staff with respect to the amendments to the Rule effected by the 2018 Release.”

The amendments made to Article XIII of the Order are effective only with respect to the Bonds, and do not affect any other series of bonds outstanding under the Original Bond Order.

### **ARTICLE III MISCELLANEOUS**

Section 3.01. Benefits of Order. Nothing in this Conversion Order, expressed or implied, is intended or shall be construed to confer upon any person other than the District, the Paying Agent/Registrar, Tender Agent, Co-Bond Counsel, Financial Advisor, the Remarketing Agent, and the Holders, any right, remedy, or claim, legal or equitable, under or by reason of this Conversion Order or any provision hereof, this Conversion Order and all its provisions being intended to be and being for the sole and exclusive benefit of the District, the Paying Agent/Registrar, Tender Agent, Bond Counsel, Financial Advisor, the Remarketing Agent, and the Holders.

Section 3.02. Governing Law. This Conversion Order shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

Section 3.03. Severability. If any provision of this Conversion Order or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Conversion Order and the application thereof to other persons or circumstances shall nevertheless be valid, and the Board hereby declares that this Conversion Order would have been enacted without such invalid provision.

Section 3.04. Public Meeting. It is officially found, determined, and declared that the meeting at which this Conversion Order is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Conversion Order, was given, all as required by Chapter 551, Texas Government Code, as amended.

Section 3.05. Incorporation of Preamble Recitals. The recitals contained in the preamble to this Conversion Order are hereby found to be true, and such recitals are hereby made

a part of this Conversion Order for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 3.06. No Recourse Against District Officials. No recourse shall be had for the payment of principal of, premium, if any, or interest on any Bond or for any claim based thereon or on this Conversion Order against any official of the District or any person executing any Bond.

Section 3.07. Further Procedures. The Pricing Officer and all other employees and officers of the District are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the District all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of the Original Order, the Original Pricing Certificate, this Conversion Order, the conversion and remarketing of the Bonds, the Paying Agent/Registrar Agreement, the Remarketing Agreement, the Tender Agent Agreement, and the Remarketing Memorandum. In addition, prior to the conversion and remarketing of the Bonds, any Pricing Officer and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Conversion Order or to any of the instruments authorized and approved by this Conversion Order necessary in order to correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Conversion Order and as described in the Remarketing Memorandum. In case any officer of the District whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 3.08. Expiration. In the event the District chooses to refund the Bonds under either (i) the Order Authorizing the Issuance of Fort Bend Independent School District Unlimited Tax School Building and Refunding Bonds, Which May Be Issued in One or More Series in Accordance with Specified Parameters; and Enacting Other Provisions Relating Thereto, adopted by the Board on January 24, 2022, or (ii) the Order Authorizing the Issuance of Fort Bend Independent School District Variable Rate Unlimited Tax School Building and Refunding Bonds, Which May Be Issued in One or More Series in Accordance with Specified Parameters; and Enacting Other Provisions Relating Thereto, adopted by the Board on January 24, 2022, then upon the successful redemption of the Bonds, this Conversion Order shall be of no further force and effect.

Section 3.09. Effective Date. This Conversion Order shall be in full force and effect from and upon its adoption.

*[Signature page follows]*

PASSED, APPROVED AND EFFECTIVE on January 24, 2022.

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Secretary, Board of Trustees  
Fort Bend Independent School District

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President, Board of Trustees  
Fort Bend Independent School District

[SEAL]

CERTIFICATE FOR ORDER

THE STATE OF TEXAS            §  
COUNTY OF FORT BEND        §

I, the undersigned officer of the Board of Trustees of Fort Bend Independent School District, hereby certify as follows:

1. The Board of Trustees of Fort Bend Independent School District convened in regular meeting on the 10<sup>th</sup> day of January, 2022, in the Board Room of the Fort Bend Independent School District Administration Building, 16431 Lexington Blvd., Sugar Land, Texas, 77479, within said District, and the roll was called of the duly constituted officers and members of said Board, to wit:

Dave Rosenthal	President, Trustee Position 7
Jim Rice	Vice President, Trustee, Position 3
Shirley Rose-Gilliam	Secretary, Trustee, Position 4
Angie Hanan	Trustee, Position 1
Judy Dae	Trustee, Position 2
Denetta R. Williams	Trustee, Position 5
Kristen Davidson Malone	Trustee, Position 6

and all of said persons were present, except the following absentee(s): \_\_\_\_\_, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

AN ORDER AUTHORIZING THE CONVERSION OF THE FORT BEND INDEPENDENT SCHOOL DISTRICT VARIABLE RATE UNLIMITED TAX REFUNDING BONDS, SERIES 2019A TO A NEW RATE PERIOD; AUTHORIZING THE PREPARATION OF A REMARKETING MEMORANDUM; AND ENACTING OTHER PROVISIONS RELATING THERETO

was duly introduced for the consideration of said Board. It was then duly moved and seconded that said order be adopted; and, after due discussion, said motion, carrying with it the adoption of said order, prevailed and carried by the following vote:

\_\_\_\_\_ Member(s) shown present above voted "Aye".

\_\_\_\_\_ Member(s) shown present above voted "No".

\_\_\_\_\_ Member(s) shown present abstained from voting.

2. A true, full and correct copy of the aforesaid order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said order has

been duly recorded in said Board's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said Board's minutes of said meeting pertaining to the adoption of said order; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said order would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by the Chapter 551, Texas Government Code.

SIGNED AND SEALED this 24<sup>th</sup> day of January, 2022.

[SEAL]

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Secretary, Board of Trustees  
Fort Bend Independent School District

**For: Fort Bend ISD Board of Trustees**  
**Date: January 24, 2022**  
**Action: Consideration and Approval of a Fixed Rate Order for New Money and Refunding Bonds**  
**References: Board Policy CCA (Legal)**  
**District Strategic Plan Goal 4**  
**Department: Business and Finance**

**Recommendation**

Consideration and possible approval of an order authorizing the issuance of Fort Bend ISD Unlimited Tax School Building and Refunding Bonds, which may be issued in one or more series; providing for the award of the sale thereof in accordance with specified parameters; and enacting other provisions relating thereto (the “Fixed Rate Order”).

**Summary**

In connection with the two outstanding bond programs the District has the following voted authorization, amounts issued and amounts unissued:

<b>Election</b>	<b>Amount Voted</b>	<b>Amount Previously Issued</b>	<b>Authorized but Unissued Balance</b>
2014 Election (Proposition No. 1)	\$484,000,000	\$452,000,000	\$32,000,000
2018 Election (Proposition A)	\$992,600,000	\$570,620,000	\$421,980,000

The attached Fixed Rate Order addresses three distinct financing goals.

1. Refinancing Outstanding Commercial Paper:

The District issues commercial paper for cash flow needs, and it is anticipated that the District will have issued anywhere from \$100-\$150 million in commercial paper by Summer 2022, which amounts will be deducted from the available voted authorization from the 2018 and 2014 elections listed above. A maximum of \$150 million in commercial paper can be outstanding at any time.

This Fixed Rate Order authorizes the District to refinance the outstanding commercial paper notes with fixed rate bonds. The issuance of refunding bonds to refinance the up to \$150 million of commercial paper expected to be outstanding will free up capacity under the commercial paper program for additional commercial paper draws and provide long-term fixed rate financing for the outstanding commercial paper notes being refinanced.

The 2018 Bond cash flow projection shows that the District will increase construction activity with \$100 million of cash needs for the first and second quarter of 2022. In anticipation of continued construction costs, Administration would like the flexibility to refund up to \$200

million of commercial paper for the 2022 calendar year. Such refunding would take place in one or two series given the \$150 million limit on the amount of commercial paper that may be outstanding at any time.

Administration is also interested in having the flexibility to refinance the outstanding commercial paper with variable rate bonds if it is in the best interest of the District. A variable rate bond order (the "Variable Rate Order") providing that flexibility is being presented as a separate agenda item.

The Fixed Rate Order and the Variable Rate Order are drafted so that the total amount of bonds that can be issued under the two orders is capped as provided below.

## 2. Refunding Outstanding Bonds for Savings:

The District currently has \$56,075,000 of its Unlimited Tax Refunding Bonds, Series 2012 (the "Series 2012 Bonds") outstanding, of which \$46,870,000 is eligible to be refunded. These bonds are callable beginning on August 15, 2022, which would allow for a current refunding as early as May of 2022. Based on market conditions as of November 2021 (which are subject to change), it is estimated that the refunding of the Series 2012 Bonds that are eligible for refunding could produce approximately \$6.0 million in net present value savings (or approximately 12.91% net present value savings) for the taxpayers of the District. The District's Fiscal Strategy requires a minimum of 3% net present value savings to pursue a refunding.

In addition, the District currently has \$83,075,000 of its Series 2019A Bonds (the "Series 2019A Bonds") outstanding, of which \$81,555,000 is eligible to be refunded. The Series 2019A Bonds are variable rate bonds that are outstanding in an Initial Rate Period expiring on July 31, 2022. During the Initial Rate Period, the Series 2019A Bonds bear interest at an initial rate of 1.95%. Upon the expiration of the Initial Rate Period, the District must convert the bonds to a new Rate Period unless it takes action to refinance (refund) the bonds. In the event that favorable market conditions continue through the spring, the Administration would like the flexibility to refinance the Series 2019A Bonds through a fixed rate refunding. This would allow the District to take advantage of historical low fixed rates that currently exist.

A Conversion Order that would authorize the conversion of the Series 2019A Bonds to a new Term Rate Period (variable rate) or to a fixed rate is being presented as a separate agenda item. That Conversion Order would allow the District to convert the Series 2019A Bonds into a new variable rate period if market conditions make that more favorable for the District than a fixed rate refinancing.

Bond refinancing (refunding) is an important debt management tool for state and local government issuers. Refundings are typically executed to achieve interest cost savings, to restructure debt service payments, or to achieve other policy objectives. It is the District's goal to keep the cost of debt as low as possible.

### 3. Issuance of New Money Bonds for Projects:

Lastly, depending on market conditions in 2022, the Administration is seeking flexibility to potentially issue up to \$100 million of new money bonds for projects without utilizing the commercial paper program. As of November 2021, long term fixed rates continue to be lower than they have been in years. Having the flexibility to issue new money bonds if market conditions continue to be favorable and 2018 Bond cash flow needs persist would allow the District to avoid having back to back debt transactions and achieve efficiencies by having one transaction.

Therefore, with the potential (i) refinancing of up to \$200 million of outstanding commercial paper over the course of the year, (ii) refunding of up to \$46,870,000 of the Series 2012 Bonds (iii), refunding of up to \$81,555,000 of the Series 2019A Bonds, and (iv) issuance of up to \$100 million in new money bonds, Administration is requesting approval the Fixed Rate Order. The Fixed Rate Order provides for and authorizes the following:

1. The issuance of fixed rate refunding bonds to refund the Series 2012 Bonds in a principal amount not to exceed \$46,870,000;
2. The issuance of fixed rate refunding bonds to refund the Series 2019A Bonds in a principal amount not to exceed \$81,555,000;
3. The issuance of fixed rate refunding bonds to refinance any outstanding commercial paper in a principal amount not to exceed \$200,000,000;
4. The issuance of fixed rate new money bonds in a principal amount not to exceed \$100,000,000;
5. The total principal amount of bonds that may be issued under the Fixed Rate Order and the Variable Rate Order (separate board agenda item) for the purpose of fixing-out outstanding commercial paper and issuing new money bonds cannot exceed \$300,000,000;
6. The issuance of the bonds is anticipated to be tax-exempt;
7. The bonds may be designated as green bonds;
8. The designation of the Superintendent and Chief Financial Officer as Authorized Officers authorized to establish final terms of the bonds issued under the Fixed Rate Order within the parameters contained in Section 3.01 and 7.01 of the Fixed Rate Order;
9. A maximum maturity of any bonds issued not to exceed 40 years;
10. The preparation of a Preliminary Official Statement to be used in the connection with the issuance of the bonds in accordance with the District's Disclosure Strategy;
11. The Refunding of the Series 2012 Bonds selected for refunding shall produce a net present value debt service savings of at least 3%; and
12. The authority to issue bonds under the Fixed Rate Order for one year from the date the order is executed.

The District's bond counsel, Bracewell LLP has prepared and reviewed the Fixed Rate Order. The District's financial advisor, Hilltop Securities, has also reviewed the Fixed Rate Order.

As required by the Fiscal and Budgetary Strategy, Exhibit A (Disclosure Strategy), approved by the Board in October 2020, the Chief Financial Officer will provide a summary of the

pricing as well as the final Official Statement to the Board for each debt transaction shortly after the transaction has priced.

Recommended by:

Dr. Christie Whitbeck  
Superintendent of Schools

Submitted by:

Bryan Guinn  
Chief Financial Officer

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ORDER  
AUTHORIZING THE ISSUANCE OF  
FORT BEND INDEPENDENT SCHOOL DISTRICT  
UNLIMITED TAX SCHOOL BUILDING AND REFUNDING BONDS,  
WHICH MAY BE ISSUED IN ONE OR MORE SERIES

Adopted: January 24, 2022

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AN ORDER AUTHORIZING THE ISSUANCE OF FORT BEND INDEPENDENT SCHOOL DISTRICT UNLIMITED TAX SCHOOL BUILDING AND REFUNDING BONDS, WHICH MAY BE ISSUED IN ONE OR MORE SERIES IN ACCORDANCE WITH SPECIFIED PARAMETERS; AND ENACTING OTHER PROVISIONS RELATING THERETO

WHEREAS, there are presently outstanding certain obligations of Fort Bend Independent School District (the “District”), described on Schedule I attached hereto and incorporated herein by reference for all purposes (collectively, the “Refunded Obligation Candidates”), which are secured by and payable from ad valorem taxes levied, assessed and collected, without legal limit as to rate or amount, on property within the District in an amount sufficient to pay principal of and interest on such bonds as they become due; and

WHEREAS, it is intended that all or a portion of the Refunded Obligation Candidates shall be designated as Refunded Obligations (as hereinafter defined) in the Pricing Certificate(s) (as hereinafter defined) and shall be refunded pursuant to this Order and the Pricing Certificate(s); and

WHEREAS, Chapter 1207, Texas Government Code, as amended (“Chapter 1207”) authorizes the District to issue refunding bonds for the purpose of refunding or defeasing the Refunded Obligations, and to accomplish such refunding or defeasance by depositing directly with a issuing and paying agent for the Refunded Obligations (or other qualified escrow agent), the proceeds of such refunding bonds, together with other available funds, in an amount sufficient to provide for the payment or redemption of the Refunded Obligations, and provides that such deposit shall constitute the making of firm banking and financial arrangements for the discharge and final payment or redemption of the Refunded Obligations; and

WHEREAS, the District desires to authorize the execution of one or more escrow agreements or deposit agreements in order to provide for the deposit of proceeds of the refunding bonds and, to the extent specified pursuant hereto, other lawfully available funds of the District, to pay the redemption price of the Refunded Obligations when due; and

WHEREAS, upon the issuance of the refunding bonds herein authorized and the deposit of funds referred to above, the Refunded Obligations shall no longer be regarded as being outstanding, except for the purpose of being paid pursuant to such deposit, and the pledges, liens, trusts and all other covenants, provisions, terms and conditions of the orders authorizing the issuance of the Refunded Obligations shall be, with respect to the Refunded Obligations, discharged, terminated and defeased; and

WHEREAS, the Board of Trustees of the District (the “Board”) hereby finds and determines that the refunding of the variable rate Refunded Bonds (as defined herein), as contemplated in this Order, will benefit the District by providing long-term financing at fixed rates thereby reducing interest rate risk and market risk as well as the total amount of variable rate debt outstanding, and that such benefit constitutes valid public purpose and are sufficient consideration for the refunding contemplated herein; and

WHEREAS, the Board hereby finds and determines that the refunding of the fixed rate Refunded Bonds, as contemplated in this Order, will benefit the District by providing a present

value savings in the debt service payable by the District, and that such benefit constitutes valid public purpose and is sufficient consideration for the refunding contemplated herein;

WHEREAS, the Board hereby finds and determines that the refunding of the Refunded Notes (as defined herein) as contemplated in this Order will benefit the District by providing long-term financing at fixed rates thereby reducing interest rate risk and market risk, and that such benefits constitute a valid public purpose and are sufficient consideration for the refunding contemplated herein; and

WHEREAS, the Board hereby finds and determines that the manner in which the refunding of the Refunded Obligations is being executed does not make it practicable to make the determination required by Section 1207.008(a)(2); and

WHEREAS, the Board hereby finds and determines that it is necessary and in the best interest of the District and its citizens that it authorize by this Order the issuance and delivery of its refunding bonds at this time; and

WHEREAS, the District desires to issue, either in combination with such refunding bonds or on a stand-alone basis as part of one or more separate series of bonds, school building bonds voted by the voters of the District pursuant to the Constitution and laws of the State of Texas, including particularly Chapter 45 of the Texas Education Code, as amended (“Chapter 45”) at elections held within the District on November 4, 2014 (the “2014 Election”) and on November 6, 2018 (the “2018 Election,” and together with the 2014 Election, the “Elections”); and

WHEREAS, at said Elections the voters authorized the amount of school building bonds set forth below in the following schedule, such schedule also showing amounts previously issued pursuant to such voted authorization; and

Election	Amount Voted	Amount Previously Issued	Authorized but Unissued Balance
2014 Election (Proposition No. 1)	\$484,000,000	\$452,000,000	\$32,000,000
2018 Election (Proposition A)	\$992,600,000	\$570,620,000	\$421,980,000

WHEREAS, the Board does hereby determine that the school building bonds in the amounts specified in Section 3.01 of this Order should be issued as a portion and installment of school building bonds voted as Proposition No. 1 at the 2014 Election or Proposition A at the 2018 Election as identified in the pricing certificate authorizing the issuance of such bonds; and

WHEREAS, the Board has found and determined that it is necessary and in the best interest of the District and its citizens that it authorize by this Order the issuance and delivery of such school building bonds for the construction, acquisition, and equipment of school buildings in the District, including safety and security and technology infrastructure, for the purchase of necessary sites for school buildings, and for the purchase of new school buses; and

WHEREAS, the school building bonds are authorized to be issued pursuant to Chapter 45; and

WHEREAS, the District has a principal amount of at least \$100,000,000 in a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued, and some amount of such long-term indebtedness is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation, and therefore qualifies as an “Issuer” under Chapter 1371 of the Texas Government Code, as amended (“Chapter 1371”); and

WHEREAS, pursuant to Chapter 1207 and Chapter 1371, the District desires to delegate the authority to effect the sale of the Bonds (as hereinafter defined) to the Authorized Officer; and

WHEREAS, the meeting at which this Order is being considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code; NOW, THEREFORE

BE IT ORDERED BY THE BOARD OF TRUSTEES OF FORT BEND INDEPENDENT SCHOOL DISTRICT

## ARTICLE I

### DEFINITIONS AND OTHER PRELIMINARY MATTERS

Section 1.01. Definitions. Unless otherwise expressly provided in this Order, or unless the context clearly requires otherwise, the following terms shall have the meanings specified below:

“Acts” means Chapter 45, Chapter 1207 and Chapter 1371.

“Authorized Officer” means the person serving as either Superintendent of the District or the Chief Financial Officer of the District, whether in a permanent capacity or in an interim capacity.

“Board” means the Board of Trustees of the District.

“Bond” or “Bonds” means the District’s bonds authorized to be issued by Section 3.01.

“Bond Counsel” means Bracewell LLP.

“Business Day” means a day that is not a Saturday, Sunday, legal holiday or other day on which banking institutions in the city where the Designated Payment/Transfer Office is located are required or authorized by law or executive order to close.

“Chapter 45” means Chapter 45, Texas Education Code, as amended.

“Chapter 1207” means Chapter 1207, Texas Government Code, as amended.

“Chapter 1371” means Chapter 1371, Texas Government Code, as amended.

“Closing Date” means the date of the initial delivery of and payment for the Bonds.

“Code” means the Internal Revenue Code of 1986, as amended, and, with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulations promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code and (d) the regulations promulgated under the provisions described in (b) and (c).

“Dated Date” means the date designated as the date of the Bonds in the Pricing Certificate.

“Debt Service” means, collectively, all amounts due and payable with respect to the Bonds representing the principal, premium, if any, and the interest due on the Bonds, payable at the times and in the manner provided herein and in the Pricing Certificate.

“Designated Payment/Transfer Office” means (i) with respect to the initial Paying Agent/Registrar named in this Order, the Designated Payment/Transfer Office as designated in the Paying Agent/Registrar Agreement, or at such other location designated by the Paying Agent/Registrar and (ii) with respect to any successor Paying Agent/Registrar, the office of such successor designated and located as may be agreed upon by the District and such successor.

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

“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.

“Escrow Agent” means the Escrow Agent designated in the Pricing Certificate.

“Escrow Agreement” means one or more escrow agreements by and between the District and the Escrow Agent relating to the Refunded Obligations.

“Escrow Fund” means the fund or funds established by the Escrow Agreement(s) to hold cash and securities for the payment of debt service on the Refunded Obligations.

“Escrow Securities” means (1) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by the United States; (2) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date hereof, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent; and (3) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date hereof, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent, unless the orders authorizing the Refunded Obligations contain further limitations on such securities, in which case only the securities authorized under such orders shall constitute Escrow Securities.

“Financial Obligation” means a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Fiscal Year” means such fiscal year of the District as shall be set from time to time by the Board.

“Initial Bond” means the Initial Bond for each series of Bonds authorized by Section 3.04(d).

“Interest Payment Date” means the date or dates on which interest on the Bonds is scheduled to be paid, as designated in the Pricing Certificate.

“Maturity” means the date on which the principal of the Bonds become due and payable according to the terms thereof, whether at Stated Maturity or by proceedings for prior redemption.

“MSRB” means the Municipal Securities Rulemaking Board.

“Order” means this Order.

“Owner” means the person who is the registered owner of a Bond or Bonds, as shown in the Register.

“Paying Agent/Registrar” means the paying agent/registrar designated in the Pricing Certificate.

“Paying Agent Registrar Agreement” means one or more Paying Agent/Registrar Agreements between the Paying Agent/Registrar and the District relating to the Bonds.

“Pricing Certificate” means a certificate or certificates to be signed by the Authorized Officer in connection with the issuance of Bonds under this Order.

“Purchase Contract” means the purchase contract or purchase contracts between the District and the Underwriters pertaining to the sale of the Bonds from time to time.

“Record Date” means the Record Date set forth in the Pricing Certificate.

“Refunded Bonds” means those unlimited tax bonds designated as such in the Pricing Certificate from the list of Refunded Obligation Candidates described in Schedule I attached hereto.

“Refunded Notes” means those unlimited tax commercial paper notes designated as such in the Pricing Certificate from the list of Refunded Obligation Candidates described in Schedule I attached hereto.

“Refunded Obligation Candidates” means the obligations of the District described in Schedule I attached hereto which are hereby authorized to be designated as Refunded Obligations in the Pricing Certificate.

“Refunded Obligations” means the Refunded Bonds and/or the Refunded Notes.

“Register” means the Bond register required by Section 3.06.

“Regulations” means the applicable proposed, temporary or final Treasury Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

“Representation Letter” means the Blanket Letter of Representations between the District and DTC.

“Representative” means the representative of the Underwriters designated in the Purchase Contract.

“Rule” means SEC Rule 15c2-12, as amended from time to time.

“SEC” means the United States Securities and Exchange Commission.

“Special Payment Date” means the date that is fifteen (15) days after the Special Record Date, as described in Section 3.03(e).

“Special Record Date” means the new record date for interest payment established in the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, as described in Section 3.03(e).

“State” means the State of Texas.

“Stated Maturity” means the respective stated maturity dates of the Bonds specified in the Pricing Certificate.

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of Debt Service or money set aside for the payment of Bonds duly called for redemption prior to Stated Maturity and remaining unclaimed by the Owners of such Bonds for 90 days after the applicable payment or redemption date.

“Underwriters” mean the underwriters named in the Purchase Contract for a series of Bonds.

“Variable Rate Order” shall mean the order of the District dated January 24, 2022 entitled “An Order Authorizing the Issuance of Fort Bend Independent School District Variable Rate Unlimited Tax School Building and Refunding Bonds, Which May Be Issued in One or More Series in Accordance with Specified Parameters; and Enacting Other Provisions Relating Thereto.”

Section 1.02. Other Definitions. The capitalized terms defined in the preamble to this Order shall have the meanings assigned to them in the preamble of this Order.

Section 1.03. Findings. The declarations, determinations and findings declared, made and found in the preamble to this Order are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.04. Table of Contents, Titles and Headings. The table of contents, titles and headings of the Articles and Sections of this Order have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Order or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.05. Interpretation. (a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Order and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein to sustain the validity of this Order.

(c) All article and section references shall mean references to the respective articles and sections of this Order unless designated otherwise.

## ARTICLE II

### SECURITY FOR THE BONDS

Section 2.01. Tax Levy. (a) Pursuant to the authority granted by the Constitution and laws of the State, there is hereby levied for the current year and for each succeeding year hereafter while any of the Bonds or any interest thereon is outstanding and unpaid, an ad valorem tax, with respect to the Bonds, on each one hundred dollars valuation of taxable property within the District, at a rate sufficient, without limit as to rate or amount, to pay Debt Service when due and payable, full allowance being made for delinquencies and costs of collection, and said taxes are hereby irrevocably pledged to pay Debt Service and to no other purpose; such tax shall be assessed and collected each such year; the proceeds of such tax shall be credited to the interest and sinking fund designated for the Bonds; and the proceeds of such tax shall be appropriated and applied to Debt Service on the Bonds.

(b) To pay the Debt Service coming due on the Bonds prior to receipt of the taxes levied to pay such Debt Service, if any, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such Debt Service, and such amount shall be used for no other purpose.

(c) Any money received by the District with respect to the Bonds as state assistance pursuant to the instructional allotment or as state assistance with existing debt, each as authorized by Chapter 46, Texas Education Code, shall be deposited in the interest and sinking fund as required by Sections 46.009 and 46.035, Texas Education Code, respectively. The District will

take into account the balance in the interest and sinking fund when it sets its debt service tax rate each year.

### ARTICLE III

#### AUTHORIZATION; GENERAL TERMS AND PROVISIONS REGARDING THE BONDS

Section 3.01. Authorization. The Bonds, which may be designated “Fort Bend Independent School District Unlimited Tax School Building and Refunding Bonds,” have such other series designations or titles as may be designated in the Pricing Certificate(s), and be issued from time to time in one or more tranches, series or subseries as may be designated in the Pricing Certificate(s), are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State, including particularly the Acts. The total principal amount of Bonds to be issued from time to time pursuant to this Order (a) to provide funds for the construction, acquisition and equipment of school buildings in the District, including safety and security and technology infrastructure for the District, for the purchase of necessary sites for school buildings, for the purchase of new school buses, and to pay the costs of issuing the Bonds shall not exceed \$100,000,000; (b) to provide funds for the refunding of the Refunded Notes and to pay the costs of issuing the Bonds shall not exceed \$200,000,000; and (c) to provide funds for the refunding of the Refunded Bonds and to pay the costs of issuing the Bonds shall not exceed \$128,425,000. The combined total principal amount of Bonds issued under this Order shall not exceed \$428,425,000. Concurrently with the adoption of this Order, the Board has adopted the Variable Rate Order. The combined total principal amount of bonds issued under this Order for the new money purposes described in Section 3.01(a), above, and under the Variable Rate Order for the new money purposes described in Section 2.01(a)(x) thereof shall not exceed \$100,000,000; the combined total principal amount of bonds issued under this Order for the refunding of the Refunded Notes described in Section 3.01(b), above, and under the Variable Rate Order for the refunding of the Refunded Notes described in Section 2.01(a)(y) thereof shall not exceed \$200,000,000; and the combined total principal amount of bonds issued under this Order for the refunding of the Refunded Bonds described in Section 3.01(c), above, and under the Variable Rate Order for the refunding of the Refunded Bonds described in Section 2.01(a)(z) thereof shall not exceed \$128,425,000. (For example, if the District issues \$100,000,000 in new money bonds under Section 3.01(a) of this Order and \$200,000,000 for the refunding of the Refunded Notes under Section 3.01(b) of this Order, then the District may not issue any new money bonds under Section 2.01(a)(x) of the Variable Rate Order, or any Bonds for the refunding of the Refunded Notes under Section 2.01(a)(y) of the Variable Rate Order). Further, the combined total principal amount of bonds issued under this Order for the purposes specified in Sections 3.01(a), (b) and (c), and under the Variable Rate Order for the purposes specified in Sections 2.01(a)(x), (y) and (z) shall not exceed \$428,425,000.

Section 3.02. Date, Denomination, Maturities, and Interest. (a) The Bonds shall be dated the Dated Date as set forth in the Pricing Certificate and shall be in fully registered form without coupons.

(b) The Bonds shall be in the aggregate principal amount designated in the Pricing Certificate, shall be in the denomination of \$5,000 principal amount or any integral multiple

thereof and shall be numbered separately from R-1 upward, except the Initial Bond for each series of Bonds, which shall be numbered I-1.

(c) The Bonds shall mature on the dates and in the principal amounts and shall bear interest at the per annum rates set forth in the Pricing Certificate.

(d) Interest shall accrue and be paid on each Bond, respectively, until the principal amount thereof has been paid or provision for such payment has been made, from the later of the Dated Date or Closing Date, as specified in the Pricing Certificate, or the most recent Interest Payment Date to which interest has been paid or provided for at the rate per annum for each respective maturity specified in the Pricing Certificate. Such interest shall be payable on each Interest Payment Date and shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 3.03. Medium, Method and Place of Payment. (a) Debt Service shall be paid in lawful money of the United States of America.

(b) Interest on each Bond shall be paid by check dated as of the Interest Payment Date, and sent United States mail, first class, postage prepaid, by the Paying Agent/Registrar to each Owner, as shown in the Register at the close of business on the Record Date, at the address of each such Owner as such appears in the Register or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expense of such other customary banking arrangements.

(c) The principal of each Bond shall be paid to the Owner thereof at Maturity upon presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar.

(d) If the date for the payment of Debt Service is not a Business Day, the date for such payment shall be the next succeeding Business Day, and payment on such date shall for all purposes be deemed to have been made on the due date thereof as specified in this Section.

(e) In the event of a nonpayment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the District. Notice of the Special Record Date and of the special payment date of the past due interest (the "Special Payment Date," which shall be 15 days after the Special Record Date) shall be sent at least five (5) Business Days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each Owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last Business Day next preceding the date of mailing of such notice.

(f) Unclaimed Payments shall be segregated in a special account and held in trust, uninvested by the Paying Agent/Registrar, for the account of the Owner of the Bonds to which the Unclaimed Payments pertain. Subject to Title 6, Texas Property Code, Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three (3) years after the applicable payment or redemption date shall be applied to the next payment or payments on the Bonds thereafter

coming due and, to the extent any such money remains after the retirement of all outstanding Bonds, shall be paid to the District to be used for any lawful purpose. Thereafter, neither the District, the Paying Agent/Registrar nor any other person shall be liable or responsible to any holders of such Bonds for any further payment of such unclaimed moneys or on account of any such Bonds, subject to Title 6, Texas Property Code.

Section 3.04. Execution and Registration of Bonds. (a) The Bonds shall be executed on behalf of the District by the President or Vice President and the Secretary of the Board, by their manual 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 said 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.

(b) In the event that any officer of the District whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except as provided below, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Order unless and until there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar. It shall not be required that the same officer or authorized signatory of the Paying Agent/Registrar sign the Certificate of Paying Agent/Registrar on all of the Bonds. In lieu of the executed Certificate of Paying Agent/Registrar described above, the Initial Bond for each series of Bonds delivered on the Closing Date shall have attached thereto the Comptroller's Registration Certificate substantially in the form provided herein, manually executed by the Comptroller of Public Accounts of the State, or by his duly authorized agent, which certificate shall be evidence that the Initial Bond for each series of Bonds has been duly approved by the Attorney General of the State and that it is a valid and binding obligation of the District, and has been registered by the Comptroller of Public Accounts of the State.

(d) On the Closing Date, the Initial Bond for each series of Bonds, representing the aggregate principal amount of each series of Bonds, to be payable in stated installments to the Representative or its designee, to be executed by manual or facsimile signatures of the President or Vice President and Secretary of the Board, approved by the Attorney General, and registered and manually signed by the Comptroller of Public Accounts, will be delivered to the Representative or its designee. Upon payment for the Initial Bond for each series of Bonds, the Paying Agent/Registrar shall cancel the Initial Bond for each series of Bonds and deliver Bonds to DTC in accordance with Section 3.09. To the extent the Paying Agent/Registrar is eligible to participate in DTC's FAST System, as evidenced by an agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

Section 3.05. Ownership. (a) The District, the Paying Agent/Registrar and any other person may treat the Owner as the absolute owner of such Bond for the purpose of making and

receiving payment of the principal thereof, for the further purpose of making and receiving payment of the interest thereon (subject to the provision herein that interest on the Bonds is to be paid to the person in whose name the Bond is registered on the Record Date or Special Record Date, as applicable), 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.

(b) All payments made to the Owner of a Bond 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.

Section 3.06. Registration, Transfer and Exchange. (a) So long as any Bonds remain outstanding, the District shall cause the Paying Agent/Registrar to keep at its Designated Payment/Transfer Office the Register in which, 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 this Order.

(b) The ownership of a Bond may be transferred only upon the presentation and surrender of the Bond to the Paying Agent/Registrar at the Designated Payment/Transfer Office with such endorsement or other instrument of transfer and assignment acceptable to the Paying Agent/Registrar. No transfer of any Bond shall be effective until entered in the Register.

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the Designated Payment/Transfer Office for a Bond or Bonds of the same maturity and interest rate and in any denomination or denominations of any integral multiple of \$5,000 and in an aggregate principal amount equal to the unpaid principal amount of the Bonds presented for exchange.

(d) The Paying Agent/Registrar is hereby authorized to authenticate and deliver Bonds transferred or exchanged in accordance with this Section. A new Bond or Bonds will be delivered by the Paying Agent/Registrar, in lieu of the Bond being transferred or exchanged, at the Designated Payment/Transfer, or sent by United States mail, first class, postage prepaid, to the Owner or his designee. Each Bond delivered by the Paying Agent/Registrar in accordance with this Section shall constitute an original contractual obligation of the District and 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.

(e) No service charge shall be made to the Owner for the initial registration, any subsequent transfer, or exchange for a different denomination of any of the Bonds. The Paying Agent/Registrar, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer or exchange of a Bond.

(f) Neither the District nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption within 45 days of the date fixed for redemption; provided, however, such limitation of transfer shall not be applicable to an exchange by the registered owner of the uncalled balance of a Bond.

Section 3.07. Cancellation. All Bonds paid or redeemed before Stated Maturity in accordance with this Order, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Order, shall be cancelled upon the making of proper records regarding such payment, exchange or replacement. The Paying Agent/Registrar shall dispose of such cancelled Bonds in the manner required by the Securities Exchange Act of 1934, as amended.

Section 3.08. Replacement Bonds. (a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate and principal amount bearing a number not contemporaneously outstanding. The District or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) In the event that any Bond is lost, apparently destroyed or wrongfully taken, the Paying Agent/Registrar, pursuant to the applicable laws of the State and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authenticate and deliver a replacement Bond of like maturity, interest rate and principal amount and bearing a number not contemporaneously outstanding, provided that the Owner first complies with the following requirements:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction or theft of such Bond;

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

(iii) pays 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 is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the District and the Paying Agent/Registrar.

(c) If, after the delivery of such 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.

(d) In the event that any such mutilated, lost, apparently destroyed or wrongfully taken Bond has become or is about to become due and payable, the Paying Agent/Registrar, in its discretion, instead of issuing a replacement Bond, may pay such Bond if it has become due and payable or may pay such Bond when it becomes due and payable.

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the District and 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.

Section 3.09. Book-Entry Only System. (a) To the extent so designated in the Pricing Certificate, the definitive Bonds shall be initially issued in the form of a fully registered Bond for each of the maturities thereof. 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 3.10 hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(b) 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, except as provided in this Order. Without limiting the immediately preceding sentence, the District and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than an Owner, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, of any amount with respect to Debt Service. Notwithstanding any other provision of this Order to the contrary, 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 Bonds for the purpose of payment of Debt Service on the 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 Debt Service only to or upon the order of the respective Owners, 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, Debt Service 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. 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 registered 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.

(c) The blanket Representation Letter previously executed and delivered by the District and applicable to the District's obligations delivered in book-entry-only form to DTC as securities depository is hereby ratified and approved for the Bonds.

Section 3.10. 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, and that it is in the best interest of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the District or

the Paying Agent/Registrar shall (i) 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 and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository or (ii) notify DTC and DTC Participants, as identified by 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, as identified by DTC. 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 Owners transferring or exchanging Bonds shall designate, as applicable, in accordance with the provisions of this Order.

Section 3.11. Payments to Cede & Co. Notwithstanding any other provision of this Order to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments of Debt Service on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the Representation Letter.

## ARTICLE IV

### REDEMPTION OF BONDS BEFORE MATURITY

Section 4.01. Limitation on Redemption. The Bonds shall be subject to redemption before Stated Maturity only as provided in this Article IV and in the Pricing Certificate.

Section 4.02. Optional Redemption. The Bonds shall be subject to redemption at the option of the District at such times, in such amounts, in such manner and at such redemption prices as may be designated and provided for in the Pricing Certificate.

Section 4.03. Mandatory Sinking Fund Redemption. (a) The Bonds designated as “Term Bonds” in the Pricing Certificate (“Term Bonds”), if any, are subject to scheduled mandatory redemption and will be redeemed by the District, in part, at a price equal to the principal amount thereof, without premium, plus accrued interest to the redemption date, out of moneys available for such purpose in the interest and sinking fund, on the dates and in the respective principal amounts as set forth in the Pricing Certificate.

(b) Prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Term Bonds equal to the aggregate principal amount of such Term Bonds to be redeemed, shall call such Term Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 4.05.

(c) The principal amount of the Term Bonds required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 4.03 shall be reduced, at the option of the District, by the principal amount of any Term Bonds which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the District and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the

optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.

Section 4.04. Partial Redemption. (a) If less than all of the Bonds are to be redeemed pursuant to Section 4.02, the District shall determine the maturities (or mandatory sinking fund payment with respect to Term Bonds) and the principal amount thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot or any other customary random selection method such Bonds for redemption.

(b) A portion of a single Bond of a denomination greater than \$5,000 may be redeemed, but only in a principal amount equal to \$5,000 or any integral multiple thereof. The Paying Agent/Registrar shall treat each \$5,000 portion of such Bond as though it were a single Bond for purposes of selection for redemption.

(c) Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar, in accordance with Section 3.06 of this Order, shall authenticate and deliver exchange Bonds in an aggregate principal amount equal to the unredeemed principal amount of the Bond so surrendered, such exchange being without charge.

Section 4.05. Notice of Redemption to Owners. (a) The Paying Agent/Registrar shall give notice of any redemption of Bonds by sending notice by United States mail, first class, postage prepaid, not less than 30 days before the date fixed for redemption, to the Owner of each Bond (or part thereof) to be redeemed, at the address shown in the Register at the close of business on the Business Day next preceding the date of mailing such notice.

(b) The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if less than all the Bonds outstanding are to be redeemed, an identification of the Bonds or portions thereof to be redeemed.

(c) The District reserves the right to give notice of its election or direction to redeem Bonds under Section 4.02, conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the District retains the right to rescind such notice at any time prior to the scheduled redemption date if the District delivers a certificate of the District to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Bonds subject to conditional redemption where redemption has been rescinded shall remain outstanding.

(d) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Section 4.06. Payment Upon Redemption. (a) Before or on each redemption date, the District shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date and the Paying Agent/Registrar shall make provision for the payment of the

Bonds to be redeemed on such date by setting aside and holding in trust an amount from the interest and sinking fund or otherwise received by the Paying Agent/Registrar from the District and shall use such funds solely for the purpose of paying the principal of, redemption premium, if any, and accrued interest on the Bonds being redeemed.

(b) Upon presentation and surrender of any Bond called for redemption at the Designated Payment/Transfer Office on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of, redemption premium, if any, and accrued interest on such Bond to the date of redemption from the money set aside for such purpose.

Section 4.07. Effect of Redemption. (a) When Bonds have been called for redemption in whole or in part and due provision has been made to redeem same as herein provided, the Bonds or portions thereof so redeemed shall no longer be regarded as outstanding except for the purpose of receiving payment solely from the funds so provided for redemption, and the rights of the Owners to collect interest which would otherwise accrue after the redemption date on any Bond or portion thereof called for redemption shall terminate on the date fixed for redemption.

(b) If the District fails to make provision for payment of all sums due on a redemption date, then any Bond or portion thereof called for redemption shall continue to bear interest at the rate stated on the Bond until due provision is made for the payment of same.

Section 4.08. Lapse of Payment. Money set aside for the redemption of the Bonds and remaining unclaimed by the Owners thereof shall be subject to the provisions of Section 3.03(f) hereof.

## ARTICLE V

### PAYING AGENT/REGISTRAR

Section 5.01. Appointment of Initial Paying Agent/Registrar. (a) The Authorized Officer is hereby authorized to select and appoint the initial Paying Agent/Registrar for the Bonds, and the initial Paying Agent/Registrar shall be designated in the Pricing Certificate.

(b) The Board hereby approves the form of Paying Agent/Registrar Agreement specifying the duties and responsibilities of the District and the Paying Agent/Registrar, and the Authorized Officer is hereby authorized and directed to execute and deliver or cause the execution and delivery by the President and Secretary of the Board of one or more Paying Agent/Registrar Agreements.

Section 5.02. Qualifications. Each Paying Agent/Registrar shall be a commercial bank, a trust company organized under the laws of the State, or any other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Bonds.

Section 5.03. Maintaining Paying Agent/Registrar. (a) At all times while any Bonds are outstanding, the District will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Order.

(b) If the Paying Agent/Registrar resigns or otherwise ceases to serve as such, the District will promptly appoint a replacement.

Section 5.04. Termination. The District reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated (i) 45 days written notice of the termination of the appointment and of the Paying Agent/Registrar Agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar; provided, that, no such termination shall be effective until a successor paying agent/registrar has assumed the duties of paying agent/registrar for the Bonds.

Section 5.05. Notice of Change to Owners. Promptly upon each change in the entity serving as Paying Agent/Registrar, the District will cause notice of the change to be sent to each Owner by United States mail, first class, postage prepaid, at the address in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 5.06. Agreement to Perform Duties and Functions. By accepting the appointment as Paying Agent/Registrar, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Order and that it will perform the duties and functions of Paying Agent/Registrar prescribed hereby.

Section 5.07. Delivery of Records to Successor. If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar.

## ARTICLE VI

### FORM OF THE BONDS

Section 6.01. Form Generally. (a) The Bonds, including the Registration Certificates of the Comptroller of Public Accounts of the State to accompany the Initial Bond for each series of Bonds, the Certificate of the Paying Agent/Registrar, the Assignment form and the Certificate of the Permanent School Fund Guarantee (which shall appear only on the bonds guaranteed by the Permanent School Fund) (i) shall be substantially in the form set forth in Exhibit A, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Order and the Pricing Certificate, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures (CUSIP) of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the District or by the officers executing such Bonds, as evidenced by their execution thereof.

(b) The Bonds shall be typewritten, photocopied, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution thereof.

Section 6.02. CUSIP Registration. The District may secure identification numbers through the CUSIP Global Services, managed on behalf of the American Bankers Association by S&P Global Market Intelligence, or another entity that provides securities identification numbers for municipal securities, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds or any errors or omissions in the printing of such number shall be of no significance or effect in regard to the legality thereof and neither the District nor Bond Counsel are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

Section 6.03. Legal Opinion. The approving legal opinion of Bond Counsel may be attached to or printed on the reverse side of each definitive Bond over the certification of the Secretary of the Board, which may be executed in facsimile.

## ARTICLE VII

### SALE AND DELIVERY OF BONDS; DEPOSIT OF PROCEEDS

Section 7.01. Sale of Bonds, Official Statement. (a) The Bonds shall be sold to the Underwriters in accordance with the terms of this Order. As authorized by Chapter 1207 and Chapter 1371, the Authorized Officer is authorized to act on behalf of the District, from time to time, in selling and delivering the Bonds and in carrying out the other procedures specified in this Order, including determining the price at which each of the Bonds will be sold; the title, number and designation of each series or subseries of Bonds to be issued from time to time; whether each series of Bonds will be issued as new money bonds, refunding bonds, or combination new money and refunding bonds; whether each series of Bonds will be designated as “green bonds;” the form in which the Bonds shall be issued; the years and dates on which the Bonds will mature, the principal amount to mature in each of such years and the defeasance provisions for the Bonds; selecting the specific maturities or series of Refunded Obligations to be refunded by each series of Bonds from the list of Refunded Obligation Candidates; the aggregate principal amount of Refunded Obligations; the aggregate principal amount of Bonds to be issued by the District; the rate of interest to be borne by each maturity of the Bonds; the Interest Payment Dates; the dates, prices, and terms upon and at which the Bonds shall be subject to redemption prior to maturity at the option of the District and shall be subject to mandatory sinking fund redemption; the verification agent, if any; the selection of Underwriters; and all other matters relating to the issuance, sale and delivery of the Bonds and the refunding of the Refunded Obligations, all of which shall be specified in the Pricing Certificate, a form of which is attached hereto as Exhibit A, as may be amended by the Authorized Officer; subject to the following conditions:

- (i) the Bonds shall not bear interest at a rate greater than the maximum rate allowed under Section 1204.006, Texas Government Code, as amended;
- (ii) the aggregate principal amount of the Bonds authorized to be issued for the purposes described in Section 3.01 for new money and refunding purposes shall not exceed the respective limits described in Section 3.01;
- (iii) the refunding of the fixed rate Refunded Bonds shall produce a net present value debt service savings of at least 3.00% of the principal amount of the fixed rate

Refunded Bonds being refunded with such series of Bonds (for purposes of clarity, this savings parameter does not apply to the refunding of variable rate Refunded Obligations);

(iv) the Pricing Certificate for the Bonds issued in whole or in part for new money purposes shall indicate the amount of authorized but unissued bonds that remain available to the District from the applicable voted authorization following the issuance of the Bonds approved in the Pricing Certificate;

(v) the Pricing Certificate for each series of bonds issued for new money or refunding purposes shall indicate the amount of new money or refunding authority remaining under Section 3.01 of this Order and section 2.01 of the Variable Rate Order, if any, following the issuance of such series of Bonds;

(vi) the Pricing Certificate for the Bonds issued for the purposes of refunding the Refunded Notes shall indicate the amount of voted authorization previously used to issue the Refunded Obligations; and

(vii) no Bond shall mature more than 40 years from the date of delivery thereof.

(b) The Authorized Officer is hereby authorized and directed to execute and deliver on behalf of the District one or more Purchase Contracts providing for the sale of the Bonds to the Underwriters, in such form as determined by the Authorized Officer. The Authorized Officer is hereby authorized and directed to approve the final terms and provisions of each Purchase Contract in accordance with the terms of the Pricing Certificate and this Order, which final terms shall be determined to be the most advantageous and reasonably attainable by the District, such approval and determination being evidenced by the execution of the Purchase Contract by the Authorized Officer.

(c) Any finding by the Authorized Officer relating to the sale and delivery of the Bonds shall have the same force and effect as a finding or determination made by the Board.

(d) The authority granted to the Authorized Officer under Section 7.01(a) shall expire at 11:59 p.m., Central time, on a date one year from the date of this Order, unless otherwise extended by the Board by separate action. Bonds sold pursuant to a Purchase Contract executed on or prior to such expiration date may be delivered after such expiration date.

(e) All officers, agents and representatives of the District are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out in the Purchase Contract and to provide for the issuance and delivery of the Bonds, including, without limitation, qualifying the Bonds as “green bonds” to the extent such qualification is required. The Initial Bond for each series of Bonds shall initially be registered in the name of the Representative or such other entity as may be specified in the Purchase Contract for each series of Bonds.

(f) The Authorized Officer is hereby authorized and directed to cause to be prepared on behalf of the District, in accordance with the District’s Disclosure Strategy, one or more “Preliminary Official Statements,” to be used by the Underwriters in the offering and sale of the Bonds, and to certify or otherwise represent that such Preliminary Official Statement(s) are “deemed final” Preliminary Official Statement(s) as of their dates (except for the omission of

pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, with such changes, modifications and completions as may be required upon pricing and approved by the Authorized Officer (the "Preliminary Official Statement"). The use and distribution of one or more Preliminary Official Statements in the public offering of the Bonds by the Underwriters is hereby authorized. The Authorized Officer is hereby further authorized and directed (i) to cause to be prepared on behalf of the District, in accordance with the District's Disclosure Strategy, one or more final Official Statements (each an "Official Statement"), (ii) to use and distribute or authorize the use and distribution of one or more Official Statements, (iii) to execute the same, if required, and (iv) to deliver appropriate numbers of copies thereof to the Underwriters. Each Official Statement as thus approved, executed and delivered, with such appropriate variations as shall be approved by the Authorized Officer and the Underwriters, may be used by the Underwriters in the public offering and sale thereof.

(g) The President or Vice President of the Board, the Secretary of the Board, the Authorized Officer and all other officers of the District are authorized to take such actions, to obtain such consents or approvals, to deliver such notices and to execute such documents, certificates and receipts as they may deem necessary and appropriate in order to consummate the delivery of the Bonds, to pay the costs of issuance of the Bonds, to effectuate the refunding of the Refunded Obligations and to effectuate the terms and provisions of this Order, including, without limitation, making application for the guarantee of the Permanent School Fund of the State for the Bonds from the Texas Education Agency. Further, in connection with the submission of the record of proceedings for the Bonds to the Attorney General of the State for examination and approval of such Bonds, the appropriate officer of the District is hereby authorized and directed to issue a check or wire payable to the Attorney General of the State as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount to be the lesser of (i) 1/10th of 1% of the principal amount of the Bond or (ii) \$9,500, but in no case less than \$750).

Section 7.02. Deposit of Proceeds. The proceeds from the sale of the Bonds shall be deposited as set forth in the Pricing Certificate. Proceeds from the sale of the Bonds may, at the option of the District, be invested in any investments authorized by State law, including specifically, the Public Funds Investment Act and the District's Investment Policy, including through guaranteed investment contracts authorized by Section 2256.015 of the Texas Government Code; provided that all such investments shall be made in such a manner that the money required to be expended will be available at the proper time or times.

Section 7.03. Control and Delivery of Bonds. (a) The Authorized Officer is hereby authorized to have control of the Initial Bond for each series of Bonds and all necessary records and proceedings pertaining thereto pending investigation, examination and approval of the Attorney General of the State, registration by the Comptroller of Public Accounts of the State, and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts of the State, delivery of the Bonds shall be made to the Representative under and subject to the general supervision and direction of the Authorized Officer, or, in his absence, any officer of the Board, against receipt by the District of all amounts due to the District under the terms of sale.

## ARTICLE VIII

### PARTICULAR REPRESENTATIONS AND COVENANTS

Section 8.01. Payment of the Bonds. On or before each date on which Debt Service is due on the Bonds, there shall be made available to the Paying Agent/Registrar, out of the interest and sinking fund, money sufficient to pay such Debt Service when due.

Section 8.02. Other Representations and Covenants. (a) The District will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Order and in each Bond; the District will promptly pay or cause to be paid Debt Service on the dates and at the places and manner prescribed in such Bond; and the District will, at the times and in the manner prescribed by this Order, deposit or cause to be deposited the amounts of money specified by this Order.

(b) The District is duly authorized under the laws of the State to issue the Bonds; all action on its part for the creation and issuance of the Bonds has been duly and effectively taken; and the Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the District in accordance with their terms.

Section 8.03. Federal Tax Matters.

(a) General. The District covenants not to take any action or omit to take any action that, if taken or omitted would cause the interest on the Bonds to be includable in gross income, for federal income tax purposes. In furtherance thereof, the District covenants to comply with sections 103 and 141 through 150 of the Code and the provisions set forth in the Federal Tax Certificate executed by the District in connection with the Bonds.

(b) No Private Activity Bonds. The District covenants that it will use the proceeds of the Bonds (including investment income) and the property financed, directly or indirectly, with such proceeds so that the Bonds will not be “private activity bonds” within the meaning of section 141 of the Code. Furthermore, the District will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes the Bonds to be a “private activity bond” unless it takes a remedial action permitted by section 1.141-12 of the Regulations.

(c) No Federal Guarantee. The District covenants not to take any action or omit to take any action that, if taken or omitted, would cause the Bonds to be “federally guaranteed” within the meaning of section 149(b) of the Code, except as permitted by section 149(b)(3) of the Code.

(d) No Hedge Bonds. The District covenants not to take any action or omit to take action that, if taken or omitted, would cause the Bonds to be “hedge bonds” within the meaning of section 149(g) of the Code.

(e) No Arbitrage Bonds. The District covenants that it will make such use of the proceeds of the Bonds (including investment income) and regulate the investment of such proceeds of the Bonds so that the Bonds will not be “arbitrage bonds” within the meaning of section 148(a) of the Code.

(f) Required Rebate. The District covenants that, if the District does not qualify for an exception to the requirements of section 148(f) of the Code, the District will comply with the requirement that certain amounts earned by the District on the investment of the gross proceeds of the Bonds, be rebated to the United States.

(g) Information Reporting. The District covenants to file or cause to be filed with the Secretary of the Treasury an information statement concerning the Bonds in accordance with section 149(e) of the Code.

(h) Record Retention. The District covenants to retain all material records relating to the expenditure of the proceeds (including investment income) of the Refunded Obligations and the Bonds and the use of the property financed, directly or indirectly, thereby until three years after the last Bond is redeemed or paid at maturity (or such other period as provided by subsequent guidance issued by the Department of the Treasury) in a manner that ensures their complete access throughout such retention period.

(i) Registration. If the Bonds are “registration-required bonds” under section 149(a)(2) of the Code, the Bonds will be issued in registered form.

(j) Favorable Opinion of Bond Counsel. Notwithstanding the foregoing, the District will not be required to comply with any of the federal tax covenants set forth above if the District has received an opinion of nationally recognized bond counsel that such noncompliance will not adversely affect the excludability of interest on the Bonds from gross income for federal income tax purposes.

(k) Continuing Compliance. Notwithstanding any other provision of this Order, the District’s obligations under the federal tax covenants set forth above will survive the defeasance and discharge of the Bonds for as long as such matters are relevant to the excludability of interest on the Bonds from gross income for federal income tax purposes

(l) Official Intent. For purposes of section 1.150-2(d) of the Regulations, to the extent that an official intent to reimburse has not previously been adopted by the District, this Order serves as the District’s official declaration of intent to use proceeds of the Bonds to reimburse itself from proceeds of the Bonds issued in the maximum amount for certain expenditures paid in connection with the projects set forth herein. Any such reimbursement will only be made (i) for an original expenditure paid no earlier than 60 days prior to the date hereof and (ii) not later than 18 months after the later of (A) the date the original expenditure is paid or (B) the date of which the project to which such expenditure relates is placed in service or abandoned, but in to event more than three years after the original expenditure is paid.

## ARTICLE IX

### DISCHARGE

Section 9.01. Discharge. The District reserves the right to defease, refund or discharge the Bonds in any manner now or hereafter permitted by law.

## ARTICLE X

### SUBSCRIPTION FOR SECURITIES; APPROVAL OF ESCROW AGREEMENT; PAYMENT OF REFUNDED OBLIGATIONS

Section 10.01. Subscription for Securities. The Authorized Officer is authorized to make necessary arrangements for and to execute such documents and agreements in connection with the purchase of the Escrow Securities required by and referenced in the Escrow Agreement, if any, as may be necessary for the Escrow Fund and the application for the acquisition of the Escrow Securities is hereby approved.

Section 10.02. Appointment of Escrow Agent; Approval of Escrow Agreement; Deposit with Paying Agent for Refunded Obligations. The Authorized Officer is hereby authorized to execute and deliver, or cause the execution and delivery by the President or Vice President and Secretary of the Board, one or more Escrow Agreements, having such terms and provisions as are approved by the Authorized Officer as evidenced by his execution thereof or the execution thereof by other appropriate District officials. Alternatively, the Authorized Officer may elect to deposit directly with the issuing and paying agent for the Refunded Obligations the proceeds of the Bonds, together with other available funds, in an amount sufficient to provide for the payment or redemption of the Refunded Obligations and is hereby authorized to execute and deliver one or more deposit agreements in connection with such deposits.

Section 10.03. Redemption and Defeasance of Refunded Obligations. The discharge, defeasance, redemption and/or payment of the Refunded Obligations shall be carried out pursuant to the terms and provisions of this Order and the Pricing Certificate. The Refunded Obligations shall be defeased and/or paid as required by the order authorizing such Refunded Obligations. Following the adoption of this Order and prior to the execution of the Pricing Certificate, the Authorized Officer is hereby authorized to deliver a notice of redemption to the paying agent/registrar for any of the Refunded Obligation Candidates if required under the plan of finance, and the paying agent/registrar for such Refunded Obligation Candidates is hereby authorized and directed to provide notice of such redemption. The Board hereby authorizes and directs the Authorized Officer to take all necessary steps to redeem and defease the Refunded Obligations and use proceeds of the Bonds and other available revenues of the District to pay the principal of, redemption premium, if any, and interest on the respective redemption dates or payment dates set forth in the Pricing Certificate.

## ARTICLE XI

### PERMANENT SCHOOL FUND GUARANTEE

Section 11.01. Permanent School Fund Guarantee. The District will apply for and expects to receive approval from the Texas Commissioner of Education (the "Commissioner") for payment of the principal of and interest on the Bonds to be guaranteed by the Permanent School Fund of the State, subject to compliance with the Texas Education Agency's rules and regulations. If the Bonds are defeased, the guarantee of such series of Bonds will be removed in its entirety and, in case of default and in accordance with Texas Education Code §45.061, the Comptroller of Public Accounts of the State will withhold the amount paid, plus interest, from the first state money

payable to the District in the following order: foundation school fund, available school fund. In connection with the guarantee of the Bonds by the Permanent School Fund, the District, hereby certifies and covenants that:

(a) a certified copy of this Order and copies of the Official Statement for such series of Bonds shall be furnished to the Division of State Funding, School Facilities and Transportation, within ten (10) calendar days of the date of sale of such series of Bonds;

(b) following any determination by the District that it is or will be unable to pay maturing or matured principal or interest on any such series of Bonds, the District will take all action required by Subchapter C of Chapter 45 of the Texas Education Code, as amended, including, but not limited to, the giving of timely notice of such determination to the Commissioner; and

(c) the District will notify the Division of State Funding in writing within ten (10) calendar days of the defeasance of any guaranteed Bonds.

## ARTICLE XII

### CONTINUING DISCLOSURE UNDERTAKING

Section 12.01. Annual Reports. (a) The District shall provide annually to the MSRB, (i) within six (6) months after the end of each Fiscal Year of the District ending in or after 2022, financial information and operating data with respect to the District of the general type included in the Official Statement, being the tables described in the Pricing Certificate, and (ii) if not provided as part of such financial information and operating data, audited financial statements of the District, when and if available. Any financial statements so to be provided shall be (i) 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, by State law or regulation, and (ii) 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 the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the District shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such financial statements becomes available.

(b) 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.

(c) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document), if it is available to the public on the MSRB's internet website or has been filed with the SEC. The financial information or operating data shall be provided in an electronic format as prescribed by the MSRB.

Section 12.02. Event Notices.

(a) The District shall provide the following to the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of any of the following events with respect to the Bonds:

- (1) Principal and interest payment delinquencies;
- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) 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 or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of the holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the District;

Note to paragraph 12: For the purposes of the event identified in paragraph 12 of this section, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. 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 or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers 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.

(13) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, 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;

(14) Appointment of successor or additional paying agent/registrar or the change of name of a paying agent/registrar, if material;

(15) 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

(16) 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.

Note to paragraphs (15) and (16): For purposes of the events identified in paragraphs (15) and (16) of this section and in the definition of Financial Obligation in Section 1.01, the District intends the words used in such paragraphs to have the meanings ascribed to them in SEC Release No. 34-83885 dated August 20, 2018 (the “2018 Release”) and any further written guidance provided by the SEC or its staff with respect to the amendments to the Rule effected by the 2018 Release.

(b) The District shall provide to the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner, notice of a failure by the District to provide financial information and operating data in accordance with Section 12.01. All documents provided to the MSRB pursuant to this section shall be accompanied by identifying information as prescribed by the MSRB.

Section 12.03. Limitations, Disclaimers and Amendments. (a) The District shall be obligated to observe and perform the covenants specified in this Article 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 notice of any deposit made in accordance with Article IX that causes Bonds no longer to be outstanding.

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Bonds, and nothing in this Article, 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 Article 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 Article 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 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 WITH OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, 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.

(c) No default by the District in observing or performing its obligations under this Article shall comprise a breach of or default under the Order for purposes of any other provisions of this Order.

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

(e) The provisions of this Article 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 Article, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions of this Order that authorize 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 Owners and beneficial owners of the Bonds. The District may also repeal or amend the provisions of this Section if the SEC amends or repeals the applicable provisions of the Rule or any 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 either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling the 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. If the District so amends the provisions of this Article, the District shall include with any amended financial information or operating data next provided in accordance with this Article 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.

Section 12.04. Amendments to the Rule. In the event the Authorized Officer, in consultation with Bond Counsel and the District's financial advisor, determines that it is necessary or desirable to amend the provisions of this Article XII in order to facilitate compliance with amendments to the Rule and related guidance from the SEC, the Authorized Officer may make such changes in the Pricing Certificate for the Bonds and such amendments are hereby authorized and shall be deemed effective as set forth in the Pricing Certificate.

## ARTICLE XIII

### MISCELLANEOUS

Section 13.01. Changes to Order. The Authorized Officer, in consultation with Bond Counsel, is hereby authorized to make changes to the terms of this Order if necessary or desirable to carry out the purposes hereof or in connection with the approval of the issuance of the Bonds by the Attorney General of the State.

Section 13.02. Partial Invalidity. 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.

Section 13.03. 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.

Section 13.04. Related Matters. To satisfy in a timely manner all of the District's obligations under this Order, the President or Vice President of the Board and the Secretary of the Board and all other appropriate officers and agents of the District are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms and purposes of this Order.

Section 13.05. Force and Effect. This Order shall be in full force and effect from and after its final passage, and it is so ordered.

*[Signature Page Follows]*

PASSED, APPROVED AND EFFECTIVE on January 24, 2022.

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Secretary, Board of Trustees  
Fort Bend Independent School District

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President, Board of Trustees  
Fort Bend Independent School District

[SEAL]

## **SCHEDULE I**

### **SCHEDULE OF REFUNDED OBLIGATION CANDIDATES**

The Authorized Officer may select the specific maturities of unlimited tax bonds constituting the Refunded Bonds from the following series of the District's outstanding unlimited tax bonds:

Variable Rate Unlimited Tax Refunding Bonds, Series 2019A

Unlimited Tax Refunding Bonds, Series 2012

The Authorized Officer may select the specific maturities and series of unlimited tax commercial paper notes constituting the Refunded Notes from the following series of the District's outstanding commercial paper notes:

Unlimited Tax Commercial Paper Program, Series A

Unlimited Tax Commercial Paper Program, Series B

**EXHIBIT A**

**FORM OF PRICING CERTIFICATE**

Re: Fort Bend Independent School District Unlimited Tax School Building and Refunding Bonds, Series \_\_\_\_ (the "Bonds")

I, the undersigned Chief Financial Officer of the Fort Bend Independent School District (the "District"), do hereby make and execute this Pricing Certificate pursuant to an order adopted by the Board of Trustees of the District on January 24, 2022 (the "Order") authorizing the issuance of the referenced Bonds. Capitalized terms used in this Pricing Certificate shall have the meanings given such terms in the Order.

As authorized by Section 7.01 of the Order, I have acted on behalf of the District in selling the Bonds to \_\_\_\_\_ (collectively, the "Underwriters") pursuant to the terms of the Purchase Contract dated as of the date hereof. The Bonds shall have the terms set forth in this Pricing Certificate.

A. The Bonds shall be designated the "Fort Bend Independent School District Unlimited Tax School Building and Refunding Bonds, Series \_\_\_\_." The Bonds shall be issued in the aggregate principal amount of \$\_\_\_\_\_ for the purposes specified in Section 3.01 of the Order.

B. The Bonds shall have a Dated Date of \_\_\_\_\_, and the Closing Date is scheduled for \_\_\_\_\_, 2022. The Record Date for the Bonds shall be the last Business Day of the month next preceding an Interest Payment Date.

C. The Bonds shall bear interest from the later of the [Dated/Closing] Date or the most recent Interest Payment Date to which interest has been paid or provided for, payable on each \_\_\_\_\_ and \_\_\_\_\_ commencing \_\_\_\_\_, 20\_\_, until stated maturity or prior redemption. The Bonds shall mature on \_\_\_\_\_ in each of the years, in the principal amounts and shall bear interest at the per annum rates set forth in the following schedule:

<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
20__	\$ _____	_____%	20__	\$ _____	_____%
20__	_____	_____	20__	_____	_____
20__	_____	_____	20__	_____	_____
20__	_____	_____	20__	_____	_____
20__	_____	_____	20__	_____	_____

D. The Refunded Notes to be refunded and/or defeased with a portion of the proceeds of the Bonds (the "Refunded Notes") are set forth in Schedule I-1 attached hereto. The Refunded Notes are scheduled to mature on the date set forth in Schedule I-1 hereto. The Refunded Notes shall be paid at maturity at a price equal to the principal amount thereof plus interest accrued thereon to their maturity date.

E. The Refunded Bonds to be refunded and/or defeased with a portion of the proceeds of the Bonds (the “Refunded Bonds”) are set forth in Schedule I-2 attached hereto. The Refunded Bonds are hereby called for redemption on the dates set forth in Schedule I-2 hereto. The Refunded Bonds shall be redeemed at a redemption price equal to the principal amount thereof plus interest accrued thereon to the redemption date therefor.

F. As shown in the savings schedule attached hereto as Schedule II, the refunding of the Refunded Obligations results in a net present value debt service savings of \$ \_\_\_\_\_, representing a net present value debt service savings of \_\_\_\_\_% of the principal amount of the Refunded Obligations, each as calculated by Hilltop Securities Inc., the District’s financial advisor.

G. As provided in the Order, the refunding and defeasance of the Refunded Notes and the variable rate Refunded Bonds will benefit the District by providing long-term financing of the Refunded Notes and the variable rate Refunded Bonds at fixed rates, thereby reducing interest rate risk, and that such benefits constitute a valid public purpose and are sufficient consideration for the refunding.

H. The Bonds are [not] subject to optional [and mandatory] redemption as set forth in Exhibit A.

I. The following schedule shows the amount of voted authorization outstanding after the issuance of the Bonds:

Election	Amount Voted	Amount Previously Issued	Amount Charged Against Voted Authorization	Outstanding Commercial Paper being Refunded <sup>(3)</sup>	Authorized but Unissued Balance
2014 Election (Proposition No. 1)	\$484,000,000	\$452,000,000	\$ _____ <sup>(1)</sup>	\$ _____	\$ _____
2018 Election (Proposition A)	\$992,600,000	\$570,620,000	\$ _____ <sup>(2)</sup>	\$ _____	\$ _____

<sup>(1)</sup> Includes \$ \_\_\_\_\_ in premium counted against voted authorization.

<sup>(2)</sup> Includes \$ \_\_\_\_\_ in premium counted against voted authorization.

<sup>(3)</sup> Includes the full \$ \_\_\_\_\_ in principal amount of the District’s Unlimited Tax Commercial Paper Program, Series [A/B] being refunded or defeased with the proceeds of the Bonds.

J. Following the issuance of the Bonds under this Order, \$ \_\_\_\_\_ in new money bond authority remains under Section 3.01(a) of this Order and Section 2.01(a)(x) of the Variable Rate Order; \$ \_\_\_\_\_ in refunding bond authority remains under Section 3.01(b) of this Order and Section 2.01 (a)(y) of the Variable Rate Order; and \$ \_\_\_\_\_ in refunding bond authority remains under Section 3.01(c) of this Order, and Section 2.01(a)(2) of the Variable Rate Order.

K. The undersigned does hereby find, certify and represent that the foregoing terms of the Bonds satisfy the parameters contained in Sections 3.01 and 7.01 of the Order. The District

has reserved the right to issue all remaining authority available under the Order and the Variable Rate Order following the issuance of the Bonds.

L. The proceeds of the Bonds shall be applied as follows (the sale of the Bonds generated premium in the amount of \$ \_\_\_\_\_, of which \$ \_\_\_\_\_ is allocated to the new money portion of the Bonds and \$ \_\_\_\_\_ is allocated to the refunding portion of the Bonds):

i. The amount of \$ \_\_\_\_\_, consisting of \$ \_\_\_\_\_ principal amount of the Bonds, plus premium received from the sale of the Bonds in the amount of \$ \_\_\_\_\_ [and available funds of the District in the amount of \$ \_\_\_\_\_], shall be used for the refunding of \$ \_\_\_\_\_ in principal amount of the Refunded Notes;

ii. Available funds of the District in the amount of \$ \_\_\_\_\_ shall be used to pay the interest accrued to the applicable maturity dates on the Refunded Notes.

iii. The amount of \$ \_\_\_\_\_, consisting of \$ \_\_\_\_\_ principal amount of the Bonds, plus premium received from the sale of the Bonds in the amount of \$ \_\_\_\_\_ and available funds of the District in the amount of \$ \_\_\_\_\_, shall be used for the refunding and defeasance of the Refunded Bonds;

iv. The amount of \$ \_\_\_\_\_, consisting of \$ \_\_\_\_\_ principal amount of Bonds plus premium received from the sale of the Bonds in the amount of \$ \_\_\_\_\_, shall be used for the construction, acquisition and equipment of school buildings in the District, including safety and security and technology infrastructure, for the purchase of necessary sites for school buildings and for the purchase of new school buses;

v. [Capitalized interest from premium received from the sale of the Bonds in the amount of \$ \_\_\_\_\_ shall be deposited to the interest and sinking fund for the Bonds and applied to the payment of interest on the Bonds during construction and for up to one year thereafter;]

vi. Premium received from the sale of the Bonds in the amount of \$ \_\_\_\_\_ (of which \$ \_\_\_\_\_ is allocated to the new money portion of the Bonds and \$ \_\_\_\_\_ is allocated to the refunding portion of the Bonds) shall be used to pay the costs of issuing the Bonds;

vii. Premium received from the sale of the Bonds in the amount of \$ \_\_\_\_\_ (of which \$ \_\_\_\_\_ is allocated to the new money portion of the Bonds and \$ \_\_\_\_\_ is allocated to the refunding portion of the Bonds) shall be used to pay underwriter's discount; [and]

viii. [Premium received from the sale of the Bonds in the amount of \$ \_\_\_\_\_ (of which \$ \_\_\_\_\_ is allocated to the new money portion of the Bonds and \$ \_\_\_\_\_ is allocated to the refunding portion of the Bonds), consisting of the rounding amount, shall be deposited to the interest and sinking fund designated for the Bonds; and]

ix. Any amounts remaining following the payment of the costs of issuing the Bonds shall be deposited into the interest and sinking fund designated for the Bonds.

M. In accordance with Section 12.01(a) of the Order, the information to be provided pursuant to the Rule shall include all quantitative financial information and operating data with respect to the District of the general type included in the Official Statement under Tables \_\_\_\_\_.

N. \_\_\_\_\_ is hereby designated as Paying Agent/Registrar for the Bonds.

O. \_\_\_\_\_ is hereby designated as the Escrow Agent for the Bonds.

P. [\_\_\_\_\_, is hereby designated as Verification Agent for the Bonds.]

Q. [The purchase of Escrow Securities from \_\_\_\_\_ is hereby approved.]

R. [The Deposit Agreement between the District and \_\_\_\_\_ is hereby approved.]

S. The Purchase Contract between the Underwriters and the District with respect to the Bonds is hereby approved, and the terms of such Purchase Contract are hereby determined to be the most advantageous reasonably attainable by the District.

*[Signature Page Follows]*

Executed this \_\_\_\_\_, 2022.

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Authorized Officer  
Fort Bend Independent School District

*Signature Page to Pricing Certificate  
Fort Bend Independent School District Unlimited Tax School Building and Refunding Bonds, Series \_\_\_\_\_*

SCHEDULE I-1

SCHEDULE OF REFUNDED NOTES

SCHEDULE I-2

SCHEDULE OF REFUNDED BONDS

SCHEDULE II  
SCHEDULE OF SAVINGS

EXHIBIT A  
FORM OF BOND

(a) Form of Bond.

REGISTERED  
No. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

United States of America  
State of Texas  
County of Fort Bend

FORT BEND INDEPENDENT SCHOOL DISTRICT  
UNLIMITED <sup>1</sup> BOND  
SERIES <sup>2</sup>

<u>INTEREST RATE:</u> _____ %	<u>MATURITY DATE:</u> _____	<u>[CLOSING/DATED]</u> <u>DATE:</u> _____	<u>CUSIP NO.:</u> _____
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Fort Bend Independent School District (the "District"), in the County of Fort Bend, State of Texas, for value received, hereby promises to pay to

\_\_\_\_\_

or registered assigns, on the Maturity Date specified above, the sum of

\_\_\_\_\_ DOLLARS

unless the payment of the principal hereof shall have been paid or provided for, and to pay interest on such principal amount from the later of the [Closing/Dated Date] specified above or the most recent interest payment date to which interest has been paid or provided for until payment of such principal amount has been paid or provided for, at the per annum rate of interest specified above, computed on the basis of a 360-day year of twelve 30-day months, such interest to be paid semiannually on <sup>3</sup> and <sup>4</sup> of each year, commencing <sup>5</sup>.

The principal of this Bond shall be payable without exchange or collection charges in lawful money of the United States of America upon presentation and surrender of this Bond at the

\_\_\_\_\_

<sup>1</sup> Insert from Pricing Certificate.  
<sup>2</sup> Insert from Pricing Certificate.  
<sup>3</sup> Insert from Pricing Certificate.  
<sup>4</sup> Insert from Pricing Certificate.  
<sup>5</sup> Insert from Pricing Certificate.

corporate trust office of \_\_\_\_\_<sup>6</sup> (the “Paying Agent/Registrar”), or such other location designated by the Paying Agent/Registrar (the “Designated Payment/Transfer Office”), of the Paying Agent/ Registrar or, with respect to a successor paying agent/registrars, at the Designated Payment/Transfer Office of such successor. Interest on this Bond is payable by check dated as of the interest payment date, mailed by the Paying Agent/Registrar to the registered owner at the address shown on the registration books kept by the Paying Agent/Registrar, or by such other customary banking arrangements acceptable to the Paying Agent/Registrar and the person to whom interest is to be paid; provided, however, that such person shall bear all risk and expense of such other customary banking arrangements. For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered at the close of business on the “Record Date,” which shall be the \_\_\_\_\_<sup>7</sup> day of the month next preceding such interest payment date. In the event of a nonpayment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a “Special Record Date”) will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the District. Notice of the Special Record Date and of the special payment date of the past due interest (the “Special Payment Date,” which date shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class, postage prepaid, to the address of each owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last day next preceding the date of mailing of such notice.

If the date for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, legal holiday, or day on which banking institutions in the city where the Paying Agent/Registrar is located are required or authorized by law or executive order to close, the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday, or day on which banking institutions are required or authorized to close, and payment on such date shall for all purposes be deemed to have been made on the original date payment was due.

This Bond is [dated \_\_\_\_\_<sup>8</sup> and is ]one of a series of fully registered bonds specified in the title hereof, issued in the aggregate principal amount of \$\_\_\_\_\_<sup>9</sup>, (herein referred to as the “Bonds”), issued pursuant to a certain order (the “Bond Order”) adopted by the Board of Trustees of the District and a pricing certificate executed pursuant to the Bond Order (the “Pricing Certificate,” and, together with the Bond Order, the “Order”), to provide funds for (i) the construction, acquisition and equipment of school buildings in the District, including safety and security and technology infrastructure for the District, the purchase of the necessary sites for school buildings, and the purchase of new school buses, (ii) the refunding of certain outstanding obligations of the District, and (iii) to pay the costs of issuing the Bonds.

The Bonds and the interest thereon are payable from the proceeds of a direct and continuing ad valorem tax levied, without limit as to rate or amount, against all taxable property in the District sufficient, together with certain available funds of the District on deposit in the interest and sinking

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<sup>6</sup> Insert from Pricing Certificate.

<sup>7</sup> Insert from Pricing Certificate.

<sup>8</sup> Insert from Pricing Certificate.

<sup>9</sup> Insert from Pricing Certificate.

fund for the Bonds, to provide for the payment of the principal of and interest on the Bonds, as described and provided in the Order.

[This Bond is not subject to redemption prior to maturity.]<sup>10</sup>

[The District has reserved the option to redeem the Bonds maturing on and after \_\_\_\_\_<sup>11</sup>, in whole or, from time to time, in part before their respective scheduled maturity dates, on \_\_\_\_\_<sup>12</sup>, or on any date thereafter, at a redemption price equal to the principal amount thereof plus accrued interest to the date of redemption. If less than all of the Bonds are to be redeemed, the District shall determine the maturity or maturities and the amounts thereof to be redeemed and shall direct the Paying Agent/Registrar to call by lot or other method that results in random selection the Bonds, or portions thereof, within such maturity and in such principal amounts, for redemption.]<sup>13</sup>

[Bonds maturing on \_\_\_\_\_<sup>14</sup> (the "Term Bonds") are subject to mandatory sinking fund redemption prior to their scheduled maturity, and will be redeemed by the District, in part at a redemption price equal to the principal amount thereof, without premium, plus interest accrued to the redemption date, on the dates and in the principal amounts shown in the following schedule:

<u>§ <sup>15</sup> Term Bonds Maturing <sup>16</sup></u>	
<u>Mandatory Redemption Date</u>	<u>Principal Amount</u>
<u>_____ <sup>17</sup></u>	<u>_____ <sup>18</sup></u>

The Paying Agent/Registrar will select for redemption by lot or by any other customary method that results in a random selection the specific Term Bonds (or with respect to Term Bonds having a denomination in excess of \$5,000, each \$5,000 portion thereof) to be redeemed by mandatory redemption. The principal amount of Term Bonds required to be redeemed on any redemption date pursuant to the foregoing mandatory sinking fund redemption provisions hereof shall be reduced, at the option of the District, by the principal amount of any Term Bonds which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the District and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption.]<sup>19</sup>

[Not less than 30 days prior to a redemption date for the Bonds, the District shall cause a notice of redemption to be sent by United States mail, first class, postage prepaid, to the Owners

\_\_\_\_\_

<sup>10</sup> Delete if Bonds are subject to redemption prior to maturity.  
<sup>11</sup> Insert from Pricing Certificate.  
<sup>12</sup> Insert from Pricing Certificate.  
<sup>13</sup> Delete if Bonds are not subject to redemption prior to maturity.  
<sup>14</sup> Insert from Pricing Certificate.  
<sup>15</sup> Insert from Pricing Certificate.  
<sup>16</sup> Insert from Pricing Certificate.  
<sup>17</sup> Insert from Pricing Certificate.  
<sup>18</sup> Insert from Pricing Certificate.  
<sup>19</sup> Delete if Term Bonds are not issued.

of the Bonds to be redeemed at the address of the Owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice.

In the Order, the District reserves the right, in the case of an optional redemption, to give notice of its election or direction to redeem Bonds conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date, or (ii) that the District retains the right to rescind such notice at any time on or prior to the scheduled redemption date if the District delivers a certificate of the District to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice and redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Bonds subject to conditional redemption and such redemption has been rescinded shall remain Outstanding. Any notice so mailed shall be conclusively presumed to have been duly given, whether or not the registered owner receives such notice. Notice having been so given and subject, in the case of an optional redemption, to any rights or conditions reserved by the District in the notice, the Bonds called for redemption shall become due and payable on the specified redemption date, and notwithstanding that any Bond or portion thereof has not been surrendered for payment, interest on such Bonds or portions thereof shall cease to accrue.]<sup>20</sup>

As provided in the Order, and subject to certain limitations therein set forth, this Bond is transferable upon surrender of this Bond for transfer at the Designated Payment/Transfer Office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar; thereupon, one or more new fully registered Bonds of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the District nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 45 calendar days after the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The District, the Paying Agent/Registrar, and any other person may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Bond is registered on the Record Date) and for all other purposes, whether or not this Bond be overdue, and neither the District nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and

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<sup>20</sup> Delete if Bonds are not subject to redemption prior to maturity.

have happened in regular and due time, form and manner, as required by law; that sufficient and proper provision for the levy and collection of taxes has been made, without limit as to rate or amount, which when collected shall be appropriated exclusively to the timely payment of the principal of and interest on the Bonds; and that the total indebtedness of the District, including the Bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the District has caused this Bond to be duly executed under its official seal in accordance with law.

\_\_\_\_\_  
Secretary, Board of Trustees  
Fort Bend Independent School District

\_\_\_\_\_  
[Vice]<sup>21</sup> President, Board of Trustees  
Fort Bend Independent School District

[SEAL]

(b) Form of Certificate of Paying Agent/Registrar.

CERTIFICATE OF PAYING AGENT/REGISTRAR

This is one of the Bonds referred to in the within mentioned Order. The series of Bonds of which this Bond is a part was originally issued as one Initial Bond which was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

\_\_\_\_\_  
<sup>22</sup>  
as Paying Agent/Registrar

Date: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

<sup>21</sup> Delete if the President of the Boar executes the Bonds.

<sup>22</sup> Insert from Pricing Certificate.

(c) Form of Assignment

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto (print or typewrite name, address and zip code of transferee):

\_\_\_\_\_  
\_\_\_\_\_  
(Social Security or other identifying number: \_\_\_\_\_) the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed By:

\_\_\_\_\_  
Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Paying Agent/Registrar.

(d) Statement of Permanent School Fund Guarantee.

The following statement shall appear on or be attached to each Bond:

PERMANENT SCHOOL FUND GUARANTEE

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 Fort Bend Independent School District of its Unlimited Tax <sup>23</sup>, Series <sup>24</sup>, dated <sup>25</sup>, in the principal amount of \$ <sup>26</sup> 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

\_\_\_\_\_

<sup>23</sup> Insert from Pricing Certificate.

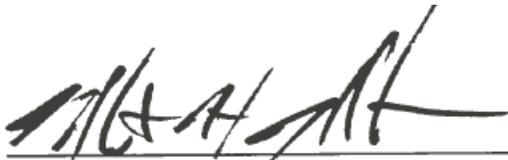
<sup>24</sup> Insert from Pricing Certificate.

<sup>25</sup> Insert from Pricing Certificate.

<sup>26</sup> Insert from Pricing Certificate.

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

(e) The Initial Bond for each series of Bonds shall be in the form set forth in paragraphs (a), (c) and (d) of this Section, except that, in the event there is more than one maturity of Bonds:

(A) immediately under the name of the Bond, the headings “INTEREST RATE” and “MATURITY DATE” shall both be completed with the words “As Shown Below” and “CUSIP NO. \_\_\_\_\_” deleted;

(B) in the first paragraph the words “on the Maturity Date specified above, the sum of \_\_\_\_\_ DOLLARS” shall be deleted and the following will be inserted: “on \_\_\_\_\_<sup>27</sup> in the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

(Information to be inserted from the Pricing Certificate); and

(C) the Initial Bond for each series of Bonds shall be numbered I-1.

(D) The following Registration Certificate of Comptroller of Public Accounts shall appear on the Initial Bond for each series of Bonds:

---

<sup>27</sup> Insert from Pricing Certificate.

REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER  
OF PUBLIC ACCOUNTS  
THE STATE OF TEXAS

§  
§  
§

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 OF OFFICE this \_\_\_\_\_

[SEAL]

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

CERTIFICATE FOR ORDER

THE STATE OF TEXAS    §  
COUNTY OF FORT BEND §

I, the undersigned officer of the Board of Trustees of Fort Bend Independent School District, hereby certify as follows:

1.     The Board of Trustees of Fort Bend Independent School District convened in regular meeting on the 10th day of January, 2022, in the Board Room of the Fort Bend Independent School District Administration Building, 16431 Lexington Blvd., Sugar Land, Texas, 77479, within said District, and the roll was called of the duly constituted officers and members of said Board, to wit:

Dave Rosenthal	President, Trustee Position 7
Jim Rice	Vice President, Trustee, Position 3
Shirley Rose-Gilliam	Secretary, Trustee, Position 4
Angie Hanan	Trustee, Position 1
Judy Dae	Trustee, Position 2
Denetta R. Williams	Trustee, Position 5
Kristen Davidson Malone	Trustee, Position 6

and all of said persons were present, except the following absentee(s): \_\_\_\_\_, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

AN ORDER AUTHORIZING THE ISSUANCE OF FORT BEND  
INDEPENDENT SCHOOL DISTRICT UNLIMITED TAX SCHOOL  
BUILDING AND REFUNDING BONDS, WHICH MAY BE ISSUED IN ONE  
OR MORE SERIES IN ACCORDANCE WITH SPECIFIED PARAMETERS;  
AND ENACTING OTHER PROVISIONS RELATING THERETO

was duly introduced for the consideration of said Board. It was then duly moved and seconded that said order be adopted; and, after due discussion, said motion, carrying with it the adoption of said order, prevailed and carried by the following vote:

\_\_\_\_\_ Member(s) shown present above voted "Aye".

\_\_\_\_\_ Member(s) shown present above voted "No".

\_\_\_\_\_ Member(s) shown present abstained from voting.

2.     A true, full and correct copy of the aforesaid order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said order has been duly recorded in said Board's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said Board's minutes of said meeting pertaining

to the adoption of said order; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said order would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by the Chapter 551, Texas Government Code.

SIGNED AND SEALED this 24<sup>th</sup> day of January, 2022.

[SEAL]

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Secretary, Board of Trustees  
Fort Bend Independent School District

**For: Fort Bend ISD Board of Trustees**  
**Date: January 24, 2022**  
**Action: Consideration and Approval of a**  
**Variable Rate Bond Order for**  
**Refunding Commercial Paper**  
**References: Board Policy CCA (Legal)**  
**District Strategic Plan Goal 4**  
**Department: Business and Finance**

**Recommendation**

The Administration is seeking Board approval of an order authorizing the issuance of Fort Bend ISD Variable Rate Unlimited Tax Refunding Bonds, which may be issued in one or more series; providing for the award of the sale thereof in accordance with specified parameters; and enacting other provisions relating thereto (the “Variable Rate Order”).

**Summary**

In connection with the two outstanding bond programs listed below, the District has the following voted authorization, amounts issued and amounts unissued:

<b>Election</b>	<b>Amount Voted</b>	<b>Amount Previously Issued</b>	<b>Authorized but Unissued Balance</b>
2014 Election (Proposition No. 1)	\$484,000,000	\$452,000,000	\$32,000,000
2018 Election (Proposition A)	\$992,600,000	\$570,620,000	\$421,980,000

The attached Variable Rate Order addresses three distinct financing goals.

1. Refinancing Outstanding Commercial Paper:

The District issues commercial paper for cash flow needs, and it is anticipated that the District will have issued anywhere from \$100-\$150 million in commercial paper by late Spring 2021, which amounts will be deducted from the available voted authorization from the 2018 and 2014 elections listed above. A maximum of \$150 million in commercial paper can be outstanding at any time.

This Variable Rate Order authorizes the District to refinance the outstanding commercial paper notes with variable rate bonds. The issuance of refunding bonds to refinance the up to \$150 million of commercial paper expected to be outstanding will free up capacity under the commercial paper program for additional commercial paper draws and provide long-term financing for the outstanding commercial paper notes being refinanced.

The 2018 Bond cash flow projection shows that the District will increase construction activity with \$100 million of cash needs for the first and second quarter of 2022. In anticipation of continued construction costs, Administration would like the flexibility to refund up to \$200 million of commercial paper for the 2022 calendar year. Such refunding would take place in one or two series given the \$150 million limit on the amount of commercial paper that may be outstanding at any time.

Administration is also interested in having the flexibility to refinance the outstanding Commercial Paper with fixed rate bonds if it is in the best interest of the District. A fixed rate new money and refunding bond order (the "Fixed Rate Order") providing that flexibility is presented as a separate agenda item.

The Variable Rate Order and the Fixed Rate Order are drafted so that the total amount of bonds that can be issued under the two orders is capped as provided below.

2. Issuance of New Money Bonds for Projects:

Depending on market conditions in 2022, the Administration is seeking flexibility to potentially issue up to \$100 million of new money bonds for projects without utilizing the commercial paper program. Long term fixed rates are lower than they have been in years. Having the flexibility to issue new money bonds if market conditions continue to be favorable and 2018 Bond cash flow needs persist would allow the District to avoid having back to back debt transactions and achieve efficiencies by having one transaction.

The amount of variable rate debt that could be issued is required to meet the District's Fiscal Strategy for variable rate debt exposure of: at or below 25% of total principal outstanding. The Fiscal Strategy states the District may exceed the 25% threshold but only until the \$150 million of commercial paper is refunded by issuing fixed rate debt that would be expected to be completed within a maximum of six months. The District's variable rate debt was 21.48% as of November 30, 2021.

3. Refunding Outstanding Bonds for Savings:

The District currently has \$56,075,000 of its Unlimited Tax Refunding Bonds, Series 2012 (the "Series 2012 Bonds") outstanding, of which \$46,870,000 is eligible to be refunded. These bonds are callable beginning on August 15, 2022, which would allow for a current refunding as early as May of 2022. Based on market conditions as of November 2021 (which are subject to change), it is estimated that the refunding of the Series 2012 Bonds that are eligible for refunding could produce approximately \$6.0 million in net present value savings (or approximately 12.91% net present value savings) for the taxpayers of the District. The District's Fiscal Strategy requires a minimum of 3% net present value savings to pursue a refunding.

In addition, the District currently has \$83,075,000 of its Series 2019A Bonds (the "Series 2019A Bonds") outstanding, of which \$81,555,000 is eligible to be refunded. The Series 2019A Bonds are variable rate bonds that are outstanding in an Initial Rate Period expiring on July 31, 2022. During the Initial Rate Period, the Series 2019A Bonds bear interest at an initial rate of 1.95%. Upon the expiration of the Initial Rate Period, the District must convert the bonds to a new Rate Period unless it takes action to refinance (refund) the bonds.

The Variable Rate Order also contains authority to refund the Series 2019A Bonds as part of a larger variable rate issuance if market conditions favor that approach.

The separate Fixed Rate Order provides the administration with the flexibility to refinance the Series 2019A Bonds through a fixed rate refunding if that approach would be more beneficial to the District than remarketing the Series 2019A Bonds or refunding them with variable rate bonds.

In the event a conversion of the Series 2019A Bonds would be more beneficial to the District than a variable rate or fixed rate refinancing, the separate Conversion Order would authorize the conversion of the Series 2019A Bonds to a new Term Rate Period (variable rate) or to a fixed rate is being presented as a separate agenda item.

Therefore, with the potential (i) refinancing of up to \$200 million of outstanding commercial paper over the course of the year, (ii) refunding of up to \$46,870,000 of the Series 2012 Bonds (iii), refunding of up to \$81,555,000 of the Series 2019A Bonds, and (iv) issuance of up to \$100 million in new money bonds, Administration is requesting approval the Variable Rate Order. The Variable Rate Order provides for and authorizes the following:

1. The issuance of variable rate refunding bonds to refinance any outstanding commercial paper in a total principal amount not to exceed \$200,000,000;
2. The issuance of variable rate new money bonds in a principal amount not to exceed \$100,000,000;
3. The total principal amount of bonds that may be issued under the Variable Rate Order and the Fixed Rate Order (separate board agenda item) for the purpose of fixing-out outstanding commercial paper and issuing new money bonds cannot exceed \$300,000,000;
4. The issuance of variable rate refunding bonds to refund the Series 2012 Bonds in a principal amount not to exceed \$46,870,000;
5. The issuance of variable rate refunding bonds to refund the Series 2019A Bonds in a principal amount not to exceed \$81,555,000;
6. The issuance of the bonds is anticipated to be tax-exempt;
7. The bonds may be designated as green bonds;
8. The designation of the Superintendent and Chief Financial Officer as Pricing Officers authorized to establish final terms of the bonds issued under the Variable Rate Order within the parameters contained in Section 2.01 of the Variable Rate Order;
9. A maximum maturity of any bonds issued not to exceed 40 years;
10. The preparation of a Preliminary Offering Memorandum to be used in the connection with the issuance of the bonds in accordance with the District's Disclosure Strategy; and
11. The authority to issue bonds under the Variable Rate Order for one year from the date the order is executed.

The District's bond counsel, Bracewell LLP has prepared and reviewed the Variable Rate Order. The District's financial advisor, Hilltop Securities, has also reviewed the Variable Rate Order.

As required by the Fiscal and Budgetary Strategy, Exhibit A (Disclosure Strategy), approved by the Board in October 2020, the Chief Financial Officer will provide a summary of the

pricing as well as the final Official Statement to the Board for each debt transaction shortly after the transaction has priced.

Recommended by:

Dr. Christie Whitbeck  
Superintendent of Schools

Submitted by:

Bryan Guinn  
Chief Financial Officer

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ORDER  
AUTHORIZING THE ISSUANCE OF  
FORT BEND INDEPENDENT SCHOOL DISTRICT  
VARIABLE RATE UNLIMITED TAX SCHOOL BUILDING AND REFUNDING BONDS,  
WHICH MAY BE ISSUED IN ONE OR MORE SERIES

Adopted: January 24, 2022

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Schedule I Schedule of Refunded Obligation Candidates  
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AN ORDER AUTHORIZING THE ISSUANCE OF FORT BEND INDEPENDENT SCHOOL DISTRICT VARIABLE RATE UNLIMITED TAX SCHOOL BUILDING AND REFUNDING BONDS, WHICH MAY BE ISSUED IN ONE OR MORE SERIES IN ACCORDANCE WITH SPECIFIED PARAMETERS; AND ENACTING OTHER PROVISIONS RELATING THERETO

WHEREAS, there are presently outstanding certain obligations of Fort Bend Independent School District (the “District”), described on Schedule I attached hereto and incorporated herein by reference for all purposes (collectively, the “Refunded Obligation Candidates”), which are secured by and payable from ad valorem taxes levied, assessed and collected, without legal limit as to rate or amount, on property within the District in an amount sufficient to pay principal of and interest on such bonds as they become due; and

WHEREAS, it is intended that all or a portion of the Refunded Obligation Candidates shall be designated as Refunded Obligations (as hereinafter defined) in the Officer’s Pricing Certificate(s) (as hereinafter defined) and shall be refunded pursuant to this Order and the Officer’s Pricing Certificate(s); and

WHEREAS, Chapter 1207, Texas Government Code, as amended (“Chapter 1207”) authorizes the District to issue refunding bonds for the purpose of refunding or defeasing the Refunded Obligations, and to accomplish such refunding or defeasance by depositing directly with a paying agent for the Refunded Obligations (or other qualified escrow agent), the proceeds of such refunding bonds, together with other available funds, in an amount sufficient to provide for the payment or redemption of the Refunded Obligations, and provides that such deposit shall constitute the making of firm banking and financial arrangements for the discharge and final payment or redemption of the Refunded Obligations; and

WHEREAS, the District desires to authorize the execution of one or more escrow agreements or deposit agreements in order to provide for the deposit of proceeds of the refunding bonds and, to the extent specified pursuant hereto, other lawfully available funds of the District, to pay the redemption price of the Refunded Obligations when due; and

WHEREAS, upon the issuance of the refunding bonds herein authorized and the deposit of funds referred to above, the Refunded Obligations shall no longer be regarded as being outstanding, except for the purpose of being paid pursuant to such deposit, and the pledges, liens, trusts and all other covenants, provisions, terms and conditions of the orders authorizing the issuance of the Refunded Obligations shall be, with respect to the Refunded Obligations, discharged, terminated and defeased; and

WHEREAS, the Board of Trustees of the District (the “Board”) hereby finds and determines that the refunding of the Refunded Notes (as defined herein) as contemplated in this Order will benefit the District by providing long-term financing of the Refunded Notes and reducing market risks to the District, and that such benefits constitute a valid public purpose and are sufficient consideration for the refunding contemplated herein; and

WHEREAS, the Board hereby finds and determines that the refunding of the Refunded Bonds (as defined herein) as contemplated in this Order will benefit the District by providing long-term financing of the Refunded Bonds, additional market efficiencies versus the remarketing of the variable rate Refunded Bonds, allow the District to maintain its desired balance of fixed rate and variable rate interest rate exposure, and reduced market risks to the District, and that such benefits constitute a valid public purpose and are sufficient consideration for the refunding contemplated herein; and

WHEREAS, the Board hereby finds and determines that the manner in which the refunding of the Refunded Obligations is being executed does not make it practicable to make the determination required by Section 1207.008(a)(2); and

WHEREAS, the Board hereby finds and determines that it is necessary and in the best interest of the District and its citizens that it authorize by this Order the issuance and delivery of its refunding bonds at this time; and

WHEREAS, the District desires to issue, either in combination with such refunding bonds or on a stand-alone basis as part of a separate series of bonds, school building bonds voted by the voters of the District pursuant to the Constitution and laws of the State of Texas, including particularly Chapter 45 of the Texas Education Code, as amended (“Chapter 45”) at elections held within the District on November 4, 2014 (the “2014 Election”) and on November 6, 2018 (the “2018 Election,” and together with the 2014 Election, the “Elections”); and

WHEREAS, at said Elections the voters authorized the amount of school building bonds set forth below in the following schedule, such schedule also showing amounts previously issued pursuant to such voted authorization; and

Election	Amount Voted	Amount Previously Issued	Authorized but Unissued Balance
2014 Election (Proposition No. 1)	\$484,000,000	\$452,000,000	\$32,000,000
2018 Election (Proposition A)	\$992,600,000	\$570,620,000	\$421,980,000

WHEREAS, the Board does hereby determine that the school building bonds in the amounts specified in Section 2.01 of this Order should be issued as a portion and installment of school building bonds voted as Proposition No. 1 at the 2014 Election or Proposition A at the 2018 Election as identified in the pricing certificate authorizing the issuance of such bonds; and

WHEREAS, the Board has found and determined that it is necessary and in the best interest of the District and its citizens that it authorize by this Order the issuance and delivery of such school building bonds for the construction, acquisition, and equipment of school buildings in the District, including safety and security and technology infrastructure, for the purchase of necessary sites for school buildings, and for the purchase of new school buses; and

WHEREAS, the school building bonds are authorized to be issued pursuant to Chapter 45; and

WHEREAS, the District has a principal amount of at least \$100,000,000 in a combination of outstanding long-term indebtedness and long-term indebtedness proposed to be issued, and some amount of such long-term indebtedness is rated in one of the four highest rating categories for long-term debt instruments by a nationally recognized rating agency for municipal securities without regard to the effect of any credit agreement or other form of credit enhancement entered into in connection with the obligation, and therefore qualifies as an “Issuer” under Chapter 1371 of the Texas Government Code, as amended (“Chapter 1371”); and

WHEREAS, the Board has determined to authorize the issuance of bonds bearing interest at a variable rate or rates per annum and to authorize and direct an authorized officer of the District to act on behalf of the District to determine the terms and conditions, within the parameters as herein set forth, to be satisfied in selling and delivering the bonds and in carrying out the other procedures specified in this Order as authorized under Chapter 1207 and Chapter 1371; and

WHEREAS, the meeting at which this Order is being considered is open to the public as required by law, and the public notice of the time, place and purpose of said meeting was given as required by Chapter 551, Texas Government Code; NOW, THEREFORE

BE IT ORDERED BY THE BOARD OF TRUSTEES OF FORT BEND INDEPENDENT SCHOOL DISTRICT:

**ARTICLE I  
DEFINITIONS AND OTHER PRELIMINARY MATTERS**

Section 1.01. Definitions. Unless otherwise expressly provided in this Order, or unless the context clearly requires otherwise, the following terms shall have the meanings specified below:

“Acts” means Chapter 45, Chapter 1207 and Chapter 1371.

“Additional Mandatory Redemption” shall mean the mandatory redemptions described in Section 5.04 of this Order.

“Authorized Denominations” shall mean, unless otherwise provided in an Officer’s Pricing Certificate, (a) with respect to Bonds bearing interest at the Initial Rate, \$5,000 and integral multiples thereof; (b) with respect to Bonds bearing interest at a Flexible Rate or a Variable Rate (other than the Initial Rate and the Term Rate), \$100,000 and any integral multiple of \$5,000 in excess thereof; and (c) with respect to Bonds bearing interest at a Term Rate or a Fixed Rate, \$5,000 and integral multiples thereof.

“Bank” shall mean the provider (one or more) from time to time of any Liquidity Facility relating to the Bonds or any subseries thereof.

“Bank Rate” shall have the meaning given such term in a Liquidity Facility at any one time in effect.

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

“Bonds” shall mean the “Fort Bend Independent School District Variable Rate Unlimited Tax School Building and Refunding Bonds” or any series, subseries, tranche or maturity thereof, as the context requires, authorized for issuance pursuant to the terms of this Order and as further described in the Officer’s Pricing Certificate.

“Bond Counsel” means Bracewell LLP or such other nationally recognized bond counsel engaged by the District from time to time.

“Book-Entry Only System” shall mean the system maintained by the securities depository described in Sections 2.07 and 2.09.

“Business Day” shall mean any day other than (a) a Saturday, Sunday or legal holiday, or (b) a day on which banking institutions located in New York, New York, Houston, Texas, or in any city in which the corporate trust office or designated payment/transfer office of the Paying Agent/Registrar, the Tender Agent or the Bank or the primary office of the Remarketing Agent are located, are required or authorized by law to remain closed, or (c) a day on which the New York Stock Exchange or DTC is closed.

“Chapter 45” shall mean Chapter 45, Texas Education Code, as amended.

“Chapter 1207” shall mean Chapter 1207, Texas Government Code, as amended.

“Chapter 1371” shall mean Chapter 1371, Texas Government Code, as amended.

“Code” shall mean the Internal Revenue Code of 1986, as amended, and, with respect to a specific section thereof, such reference shall be deemed to include (a) the Regulations promulgated under such section, (b) any successor provision of similar import hereafter enacted, (c) any corresponding provision of any subsequent Internal Revenue Code and (d) the regulations promulgated under the provisions described in (b) and (c).

“Conversion Date” shall mean: (a) with respect to Bonds converted to the Fixed Rate Period, the Fixed Rate Conversion Date; (b) with respect to Bonds converted to a particular type of Variable Rate Period, the Weekly Rate Conversion Date, the Monthly Rate Conversion Date, the Quarterly Rate Conversion Date, the Semiannual Rate Conversion Date and the Term Rate Conversion Date, as applicable; and (c) with respect to Bonds converted to a Flexible Rate Period or Periods, the Flexible Rate Conversion Date.

“Costs of Credit Agreements” shall mean, collectively, Costs of Liquidity Facility, any fees of the Remarketing Agent, any fees of the Tender Agent, and any other costs, fees or expenses with respect to or in connection with a Liquidity Facility, the Remarketing Agreement, the Tender Agent Agreement and any other Credit Agreement entered into in connection with the Bonds.

“Costs of Liquidity Facility” shall mean the obligations of the District to a Bank due or to become due under a Liquidity Facility or under the Purchased Bonds.

“Credit Agreement” has the meaning assigned to that term by Section 1371.001(1), Texas Government Code, as amended.

“Dated Date” shall have the dated date of the Bonds set forth in the Officer’s Pricing Certificate.

“District” shall mean the Fort Bend Independent School District, located in Fort Bend County, Texas.

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

“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.

“Escrow Agent” shall mean the Escrow Agent designated in the Officer’s Pricing Certificate.

“Escrow Agreement” shall mean that certain Escrow Agreement between the District and the Escrow Agent pertaining to the Refunded Obligations.

“Escrow Fund” shall mean the fund by that name established pursuant to the Escrow Agreement.

“Escrow Securities” means (1) direct noncallable obligations of the United States, including obligations that are unconditionally guaranteed by the United States; (2) noncallable obligations of an agency or instrumentality of the United States, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date of hereof, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent; and (3) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and that, on the date hereof, are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent.

“Event of Default” shall mean any event of default as defined in Section 11.01 of this Order.

“Excess Interest Funds” shall mean Subsection (a) Excess Interest Funds and/or Subsection (b) Excess Interest Funds, as context requires.

“Financial Obligation” shall mean a (i) debt obligation, (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (iii) guarantee of a debt obligation or any such derivative instrument; provided that “financial obligation” shall not include municipal securities as to which a final official statement (as defined in the Rule) has been provided to the MSRB consistent with the Rule.

“Fitch” shall mean Fitch Ratings, and its successors and assigns.

“Fixed Rate” shall mean the per annum rate or rates of interest the Bonds shall bear during the Fixed Rate Period pursuant to Section 3.04.

“Fixed Rate Conversion Date” shall mean the date on which the Bonds are converted to bear interest at the Fixed Rate pursuant to Section 3.04.

“Fixed Rate Order” shall mean the order of the District dated the date hereof entitled “An Order Authorizing the Issuance of Fort Bend Independent School District Unlimited Tax School Building and Refunding Bonds, Which May Be Issued in One or More Series in Accordance with Specified Parameters; and Enacting Other Provisions Relating Thereto.”

“Fixed Rate Period” shall mean the period beginning on a Fixed Rate Conversion Date and ending at the stated maturity or maturities of the Bonds, during which Bonds bear interest at one or more Fixed Rates.

“Flexible Rate” shall mean, with respect to any particular Bond, the per annum interest rate determined for each Flexible Rate Period applicable thereto pursuant to Section 3.03.

“Flexible Rate Conversion Date” shall mean the date on which the Bonds are converted to bear interest at Flexible Rates pursuant to Section 3.03(b).

“Flexible Rate Period” shall mean each period (not less than 7 calendar days and not exceeding 270 calendar days) during which a Bond bears interest at a Flexible Rate.

“Government Securities” shall mean (i) direct noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States, (ii) noncallable obligations of an agency or instrumentality of the United States, including obligations unconditionally guaranteed or insured by the agency or instrumentality and are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, (iii) noncallable obligations of a state or an agency or a county, municipality, or other political subdivision of a state that have been refunded and are rated as to investment quality by a nationally recognized investment rating firm not less than AAA or its equivalent, and (iv) any other then authorized securities or obligations under applicable State law in existence on the date the Board adopts or approves any proceedings authorizing the defeasance of the Bonds or the issuance of refunding bonds that may be used to defease the Bonds.

“Highest Lawful Rate” shall mean with respect to the Bonds, the lesser of (a) 15% per annum or (b) the maximum net effective interest rate permitted by law to be paid thereon as provided by Section 1204.006, Texas Government Code, as amended, or any successor statute.

“Initial Bond” shall mean the initial Bond (one or more) authorized by Section 2.04(d) of this Order.

“Initial Rate” shall mean the initial interest rate or rates the Bonds (which may include separate rates for separate maturities of the Bonds) shall bear during the Initial Rate Period(s). The Initial Rate(s) shall be set forth in the Officer’s Pricing Certificate.

“Initial Rate Period” shall mean the period (or periods) commencing on the Issuance Date and ending on the date (or dates) specified as such in the Officer’s Pricing Certificate.

“Interest and Sinking Fund” shall mean the interest and sinking fund established by Section 2.14 of this Order.

“Interest Payment Date” shall mean, unless otherwise provided in the Officer’s Pricing Certificate: (a) with respect to Bonds bearing interest at the Initial Rate, each February 1 and August 1 during the Initial Rate Period, beginning on the first such date occurring after the Issuance Date, (b) with respect to Bonds bearing interest at the Weekly Rate or Monthly Rate, the first Business Day of each calendar month beginning on the first such date occurring after the Weekly Rate Conversion Date or Monthly Rate Conversion Date, as applicable; (c) with respect to Bonds bearing interest at the Quarterly Rate, the first Business Day of the third calendar month following the month in which the Quarterly Rate Conversion Date occurs and the first Business Day of each third calendar month thereafter; (d) with respect to Bonds bearing interest at the Term Rate, each February 1 and August 1, beginning on the first such date occurring after the Term Rate Conversion Date; (e) with respect to Bonds bearing interest at the Semiannual Rate, the first day of the sixth calendar month following the month in which the Semiannual Rate Conversion Date occurs and the first day of each sixth month thereafter; (f) with respect to Bonds bearing interest at the Fixed Rate, each February 1 and August 1, beginning on the first such date occurring after the Fixed Rate Conversion Date; (g) with respect to any particular Bond bearing interest at a Flexible Rate for a Flexible Rate Period of 183 days or shorter, the first Business Day after the last day of each such Flexible Rate Period; (h) with respect to any particular Bond bearing interest at a Flexible Rate for a Flexible Rate Period of longer than 183 days, each February 1 and August 1 occurring within such Flexible Rate Period, beginning on the first such date occurring after the applicable Flexible Rate Conversion Date, and the first Business Day after the last day of such Flexible Rate Period; (i) with respect to the Purchased Bonds, the respective dates set forth in a Liquidity Facility; (j) each mandatory tender date pursuant to Sections 4.05 and 4.06 of this Order; (k) each Conversion Date, in the event such date is not an Interest Payment Date established pursuant to the preceding clauses (a) through (j); and (l) with respect to Bonds bearing interest in any Rate Period, the maturity date for the Bonds or scheduled mandatory sinking fund redemption dates for the Bonds subject to mandatory sinking fund redemption.

“Issuance Date” shall mean the date of the initial delivery of and payment for the Bonds by the Underwriter.

“Liquidity Facility” shall mean a loan agreement, revolving credit agreement, agreement establishing a line of credit, letter of credit, reimbursement agreement, insurance contract, commitment to purchase obligations, purchase or sale agreement, or any similar agreement with a Bank for the provision of liquidity on the Bonds. The District shall not obtain a Liquidity Facility unless it first receives an Opinion of Bond Counsel. If a Liquidity Facility to be obtained by the District in connection with the Bonds constitutes a Credit Agreement, the proceedings of the District authorizing such Liquidity Facility shall be submitted to the Attorney General for approval to the extent required by Chapter 1371, Texas Government Code, as amended. There shall be no Liquidity Facility with respect to Bonds in an Initial Rate Period, and, unless otherwise determined by a Pricing Officer in accordance with the provisions of this Order, there shall be no Liquidity Facility with respect to Bonds converted to a Term Rate Period following an Initial Rate Period.

“Maximum Rate” shall mean the rate of interest therefor set forth in the Officer’s Pricing Certificate, but not greater than the rate set forth in Section 2.01(b), unless increased by an order adopted by the Board; provided, that in no event may it exceed the Highest Lawful Rate. Regardless of such approval by the Board, no rate of interest higher than the Maximum Rate shall be effective unless and until (i) the District and the Bank amend any Liquidity Facility accordingly, (ii) the District is able to demonstrate that the District has the projected ability to pay the principal and interest on the Bonds assuming such higher interest rate in the manner required by Section 45.0031, Texas Education Code, or any successor statute in effect at such time, and (iii) the District shall have delivered to the Paying Agent/Registrar and the Remarketing Agent an Opinion of Bond Counsel.

“Monthly Rate” shall mean the per annum interest rate to be determined for the Bonds on a monthly basis during a Monthly Rate Period pursuant to Section 3.02(c).

“Monthly Rate Conversion Date” shall mean the day on which the Bonds are converted to bear interest at a Monthly Rate pursuant to Section 3.02(g) or (h).

“Monthly Rate Period” shall mean each period during which the Bonds bear interest at a Monthly Rate.

“Moody’s” shall mean Moody’s Investors Services, Inc., and its successors and assigns.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Notice of Termination” shall mean receipt by the District of a notice from the Bank of the occurrence of an event of default under the applicable provisions of a Liquidity Facility and the Bank has elected to terminate the Liquidity Facility.

“Officer’s Pricing Certificate” shall mean a certificate signed by a Pricing Officer and containing the information regarding the Bonds substantially in the form of Exhibit A hereto or a certificate signed by a Pricing Officer in connection with the remarketing or conversion of or other change to the Bonds in accordance with the provisions of this Order.

“Opinion of Bond Counsel” means an opinion of nationally recognized bond counsel addressed to the District and the Paying Agent/Registrar and stating, unless otherwise specified herein, that the action proposed to be taken is authorized or permitted by this Order and State law and does not adversely affect the excludability of interest on the Bonds from gross income for federal income tax purposes.

“Order” shall mean this order authorizing the issuance of the Bonds, as the same may be amended or supplemented from time to time in accordance with the terms hereof.

“Outstanding” shall mean when used to modify Bonds, Bonds issued, authenticated and delivered under this Order, excluding (i) Bonds which have been exchanged or replaced or otherwise surrendered for cancellation, (ii) Bonds which have been paid, (iii) Bonds which have become due and for the payment of which money has been duly provided, (iv) Bonds deemed tendered for purchase and not delivered to the Tender Agent on the applicable purchase date,

provided sufficient funds for payment of the Purchase Price are on deposit with the Tender Agent, and (v) Bonds that have been refunded, discharged or defeased in accordance with applicable law.

“Owner” shall mean the person who is the registered owner of a Bond or Bonds, as shown in the Register, including any Bank as the purchaser of Purchased Bonds pursuant to a Liquidity Facility.

“Paying Agent/Registrar” shall mean, the paying agent/registrar for the Bonds designated in the Officer’s Pricing Certificate, or any successor thereto as provided in this Order.

“Payment Fund” shall mean the fund described in Section 4.01(d)(ii) hereof.

“Pricing Officer” shall mean the person serving as either Superintendent of the District or the Chief Financial Officer of the District, whether in a permanent capacity or in an interim capacity.

“Purchase Contract” means one or more purchase contracts between the District and the Underwriter pertaining to the sale of the Bonds.

“Purchase Price” shall mean, with respect to each Bond (or any portion thereof) tendered for purchase pursuant to Article IV hereof, the par amount thereof, plus accrued but unpaid interest thereon to the date of purchase; provided, however, that accrued interest will not be taken into account in the computation of the Purchase Price with respect to the Bonds if the applicable date of purchase is an Interest Payment Date.

“Purchased Bonds” shall mean the Bonds purchased by the Bank pursuant to the terms of a Liquidity Facility from and including the date as of which the Bonds are purchased by the Bank to, but not including, the earliest of (a) their maturity or redemption or their satisfaction and discharge by other means, (b) their remarketing by the Remarketing Agent pursuant to this Order and the Remarketing Agreement, or (c) their conversion to a Fixed Rate Period or to a Term Rate Period for which a Liquidity Facility has not been provided. Purchased Bonds may be separately defined in a Liquidity Facility.

“Quarterly Rate” shall mean the per annum interest rate to be determined for the Bonds on a quarterly basis pursuant to Section 3.02(d).

“Quarterly Rate Conversion Date” shall mean the date on which the Bonds are converted to bear interest at a Quarterly Rate pursuant to Section 3.02(g) or (h).

“Quarterly Rate Period” shall mean the period during which the Bonds bear interest at a Quarterly Rate.

“Rate Determination Date” shall mean the date on which the Remarketing Agent determines the rate of interest to be borne by Bonds bearing interest at a Variable Rate pursuant to Section 3.02(b), (c), (d), (e), or (f), or by Bonds bearing interest at a Flexible Rate pursuant to Section 3.03(a), as applicable.

“Rate Period” shall mean the period during which the Bonds (which may include separate Rate Periods for separate maturities of the Bonds) bear interest at a Variable Rate, a Flexible Rate or a Fixed Rate pursuant to Article III.

“Rating Agency” shall mean Moody’s, S&P or Fitch or any other national credit rating agency then rating the Bonds at the request of the District.

“Record Date” shall mean, unless otherwise provided in an Officer’s Pricing Certificate, (i) with respect to Bonds bearing interest at a Weekly Rate, Monthly Rate, Quarterly Rate, Flexible Rate, Initial Rate or Term Rate, the close of business on the Business Day immediately preceding the Interest Payment Date and (ii) with respect to Bonds bearing interest at a Semiannual Rate or a Fixed Rate the close of business on the first day of the month in which such Interest Payment Date occurs.

“Refunded Bonds” means those unlimited tax bonds designated as such in the Pricing Certificate from the list of Refunded Obligation Candidates described in Schedule I attached hereto.

“Refunded Notes” means those unlimited tax commercial paper notes designated as such in the Officer’s Pricing Certificate from the list of Refunded Obligation Candidates described in Schedule I attached hereto.

“Refunded Obligation Candidates” means the obligations of the District described in Schedule I attached hereto which are hereby authorized to be designated as Refunded Obligations in the Officer’s Pricing Certificate.

“Refunded Obligations” means the Refunded Bonds and/or the Refunded Notes.

“Register” shall mean the Register specified in Section 2.06(a) of this Order.

“Regulations” means the applicable proposed, temporary or final Treasury Regulations promulgated under the Code or, to the extent applicable to the Code, under the Internal Revenue Code of 1954, as such regulations may be amended or supplemented from time to time.

“Remarketing Agent” shall mean the remarketing agent for the Bonds designated in the Officer’s Pricing Certificate, or such other party selected from time to time by the District to serve as remarketing agent for the Bonds while the Bonds are Outstanding in a Variable Rate Period or a Flexible Rate Period.

“Remarketing Agreement” shall mean the Remarketing Agreement as in effect from time to time between the District and the Remarketing Agent pertaining to the Bonds.

“Representation Letter” means the Blanket Letter of Representations between the District and DTC.

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

“S&P” shall mean S&P Global Ratings, a division of Standard and Poor’s Financial Services LLC business, and its successors and assigns.

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

“Semiannual Rate” shall mean the per annum interest rate to be determined for the Bonds on a semiannual basis during a Semiannual Rate Period pursuant to Section 3.02(e).

“Semiannual Rate Conversion Date” shall mean the day on which the Bonds are converted to bear interest at a Semiannual Rate pursuant to Section 3.02(g) or (h).

“Semiannual Rate Period” shall mean each period during which the Bonds bear interest at a Semiannual Rate.

“Special Record Date” has the meaning assigned to such term in Section 2.03(g) of this Order.

“State” shall mean the State of Texas.

“Stated Expiration Date” shall mean, with respect to a Liquidity Facility, the stated date of expiration specified in such Liquidity Facility (or if such day is not a Business Day, the Business Day next succeeding such day), as such date may be extended from time to time in accordance with the provisions of such Liquidity Facility.

“Stepped Rate” shall mean the per annum rate of interest for the Bonds during the Stepped Rate Period(s) as specified in an Officer’s Pricing Certificate, which Stepped Rate shall never exceed the Maximum Rate.

“Stepped Rate Period” shall mean each period during which the Bonds bear interest at the Stepped Rate, which shall commence on a mandatory tender date that is rescinded for such Bonds in accordance with the provisions of Section 4.03(g) or Section 4.08, as applicable, and shall continue through a subsequent redemption, conversion or remarketing of such Bonds in accordance with the provisions of this Order.

“Subsection (a) Excess Interest Funds” shall have the meaning ascribed thereto in Section 5.04(a) of this Order.

“Subsection (b) Excess Interest Funds” shall have the meaning ascribed thereto in Section 5.04(b) of this Order.

“Tender Agent” shall mean the tender agent for the Bonds designated in the Officer’s Pricing Certificate, or any successor thereto as provided in this Order.

“Tender Agent Agreement” shall mean the Tender Agent Agreement as in effect from time to time among the District, the Tender Agent and the Remarketing Agent pertaining to the Bonds.

“Term Rate” shall mean the per annum interest rate to be determined for the Bonds and effective for a period of no less than nine (9) months during a Term Rate Period pursuant to Section 3.02(f) of this Order.

“Term Rate Conversion Date” shall mean the day the Bonds are converted to bear interest at a Term Rate pursuant to Section 3.02(g) or (h) of this Order, including a conversion from a Term Rate Period to a new Term Rate Period (of the same or a different duration as the then-expiring Term Rate Period) pursuant to the provisions of this Order.

“Term Rate Period” shall mean each period during which the Bonds bear interest at a Term Rate.

“Unclaimed Payments” shall mean money deposited with the Paying Agent/Registrar for the payment of principal, redemption premium, if any, or interest on the Bonds as the same come due and payable, or money set aside for the payment of Bonds duly called for redemption prior to maturity, or for payment of the Purchase Price of Bonds, which money is not claimed by the Owners of such Bonds.

“Undelivered Bonds” shall mean Bonds which are required to be delivered to the Tender Agent pursuant to the terms of this Order and which are not in fact delivered.

“Underwriter” shall mean the underwriters (whether one or more) designated in the Officer’s Pricing Certificate.

“Variable Rate” shall mean, as the context requires, the Initial Rate, the Weekly Rate, the Monthly Rate, the Quarterly Rate, the Semiannual Rate, or Term Rate applicable to the Bonds.

“Variable Rate Conversion Date” shall mean the day the Bonds are converted to bear interest at a Variable Rate pursuant to Section 3.02(g) or (h).

“Variable Rate Period” shall mean each period during which the Bonds bear interest at a Variable Rate.

“Weekly Rate” shall mean the per annum interest rate to be determined for the Bonds on a weekly basis during a Weekly Rate Period pursuant to Section 3.02(b).

“Weekly Rate Conversion Date” shall mean the day the Bonds are converted to bear interest at a Weekly Rate pursuant to Section 3.02(g) or (h).

“Weekly Rate Period” shall mean the period during which the Bonds bear interest at a Weekly Rate.

Section 1.02. Table of Contents Titles, and Headings. The table of contents, titles, and headings of the Articles and Sections of this Order have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Order or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.03. Interpretation.

(a) Unless the context requires otherwise, words of the masculine gender shall be construed to include correlative words of the feminine and neuter genders and vice versa, and words of the singular number shall be construed to include correlative words of the plural number and vice versa.

(b) This Order and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein.

(c) Unless expressly provided otherwise, all references to article and section numbers herein shall be to the article and section numbers of this Order.

**ARTICLE II**  
**AUTHORIZATION; GENERAL TERMS;**  
**TAX LEVY; INTEREST AND SINKING FUND**

Section 2.01. Authorization.

(a) The Bonds, which may be designated “Fort Bend Independent School District Variable Rate Unlimited Tax School Building and Refunding Bonds,” have such other series designations or titles as may be designated in the Officer’s Pricing Certificate(s), and be issued from time to time in one or more tranches, series or subseries, all as designated in the Officer’s Pricing Certificate(s), are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State, including particularly the Acts. The total principal amount of Bonds to be issued from time to time pursuant to this Order (x) to provide funds for the construction, acquisition and equipment of school buildings in the District, including safety and security and technology infrastructure for the District, for the purchase of necessary sites for school buildings, for the purchase of new school buses, and to pay the costs of issuing the Bonds shall not exceed \$100,000,000; (y) to provide funds for the refunding of the Refunded Notes and to pay the costs of issuing the Bonds shall not exceed \$200,000,000; and (z) to provide funds for the refunding of the Refunded Bonds and to pay the costs of issuing the Bonds shall not exceed \$128,425,000. The combined total principal amount of Bonds issued under this Order shall not exceed \$428,425,000. Concurrently with the adoption of this Order, the Board has adopted the Fixed Rate Order. The combined total principal amount of bonds issued under this Order for the new money purposes described in Section 2.01(a)(x), above, and under the Fixed Rate Order for the new money purposes described in Section 3.01(a) thereof shall not exceed \$100,000,000; the combined total principal amount of bonds issued under this Order for the refunding of the Refunded Notes described in Section 2.01(y), above, and under the Fixed Rate Order for the refunding of the Refunded Notes described in Section 3.01(b) thereof shall not exceed \$200,000,000; and the combined total principal amount of bonds issued under this Order for the refunding of the Refunded Bonds described in Section 2.01(a)(z), above, and under the Fixed Rate Order for the refunding of the Refunded Bonds described in Section 3.01(c) thereof shall not exceed \$128,425,000. (For example, if the District issues \$100,000,000 in new money bonds under Section 2.01(a)(x) of this Order and \$200,000,000 for the refunding of the Refunded Notes under Section 2.01(a)(y) of this

Order, then the District may not issue any new money bonds under Section 3.01(a) of the Fixed Rate Order, or any Bonds for the refunding of the Refunded Notes under Section 3.01(b) of the Fixed Rate Order). Further, the combined total principal amount of bonds issued under this Order for the purposes specified in Sections 2.01(a)(x), (y) and (z), and under the Fixed Rate Order for the purposes specified in Sections 3.01(a), (b) and (c) shall not exceed \$428,425,000.

(b) As authorized by Chapter 1207 and Chapter 1371, the Pricing Officer is hereby authorized to act on behalf of the District in selling and delivering the Bonds, in one or more tranches, series or subseries, and carrying out the other procedures specified in this Order including, without limitation, determining the principal amount of Bonds to be sold under this Order; the date and price at which the Bonds will be sold; whether each series of Bonds will be issued as new money bonds, refunding bonds, or a combination of new money and refunding bonds; the Refunded Obligation Candidates to be refunded; the Issuance Date and Dated Date; whether and how many tranches, series or subseries in which the Bonds may be issued and the appropriate distinguishing designations for each such tranche, series or subseries; whether each series of Bonds will be designated as “green bonds;” the year(s) in which the Bonds will mature; whether individual maturities shall bear interest at the same interest rate or in the same Rate Period; the Initial Rate(s) for the Bonds; the duration of the Initial Rate Period(s); the Stepped Rate; the Maximum Rate; any optional and mandatory sinking fund redemption provisions; adjustments to the defeasance provisions; and all other matters relating to the issuance, sale and delivery of the Bonds, including without limitation, obtaining the Permanent School Fund Guarantee for the Bonds, if available, and/or procuring municipal bond insurance, and approving modifications to this Order provided that:

(i) the net effective interest rate or rates for the Initial Rate Period(s) (as the same may relate to one or more tranches, series or subseries of Bonds, as applicable and as determined by a Pricing Officer) shall not exceed 10.00%;

(ii) the Officer’s Pricing Certificate for each series of Bonds issued shall indicate the amount of authorized but unissued new money bonds that remain available to the District from the applicable voted authorization following the issuance of the Bonds approved in the Officer’s Pricing Certificate;

(iii) the Officer’s Pricing Certificate for each series of Bonds issued shall indicate the amount of new money and refunding authority remaining under Section 2.01 of this Order and Section 3.01 of the Fixed Rate Order, if any, following the issuance of such series of Bonds;

(iv) the Officer’s Pricing Certificate for the Bonds issued in whole or in part to refund the District’s outstanding commercial paper notes shall indicate the amount of voted authorization previously used to issue such Refunded Obligations;

(v) the final maturity of the Bonds shall not exceed forty (40) years from the date of delivery thereof;

- (vi) the Stepped Rate shall not exceed 10.00%;
- (vii) the Maximum Rate shall not exceed 10.00%; and

(viii) the authority conferred by this Section in connection with the execution of the Purchase Contract for the initial issuance of the Bonds shall expire at 11:59 p.m., Central time, one year from the date of this Order (the “Expiration Date”). Bonds sold pursuant to a Purchase Contract executed on or prior to the Expiration Date may be delivered after the Expiration Date.

Any finding by the Pricing Officer relating to the sale and delivery of the Bonds shall have the same force and effect as a finding or determination made by the Board.

Section 2.02. Date, Denomination, Maturities, and Interest.

(a) The Bonds shall be dated the Dated Date. The Bonds shall be in fully registered form, without coupons, in Authorized Denominations, and the Initial Bonds shall each be numbered I-1 and the definitive Bonds shall be numbered separately from R-1 upward in order of their authentication. The Bonds shall mature on the dates and in the amounts set forth in the Officer’s Pricing Certificate.

(b) Interest shall accrue on each Bond respectively until its maturity or prior redemption from the later of the Issuance Date or the most recent Interest Payment Date to which interest has been paid or duly provided for, at the rate or rates per annum all as specified in Article III of this Order and shall be paid on each Interest Payment Date and such other dates on which interest is due and payable on the Bonds pursuant to the provisions of this Order. Interest on Bonds bearing interest at a Weekly Rate, Monthly Rate, Quarterly Rate or Flexible Rate will be calculated on the basis of a 365-day or 366-day year, as applicable, for the actual number of days elapsed. Interest on Bonds bearing interest at the Initial Rate or at a Semiannual Rate, Term Rate or Fixed Rate shall be calculated on the basis of a 360-day year composed of 12 months of 30 days each. Interest on Purchased Bonds shall bear interest at the applicable Bank Rate and shall be calculated and payable as provided in Section 3.05 of this Order. Unless otherwise provided in the Officer’s Pricing Certificate, interest on the Bonds bearing interest at the Stepped Rate will be calculated on the basis of a 365-day year or a 366-day year, as applicable, for the actual number of days elapsed.

Section 2.03. Medium, Method, and Place of Payment.

(a) The principal of, redemption premium, if any, and interest on the Bonds shall be paid in lawful money of the United States of America.

(b) Interest on the Bonds shall be payable to the Owners appearing in the Register at the close of business on the Record Date.

(c) Other than as provided in Section 2.08 with respect to Bonds held in the Book-Entry Only System, principal and interest shall be paid (i) with respect to Bonds bearing interest at Flexible Rates or at a Weekly Rate, Monthly Rate or Quarterly Rate, by

federal funds by wire transfer within the continental United States upon written instruction from the Owner to the Paying Agent/Registrar, and otherwise by check dated the Interest Payment Date and mailed by first class mail, and (ii) with respect to Bonds bearing interest at the Initial Rate, Term Rate, Semiannual Rate or Fixed Rate, by check, dated as of the Interest Payment Date, and sent by first class mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address shown in the Register, or by such other customary banking arrangement acceptable to the Paying Agent/Registrar at the request of and at the risk and expense of the Owner.

(d) The principal of each Bond shall be paid to the Owners when due, whether at the maturity date or the date of prior redemption, only upon presentation and surrender of such Bond at the designated office of the Paying Agent/Registrar.

(e) If the date for the scheduled payment of the principal of or interest on the Bonds is not a Business Day, the date for such payment shall be the next succeeding Business Day and payment on such date shall for all purposes be deemed to have been made on the due date thereof and no interest shall accrue on such payments in the interim.

(f) Unless otherwise provided in this Order, in the event that the day on which any act or function is to be performed or done is not a Business Day, such act or function shall be performed or done on the next succeeding Business Day. For purposes of illustration and without limiting the generality of the foregoing, in the event any mandatory tender date or Conversion Date established by the provisions of this Order for any Bond is not a Business Day, the respective mandatory tender and/or conversion of the Rate Period for such Bond, as applicable, shall occur on the next succeeding Business Day, and the Rate Period then in effect for such Bond shall be deemed to have been extended to end on the day immediately preceding such Business Day established for the performance of such mandatory tender and/or conversion of such Bond.

(g) In the event of a nonpayment of interest on a scheduled payment date, and for thirty (30) days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the District. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner appearing on the Register at the close of business on the last Business Day next preceding the date of mailing of such notice.

(h) Unclaimed Payments that remain unclaimed by the Owners for ninety (90) days after the applicable payment or redemption date shall be held in trust, uninvested by the Paying Agent/Registrar or Tender Agent, as applicable, for the account of the Owners of the Bonds to which the Unclaimed Payments pertain. Unclaimed Payments remaining unclaimed by the Owners entitled thereto for three (3) years after the applicable payment or redemption date shall be reported and disposed of by the Paying Agent/Registrar or Tender Agent, as applicable in accordance with the applicable provisions of Texas law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

Section 2.04. Execution and Registration of Bonds.

(a) The Bonds shall be executed on behalf of the District by the President or Vice President and Secretary of the Board, by their manual 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 said 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.

(b) If any officer of the District whose manual or facsimile signature appears on the Bonds ceases to be such officer before the authentication of such Bonds or before the delivery thereof, such manual or facsimile signature nevertheless shall be valid and sufficient for all purposes as if such officer had remained in such office.

(c) Except for the Initial Bonds, which need not be authenticated if such Initial Bonds bear the executed Certificate of Registration by the Comptroller of the State, no Bond shall be valid or obligatory for any purpose or be entitled to any security or benefit of this Order unless there appears thereon the Certificate of Paying Agent/Registrar substantially in the form provided herein, duly authenticated by manual execution by an officer or duly authorized signatory of the Paying Agent/Registrar.

(d) On the Issuance Date, one Initial Bond representing the aggregate principal amount of each series, subseries or tranche of the Bonds having the same Initial Rate Period and Initial Rate, payable to the Underwriter, or its designee, executed by the manual or facsimile signature of the President or Vice President and Secretary of the Board, approved by the Attorney General of the State, and registered by the Comptroller of Public Accounts of the State by registration certificate attached or affixed thereto, will be delivered to the Underwriter or its designee. Upon payment for the Initial Bonds, the Paying Agent/Registrar shall cancel the Initial Bonds and deliver definitive Bonds to DTC in exchange therefor, registered in the name of Cede & Co., as nominee of DTC, as set forth in Section 2.07. The District and the Paying Agent/Registrar are authorized to execute, deliver, and take the actions set forth in such letters to or agreements with DTC as shall be necessary to effectuate DTC's Book-Entry Only System. To the extent the Paying Agent/Registrar is eligible to participate in DTC's FAST System, as evidenced by agreement between the Paying Agent/Registrar and DTC, the Paying Agent/Registrar shall hold the definitive Bonds in safekeeping for DTC.

Section 2.05. Ownership.

(a) The District, the Paying Agent/Registrar, the Tender Agent and any other person may treat the person whose name appears in the Register as the registered owner of any Bond as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof and redemption premium, if any, thereon, for the further purpose of making and receiving payment of the interest thereon (except interest shall be paid to the person in whose name the Bond is registered on the Record Date), and for all other purposes, whether or not such Bond is overdue, and none of the District, the Paying

Agent/Registrar or the Tender Agent shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of a Bond 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.

Section 2.06. Registration, Transfer, and Exchange.

(a) While any Bonds remain Outstanding, the District shall cause the Paying Agent/Registrar to keep the Register, in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall record the names and addresses of the Owners of the Bonds and information relating the payment and transfer of Bonds in accordance with this Order.

(b) The ownership of a Bond may be transferred only upon the presentation and surrender of the Bond at the designated trust office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar. No transfer of any Bond shall be effective until entered in the Register.

(c) The Bonds shall be exchangeable upon the presentation and surrender thereof at the designated office of the Paying Agent/Registrar for a Bond or Bonds of the same maturity and interest rate and in any Authorized Denomination and in an aggregate principal amount equal to the unpaid principal amount of the Bonds presented for exchange. The Paying Agent/Registrar is hereby authorized to authenticate and deliver Bonds exchanged for other Bonds in accordance with this Section.

(d) Each exchange Bond delivered by the Paying Agent/Registrar 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 exchange Bond is delivered.

(e) No service charge shall be made to the Owner for the initial registration, any subsequent transfer or exchange for a different denomination of any of the Bonds. The Paying Agent/Registrar, as applicable, however, may require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, or exchange of a Bond.

(f) Following the Fixed Rate Conversion Date for any Bond, neither the District nor the Paying Agent/Registrar shall be required to issue, transfer, or exchange any such Bond called for redemption prior to maturity, in whole or in part, within thirty (30) days prior to the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled principal balance of a Bond.

Section 2.07. Book-Entry Only System.

(a) The definitive Bonds of each series, subseries or tranche, shall be initially issued in the form of a single fully registered Bond for each Initial Rate Period and bearing interest at the same Initial Rate. Upon initial issuance, the ownership of such definitive

Bonds shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 2.09 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.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the District, the Tender Agent and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the District, the Tender Agent and the Paying Agent/Registrar shall have no responsibility or obligation with respect to

(i) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Bonds,

(ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or

(iii) the payment to any DTC Participant or any other person, other than an Owner, as shown on the Register of any amount with respect to principal of Bonds, premium, if any, or interest on the Bonds.

(c) Notwithstanding any other provision of this Order to the contrary, the District, the Tender Agent 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 of, premium, if any, and interest on the 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 and the Tender Agent shall pay all principal 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 payments of principal, premium, if any, and 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.

(d) The Representation Letter previously executed and delivered by the District and applicable to the District's obligations delivered in book-entry-only form to DTC as securities depository is hereby ratified and approved for the Bonds.

Section 2.08. Payments and Notices to Cede & Co. Notwithstanding any other provision of this Order to the contrary, while any Bonds are registered in the name of Cede & Co.,

as nominee of DTC, all payments with respect to principal of, 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.

Section 2.09. Successor Securities Depository; Transfer 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 certificated 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 Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Order.

Section 2.10. Variable Rate and Flexible Rate Bonds Held in Book-Entry Only System. This Section 2.10 shall apply with respect to tenders and purchases of Variable Rate and Flexible Rate Bonds held in the Book-Entry Only System. The Remarketing Agent will transfer proceeds from the remarketing of tendered Variable Rate or Flexible Rate Bonds directly to DTC to be distributed in accordance with DTC's normal procedures. Evidence of beneficial ownership in Variable Rate or Flexible Rate Bonds purchased with such remarketing proceeds shall be provided to the purchasers thereof according to DTC's normal procedures. To the extent the Remarketing Agent is unable to successfully remarket tendered Variable Rate or Flexible Rate Bonds, and the Purchase Price thereof shall have been paid pursuant to a Liquidity Facility, then upon the Bank's purchase of such Variable Rate or Flexible Rate Bonds, such Purchased Bonds shall be transferred to the DTC Participant account of the Bank or, if directed in writing by the Bank, to the DTC Participant account of the Tender Agent or other nominee or designee of the Bank, for the benefit of the Bank as beneficial owner of such Purchased Bonds, at the time and in the manner set forth in the Liquidity Facility. The Remarketing Agent shall continue its attempts to remarket the Purchased Bonds pursuant to the provisions of this Order and the Remarketing Agreement.

Section 2.11. Cancellation. All Bonds paid or redeemed before scheduled maturity in accordance with this Order, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Order, shall be canceled and proper records made regarding such payment, redemption, exchange, or replacement. The Paying Agent/Registrar shall treat such canceled Bonds in accordance with its document retention policies.

Section 2.12. Replacement Bonds.

(a) Upon the presentation and surrender to the Paying Agent/Registrar of a mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate and principal amount, bearing a

number not contemporaneously outstanding. The District or the Paying Agent/Registrar may require the Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection therewith and any other expenses connected therewith.

(b) If any Bond is lost, apparently destroyed, or wrongfully taken, the District, pursuant to the applicable laws of the State and in the absence of notice or knowledge that such Bond has been acquired by a bona fide purchaser, shall authorize and the Paying Agent/Registrar shall deliver a replacement Bond of like maturity, interest rate and principal amount, bearing a number not contemporaneously outstanding, provided that the Owner first:

(i) furnishes to the Paying Agent/Registrar satisfactory evidence of his or her ownership of and the circumstances of the loss, destruction, or theft of such Bond;

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

(iii) pays 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 is authorized to be imposed; and

(iv) satisfies any other reasonable requirements imposed by the District or the Paying Agent/Registrar.

(c) After the delivery of such replacement Bond, if 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.

(d) 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, instead of issuing a replacement Bond, may authorize the Paying Agent/Registrar to pay such Bond when it becomes due and payable.

(e) 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.

### Section 2.13. Tax Levy.

(a) Pursuant to the authority granted by the Constitution and laws of the State, there shall be levied and there is hereby levied for the current year and for each succeeding year hereafter while any of the Costs of Credit Agreements, if any, are unpaid or the Bonds or any interest thereon is outstanding and unpaid, an ad valorem tax on each one hundred

dollars valuation of taxable property within the District at a rate sufficient, without limit as to rate or amount, to pay the principal of and interest on the Bonds when due and payable and the Costs of Credit Agreements, if any, incurred in connection with the Bonds when due and payable, full allowance being made for delinquencies and costs of collection taking into account otherwise unencumbered or lawfully available funds of the District that are on deposit in the Interest and Sinking Fund and are available to pay debt service on the Bonds and the Costs of Credit Agreements, using the following guidelines: (i) if the interest rate on the Bonds for all or a portion of the period for which taxes are then being assessed is not then known, and only if no “Event of Default” (as defined in the Liquidity Facility, if any) has occurred, for the period that the interest rate on the Bonds is not known, using an interest rate on the Bonds equal to the rate prescribed in a then-effective Liquidity Facility, if any, to apply during such time or, if no Liquidity Facility is in effect, using the Maximum Rate, and (ii) using the actual interest rate on the Bonds for the period that the actual interest rate on the Bonds is known. If an “Event of Default” (as defined in the Liquidity Facility, if any) has occurred, the District will assume that the interest rate on the Bonds is the Maximum Rate.

(b) The ad valorem tax thus levied shall be assessed and collected each year against all property appearing on the tax rolls of the District most recently approved in accordance with law and the money thus collected shall be deposited as collected to the Interest and Sinking Fund.

(c) Said ad valorem tax, the collections therefrom, and all amounts on deposit in or required hereby to be deposited to the Interest and Sinking Fund are hereby pledged and committed irrevocably to the payment of the principal of and interest on the Bonds and the Costs of Credit Agreements, if any, and other costs related to the Bonds when and as due and payable in accordance with their terms and this Order.

(d) To pay the debt service coming due on the Bonds prior to receipt of the taxes levied to pay such debt service, if any, there is hereby appropriated from current funds on hand, which are hereby certified to be on hand and available for such purpose, an amount sufficient to pay such debt service, and such amount shall be used for no other purpose.

(e) Any money received by the District with respect to the Bonds as state assistance pursuant to the instructional allotment or as state assistance with existing debt, each as authorized by Chapter 46, Texas Education Code, shall be deposited in the interest and sinking fund as required by Sections 46.009 and 46.035, Texas Education Code, respectively. The District will take into account the balance in the Interest and Sinking Fund when it sets its debt service tax rate each year.

#### Section 2.14. Interest and Sinking Fund.

(a) The District hereby establishes a special fund(s) or account(s), to be designated the “Fort Bend Independent School District Variable Rate Unlimited Tax School Building and Refunding Bonds, [series designation assigned to the Bonds in the Officer’s Pricing Certificate] Interest and Sinking Fund,” (or as otherwise designated in the Officer’s Pricing Certificate) (the “Interest and Sinking Fund”) said fund(s) to be kept at

an official depository bank of the District and established and maintained on the books and records of the District separate and apart from all other funds and accounts of the District.

(b) Money on deposit in or required by this Order to be deposited to the Interest and Sinking Fund shall be used solely for the purpose of paying the interest on and principal of the Bonds when and as due and payable and the Costs of Credit Agreements, if any, incurred in connection with the Bonds in accordance with their terms and this Order.

Section 2.15. Application of Chapter 1208, Government Code. Chapter 1208, Texas Government Code, applies to the issuance of the Bonds and the pledge of the taxes granted by the District under Section 2.13, and is therefore valid, effective, and perfected. Should Texas law be amended at any time while the Bonds are outstanding and unpaid, the result of such amendment being that the pledge of the taxes granted by the District under Section 2.13 is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, in order to preserve to the registered owners of the Bonds and the Bank or any other provider of Credit Agreements relating to the Bonds the perfection of a security interest in said pledge, the District agrees to take such measures as it determines are reasonable and necessary under Texas law to comply with the applicable provisions of Chapter 9, Business & Commerce Code and enable a filing to perfect the security interest in said pledge to occur.

### **ARTICLE III INTEREST RATES ON BONDS**

Section 3.01. Initial Interest Rates; Subsequent Interest Rates; No Liquidity Facility During Initial Rate Period. The Bonds shall bear interest at the Initial Rate(s) for the Initial Rate Period(s) set forth in the Officer's Pricing Certificate. Following the end of the Initial Rate Period(s), the Bonds shall be subject to mandatory tender for purchase on the date(s) set forth in the Officer's Pricing Certificate, without right of retention by the Owners, in accordance with the provisions of Section 4.08. After the Initial Rate Period, the Bonds shall be converted to bear interest in a different Rate Period as determined in accordance with the provisions of this Order, until the Bonds mature or are converted to a different Rate Period, as applicable, all as provided herein. Notwithstanding the foregoing, if the Remarketing Agent fails to remarket all of the Bonds on the mandatory tender date(s) following the end of the Initial Rate Period(s) resulting in the Owners thereof retaining the Bonds subsequent to the end of the Initial Rate Period, the Bonds shall bear interest at the Stepped Rate for the duration of the Stepped Rate Period, all as set forth in Section 4.08 of this Order. No Liquidity Facility shall be in effect during the Initial Rate Period. In addition and notwithstanding the foregoing or the provisions of Section 3.04 of this Order, the Pricing Officer may initially designate one or more maturities of Bonds as fixed rate Bonds as set forth in the Officer's Pricing Certificate. Bonds designated as fixed rate Bonds in the Officer's Pricing Certificate shall bear interest at the fixed rate designated therein until maturity or prior redemption as specified in the Officer's Pricing Certificate.

Section 3.02. Variable Rates; Conversions to Variable Rate Periods.

(a) Determination by Remarketing Agent. Subject to the further provisions of this Article III with respect to particular Variable Rates or conversions between or to Variable Rate Periods, the Variable Rate to be applicable to the Bonds during any Variable

Rate Period shall be determined by the Remarketing Agent. The Remarketing Agent shall determine the Variable Rate on each Rate Determination Date in accordance with this Section 3.02. The Variable Rate so determined shall become effective on the first day of the next succeeding Variable Rate Period.

(i) In each case, the Variable Rate for the Variable Rate Period in question shall be determined by the Remarketing Agent on the Rate Determination Date required pursuant to Section 3.02(b), (c), (d), (e), or (f) below, as is applicable.

(ii) Each Variable Rate determined by the Remarketing Agent shall be the lowest rate of interest which, in the judgment of the Remarketing Agent, would cause the Bonds to have a market value equal to not less than 100% of the principal amount thereof, plus accrued interest, under prevailing market conditions as of the Rate Determination Date, provided that, and except as otherwise expressly provided herein, (A) if the Remarketing Agent fails for any reason to determine or notify the Tender Agent or the Paying Agent/Registrar of the Variable Rate for any Variable Rate Period when required hereunder, the Variable Rate for such period shall be deemed to be determined as the Variable Rate then in effect until the Remarketing Agent determines a new Variable Rate and notifies the Tender Agent and the Paying Agent/Registrar of such rate in accordance with the provisions of this Order; and (B) in no event shall the Variable Rate for any Variable Rate Period exceed the Maximum Rate.

(iii) In determining the interest rates, the Remarketing Agent shall take into account to the extent applicable market interest rates and indices, general economic conditions, and general market conditions as they relate to comparable securities which are held by institutional and private investors with substantial portfolios (1) with a term equal to the applicable Rate Period for the Bonds; (2) the interest on which is exempt from federal income taxation; (3) rated, if the Bonds are rated, by a Rating Agency in the same rating category as the Bonds; (4) with security or credit support similar to the Bonds; and (5) with redemption provisions similar to those of the Bonds.

(iv) All determinations of Variable Rates pursuant to this Section shall be conclusive and binding, absent manifest error, upon the District, the Tender Agent, the Paying Agent/Registrar, any Bank, and the Owners of the Bonds to which such rates are applicable. The District, the Tender Agent, the Paying Agent/Registrar and the Remarketing Agent shall not be liable to any Owners for failure to give any notice required herein or for failure of any Owners to receive such notice.

(b) Weekly Rates. A Weekly Rate shall be determined for each Weekly Rate Period as follows:

(i) Weekly Rate Periods shall commence on Thursday of each week and end on Wednesday of the following week; except that in the case of a conversion to a Weekly Rate Period from a different Variable Rate Period or from

a Flexible Rate Period, the initial Weekly Rate Period shall (A) commence on the Weekly Rate Conversion Date, and (B) end on the next succeeding Wednesday.

(ii) The Weekly Rate for each Weekly Rate Period shall be effective from and including the commencement date of such Weekly Rate Period and shall remain in effect through and including the last day thereof. Each such Weekly Rate shall be determined by the Remarketing Agent by 12:00 p.m., New York City time on the Rate Determination Date, which date shall be the Business Day immediately preceding the commencement date of the Weekly Rate Period to which it relates, and each such Weekly Rate shall be made available to the Paying Agent/Registrar and the Tender Agent by the Remarketing Agent by the close of business on the Rate Determination Date.

(iii) Notice of Weekly Rates determined for each Weekly Rate Period shall be given promptly by the Paying Agent/Registrar to DTC (and any successor to DTC). In the event the Book-Entry Only System is discontinued, notice of Weekly Rates determined for each Weekly Rate Period shall be given by the Paying Agent/Registrar by first class mail or by electronic means to each Owner within seven (7) Business Days after each Interest Payment Date on which interest at a Weekly Rate is to be paid. The Paying Agent/Registrar shall include in the notice a telephone number Owners may call to ascertain the Weekly Rate in effect from time to time.

(c) Monthly Rates. A Monthly Rate shall be determined for each Monthly Rate Period as follows:

(i) Monthly Rate Periods shall (A) commence on the first Business Day of each calendar month, except that in the case of a conversion to a Monthly Rate Period from a different Variable Rate Period or from a Flexible Rate Period, the initial Monthly Rate Period shall commence on the Monthly Rate Conversion Date, and (B) end on the last day prior to the first Business Day of the following month.

(ii) The Monthly Rate for each Monthly Rate Period shall be effective from and including the commencement date of such period and shall remain in effect through and including the last day thereof. Each such Monthly Rate shall be determined by the Remarketing Agent no later than 12:00 p.m., New York City time on the Rate Determination Date, which shall be the Business Day immediately preceding the commencement date of such Monthly Rate Period, and each such Monthly Rate shall be made available to the Paying Agent/Registrar and the Tender Agent by the Remarketing Agent by the close of business on the Rate Determination Date.

(iii) Notice of Monthly Rates determined for each Monthly Rate Period shall be given promptly by the Paying Agent/Registrar to DTC (and any successor to DTC). In the event the Book-Entry Only System is discontinued, notice of Monthly Rates determined for each Monthly Rate Period shall be given by the

Paying Agent/Registrar by first-class mail or by electronic means to each Owner promptly after such Monthly Rate is determined.

(d) Quarterly Rates. A Quarterly Rate shall be determined for each Quarterly Rate Period as follows:

(i) Quarterly Rate Periods shall (A) commence initially on a Quarterly Rate Conversion Date and thereafter on the first Business Day of each third calendar month thereafter; and (B) end on the last day preceding either (i) the commencement date of the following Quarterly Rate Period or (ii) the Conversion Date on which a different Rate Period shall become effective.

(ii) The Quarterly Rate for each Quarterly Rate Period shall be effective from and including the commencement day of such period and shall remain in effect through and including the last date thereof. Each such Quarterly Rate shall be determined by the Remarketing Agent not later than 12:00 p.m., New York City time, on the Rate Determination Date, which date shall be the Business Day immediately preceding the commencement date of such period, and each Quarterly Rate shall be made available to the Paying Agent/Registrar and the Tender Agent by the Remarketing Agent by the close of business on the Rate Determination Date.

(iii) Notice of Quarterly Rates determined for each Quarterly Rate Period shall be given promptly by the Paying Agent/Registrar to DTC (and any successor to DTC). In the event the Book-Entry Only System is discontinued, notice of Quarterly Rates determined for each Quarterly Rate Period shall be given by the Paying Agent/Registrar by first class mail or by electronic means to each Owner promptly after such Quarterly Rate is determined.

(e) Semiannual Rates. A Semiannual Rate shall be determined for each Semiannual Rate Period as follows:

(i) Semiannual Rate Periods shall (A) commence initially on a Semiannual Rate Conversion Date and thereafter on the first day of each sixth calendar month thereafter; and (B) end on the last day preceding either (i) the commencement date of the following Semiannual Rate Period or (ii) the Conversion Date on which a different Rate Period shall become effective.

(ii) The Semiannual Rate for each Semiannual Rate Period shall be effective from and including the commencement date of such period and shall remain in effect through and including the last day thereof. Each such Semiannual Rate shall be determined by the Remarketing Agent not later than 12:00 p.m., New York City time, on the Rate Determination Date, which date shall be the Business Day immediately preceding the commencement date of such period, and each such Semiannual Rate shall be made available to the Paying Agent/Registrar and the Tender Agent by the Remarketing Agent by the close of business on the Rate Determination Date.

(iii) Notice of Semiannual Rates determined for each Semiannual Rate Period shall be given promptly by the Paying Agent/Registrar to DTC (and any successor to DTC). In the event the Book-Entry Only System is discontinued, notice of Semiannual Rates determined for each Semiannual Rate Period shall be given by the Paying Agent/Registrar by first class mail or by electronic means to each Owner promptly after such Semiannual Rate is determined.

(f) Term Rates. A Term Rate shall be determined for each Term Rate Period as follows:

(i) Term Rate Periods shall (A) commence on each Term Rate Conversion Date, and (B) end on the date established by the District as the last day for each such Term Rate Period pursuant to Section 3.02(f)(ii); provided, however, that each Term Rate Period shall be at least nine (9) months in duration; provided further, that in the event any Conversion Date established pursuant to the provisions of this Order in connection with a conversion from a Term Rate Period is not the day that immediately succeeds the last day of the then-expiring Term Rate Period, the duration of the then-expiring Term Rate Period shall be deemed to have been extended to end on the day immediately preceding such Conversion Date; provided further, that if the District elects to obtain a Liquidity Facility for the Bonds in connection with such Term Rate Period, the Term Rate Period for such Bonds shall end on a Business Day that is not less than five (5) days prior to the stated expiration date of the Liquidity Facility providing liquidity support for such Bonds.

(ii) Prior to the commencement of each Term Rate Period, the District shall determine the last day of each such Term Rate Period; provided, that the duration of each such Term Rate Period complies with Section 3.02(f)(i) above. The District shall give written notice of such duration of each Term Rate Period to the Paying Agent/Registrar, the Tender Agent, the Remarketing Agent and the Bank, if any, in accordance with Section 3.02(g)(ii) and 3.02(h)(ii), as applicable.

(iii) The Term Rate for each Term Rate Period shall be effective from and including the commencement date of each such Term Rate Period and shall remain in effect through and including the last day thereof. Each such Term Rate shall be determined for each Term Rate Period not later than 12:00 p.m., New York City time on the Rate Determination Date, which date shall be a Business Day not less than one (1) Business Day preceding the commencement date of such Term Rate Period, and each such Term Rate shall be made available to the Paying Agent/Registrar, the Bank, if any, and the Tender Agent by the Remarketing Agent, in consultation with the District, by the close of business on the Rate Determination Date. If, at the expiration of the then-applicable Term Rate Period, there does not exist a Liquidity Facility providing liquidity support for such Bonds and there occurs a failed conversion and remarketing of the type described in Section 4.03(g), then such Bonds shall bear interest at the Stepped Rate for the duration of the Stepped Rate Period in accordance with, and shall be subject to, the provisions of Section 4.03(g).

(iv) While the Bonds bear interest at a Term Rate, the District shall use its best efforts to take all such actions required by this Order to be performed by the District to cause such Bonds to be converted to a different Rate Period (including to a Term Rate Period of the same or a different duration as the then-expiring Term Rate Period) on the first Business Day immediately following the last day of the then-expiring Term Rate Period. If there is a Liquidity Facility then in effect providing liquidity support for such Bonds to be converted from a Term Rate Period to a different Rate Period, then such Bonds are subject to mandatory tender for purchase on the Conversion Date pursuant to Section 4.03(a), Section 4.03(b) or Section 4.04(a), as applicable. If there does not exist a Liquidity Facility providing liquidity support for such Bonds to be converted from a Term Rate Period to a different Rate Period (and there was no Liquidity Facility in effect for such Bonds upon commencement of the then-expiring Term Rate Period), then such Bonds are subject to mandatory tender for purchase on the Conversion Date pursuant to Section 4.03(g).

(g) Conversions To or Between Variable Rate Periods. At the option of the District, and pursuant to an order of the Board, the Bonds may be converted from one Variable Rate Period to a different Variable Rate Period (including from a Term Rate Period to a new Term Rate Period of the same or a different duration as the then-expiring Term Rate Period). Any such conversion shall be accomplished as follows:

(i) The Conversion Date for a conversion from one Variable Rate Period to a different Variable Rate Period shall be an Interest Payment Date on which interest is payable for the Variable Rate Period from which the conversion is to be made; provided, however, that if the conversion is from a Term Rate Period to a different Variable Rate Period (including a conversion from a Term Rate Period to a new Term Rate Period of the same or a different duration as the then-expiring Term Rate Period), the Variable Rate Conversion Date shall be the first Business Day immediately following the last day of the then-expiring Term Rate Period; provided further, that Purchased Bonds or Bonds bearing interest at a Stepped Rate may be converted to a different Variable Rate Period on any Business Day. The Variable Rate Conversion Date for a conversion from an Initial Rate Period to a different Variable Rate Period shall be the Business Day immediately following the end of such Initial Rate Period or such other date as may be established in accordance with Section 4.08 hereof.

(ii) The District shall give written notice of any such conversion to the Paying Agent/Registrar, the Tender Agent, the Remarketing Agent and the Bank (if any) not less than thirty (30) days prior to the proposed Conversion Date. Such notice shall specify the proposed Conversion Date and the Variable Rate Period to which the conversion will be made, and in the case of conversion to a Term Rate Period (including any conversion from a Term Rate Period to a new Term Rate Period of the same or different duration as the then-expiring Term Rate Period), the last day of such new Term Rate Period. Such notice shall also specify the conditions, if any, to the conversion and the consequences of such conditions not being fulfilled.

(iii) Not less than twenty (20) days prior to the Conversion Date, the Paying Agent/Registrar shall send (by first class mail or by other customary means) a written notice of the conversion to the Owners. Such notice shall:

(A) contain the information set forth in the notice from the District pursuant to Section 3.02(g)(ii) above; and

(B) set forth the matters required to be stated pursuant to Section 4.03(d).

(iv) The Variable Rate for the Variable Rate Period commencing on the Conversion Date shall be determined by the Remarketing Agent in the manner provided in Section 3.02(a) above on the date set forth in Section 3.02(b), (c), (d), (e) or (f) above, whichever is applicable to the Variable Rate Period to which the conversion shall be made.

(v) Any conversion pursuant to this Section 3.02 shall be subject to the condition that the District shall have delivered to the Paying Agent/Registrar and the Remarketing Agent, along with the notice required by Section 3.02(g)(ii) above, an Opinion of Bond Counsel (which opinion shall be confirmed on the Conversion Date). If such Opinion of Bond Counsel is not delivered, the conversion shall not occur, the Paying Agent/Registrar shall not deliver notice to the Owners and the Bonds shall remain in the same Rate Period; provided, however, that if the existing Rate Period for such Bonds is an Initial Rate Period or a Term Rate Period (for which there is not a Liquidity Facility then in effect for such Bonds and there was no Liquidity Facility in effect for such Bonds upon the commencement of then-expiring Term Rate Period), then such Bonds shall be subject to the provisions of Section 4.03(g) or Section 4.08, as applicable.

(vi) In the event the confirmation of the Opinion of Bond Counsel is not delivered on the proposed Conversion Date pursuant to Section 3.02(g)(v), the following provisions shall apply:

(A) if the existing Rate Period of the Bonds to be converted is a Weekly Rate Period, Monthly Rate Period, Quarterly Rate Period, or Semiannual Rate Period then (I) the conversion shall not occur and such Bonds shall remain in the same Rate Period, (II) the failed conversion shall not constitute an Event of Default under this Order or such Bonds, (III) the mandatory tender will be deemed to have been rescinded for that date with respect to such Bonds and any Bonds so tendered will be returned to the Owners thereof, and (IV) the Paying Agent/Registrar shall give notice on the proposed Conversion Date to the Owners of such Bonds stating that the mandatory tender and conversion did not occur because the conditions to such conversion were not satisfied in accordance with the terms of this Order; or

(B) if the existing Rate Period of the Bonds to be converted is a Term Rate Period (for which a Liquidity Facility is then in effect providing liquidity support for such Bonds), then (I) the conversion shall not occur, (II) the failed conversion shall not constitute an Event of Default under this Order or such Bonds, and (III) such Bonds shall be subject to mandatory tender pursuant to Section 4.03(a); or

(C) if the existing Rate Period of the Bonds to be converted is an Initial Rate Period or a Term Rate Period (for which there is not a Liquidity Facility then in effect for such Bonds and there was no Liquidity Facility in effect for such Bonds upon the commencement of the then-expiring Term Rate Period), then the conversion shall not occur and the provisions of Section 4.03(g) or Section 4.08, as applicable, shall apply to such failed conversion.

(h) Conversions to Variable Rate Period from Flexible Rate Period. At the option of the District, and pursuant to an order of the Board the Bonds may be converted from a Flexible Rate Period to a Variable Rate Period (other than the Initial Rate Period). To accomplish the proposed conversion, the District shall give written notice of the proposed conversion pursuant to Section 3.02(h)(ii) together with a copy of the Opinion of Bond Counsel. The conversion shall be accomplished as follows:

(i) The Conversion Date shall be both (A) the first Business Day of a calendar month, and (B) the last Interest Payment Date on which interest is payable for any Flexible Rate Periods theretofore established for the Bonds to be converted pursuant to Section 3.03.

(ii) The District shall give written notice of any such conversion to the Paying Agent/Registrar, the Tender Agent, the Remarketing Agent and the Bank, if any, in the manner and at the times prescribed by Section 3.02(g)(ii).

(iii) The Variable Rate for the Variable Rate Period commencing on the Conversion Date shall be established in accordance with the applicable subsection of Section 3.02, and notice of such conversion shall be given to the Owners in the same manner as is provided for conversions from one Variable Rate Period to another Variable Rate Period pursuant to Section 3.02(g)(iii) above.

(iv) Notwithstanding the foregoing, no conversion shall be effected pursuant to this Section 3.02(h) unless the Paying Agent/Registrar shall have received (A) on or before five (5) days prior to the date on which such notice is required to be given to the Owners, written confirmation from the Remarketing Agent to the effect that it has not established and will not establish any Flexible Rate Period extending beyond the Conversion Date and, (B) an Opinion of Bond Counsel (which opinion shall be confirmed on the Variable Rate Conversion Date). If such Remarketing Agent confirmation or Opinion of Bond Counsel is not delivered by the required time set forth above, the conversion shall not occur the

Paying Agent/Registrar shall not deliver notice to the Owners and the Bonds shall remain in the Flexible Rate Period.

(v) If the confirmation of the Opinion of Bond Counsel is not delivered on the proposed Conversion Date pursuant to Section 3.02(h)(iv), the conversion shall not occur and the Bonds shall remain in the same Rate Period; provided, however, that such Bonds shall be subject to mandatory tender as provided herein.

(i) On any Conversion Date, in accordance with all applicable law, the District reserves the right to divide the Bonds into two or more subseries. All Bonds of a particular series or subseries shall bear interest in the same Rate Period, provided that, any Bond of a particular series or subseries may bear interest at a Flexible Rate for a Flexible Rate Period different from any other Bond in accordance with Section 3.03(a).

Section 3.03. Flexible Rates; Conversions to Flexible Rate Periods.

(a) Flexible Rates. A Flexible Rate for each Flexible Rate Period shall be determined as follows:

(i) The Flexible Rate Period for each Bond shall be of such duration, not less than 7 days and not exceeding 270 days, as may be determined by the Remarketing Agent pursuant to Section 4.02 or 4.03 and any Bond may bear interest at a Flexible Rate for a Flexible Rate Period different from any other Bond; provided that each such Flexible Rate Period shall (A) commence on a Business Day (initially, the Flexible Rate Conversion Date), and (B) end on a day which is a Business Day not less than five (5) days prior to the stated expiration date of any Liquidity Facility providing liquidity support for such Bonds. All determinations of Flexible Rate Periods pursuant to this Section shall be conclusive and binding, absent manifest error, upon the District, the Tender Agent, the Paying Agent/Registrar, the Bank, and the Owners of the Bonds to which such Flexible Rate Periods are applicable. Each Flexible Rate Period shall be made available to the Bank, the Paying Agent/Registrar and the Tender Agent by the Remarketing Agent including but not limited to via electronic means by 12:00 p.m. on its Rate Determination Date.

(ii) The Flexible Rate for each Flexible Rate Period shall be effective from and including the commencement date of such Flexible Rate Period through and including the last day thereof. Each such Flexible Rate shall be determined by the Remarketing Agent in connection with the sale of the Bond or Bonds to which it relates pursuant to Section 4.02 or 4.03. Flexible Rates shall be determined for the Bonds no later than 12:00 p.m. New York City time on the Rate Determination Date, which shall be the day immediately preceding the commencement date of each Flexible Rate Period with respect to such Bond, by the Remarketing Agent in connection with the remarketing of the Bonds at a rate or rates which, in the judgment of the Remarketing Agent, would cause such Bond to have a market value equal to not less than 100% of the principal amount thereof, plus accrued interest, under prevailing market conditions, provided, however, that such Flexible Rate

shall never exceed the Maximum Rate. All determinations of Flexible Rates pursuant to this Section shall be conclusive and binding, absent manifest error, upon the District, the Tender Agent, the Paying Agent/Registrar, the Bank, and the Owners of the Bonds to which such rates are applicable. Each Flexible Rate shall be made available to the Bank, the Paying Agent/Registrar and the Tender Agent by the Remarketing Agent including but not limited to via electronic means by 12:00 p.m. on its Rate Determination Date.

(b) Conversions to Flexible Rate Periods. At the option of the District, and pursuant to an order of the Board, the Bonds may be converted from a Variable Rate Period to Flexible Rate Periods; provided, however, that the stated expiration date of a Liquidity Facility providing liquidity support for such Bonds shall be a day that is not less than five (5) days after the last day of each Flexible Rate Period, the Liquidity Facility shall provide an interest commitment as necessary to accommodate the number of days of each Flexible Rate Period, and notice of such conversion will be provided to the Rating Agency not less than 30 days prior to the Flexible Rate Conversion Date. The conversion shall be accomplished as follows:

(i) The Flexible Rate Conversion Date for a conversion from a Variable Rate Period shall be an Interest Payment Date on which interest is payable for the Variable Rate Period from which the conversion is to be made; provided, however, that in the event the conversion is from a Term Rate Period, the Flexible Rate Conversion Date shall be the first Business Day immediately following the last day of the then-expiring Term Rate Period; provided further, that Purchased Bonds or Bonds bearing interest at a Stepped Rate may be converted to a Flexible Rate Period on any Business Day. The Flexible Rate Conversion Date for a conversion from an Initial Rate Period to a Flexible Rate Period shall be the Business Day immediately following the end of such Initial Rate Period or such other date as may be established in accordance with Section 4.08 hereof.

(ii) The District shall give written notice of any such conversion to the Paying Agent/Registrar, the Tender Agent the Remarketing Agent and the Bank not less than thirty (30) days prior to the proposed Flexible Rate Conversion Date. Such notice shall specify the proposed Flexible Rate Conversion Date and the Flexible Rate Period or Periods to which the conversion will be made. Such notice shall also specify the conditions, if any, to the conversion and the consequences of such conditions not being fulfilled.

(iii) Not less than twenty (20) days prior to the Conversion Date, the Paying Agent/Registrar shall send (by first class mail or by other customary means) a written notice of the conversion to the Owners of the Bonds. Such notice shall:

(A) contain the information set forth in the notice from the District pursuant to Section 3.03(b)(ii) above, and

(B) set forth the matters required to be stated pursuant to Section 4.03(d) with respect to purchases of Bonds governed by such Section.

(iv) The Flexible Rate or Rates for the Flexible Rate Period or Periods commencing on the Flexible Rate Conversion Date shall be determined by the Remarketing Agent in the manner and on the date provided in Section 3.03(a) above.

(v) Any conversion pursuant to this Section 3.03(b) shall be subject to the condition that the District shall have delivered to the Paying Agent/Registrar and the Remarketing Agent, along with the notice required in Section 3.03(b)(ii) above, an Opinion of Bond Counsel (which opinion shall be confirmed on the Flexible Rate Conversion Date). If such Opinion of Bond Counsel is not delivered, the conversion shall not occur, the Paying Agent/Registrar shall not deliver notice to the Owners and the Bonds shall remain in the same Variable Rate Period; provided, however, that if the existing Rate Period for such Bonds is an Initial Rate Period or a Term Rate Period (for which there is not a Liquidity Facility then in effect for such Bonds and there was no Liquidity Facility in effect for such Bonds upon the commencement of the then-expiring Term Rate Bonds), then such Bonds shall be subject to the provisions of Section 4.03(g) or Section 4.08, as applicable.

(vi) In the event the confirmation of the Opinion of Bond Counsel is not delivered on the proposed Flexible Rate Conversion Date pursuant to Section 3.03(b)(v), the following provisions shall apply:

(A) if the existing Rate Period of the Bonds to be converted is a Weekly Rate Period, Monthly Rate Period, Quarterly Rate Period or Semiannual Rate Period, then (I) the conversion shall not occur and such Bonds shall remain in the same Rate Period, (II) the failed conversion shall not constitute an Event of Default under this Order or such Bonds, (III) the mandatory tender will be deemed to have been rescinded for that date with respect to such Bonds and any Bonds so tendered will be returned to the Owners thereof, and (IV) the Paying Agent/Registrar shall give notice on the proposed Flexible Rate Conversion Date to the Owners of such Bonds stating that the mandatory tender and conversion did not occur because the conditions to such conversion were not satisfied in accordance with the terms of this Order; or

(B) if the existing Rate Period of the Bonds to be converted is a Term Rate Period (for which a Liquidity Facility is then in effect providing liquidity support for such Bonds), then (I) the conversion shall not occur, (II) the failed conversion shall not constitute an Event of Default under this Order or such Bonds, and (III) such Bonds shall be subject to mandatory tender in accordance with Section 4.03(b); or

(C) if the existing Rate Period of the Bonds to be converted is an Initial Rate Period or a Term Rate Period (for which there is not a Liquidity Facility then in effect for such Bonds and there was no Liquidity Facility in effect for such Bonds upon the commencement of the then-expiring Term Rate Period), then the conversion shall not occur and the provisions of

Section 4.03(g) or Section 4.08, as applicable, shall apply to such failed conversion.

Section 3.04. Fixed Rate Conversion at Option of the District.

(a) At the option of the District, and pursuant to an order of the Board, the Bonds bearing interest at a Variable Rate (including an Initial Rate), Flexible Rate or Stepped Rate may be converted in whole or in part to a Fixed Rate or Rates to their maturity or prior redemption. In the event of a conversion of less than 100% of all Outstanding Bonds to a Fixed Rate pursuant to this Section, the Paying Agent/Registrar shall, at the direction of the District, select the Bonds to be converted to a Fixed Rate, assuming the Bonds then Outstanding are each in a minimum Authorized Denomination; provided, however, that in the event of a conversion of less than 100% of all Outstanding Bonds, Purchased Bonds, if any, and Bonds bearing interest at the Stepped Rate, if any, shall be converted prior to any other Bonds, and Purchased Bonds, if any, shall be converted prior to any Bonds bearing interest at the Stepped Rate. In connection with any such conversion, the District reserves the right to divide the Bonds into two or more subseries as provided in Section 3.02(i).

(b) In determining the Fixed Rate, the Remarketing Agent, in consultation with the District, shall take into account to the extent applicable (i) market interest rates for comparable securities which are held by institutional and private investors with substantial portfolios (A) with terms equal to the periods to maturity remaining on the Bonds, (B) the interest on which is exempt from federal income taxation, (C) rated, if the Bonds are rated, by a Rating Agency in the same rating category as the Bonds, (D) with security or credit support similar to the Bonds, and (E) with redemption provisions similar to those of the Bonds; (ii) other financial market rates and indices which have a bearing on the fixed rate (including but not limited to rates borne by general obligation bonds, United States Treasury obligations, commercial bank prime rates, certificate of deposit rates, federal funds rates, indices maintained by The Bond Buyer, and other publicly available tax-exempt interest rate indices); (iii) general financial market conditions (including current forward supply); and (iv) industry, economic, or financial conditions which may affect or be relevant to the Bonds.

Any such conversion shall be made as follows:

(c) The Fixed Rate Conversion Date for a conversion from a Variable Rate Period or a Flexible Rate Period shall be an Interest Payment Date on which interest is payable for the Variable Rate Period from which the conversion is to be made or an Interest Payment Date on which interest is payable for all Bonds to be converted which are bearing interest at a Flexible Rate; provided, however, that if the conversion is from a Term Rate Period, the Fixed Rate Conversion Date shall be the first Business Day immediately following the last day of the then-expiring Term Rate Period; provided further, that Purchased Bonds or Bonds bearing interest at a Stepped Rate may be converted to a Fixed Rate or Rates on any Business Day. The Fixed Rate Conversion Date for a conversion from an Initial Rate Period to a Fixed Rate Period shall be the Business Day immediately

following the end of such Initial Rate Period or such other date as may be established in accordance with Section 4.08 hereof.

(d) (i) The District shall give written notice of any such conversion to the Remarketing Agent, the Paying Agent/Registrar, the Tender Agent and the Bank, if any, not less than thirty (30) days prior to the proposed Conversion Date. Such notice shall specify the Fixed Rate Conversion Date, the conditions (if any) to the conversion, the consequences of such conditions not being fulfilled and the principal amount of Bonds to be converted.

(ii) Not less than fifteen (15) days prior to the Fixed Rate Conversion Date, the Paying Agent/Registrar shall send (by first class mail or other customary means) a written notice of the conversion to the Owners of all Bonds to be converted, setting forth the matters required to be stated pursuant to Section 3.04(e).

(e) Notice of conversion shall be given by first class mail or by other customary means by the Paying Agent/Registrar to each Rating Agency and the Owners of all Bonds to be converted. Such notice shall inform the Owners of:

(i) the proposed Fixed Rate Conversion Date;

(ii) the conditions to the conversion and the consequences of such conditions not being fulfilled pursuant to Section 3.04(g) below; and

(iii) the matters required to be stated pursuant to Section 4.04(b) with respect to purchases of Bonds governed by such Section.

(f) Not later than 12:00 p.m., New York City time, on or before the seventh (7th) Business Day prior to the Fixed Rate Conversion Date, the Remarketing Agent shall, in consultation with and subject to the approval of the District, determine the Fixed Rate or Rates (not in excess of the Maximum Rate) for the Bonds which will cause the Bonds to have a market value equal to the principal amount thereof; provided, however, the market value of the Bonds may exceed par for the purpose of obtaining the lowest reoffering yield to the District and to pay remarketing costs, but the tendering Owners will only receive the Purchase Price of the tendered Bonds. The Bonds shall have the redemption dates and prices determined pursuant to Section 3.04(h) hereof, and the Remarketing Agent shall make the Fixed Rate or Rates available to the Paying Agent/Registrar, including but not limited to via electronic means, on the date of determination. Each maturity of the Bonds may have a different Fixed Rate but there shall be only one Fixed Rate per maturity. Promptly after the date of determination, the Paying Agent/Registrar shall give notice of such Fixed Rate or Rates by first class mail to the Tender Agent and the Bank, if any.

(g) Any conversion to a Fixed Rate pursuant to this Section 3.04 shall be subject to the following conditions:

(i) on or before the Fixed Rate Conversion Date, the District shall have delivered to the Paying Agent/Registrar and the Remarketing Agent an Opinion of Bond Counsel; and

(ii) as of the Fixed Rate Conversion Date, sufficient funds shall be available to purchase Bonds which are then required to be purchased pursuant to Section 4.04.

If the foregoing conditions are not met for any reason, the following provisions shall apply:

- (i) if the existing Rate Period of the Bonds to be converted is a Weekly Rate Period, Monthly Rate Period, Quarterly Rate Period or Semiannual Rate Period, then (A) the conversion shall not occur and such Bonds shall remain in the same Rate Period, (B) the failed conversion shall not constitute an Event of Default under this Order or such Bonds, (C) the mandatory tender will be deemed to have been rescinded for that date with respect to such Bonds and any Bonds so tendered will be returned to the Owners thereof, and (D) the Paying Agent/Registrar shall give prompt notice (not later than the proposed Fixed Rate Conversion Date) to the Owners of such Bonds stating that the mandatory tender and conversion did not occur because the conditions to such conversion were not satisfied in accordance with the terms of this Order; or
- (ii) if the existing Rate Period of the Bonds to be converted is a Flexible Rate Period or a Term Rate Period (for which a Liquidity Facility is then in effect providing liquidity support for such Bonds), then (A) the conversion shall not occur, (B) the failed conversion shall not constitute an Event of Default under this Order or such Bonds, and (C) such Bonds shall be subject to mandatory tender in accordance with Section 4.02 or Section 4.04(a), as applicable; or
- (iii) if the existing Rate Period of the Bonds to be converted is an Initial Rate Period or a Term Rate Period (for which there is not a Liquidity Facility then in effect for such Bonds and there was no Liquidity Facility in effect for such Bonds upon the commencement of the then-expiring Term Rate Period), then the conversion shall not occur and the provisions of Section 4.03(g) or Section 4.08, as applicable, shall apply to such failed conversion.

(h) Unless the second sentence under this Section 3.04(h) applies, the Bonds converted to a Fixed Rate on a Fixed Rate Conversion Date shall mature, be subject to redemption and have the same terms and features as set forth in Section 2.02 and Section 5.03 hereof. Notwithstanding the previous sentence, in connection with a conversion to a Fixed Rate, the District may elect, at its sole option, to provide for serial or term maturities, revised redemption provisions and other terms to be applicable to the Bonds on and after the Fixed Rate Conversion Date. If the District so elects, the serial or term maturities for the Bonds converted to a Fixed Rate shall be determined on the basis of providing similar relative principal and interest payments on such Bonds, including the principal payment schedule set forth in Section 5.03 (after giving pro rata effect for any prior sinking fund redemptions of the Bonds, if any, not then converted to a Fixed Rate), commencing in the fiscal year in which the conversion occurs, and any revised redemption provisions shall provide for such Fixed Rate Bonds to be subject to optional redemption in whole or in part

without premium on the redemption date, which shall be set at the lesser of (i) 10 years from the February 1 or August 1 next preceding the Fixed Rate Conversion Date, or (ii) 55% of the term of the Bonds, rounded to the nearest February 1 or August 1, remaining at the time of conversion. If the principal payment schedule for the Bonds established by the District pursuant to this Section 3.04(h) is not substantially similar to the principal payment schedule set forth in Section 5.03, at the time of the conversion the District must be able to demonstrate that the District has the projected ability to pay the principal and interest on the Bonds after the conversion in the manner required by Section 45.0031, Texas Education Code, or any successor statute in effect at the time of the conversion.

Section 3.05. Interest on Purchased Bonds.

(a) Purchased Bonds shall bear interest, for each day elapsed, from and including the date they become Purchased Bonds to and including the day preceding the date they cease to be Purchased Bonds, at the Bank Rate. If at any time or times the Bank Rate would exceed the Maximum Rate, the rate of interest to accrue on the unpaid principal balance of the Purchased Bonds during all such times shall be limited to the Maximum Rate; provided, however, that if at any time the Bank Rate shall exceed the Maximum Rate, then any subsequent reduction below the Maximum Rate in the Bank Rate to be paid hereunder will not effect a reduction in such rate below the Maximum Rate until the total amount of interest accrued on the unpaid principal balance of the Purchased Bonds equals the amount of interest which would have accrued if the Bank Rate (without giving effect to this Section 3.05) had at all times been in effect. The District shall pay such interest based on a certificate from the Bank stating the amount of interest to be paid.

(b) Interest on Purchased Bonds shall accrue at the Bank Rate calculated and computed in accordance with the provisions of the Liquidity Facility and shall be payable (i) on each Interest Payment Date and (ii) upon the remarketing or sale of each Purchased Bond pursuant to this Order, with the difference between the Bank Rate relating to the Purchased Bonds so remarketed or so sold, as the case may be, and the rate borne by the Bonds and payable to other Owners, being an obligation of the District to the Bank with respect to the Purchased Bonds.

**ARTICLE IV  
TENDER AND PURCHASE OF BONDS**

Section 4.01. Optional Tenders During Certain Variable Rate Periods.

(a) Purchase Dates. While a Bank is obligated to purchase Bonds pursuant to a Liquidity Facility, the Owners of such Bonds bearing interest at Variable Rates (other than an Initial Rate or a Term Rate) may elect to have their Bonds (or portions thereof in Authorized Denominations) purchased at the Purchase Price on the following purchase dates and upon the giving of written notice meeting the requirements of this subsection (a) and subsection (b) below:

(i) Bonds bearing interest at a Weekly Rate may be tendered for purchase at the Purchase Price, payable in immediately available funds, on any

Thursday, or if such Thursday is not a Business Day, on the next following Business Day, upon delivery of a written notice of tender to the Tender Agent not later than 3:00 p.m., New York City time, on a Business Day that is not less than seven (7) calendar days prior to the purchase date stated in such notice.

(ii) Bonds bearing interest at a Monthly Rate, Quarterly Rate or Semiannual Rate may be tendered for purchase on any Interest Payment Date for such Bonds at the Purchase Price, payable in immediately available funds, upon delivery of a written notice of tender to the Tender Agent not later than 3:00 p.m., New York City time, on a Business Day that is not less than seven (7) Business Days prior to the purchase date stated in such notice.

(iii) [Reserved.]

(iv) [Reserved.]

(v) For the avoidance of doubt, Bonds bearing interest at (1) an Initial Rate, (2) a Term Rate, or (3) a Stepped Rate, are not subject to optional tender at the election of the Owners thereof.

(b) Notice of Optional Tender. Each notice of optional tender:

(i) shall be delivered to the Tender Agent at its designated office and be in form satisfactory to the Tender Agent;

(ii) shall state (A) the principal amount and the bond number (if not held in a Book-Entry Only System) of the Bond to which the notice relates, (B) that the Owner irrevocably demands purchase of such Bond or a specified portion thereof in an amount equal to an Authorized Denomination, (C) the date on which such Bond or portion thereof is to be purchased, and (D) payment instructions with respect to the Purchase Price; and

(iii) shall automatically constitute (A) an irrevocable offer to tender the Bond (or the specified portion thereof) to which the notice relates on the purchase date, at the Purchase Price, (B) an irrevocable authorization and instruction to the Tender Agent to effect transfer of such Bond (or the specified portion thereof) upon payment of the Purchase Price to the Tender Agent on the purchase date, (C) an irrevocable authorization and instruction to the Tender Agent to effect the exchange of the Bond to be purchased in whole or in part for other Bonds in an equal aggregate principal amount so as to facilitate the sale of such Bond (or the specified portion thereof), (D) an acknowledgment that such Owner will have no further rights with respect to such Bond (or the specified portion thereof) upon payment of the Purchase Price thereof to the Tender Agent on the purchase date, except for the right of such Owner to receive such Purchase Price upon surrender of such Bond to the Tender Agent, and (E) an acknowledgement that if the Owner fails to tender such Bond for purchase on the Purchase Date, such untendered Bond shall be deemed tendered, shall cease to bear interest and shall be outstanding for the sole purpose of receiving the Purchase Price upon delivery thereof to the Tender Agent.

The determination of the Tender Agent as to whether a notice of tender has been properly delivered pursuant to the foregoing shall be conclusive and binding upon the Owner. The Tender Agent may waive nonconforming tenders. The Tender Agent shall promptly, and in no event later than the close of business on the next succeeding Business Day, electronically transmit a copy of any notice received pursuant to this Section 4.01 to the Remarketing Agent and the Bank.

(c) Remarketing of Tendered Bonds. The Remarketing Agent shall offer for sale and use its best efforts to remarket all Bonds or portions thereof for which notice of tender has been received pursuant to Section 4.01(b) above. The terms of any sale by the Remarketing Agent shall provide for the payment of the Purchase Price for tendered Bonds by the Remarketing Agent to the Tender Agent (in exchange for new registered Bonds) in immediately available funds at or before 10:30 a.m., New York City time, on the purchase date. Notwithstanding the foregoing, the Remarketing Agent shall not remarket any Bond for which a notice of conversion from one type of Variable Rate Period to another, from or to Flexible Rate Periods, or to a Fixed Rate Period has been given by the Paying Agent/Registrar unless the Remarketing Agent receives written acknowledgment from the person to whom the Bond is being remarketed of the conversion.

(d) Purchase of Tendered Bonds.

(i) Notice. At or before 3:00 p.m., New York City time, on the Business Day immediately preceding the date fixed for purchase of tendered Bonds, the Remarketing Agent shall give notice by telephone, telegram, telecopy, time-sharing terminal, telex, facsimile transmission, or other similar communication to the Tender Agent of the principal amount of tendered Bonds which were not remarketed. Not later than 4:00 p.m., New York City time, on the date of receipt of such notice, the Tender Agent shall give notice by telephone, telegram, telecopy, facsimile transmission, electronic mail, or other similar communication to the Pricing Officer, the Bank and the Paying Agent/Registrar specifying the principal amount of tendered Bonds which have not been remarketed. At or before 3:00 p.m., New York City time, on the Business Day immediately preceding the date fixed for purchase of the tendered Bonds, to the extent known to the Remarketing Agent, but in any event, no later than 10:30 a.m., New York City time, on the date fixed for purchase, the Remarketing Agent shall give notice to the Tender Agent by telephone (promptly confirmed in writing, which may be electronic) of the names, addresses, and taxpayer identification numbers of the purchaser of the remarketed Bonds, the Authorized Denominations of the Bonds to be delivered to each purchaser and, if available, payment instructions for regularly scheduled interest payments.

(ii) Sources of Payment. At or before 10:30 a.m., New York City time on the date fixed for purchase of the tendered Bonds, the Remarketing Agent shall cause to be paid to the Tender Agent for deposit in the “Fort Bend Independent School District Remarketing Proceeds Payment Fund, [series designation assigned to the Bonds in the Officer’s Pricing Certificate] (the “Payment Fund”), all amounts representing proceeds of the remarketed Bonds, such payments to be made in the

manner and at the time specified in Section 4.01(c) above. If such amounts, plus all other amounts received by the Tender Agent for the purchase of tendered Bonds, are not sufficient to pay the Purchase Price, the Tender Agent shall immediately notify the Bank and the Pricing Officer of any deficiency no later than 11:00 a.m., New York City time, on such date in the form required pursuant to the Liquidity Facility; provided, however, in the event the date of purchase of the tendered Bonds is an Interest Payment Date, payment of the accrued interest portion of the Purchase Price for the tendered Bonds shall be the sole responsibility of the District and the Bank shall have no liability for such interest portion of the Purchase Price of the tendered Bonds to the Owners thereof. The Bank and the District (if the District is obligated to pay the interest portion of the Purchase Price) shall deliver to the Tender Agent immediately available funds in an amount at least equal to its portion of the Purchase Price agreed to be paid on the tender date of such unremarketed Bonds prior to 1:30 p.m., New York City time, on the date set for purchase of such tendered Bonds. All money received by the Tender Agent as remarketing proceeds and additional amounts, if any, received from the Bank and the District to pay the Purchase Price of the tendered Bonds shall be deposited by the Tender Agent in the Payment Fund to be used solely for the payment of the Purchase Price of such tendered Bonds and shall not be commingled with other funds held by the Tender Agent and shall remain uninvested; if any such money representing amounts received from the Bank exceed the amount required to pay the Purchase Price of tendered Bonds, such excess shall be paid back to the Bank.

(iii) Payments by the Tender Agent. At or before 2:30 p.m., New York City time, on the date set for purchase of tendered Bonds and upon receipt by the Tender Agent of 100% of the aggregate Purchase Price of the tendered Bonds, the Tender Agent shall pay the Purchase Price of such Bonds to the tendering Owners thereof at its designated office or by bank wire transfer. Such payments shall be made in immediately available funds. The Tender Agent shall apply in order (A) money paid to it by the Remarketing Agent as proceeds of the remarketing of such Bonds by the Remarketing Agent, (B) money, if any, paid by the District, and (C) money paid pursuant to the Liquidity Facility, if any. If sufficient funds are not available for the purchase of all tendered Bonds (but excluding any Bonds for which a tender has been rescinded pursuant to the provisions of this Order), no Bonds shall be purchased.

(iv) Registration and Delivery of Tendered or Purchased Bonds. On the purchase date, the Tender Agent shall register and deliver (or hold) or cancel all Bonds purchased on any purchase date as follows: (A) Bonds purchased or remarketed by the Remarketing Agent shall be registered by the Tender Agent and delivered to the new registered owner in accordance with the instructions of the Remarketing Agent by 2:00 p.m., New York City time; and (B) Purchased Bonds, if any, shall be registered and transferred in accordance with Section 2.10 of this Order.

Notwithstanding anything to the contrary in the foregoing paragraph, for so long as the Bonds are held in the Book-Entry Only System of DTC in accordance with Section 2.07

hereof, (i) any Bond remarketed by the Remarketing Agent shall be delivered to the new beneficial owner thereof by a transfer in the Book-Entry Only System of DTC of such remarketed Bond to the applicable DTC Participant account for such beneficial owner; and (ii) Purchased Bonds shall be delivered to the Bank by a transfer in the Book-Entry Only System of DTC of such Purchased Bonds to the DTC Participant account of the Tender Agent for the benefit of the Bank, as beneficial owner of such Purchased Bonds.

(v) Delivery of Bonds; Effect of Failure to Surrender Bonds. All Bonds to be purchased on any date shall be delivered to the office of the Tender Agent prior to 5:00 p.m., New York City time, on the Business Day next preceding the purchase date (12:00 noon New York City time on the tender date for Bonds held in Book-Entry Only System). If the Owner of any Bond (or portion thereof) that is subject to purchase pursuant to this Section fails to deliver such Bond to the Tender Agent for purchase on the purchase date, and if the Tender Agent is in receipt of the Purchase Price therefor, such Bond (or portion thereof) shall nevertheless be deemed purchased on the day fixed for purchase thereof and shall constitute an Undelivered Bond. Ownership of Undelivered Bonds shall be transferred to the purchaser thereof as provided in Section 4.01(d)(iv) above and the Tender Agent shall authenticate and deliver substitute Bonds in lieu of such Undelivered Bonds. Any Owner of Undelivered Bonds shall have no further right thereunder except the right to receive the Purchase Price thereof upon presentation and surrender of said Bonds to the Tender Agent. The Tender Agent shall, as to any Undelivered Bonds, (A) promptly notify the Remarketing Agent of such nondelivery and (B) place a stop transfer against such Undelivered Bonds.

#### Section 4.02. Mandatory Tender After Flexible Rate Periods.

(a) Purchase Dates. While a Bank is obligated to purchase Bonds pursuant to a Liquidity Facility, each such Bond bearing interest at a Flexible Rate shall be subject to mandatory tender for purchase on the first Business Day after the end of the Flexible Rate Period applicable to such Bond at its Purchase Price. The Owners of such Bonds shall not have the right to elect to retain their Bonds. Each Flexible Rate Period and mandatory tender date for a Bond shall be established on the date of purchase of such Bond as hereinafter provided. The Owner of any Bond bearing interest at a Flexible Rate and tendered for purchase as provided in this Section 4.02(a) shall provide the Tender Agent with payment instructions for the Purchase Price of its Bond upon tender thereof to the Tender Agent.

(b) Remarketing of Tendered Bonds. The Remarketing Agent shall use its best efforts to remarket all Bonds bearing interest at Flexible Rates required to be purchased on the ensuing purchase date. Subject to the provisions of Section 3.03, in remarketing the Bonds, the Remarketing Agent shall offer and accept purchase commitments for the Bonds for such Flexible Rate Periods and at such Flexible Rates as it deems to be advisable in order to minimize the net interest cost on the Bonds under prevailing market conditions; provided, however, that the foregoing shall not prohibit the Remarketing Agent from accepting purchase commitments for longer Flexible Rate Periods (and at higher Flexible Rates) than are otherwise available at the time of any remarketing if the Remarketing Agent

determines that, under prevailing market conditions, a lower net interest cost on the Bonds can be achieved over the longer Flexible Rate Period. Notwithstanding the foregoing, no Flexible Rate Period may be established which (i) exceeds 270 days or is less than 7 days, or (ii) if the Remarketing Agent has given or received notice of any conversion to a Variable Rate Period or the Fixed Rate Period, exceeds the remaining number of days prior to the Conversion Date. The terms of any sale by the Remarketing Agent shall provide for the authorization of the payment of the Purchase Price by the Remarketing Agent to the Tender Agent in immediately available funds at or before 10:30 a.m., New York City time, on the purchase date.

(c) Purchase of Tendered Bonds. The provisions of Section 4.01(d) shall apply to tenders pursuant to this Section 4.02.

Section 4.03. Mandatory Tender Upon Variable Rate Conversion or Flexible Rate Conversion; Conversion from Term Rate Period with No Liquidity Facility.

(a) Conversions to Variable Rate Periods. Subject to Section 3.02(g)(vi), while a Bank is obligated to purchase Bonds pursuant to a Liquidity Facility, each such Bond to be converted from any Variable Rate Period to a different Variable Rate Period (including from a Term Rate Period to a new Term Rate Period of the same or a different duration as the then-expiring Term Rate Period) pursuant to Section 3.02(g) or from a Flexible Rate Period to a Variable Rate Period pursuant to Section 3.02(h) are subject to mandatory tender for purchase on the applicable Variable Rate Conversion Date at the Purchase Price. The Owners of such Bonds shall not have the right to elect to retain their Bonds.

(b) Conversion to Flexible Rate Periods from Variable Rate Periods. Subject to Section 3.03(b)(vi), while a Bank is obligated to purchase Bonds pursuant to a Liquidity Facility, each such Bond to be converted to a Flexible Rate Period pursuant to Section 3.03(b) are subject to mandatory tender for purchase on the applicable Flexible Rate Conversion Date at the Purchase Price. The Owners of such Bonds shall not have the right to elect to retain their Bonds.

(c) [Reserved.]

(d) Notice to Owners. Any notice of a Conversion Date given to Owners pursuant to Section 3.02(g)(iii), 3.02(h)(iii) or 3.03(b)(iii) shall, in addition to the requirements of such Section, state that the Bonds to be converted will be subject to mandatory tender for purchase on the Conversion Date and the time at which Bonds are to be tendered for purchase.

(e) Remarketing. On the date any notice of a Conversion Date is given to Owners pursuant to Section 3.02(g)(iii), 3.02(h)(iii), or 3.03(b)(iii), the Tender Agent shall notify the Pricing Officer, the Paying Agent/Registrar, the Remarketing Agent and the Bank, if any, by telephone, telegram, telecopy, facsimile transmission, electronic mail or other similar communication, of the principal amount of Bonds to be tendered for purchase on the Conversion Date. The Remarketing Agent shall use its best efforts to remarket such Bonds. The terms of any sale by the Remarketing Agent shall provide for the payment of

the Purchase Price of tendered Bonds to the Remarketing Agent in immediately available funds at or before 9:30 a.m., New York City time, on the Conversion Date.

(f) Purchase of Tendered Bonds. The provisions of Section 4.01(d) shall apply to tenders pursuant to this Section 4.03.

(g) Conversion from Term Rate Period with No Liquidity Facility. As set forth in Section 3.02(f)(iv), while the Bonds bear interest at a Term Rate, the District shall use its best efforts to take all such actions required by this Order to be performed by the District to cause such Bonds to be converted to a different Rate Period (including to a Term Rate Period of the same or a different duration as the then-expiring Term Rate Period) on the first Business Day immediately following the last day of the then-expiring Term Rate Period. If the conversion of Bonds relates to a conversion from a Term Rate Period to a different Rate Period (including from a Term Rate Period to a new Term Rate Period of the same or a different duration as the then-expiring Term Rate Period), and there then exists no Liquidity Facility relating to such Bonds (and there was no Liquidity Facility in effect for such Bonds upon the commencement of the then-expiring Term Rate Period), then such Bonds shall be subject to mandatory tender for purchase on the Conversion Date without right of retention by the Owners at the Purchase Price. The provisions of Section 4.01(d) shall apply to such mandatory tenders pursuant to this Section 4.03(g). In the event that all of such Bonds (of the same series or subseries) subject to such mandatory tender are not converted into one or more Rate Periods and remarketed to new purchasers on the Conversion Date, the District shall have no obligation to purchase any of the Bonds tendered on such date, the failed conversion and remarketing shall not constitute an Event of Default under this Order or such Bonds, the mandatory tender will be deemed to have been rescinded for that date with respect to all of such Bonds, and such Bonds (i) will continue to be Outstanding, (ii) will be purchased upon the availability of funds to be received from the subsequent remarketing of such Bonds, (iii) will bear interest at the Stepped Rate during the Stepped Rate Period, (iv) will be subject to optional redemption and mandatory tender for purchase at the Purchase Price on any date during the Stepped Rate Period upon which a conversion occurs (which shall occur at the District's discretion upon delivery of at least one day's notice to the Owners thereof), and (v) will be deemed to continue in a Term Rate Period for all other purposes of this Order (including the identification of the Interest Payment Dates until the Bonds are remarketed or redeemed), though bearing interest during such time at the Stepped Rate until remarketed or redeemed in accordance with the terms of this Order. In the event of a failed conversion and remarketing as described above, the District will use its best efforts to cause such Bonds to be converted and remarketed on the earliest reasonably practicable date on which such Bonds can be remarketed at par plus accrued interest, in such Rate Period or Rate Periods as the District directs, at a rate not exceeding the Maximum Rate. The provisions of Sections 4.03(d), 4.03(e), 4.04(b) and 4.04(c) of this Order, as applicable, also shall apply to and govern the mandatory tender of Bonds described in this Section 4.03(g) to the extent such provisions are not in conflict with this Section 4.03(g).

(h) Notwithstanding any other provision of this Section 4.03 to the contrary, mandatory tenders to occur with respect to Bonds to be converted from the Initial Rate Period to any other Rate Period shall be governed by Section 4.08 of this Order.

Section 4.04. Mandatory Tender Upon Fixed Rate Conversion.

(a) Mandatory Tender Upon Conversion. Subject to Section 3.04(g), while the Bank is obligated to purchase Bonds pursuant to a Liquidity Facility, any such Bond to be converted to a Fixed Rate pursuant to Section 3.04 shall be subject to mandatory tender for purchase on the Fixed Rate Conversion Date at the Purchase Price. The Owners of such Bonds shall not have the right to elect to retain their Bonds. Any Bond in an Initial Rate Period or a Term Rate Period (for which no Liquidity Facility is then in effect and there was no Liquidity Facility in effect for such Bonds upon the commencement of the then-expiring Term Rate Period) to be converted to a Fixed Rate pursuant to Section 3.04 is subject to mandatory tender for purchase on the Fixed Rate Conversion Date in accordance with the provisions of Section 4.03(g) or Section 4.08, as applicable.

(b) Notice to Owners. Any notice of conversion given to Owners pursuant to Section 3.04(d)(ii) shall, in addition to the requirements of such Section, state that (i) Owners shall not have the right to waive mandatory tender, (ii) Bonds not delivered to the Tender Agent for purchase on the date specified in the notice shall be deemed tendered on such date and that after such date Owners will not be entitled to any payment (including interest to accrue subsequent to the mandatory tender date) other than the Purchase Price for such Undelivered Bonds, (iii) such Undelivered Bonds shall no longer be entitled to the benefits of this Order, and (iv) the Bonds will not be subject to tender for purchase at the option of the Owner after the Fixed Rate Conversion Date.

(c) Remarketing. The Remarketing Agent shall use its best efforts to remarket the Bonds. The terms of any sale by the Remarketing Agent shall provide for the payment of the Purchase Price of the tendered Bonds to the Remarketing Agent in immediately available funds at or before 9:30 a.m., New York City time on the Fixed Rate Conversion Date.

(d) Purchase of Tendered Bonds. The provisions of Section 4.01(d) shall apply to mandatory tenders pursuant to this Section 4.04.

Section 4.05. Mandatory Tender Upon Expiration or Voluntary Termination of Liquidity Facility.

(a) While a Bank is obligated to purchase Bonds pursuant to a Liquidity Facility, such Bonds covered by the Liquidity Facility shall be subject to mandatory tender for purchase at the Purchase Price on the following dates, without the right of the Owners thereof to retain such Bonds:

(i) on the last Business Day prior to the date on which the Liquidity Facility expires by its terms; provided, that no such tender and purchase shall be required if the Liquidity Facility is renewed or extended prior to the date of notice of mandatory tender to the Owner; or

(ii) on the last Business Day before termination of the Liquidity Facility as a result of the voluntary action of the District; and

(iii) on the last Business Day prior to the substitution of a new Liquidity Facility for such Bonds, provided that no such tender and purchase shall be required if prior to the date of notice to the Owner pursuant to subsection 4.05(b) below, the Remarketing Agent, the Paying Agent/Registrar, the Bank, and the Tender Agent shall have received written confirmation from the Rating Agency to the effect that the rating or ratings assigned to the Bonds will not be lowered, suspended or withdrawn as a result of the substitution.

(b) Not later than thirty (30) days prior to the purchase date, the Paying Agent/Registrar shall mail a written notice of the mandatory tender for purchase to the Owners of the Bonds subject to mandatory tender, which notice shall specify (i) the purchase date and (ii) the event requiring the purchase pursuant to Subsection (a) above. In the event that no mandatory tender and purchase is required as provided in Subsection 4.05(a)(iii) above, the Paying Agent/Registrar shall, upon receipt of the written confirmation required from the Rating Agency under Subsection 4.05(a)(iii), promptly mail a written notice to the Owners of the Bonds, which notice shall specify (i) the effective date of the substitute Liquidity Facility and (ii) the identity of the provider under the substitute Liquidity Facility.

(c) Bonds required to be delivered to the Tender Agent pursuant to this Section 4.05 shall be tendered in accordance with the provisions of Section 4.01(d).

Section 4.06. Mandatory Tender Upon Notice of Termination.

(a) While a Bank is obligated to purchase Bonds pursuant to a Liquidity Facility, the Bonds are subject to mandatory tender for purchase at the Purchase Price without the right of Owners to retain their Bonds, on any date specified in a Notice of Termination from the Bank. Upon receipt of Notice of Termination from the Bank, the District shall immediately, but in no event later than one (1) Business Day after receipt of such Notice of Termination, notify the Paying Agent/Registrar of the matters set forth in such notice.

(b) The Paying Agent/Registrar shall give notice to Owners of a mandatory tender pursuant to this Section 4.06 at least nine (9) days prior to the mandatory tender date. Such notice of mandatory tender shall state that the Bonds are subject to mandatory tender on the Business Day next preceding the date of termination of the Liquidity Facility, as stated in the notice from the District and that Owners shall not have a right to retain their Bonds.

(c) Bonds shall be required to be delivered to the Tender Agent against payment therefor in accordance with the provisions of Section 4.01(d).

(d) No remarketing of the Bonds shall occur after the receipt by the District of the Notice of Termination until such time as a new Liquidity Facility is in effect.

Section 4.07. Mandatory Tender at Direction of District.

(a) Prior to the Fixed Rate Conversion Date, while a Bank is obligated to purchase Bonds pursuant to a Liquidity Facility, such Bonds are subject to mandatory tender for purchase at the option of the District, without the right of the Owners to retain their Bonds, on any date that such Bonds would otherwise be subject to optional redemption pursuant to Section 5.02 of this Order, for conversion to any other Rate Period in accordance with the provisions of this Order. No tender for purchase of Bonds pursuant to any such mandatory tender shall be deemed to be a payment or redemption of such Bonds or any portion thereof, and such purchase will not operate to extinguish or discharge the indebtedness evidenced by such Bonds.

(b) Any mandatory tender pursuant to this Section 4.07 shall be subject to the following conditions:

(i) on or before the mandatory tender date, the District shall have delivered to the Paying Agent/Registrar and the Remarketing Agent an Opinion of Bond Counsel; and

(ii) as of the mandatory tender date, sufficient funds shall be available to purchase Bonds which are then required to be purchased at the direction of the District pursuant to this Section 4.07.

If the foregoing conditions are not met for any reason, then (A) such Bonds shall remain in the same Rate Period, (B) the failed mandatory tender shall not constitute an Event of Default under this Order or such Bonds, (C) the mandatory tender will be deemed to have been rescinded for that date with respect to such Bonds and any Bonds so tendered will be returned to the Owners thereof, and (D) the Paying Agent/Registrar shall give prompt notice (not later than the proposed mandatory tender date) to the Owners of such Bonds stating that the mandatory tender did not occur because the conditions to such mandatory tender were not satisfied in accordance with the terms of this Order.

(c) Notice to Owners. Any notice of such mandatory tender will be given to Owners pursuant to Section 5.07 and shall, in addition to the requirements of such Section, state that Owners shall not have the right to retain their Bonds and that Bonds not delivered to the Tender Agent for purchase on the date specified in the notice shall be deemed tendered on such date and the conditions contained in this Order for such mandatory tender to occur and the consequences of the failure to satisfy such conditions and that after such date Owners will not be entitled to any payment (including interest to accrue subsequent to the required purchase date) other than the Purchase Price for such Undelivered Bonds and such Undelivered Bonds shall no longer be entitled to the benefits of this Order.

(d) Remarketing. The Remarketing Agent shall offer for sale and use its best efforts to remarket the Bonds in the Rate Period selected by the District, all in accordance with the applicable provisions of this Order. The terms of any sale by the Remarketing Agent shall provide for the payment of the Purchase Price to the Remarketing Agent of the tendered Bonds in immediately available funds at or before 9:30 a.m., New York City time

on the mandatory date specified in the notice. The Remarketing Agent shall not sell any Bond for which a notice of conversion from one type of Variable Rate Period to another, to Flexible Rate Periods, or to a Fixed Rate Period has been given by the Paying Agent/Registrar unless the Remarketing Agent has advised the person to whom the sale is being made of the conversion.

(e) Purchase of Tendered Bonds. The provisions of Section 4.01(d) shall apply to mandatory tenders pursuant to this Section 4.07.

Section 4.08. Mandatory Tender at End of Initial Rate Period. The District shall use its best efforts to take all such actions required by this Order to be performed by the District to cause all Bonds (of a particular series or subseries) to be converted from the Initial Rate Period to a different Rate Period on the first Business Day immediately following the last day of the applicable Initial Rate Period. Notwithstanding any other provision of this Order to the contrary, all Bonds issued hereunder shall be subject to mandatory tender for purchase on the mandatory tender date set forth in the Officer's Pricing Certificate to occur on the Business Day immediately following the last day of the Initial Rate Period, without right of retention by the Owner, at the Purchase Price. The provisions of Section 4.01(d) shall apply to such mandatory tenders pursuant to this Section 4.08. In the event that all of the Bonds (of the same series or subseries) subject to such mandatory tender are not converted into one or more Rate Periods and remarketed to new purchasers on the scheduled date of mandatory tender, the District shall have no obligation to purchase any of such Bonds tendered on such date, the failed conversion and remarketing shall not constitute an Event of Default under this Order or such Bonds, the mandatory tender will be deemed to have been rescinded for that date with respect to all of such Bonds, and such Bonds (i) will continue to be Outstanding, (ii) will be purchased upon the availability of funds to be received from the subsequent remarketing of the Bonds, (iii) will bear interest at the Stepped Rate during the Stepped Rate Period, (iv) will be subject to redemption and mandatory tender for purchase at the Purchase Price on any date during the Stepped Rate Period upon which a conversion occurs (which shall occur at the District's discretion upon delivery of at least one day's notice to the Owners thereof), and (v) will be deemed to continue in an Initial Rate Period for all other purposes of this Order (including the identification of Interest Payment Dates until the Bonds are remarketed or redeemed), though bearing interest during such time at the Stepped Rate until remarketed or redeemed in accordance with the terms of this Order. In the event of a failed conversion and remarketing as described in this Section 4.08, the District will use its best efforts to cause such Bonds to be converted and remarketed on the earliest reasonably practicable date on which such Bonds can be sold at not less than par plus accrued interest, in such Rate Period or Rate Periods as the District directs, at a rate not exceeding the Maximum Rate. The provisions of Sections 4.03(d), 4.03(e), 4.04(b) and 4.04(c) of this Order, as applicable, also shall apply to and govern the mandatory tender of Bonds described in this Section 4.08 to the extent such provisions are not in conflict with this Section 4.08.

## **ARTICLE V REDEMPTION OF BONDS BEFORE MATURITY**

Section 5.01. Limitation on Redemption. The Bonds shall be subject to redemption before scheduled maturity only as provided in this Article V and in the Officer's Pricing Certificate. Any provision of this Article V, including, without limitation, any provisions relating

to the method of selection of Bonds for redemption, may be modified in an Officer's Pricing Certificate.

Section 5.02. Optional Redemption.

(a) Prior to the Fixed Rate Conversion Date, Bonds, other than (i) Purchased Bonds, (ii) Bonds bearing interest at the Initial Rate during the Initial Rate Period, and (iii) Bonds bearing interest at the Stepped Rate during the Stepped Rate Period, are subject to redemption at the option of the District, in whole or in part, at a redemption price equal to the principal amount thereof plus interest accrued thereon to the redemption date, on any Interest Payment Date.

(b) Bonds bearing interest at the Stepped Rate during the Stepped Rate Period and Purchased Bonds are subject to redemption, in whole or in part, at the option of the District, on any Business Day at a redemption price equal to the principal amount thereof plus interest accrued thereon at the Stepped Rate or the Bank Rate, as applicable, to the redemption date. Bonds bearing interest at the Initial Rate during the Initial Rate Period shall be subject to redemption only as provided in the Officer's Pricing Certificate.

(c) Bonds bearing interest at a Fixed Rate are subject to redemption at the option of the District, in whole or in part, on the dates and at the prices determined and established by the District in accordance with Section 3.04(h) of this Order.

(d) The District shall deliver notice to the Paying Agent/Registrar of its intention to redeem Bonds, which notice shall specify the principal amount and the maturity or maturities of the Bonds to be redeemed (i) with respect to Purchased Bonds and Bonds bearing interest at a Stepped Rate, at least two (2) days prior to the redemption date, (ii) with respect to Bonds bearing interest at a Flexible Rate, Weekly Rate or Monthly Rate, at least twenty-five (25) days prior to the redemption date; and (iii) with respect to Bonds bearing interest at a Quarterly Rate, Semiannual Rate, Term Rate or Fixed Rate, at least thirty-five (35) days prior to the redemption date.

(e) Subject to Section 5.07(c), on or prior to the date established for optional redemption of any Bonds or Purchased Bonds, the District shall have deposited an amount sufficient to pay the redemption price of the Bonds to be redeemed with the Paying Agent/Registrar or an authorized escrow agent. Such money may be invested in Government Securities having maturities which coincide with the redemption date.

(f) In addition to the foregoing and notwithstanding the notice provisions of Section 5.07 hereof, the District, at its option, may purchase for cancellation or redeem any Bond subject to mandatory tender on any mandatory tender date therefor without notice to any Owner, at a price equal to the principal amount thereof plus any accrued and unpaid interest.

Section 5.03. Scheduled Mandatory Redemption.

(a) The Bonds are subject to mandatory redemption from money on deposit in the Interest and Sinking Fund at a price of par plus accrued interest to the date fixed for redemption, in the amounts and on the dates set forth in the Officer's Pricing Certificate.

(b) Prior to each scheduled mandatory redemption date for the Bonds required to be redeemed pursuant to subparagraph (a) of this Section 5.03, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of Bonds equal to the aggregate principal amount of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in Section 5.07.

(c) The principal amount of the Bonds required to be redeemed on any redemption date pursuant to subparagraph (a) of this Section 5.03 shall be reduced by the principal amount of any Bonds of the same maturity which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the District and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions hereof and not previously credited to a mandatory sinking fund redemption. Bonds purchased for cancellation or redeemed pursuant to the optional redemption provisions hereof that are required to be redeemed pursuant to Section 5.03(a) shall be credited against future mandatory redemption payments as directed by the District.

(d) In lieu of mandatorily redeeming the Bonds subject to redemption pursuant to subparagraph (a) of this Section 5.03, the District reserves the right to purchase for cancellation such Bonds of the same maturity at a price no greater than the applicable redemption price of such Bonds.

Section 5.04. Additional Mandatory Redemption.

(a) In each fiscal year in which any series of the Bonds are Outstanding and accruing interest at a Flexible Rate or a Variable Rate, the District shall budget (in accordance with Section 2.13(a) hereof) for such fiscal year for the payment of interest on the Bonds, to the extent it is unknown, at a rate prescribed in the then-effective Liquidity Facility, if any, or at a rate equal to the Maximum Rate per annum. In the event and to the extent that interest paid on the Bonds during such fiscal year is less than the amount payable at the rate prescribed in the then-effective Liquidity Facility, if any, or the Maximum Rate, as applicable, when either such rate is used by the District in calculating its tax rate (the "Subsection (a) Excess Interest Funds"), the District shall cause the Subsection (a) Excess Interest Funds to be allocated and appropriated for the payment of the mandatory redemption of Bonds on the first August 1 next following the end of such fiscal year; provided the amount of such Subsection (a) Excess Interest Funds is equal to or greater than \$100,000. In each fiscal year when the amount of Subsection (a) Excess Interest Funds is equal to or greater than \$100,000, the District shall cause Bonds in a principal amount equivalent to the Excess Interest Funds to be redeemed on the August 1 next

following the end of such fiscal year at the redemption price of par plus accrued interest to the date of redemption. The mandatory redemption of Bonds in accordance with the provision of this subsection (a) shall be in addition to the amount of Bonds to be mandatorily redeemed as set forth in the Officer's Pricing Certificate. The principal amount of Bonds subject to mandatory redemption, if any, shall be reduced, in inverse chronological order of redemption dates, by the amount of Bonds redeemed pursuant to the provisions of this Section 5.04(a).

(b) Notwithstanding the provisions of Section 2.13 and Section 5.04(a) above, in addition, in each fiscal year in which any series of the Bonds are Outstanding and accruing interest at a Flexible Rate or a Variable Rate, the District may, at the District's discretion, budget for such fiscal year and levy taxes for the payment of interest on the Bonds based on an interest rate on the Bonds equal to the actual rate borne thereby or any rate not to exceed the Maximum Rate per annum that is not less than the actual rate per annum. At the end of the fiscal year in which the District levies a tax based on the interest rate on the Bonds being equal to a rate exceeding the actual rate on the Bonds, the District shall cause the difference between the amount budgeted at a rate exceeding the actual rate on the Bonds and the amount paid on the Bonds ("Subsection (b) Excess Interest Funds") to be allocated and appropriated for the purchase for cancellation (if August 1 is a mandatory tender date) or payment of the mandatory redemption of Bonds on the first August 1 next following the end of such fiscal year; provided the amount of such Subsection (b) Excess Interest Funds is equal to or greater than \$100,000. In each fiscal year when the amount of Subsection (b) Excess Interest Funds is equal to or greater than \$100,000, the District shall cause Bonds in a principal amount equivalent to the Excess Interest Funds to be purchased for cancellation (if August 1 is a mandatory tender date) or redeemed on the August 1 next following the end of such fiscal year at the redemption price of par plus accrued interest to the date of redemption. The mandatory redemption of Bonds in accordance with the provision of this subsection (b) shall be in addition to the amount of Bonds to be mandatorily redeemed as set forth in the Officer's Pricing Certificate.

(c) Unless utilized to purchase Bonds for cancellation on a mandatory tender date, at least 45 days prior to each mandatory redemption date described in subsections (a) and (b) of this Section 5.04, the District will notify the Paying Agent/Registrar and the Remarketing Agent in writing of the principal amount of Bonds to be mandatorily redeemed on such mandatory redemption date, and instruct the Paying Agent/Registrar to select by lot or other customary random selection method the Bonds or portions thereof to be redeemed.

Bonds to be redeemed in any year by mandatory redemption shall be redeemed at par, plus accrued interest to the date of redemption, and shall be selected by the Paying Agent/Registrar by lot or other method that results in a random selection thereof. The District, at its option, may credit against any mandatory redemption requirement, Bonds which have been purchased by the District, using funds other than remarketing proceeds or moneys drawn under the Liquidity Facility, at a price not exceeding the principal amount of such Bonds plus accrued interest to the date of purchase and canceled by the Paying

Agent/Registrar, or have been optionally redeemed and not theretofore applied as a credit against any mandatory redemption requirement.

Section 5.05. Special Mandatory Redemption. Purchased Bonds shall be subject to special mandatory redemption, if required by and in accordance with the provisions of the applicable Liquidity Facility.

Section 5.06. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed, the District shall direct the Paying Agent/Registrar to call Purchased Bonds first and then to call Bonds or portions thereof by lot or other random selection method for redemption; provided that in the event that the District elects to optionally redeem less than all of the Outstanding principal amount of a maturity of Bonds that are term Bonds with multiple mandatory sinking fund redemption dates the Pricing Officer shall select, or cause to be selected, the mandatory redemption dates to which such redemption shall be applied and the principal amounts of such Bonds to be redeemed, and the Paying Agent/Registrar shall then select, or cause to be selected, such principal amount of Bonds to be redeemed by lot or other random selection method for redemption.

(b) A portion of a single Bond of a denomination greater than a minimum Authorized Denomination may be redeemed but only in a principal amount equal to a minimum Authorized Denomination or any integral multiple thereof. The Paying Agent/Registrar shall treat each minimum Authorized Denomination of such Bond as though it were a single Bond for purposes of selection for redemption.

(c) Upon surrender of any Bond for redemption in part, the Paying Agent/Registrar shall authenticate and deliver an exchange Bond or Bonds in an aggregate principal amount equal to the unredeemed portion of the Bond so surrendered.

Section 5.07. Notice of Redemption.

(a) The Paying Agent/Registrar shall cause notice of redemption of any Bond to be redeemed in whole or in part to be mailed first class mail to the Rating Agency and to the Owner thereof at the address of the Owner appearing in the Register (i) with respect to a Bond bearing interest at a Stepped Rate or a Bank Rate, at least one (1) day prior to the redemption date; (ii) with respect to a Bond bearing interest at a Flexible Rate, Weekly Rate or Monthly Rate, at least twenty (20) days prior to the redemption date; and (iii) with respect to a Bond bearing interest at a Quarterly Rate, a Semiannual Rate, a Term Rate or a Fixed Rate, at least thirty (30) days prior to the redemption date.

(b) The notice of redemption shall identify the Bonds to be redeemed, and shall specify the numbers thereof (if not held in a Book-Entry Only System), the redemption date and the redemption price. The notice shall state that (i) on the redemption date the Bonds called for redemption will be payable at the designated office of the Paying Agent/Registrar, and (ii) on and after the redemption date interest will cease to accrue (unless sufficient moneys are not available to the Paying Agent/Registrar to pay the redemption price on the redemption date).

(c) The District reserves the right to give notice of its election or direction to redeem Bonds under Section 5.02 conditioned upon the occurrence of subsequent events. Such notice may state (i) that the redemption is conditioned upon the deposit of moneys and/or authorized securities, in an amount equal to the amount necessary to effect the redemption, with the Paying Agent/Registrar, or such other entity as may be authorized by law, no later than the redemption date or (ii) that the District retains the right to rescind such notice at any time prior to the scheduled redemption date if the District delivers a certificate of the District to the Paying Agent/Registrar instructing the Paying Agent/Registrar to rescind the redemption notice, and such notice of redemption shall be of no effect if such moneys and/or authorized securities are not so deposited or if the notice is rescinded. The Paying Agent/Registrar shall give prompt notice of any such rescission of a conditional notice of redemption to the affected Owners. Any Bonds subject to conditional redemption where redemption has been rescinded shall remain Outstanding. Failure to pay the redemption price of the Bonds subject to optional redemption shall not constitute an Event of Default hereunder or under any Bond.

(d) Any notice given as provided in this Section shall be conclusively presumed to have been duly given, whether or not the Owner receives such notice.

Section 5.08. Payment Upon Redemption.

(a) By each redemption date, the District shall deposit with the Paying Agent/Registrar money sufficient to pay all amounts due on the redemption date.

(b) Upon presentation and surrender of any Bond called for redemption at the designated office of the Paying Agent/Registrar on or after the date fixed for redemption, the Paying Agent/Registrar shall pay the principal of and accrued interest on such Bond to the date of redemption from the money provided for that purpose.

Section 5.09. Effect of Redemption.

(a) Notice of redemption having been given, and due provision having been made for payment, the Bonds or portions thereof called for redemption shall become due and payable on the date fixed for redemption; thereafter, such Bonds or portions thereof shall cease to bear interest from the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

(b) If the District shall fail to make provision for the payment of all sums due on a redemption date, then any Bond or portion thereof called for redemption shall continue to bear interest until due provision is made for the payment of same by the District.

**ARTICLE VI**  
**PAYING AGENT/REGISTRAR;**  
**REMARKETING AGENT; TENDER AGENT**

Section 6.01. Appointment of Initial Paying Agent/Registrar. The Pricing Officer is hereby authorized to select and appoint the initial Paying Agent/Registrar for the Bonds, and the initial Paying Agent/Registrar shall be designated in the Officer's Pricing Certificate. The Board

hereby approves the form of Paying Agent/Registrar Agreement specifying the duties of the Paying Agent/Registrar and the District, and the President of the Board, the Vice President of the Board or the Pricing Officer is authorized to execute and deliver such agreement for and on behalf of the District and this Board, with such changes as the person executing the same may approve. Such agreement as executed by the President of the Board, the Vice President of the Board or the Pricing Officer, shall be deemed to be the Paying Agent/Registrar Agreement herein approved and authorized to be executed and delivered for and on behalf of the District and this Board.

Section 6.02. Qualifications. Each Paying Agent/Registrar shall be a commercial bank or trust company organized under the laws of the United States or any state, or other entity duly qualified and legally authorized to serve as and perform the duties and services of paying agent and registrar for the Bonds.

Section 6.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Bonds are Outstanding, the District will maintain a Paying Agent/Registrar that is qualified under Section 6.02 of this Order.

(b) If the Paying Agent/Registrar resigns, is terminated, or otherwise ceases to serve as such, the District will promptly appoint a replacement with the consent of the Bank, if any, such consent not to be unreasonably withheld.

Section 6.04. Termination. The District reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated (i) 45 days written notice of the termination of the appointment and of the Paying Agent/Registrar Agreement, stating the effective date of such termination, and (ii) appointing a successor Paying Agent/Registrar; provided, that, no such termination shall be effective until a successor paying agent/registrar has assumed the duties of paying agent/registrar for the Bonds.

Section 6.05. Notice of Change to Owners. Promptly upon each change in the entity serving as Paying Agent/Registrar, the District will cause notice of the change to be sent to each Owner by first class United States mail, postage prepaid, at the address shown in the Register, stating the effective date of the change and the name and mailing address of the replacement Paying Agent/Registrar.

Section 6.06. Agreement to Perform. By accepting the appointment as Paying Agent/Registrar and executing a paying agent/registrar agreement with the District, the Paying Agent/Registrar is deemed to have agreed to the provisions of this Order and that it will perform the duties and functions of Paying Agent/Registrar prescribed hereby.

Section 6.07. Delivery of Records to Successor. If a Paying Agent/Registrar is replaced, such Paying Agent/Registrar, promptly upon the appointment of the successor, will deliver the Register (or a copy thereof) and all other pertinent books and records relating to the Bonds to the successor Paying Agent/Registrar.

Section 6.08. Appointment of Initial Remarketing Agent. The Pricing Officer is hereby authorized to select and appoint the initial Remarketing Agent for the Bonds, which appointment shall be set forth in the Officer's Pricing Certificate. The Remarketing Agent shall signify its

acceptance of the duties and obligations imposed on it hereunder by its execution of the Remarketing Agreement. The Board hereby approves the form of Remarketing Agreement specifying the duties and responsibilities of the District and the Remarketing Agreement. The President of the Board, the Vice President of the Board or the Pricing Officer is hereby authorized and directed to execute and deliver the Remarketing Agreement for and on behalf of the District and this Board, with such changes as the person executing the same may approve, and such Remarketing Agreement as executed by the President of the Board, the Vice President of the Board or the Pricing Officer shall be deemed to be the Remarketing Agreement herein approved and authorized to be executed and delivered for and on behalf of the District and this Board.

Section 6.09. Appointment of Initial Tender Agent. The Pricing Officer is hereby authorized to select and appoint the initial Tender Agent for the Bonds, and the initial Tender Agent shall be designated in the Officer's Pricing Certificate. The Tender Agent shall signify its acceptance of the duties and obligations imposed on it hereunder by its execution of the Tender Agent Agreement. The Board hereby approves the form of Tender Agent Agreement specifying the duties and responsibilities of the District and the Tender Agent, and the President of the Board, the Vice President of the Board or the Pricing Officer is hereby authorized and directed to execute and deliver the Tender Agent Agreement for and on behalf of the District and this Board, with such changes as the person executing the same may approve, and such Tender Agent Agreement as executed by the President of the Board, the Vice President of the Board or the Pricing Officer shall be deemed to be the Tender Agent Agreement herein approved and authorized to be executed and delivered for and on behalf of the District and this Board.

Each Tender Agent shall be a commercial bank or trust company organized under the laws of the United States or any state, or other entity duly qualified and legally authorized to serve as and perform the duties and services of tender agent for the Bonds.

Section 6.10. Maintaining Remarketing Agent and Tender Agent.

(a) The District hereby agrees that, while any of the Bonds bear interest at a Variable Rate or a Flexible Rate, it will maintain a Remarketing Agent and Tender Agent with respect to the Bonds, qualified to act in such respective capacity. No resignation or removal of the Remarketing Agent or Tender Agent shall become effective until a successor has been appointed and accepted such appointment. Any successor Tender Agent shall have capital of not less than \$50,000,000.

(b) Promptly upon each change in the entity serving as Remarketing Agent or Tender Agent, the District will cause the Paying Agent/Registrar or another party to send notice of such change to each Owner by first class mail.

Section 6.11. Maintaining a Liquidity Facility. The District agrees to at all times maintain a Liquidity Facility with respect to Bonds bearing interest at a Flexible Rate or at a Variable Rate (other than the Initial Rate, the Stepped Rate or a Term Rate with respect to which the District has elected not to provide a Liquidity Facility).

**ARTICLE VII  
FORM OF THE BONDS**

Section 7.01. Form Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State, the Certificate of the Paying Agent/Registrar, and the Assignment form to appear on each of the Bonds, (i) shall be substantially in the form set forth in Exhibit A, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Order and the Officer's Pricing Certificate, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures (CUSIP) of the American Bankers Association) and such legends and endorsements (including the guarantee of the Permanent School Fund, insurance legends in the event the Bonds (or any Stated Maturities thereof) are insured, and any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the District or by the officers executing such Bonds, as evidenced by their execution.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

(c) The definitive Bonds may be typewritten, photocopied, printed, lithographed, or engraved, and may be produced by any combination of these methods or produced in any other similar manner, all as determined by the officers executing such Bonds, as evidenced by their execution.

Section 7.02. CUSIP Registration. The District may secure identification numbers through the CUSIP Global Services, managed on behalf of the American Bankers Association by S&P Global Intelligence, or another entity that provides securities identification numbers for municipal securities, and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the District nor bond counsel are to be held responsible for CUSIP numbers incorrectly printed on the Bonds.

Section 7.03. Legal Opinion. The obligation of the Underwriter to accept delivery of the Bonds is subject to being furnished a final opinion of Bracewell LLP, Bond Counsel, approving such Bonds as to their validity, said opinion to be dated and delivered as of the date of delivery and payment for such Bonds. A true and correct reproduction of said opinion or an executed counterpart thereof is hereby authorized to be either printed on definitive printed obligations or deposited with DTC along with the global certificates for the implementation and use of the Book-Entry Only System used in the settlement and transfer of the Bonds.

**ARTICLE VIII**  
**SALE AND DELIVERY OF BONDS; AND DEPOSIT OF PROCEEDS**

Section 8.01. Sale of Bonds; Offering Memorandum.

(a) The Bonds shall be sold and delivered to the Underwriter at a price to be set forth in the Officer's Pricing Certificate and in accordance with the terms of the Purchase Contract approved by the Pricing Officer. Upon completion of the terms of the Officer's Pricing Certificate, any of the Pricing Officers are hereby authorized and directed to execute the Purchase Contract and the Officer's Pricing Certificate on behalf of the District, which final terms shall be determined to be the most advantageous reasonably attainable by the District, such approval and determination being evidenced by the execution of the Purchase Contract by the Pricing Officer. The President and Vice President of the Board, the Secretary of the Board, the Pricing Officer and all other officers, agents and representatives of the District are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Bonds.

(b) The Pricing Officer is hereby authorized and directed to cause to be prepared on behalf of the District, in accordance with the District's Disclosure Strategy, one or more Preliminary Offering Memoranda, to be used by the Underwriter in the offering and sale of the Bonds, and to certify or otherwise represent that such Preliminary Offering Memoranda are "deemed final" Preliminary Offering Memoranda as of their dates (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, with such changes, modifications and completions as may be required upon pricing and approved by the Pricing Officer (the "Preliminary Offering Memorandum"). The use and distribution of one or more Preliminary Offering Memoranda in the public offering of the Bonds by the Underwriter is hereby authorized. The Pricing Officer is hereby further authorized and directed (i) to cause to be prepared on behalf of the District, in accordance with the District's Disclosure Strategy, one or more final Offering Memoranda (each an "Offering Memorandum"), (ii) to use and distribute or authorize the use and distribution of one or more Offering Memoranda, (iii) to execute the same, if required, and (iv) to deliver appropriate numbers of copies thereof to the Underwriter. Each Offering Memorandum as thus approved, executed, if required, and delivered, with such appropriate variations as shall be approved by the Pricing Officer and the Underwriter, may be used by the Underwriter in the public offering and sale thereof.

(c) The President and Vice President of the Board, the Secretary of the Board, the Pricing Officer and all other officers of the District are authorized to take such actions, to obtain such consents or approvals and to execute such documents, certificates and receipts as they may deem necessary and appropriate in order to consummate the delivery of the Bonds, to pay the costs of issuance of the Bonds, to effectuate the refunding of the Refunded Obligations and to effectuate the terms and provisions of this Order, including, without limitation, making application for the guarantee of the Permanent School Fund for the Bonds from the Texas Education Agency and seeking ratings on the Bonds from the Rating Agency. Further, in connection with the submission of the record of proceedings

for the Bonds to the Attorney General of the State of Texas for examination and approval of such Bonds, the appropriate officer of the District is hereby authorized and directed to issue a check or wire payable to the Attorney General of the State of Texas as a nonrefundable examination fee in the amount required by Chapter 1202, Texas Government Code (such amount to be the lesser of (i) 1/10th of 1% of the principal amount of the Bond or (ii) \$9,500, but in no case less than \$750).

Section 8.02. Control and Delivery of Bonds.

(a) The Pricing Officer is hereby authorized to have control of the Initial Bonds and all necessary records and proceedings pertaining thereto pending investigation, examination, and approval of the Attorney General of the State, registration by the Comptroller of Public Accounts of the State, and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Initial Bonds shall be made to the Underwriter against receipt by the District of all amounts due to the District under the terms of sale.

Section 8.03. Deposit of Proceeds. Proceeds from the sale of the Bonds shall, promptly upon receipt by the District, be applied as provided in the Officer's Pricing Certificate.

**ARTICLE IX  
INVESTMENTS**

Section 9.01. Investments.

(a) Money in the Interest and Sinking Fund created by this Order, at the option of the District, may be invested in such securities or obligations as permitted under applicable law, and pending the disbursement of the proceeds of sale of the Bonds for authorized purposes such proceeds of sale may be invested in authorized investments in accordance with the Public Funds Investment Act (Texas Government Code, Chapter 2256), as amended, or other applicable law. The investments under this Order include guaranteed investment contracts as authorized by Section 2256.015 of the Texas Government Code; all such investments shall be made in such a manner that the money required to be expended will be available at the proper time or times.

(b) Any securities or obligations in which money is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the Interest and Sinking Fund.

Section 9.02. Investment Income.

(a) Interest and income derived from investment of money in the Interest and Sinking Fund shall be credited to such fund.

(b) Interest and income derived from investment of the proceeds of sale of the Bonds and funds held for the payment of the costs of issuance shall be credited to the fund or account where deposited and shall be used for such purposes, with any funds remaining after the accomplishment of such purposes to be transferred to the Interest and Sinking Fund.

## **ARTICLE X PARTICULAR REPRESENTATIONS AND COVENANTS**

Section 10.01. Payment of the Bonds. On or before each date principal, premium, if any, or interest on the Bonds is due, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay such principal, premium, if any, and interest on the Bonds when due.

Section 10.02. Other Representations and Covenants.

(a) The District will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Order and in each Bond; the District will promptly pay or cause to be paid the principal, redemption premium, if any, and interest on each Bond on the dates and at the places and manner prescribed in such Bond; and the District will, at the times and in the manner prescribed by this Order, deposit or cause to be deposited the amounts of money specified by this Order.

(b) The District is duly authorized under the laws of the State to issue the Bonds; all action on its part for the creation and issuance of the Bonds has been duly and effectively taken; and the Bonds in the hands of the Owners thereof are and will be valid and enforceable obligations of the District in accordance with their terms.

Section 10.03. Federal Tax Matters.

(a) General. The District covenants not to take any action or omit to take any action that, if taken or omitted would cause the interest on the Bonds to be includable in gross income, for federal income tax purposes. In furtherance thereof, the District covenants to comply with sections 103 and 141 through 150 of the Code and the provisions set forth in the Federal Tax Certificate executed by the District in connection with the Bonds.

(b) No Private Activity Bonds. The District covenants that it will use the proceeds of the Bonds (including investment income) and the property financed, directly or indirectly, with such proceeds so that the Bonds will not be “private activity bonds” within the meaning of section 141 of the Code. Furthermore, the District will not take a deliberate action (as defined in section 1.141-2(d)(3) of the Regulations) that causes the Bonds to be a “private activity bond” unless it takes a remedial action permitted by section 1.141-12 of the Regulations.

(c) No Federal Guarantee. The District covenants not to take any action or omit to take any action that, if taken or omitted, would cause the Bonds to be “federally

guaranteed” within the meaning of section 149(b) of the Code, except as permitted by section 149(b)(3) of the Code.

(d) No Hedge Bonds. The District covenants not to take any action or omit to take action that, if taken or omitted, would cause the Bonds to be “hedge bonds” within the meaning of section 149(g) of the Code.

(e) No Arbitrage Bonds. The District covenants that it will make such use of the proceeds of the Bonds (including investment income) and regulate the investment of such proceeds of the Bonds so that the Bonds will not be “arbitrage bonds” within the meaning of section 148(a) of the Code.

(f) Required Rebate. The District covenants that, if the District does not qualify for an exception to the requirements of section 148(f) of the Code, the District will comply with the requirement that certain amounts earned by the District on the investment of the gross proceeds of the Bonds, be rebated to the United States.

(g) Information Reporting. The District covenants to file or cause to be filed with the Secretary of the Treasury an information statement concerning the Bonds in accordance with section 149(e) of the Code.

(h) Record Retention. The District covenants to retain all material records relating to the expenditure of the proceeds (including investment income) of the Refunded Obligations and the Bonds and the use of the property financed, directly or indirectly, thereby until three years after the last Bond is redeemed or paid at maturity (or such other period as provided by subsequent guidance issued by the Department of the Treasury) in a manner that ensures their complete access throughout such retention period.

(i) Registration. If the Bonds are “registration-required bonds” under section 149(a)(2) of the Code, the Bonds will be issued in registered form.

(j) Favorable Opinion of Bond Counsel. Notwithstanding the foregoing, the District will not be required to comply with any of the federal tax covenants set forth above if the District has received an opinion of nationally recognized bond counsel that such noncompliance will not adversely affect the excludability of interest on the Bonds from gross income for federal income tax purposes.

(k) Continuing Compliance. Notwithstanding any other provision of this Order, the District’s obligations under the federal tax covenants set forth above will survive the defeasance and discharge of the Bonds for as long as such matters are relevant to the excludability of interest on the Bonds from gross income for federal income tax purposes

(l) Official Intent. For purposes of section 1.150-2(d) of the Regulations, to the extent that an official intent to reimburse has not previously been adopted by the District, this Order serves as the District’s official declaration of intent to use proceeds of the Bonds to reimburse itself from proceeds of the Bonds issued in the maximum amount for certain expenditures paid in connection with the projects set forth herein. Any such reimbursement will only be made (i) for an original expenditure paid no earlier than 60

days prior to the date hereof and (ii) not later than 18 months after the later of (A) the date the original expenditure is paid or (B) the date of with the project to which such expenditure relates is placed in service or abandoned, but in to event more than three years after the original expenditure is paid.

## **ARTICLE XI DEFAULT AND REMEDIES**

Section 11.01. Events of Default. Except as otherwise expressly provided by the terms of this Order, each of the following occurrences or events is hereby declared to be an Event of Default for the purpose of this Order:

- (a) the failure to make payment of the principal of, redemption premium, if any, or interest on any of the Bonds when the same becomes due and payable; or
- (b) default in the performance or observance of any other covenant, agreement, or obligation of the District, which default materially and adversely affects the rights of the Owners, including but not limited to their prospect or ability to be repaid in accordance with this Order, and the continuation thereof for a period of sixty (60) days after notice of such default is given by any Owner to the District.

Section 11.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then any Owner or an authorized representative thereof, including but not limited to a trustee or trustees therefor, may proceed against the District for the purpose of protecting and enforcing the rights of the Owners under this Order by mandamus or other suit, action, or special proceeding in equity or at law in any court of competent jurisdiction for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) All such proceedings shall be instituted and maintained for the equal benefit of all Owners of Bonds then Outstanding.

Section 11.03. Remedies Not Exclusive.

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

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

**ARTICLE XII  
DISCHARGE**

Section 12.01. Discharge. The Bonds may be defeased, refunded or discharged in any manner now or hereafter permitted by applicable law.

**ARTICLE XIII  
CONTINUING DISCLOSURE UNDERTAKING**

Section 13.01. Annual Reports.

(a) The District shall provide annually to the MSRB, (i) within six (6) months after the end of each Fiscal Year of the District ending in or after 2022, financial information and operating data with respect to the District of the general type included in the Offering Memorandum authorized by Section 8.01(b), being the Tables more specifically described in the Officer's Pricing Certificate and including financial statements of the District if audited financial statements of the District are then available, and (ii) if not provided as part such financial information and operating data, audited financial statements of the District, when and if available. Any financial statements so to be provided shall be (i) 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, by State law or regulation, and (ii) 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 the audit of such financial statements is not complete within 12 months after any such fiscal year end, then the District shall file unaudited financial statements within such 12-month period and audited financial statements for the applicable fiscal year, when and if the audit report on such financial statements becomes available.

(b) 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.

(c) The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an Offering Memorandum or other offering document), if it is available to the public on the MSRB's Internet website or has been filed with the SEC. The financial information or operating data shall be provided in an electronic format as prescribed by the MSRB.

Section 13.02. Event Notices.

(a) The District shall provide to the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of ten (10) business days after the occurrence of the event, notice of any of the following events with respect to the Bonds:

- (1) Principal and interest payment delinquencies;

- (2) Non-payment related defaults, if material;
- (3) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) Substitution of credit or liquidity providers, or their failure to perform;
- (6) 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 or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (7) Modifications to rights of the holders of the Bonds, if material;
- (8) Bond calls, if material, and tender offers;
- (9) Defeasances;
- (10) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (11) Rating changes;
- (12) Bankruptcy, insolvency, receivership or similar event of the District;

Note to paragraph 12: For the purposes of the event identified in paragraph (12) of this section, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the District in a proceeding under the U.S. 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 or business of the District, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers 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.

(13) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, 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;

(14) Appointment of successor or additional paying agent/registrar or the change of name of a paying agent/registrar, if material;

(15) 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

(16) 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.

Note to paragraphs (15) and (16): For purposes of the events identified in paragraphs (15) and (16) of this section and in the definition of Financial Obligation in Section 1.01, the District intends the words used in such paragraphs to have the meanings ascribed to them in SEC Release No. 34-83885 dated August 20, 2018 (the “2018 Release”) and any further written guidance provided by the SEC or its staff with respect to the amendments to the Rule effected by the 2018 Release.

(b) The District shall provide to the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner, notice of a failure by the District to provide financial information and operating data in accordance with Section 13.01(a). All documents provided to the MSRB pursuant to this section shall be accompanied by identifying information as prescribed by the MSRB.

Section 13.03. Limitations, Disclaimers and Amendments.

(a) The District shall be obligated to observe and perform the covenants specified in this Article 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 notice of any deposit that causes Bonds no longer to be outstanding.

(b) The provisions of this Article are for the sole benefit of the Owners and beneficial owners of the Bonds, and nothing in this Article, 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 Article 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 Article 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 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 WITH OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, 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.

(c) No default by the District in observing or performing its obligations under this Article shall comprise a breach of or default under this Order for purposes of any other provisions of this Order.

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

(e) The provisions of this Article 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 Article, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (A) the Owners of a majority in aggregate principal amount (or any greater amount required by any other provisions 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 Owners and beneficial owners of the Bonds. The District may also repeal or amend the provisions of this Article if the SEC amends or repeals the applicable provisions of the Rule or any court of final jurisdiction enters judgment that such provisions of the Rule are invalid, and the District also may amend the provisions of this Article in its discretion in any other manner or circumstance, but in either case only if and to the extent that the provisions of this sentence would not have prevented an underwriter from lawfully purchasing or selling the Bonds in the primary offering of the Bonds, giving effect to (i) such provisions as so amended and (ii) any amendments or interpretations of the Rule. If the District so amends the provisions of this Article, the District shall include with any amended financial information or operating data next provided in accordance with Section 13.01 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.

Section 13.04. Amendments to the Rule. In the event the Pricing Officer, in consultation with Bond Counsel and the District's financial advisor, determines that it is necessary or desirable to amend the provisions of this Article XIII in order to facilitate compliance to the Rule and related guidance from the SEC, the Pricing Officer may make such changes in the Officer's Pricing Certificate for the Bonds and such amendments are hereby authorized and shall be deemed effective as set forth in the Officer's Pricing Certificate.

**ARTICLE XIV  
AMENDMENTS AND SUPPLEMENTS TO ORDER**

Section 14.01. Without Consent of Owners. Without notice to or the consent of any Owner, the District may, at any time, amend or supplement this Order or the Bonds (including any particular series or subseries thereof):

(a) to cure or correct any ambiguity or defective provision herein or to correct or supplement any provision in this Order which may be inconsistent with any other provision contained herein;

(b) to modify this Order or the Bonds to permit qualification under the Trust Indenture Act of 1939, as amended, or any similar federal statute at the time in effect, or to permit the qualification of the Bonds for sale under the securities laws of any state of the United States;

(c) to authorize different authorized denominations of the Bonds and to make correlative amendments and modifications to this Order regarding exchangeability of Bonds of different authorized denominations, redemptions of portions of Bonds of particular authorized denominations and similar amendments and modifications of a technical nature;

(d) to increase or decrease the number of days specified for the giving of notices in Articles III, IV and V of this Order, provided that no decreases in any such number of days shall become effective except while the Bonds bear interest at a Variable Rate and until 30 days after the Paying Agent/Registrar has given notice to the Owners of such Bonds of such amendment or supplement;

(e) to provide for an uncertificated system of registering the Bonds or to provide for the change to or from a Book-Entry Only System for the Bonds;

(f) to make any change to this Order when all Bonds have been tendered to the Remarketing Agent pursuant to the terms of this Order, but have not been remarketed following such tender; provided, however, that the Remarketing Agent consents to such amendment or supplement;

(g) to provide for the benefit of all of the Bonds a Liquidity Facility (or a substitute Liquidity Facility, as the case may be), which may change the provisions of this Order regarding payment, remedies and any other matter which affects the Owners of Bonds;

(h) effective upon any Conversion Date to a new Rate Period, to make any changes to this Order affecting only the Bonds being converted;

(i) to increase the Maximum Rate; or

(j) to make any other change that does not, in the opinion of bond counsel to the District, materially adversely affect the interests of the Owners.

Section 14.02. With Consent of Owners. If an amendment of or supplement to this Order or the Bonds without any consent of Owners is not permitted by Section 14.01, the District may enter into such amendment or supplement without prior notice to any Owners but with the consent of Owners of at least a majority in principal amount of the Bonds then Outstanding of the particular series or subseries affected by such amendment or supplement. However, except as permitted by subsections (f), (g) and (h) of Section 14.01, nothing herein contained shall permit or be construed to permit the amendment, without the consent of each Owner affected thereby, of or supplement to the terms and conditions in this Order, so as to:

- (a) change the sinking fund requirements, if any, Interest Payment Dates, rights of the Owners to tender or the maturity or maturities of the Outstanding Bonds;
  - (b) reduce the rate of interest borne by any of the Outstanding Bonds;
  - (c) reduce the amount of the principal or Purchase Price of or premium, if any, payable on the Outstanding Bonds;
  - (d) modify the terms of payment of principal or Purchase Price of, premium, if any, or interest on the Outstanding Bonds, or impose any conditions with respect to such payments;
  - (e) affect the rights of the Owners of fewer than all of the Outstanding Bonds;
- or
- (f) decrease the minimum percentage of the principal amount of Outstanding Bonds necessary for consent to any such amendment.

Section 14.03. Effect of Consents. Any consent received pursuant to Section 14.02 will bind each Owner delivering such consent and each subsequent Owner of a Bond or portion of a Bond evidencing the same debt as the consenting Owner's Bond.

Section 14.04. Notation on or Exchange of Bonds. If an amendment or supplement changes the terms of a Bond, the Paying Agent/Registrar may require the Owner thereof to deliver it to the Paying Agent/Registrar. The Paying Agent/Registrar may place an appropriate notation on the Bond about the changed terms and return it to the Owner. Alternatively, if the Paying Agent/Registrar and the District determine, the District in exchange for the Bond will issue and the Paying Agent/Registrar will authenticate a new Bond that reflects the changed terms.

Section 14.05. Notice to Owners. Upon receipt of notice of an amendment or change to this Order, the Paying Agent/Registrar shall cause notice of the execution of each supplement or amendment to this Order to be mailed to the Owners affected thereby. The notice will at the option of the Paying Agent/Registrar, either (i) briefly state the nature of the amendment or supplement and that copies of it are on file with the Paying Agent/Registrar for inspection by Owners or (ii) enclose a copy of such amendment or supplement.

**ARTICLE XV  
PERMANENT SCHOOL FUND GUARANTEE**

Section 15.01. Permanent School Fund Guarantee. The District will apply for and expects to receive approval from the Texas Commissioner of Education (the “Commissioner”) for payment of the principal of and interest on the Bonds to be guaranteed by the Permanent School Fund of the State, subject to compliance with the Texas Education Agency’s rules and regulations. If the Bonds are defeased, the guarantee of the Bonds will be removed in its entirety and, in case of default and in accordance with Texas Education Code §45.061, the Comptroller of Public Accounts will withhold the amount paid, plus interest, from the first state money payable to the District in the following order: foundation school fund, available school fund. In connection with the guarantee of the Bonds by the Permanent School Fund, the District hereby certifies and covenants that

(a) a certified copy of this Order and copies of the Offering Memorandum shall be furnished to the Division of State Funding, School Facilities and Transportation, within ten (10) calendar days of the date of sale of the Bonds;

(b) following any determination by the District that it is or will be unable to pay maturing or matured principal or interest on the Bonds, the District will take all action required by Subchapter C of Chapter 45 of the Texas Education Code, as amended, including, but not limited to, the giving of timely notice of such determination to the Commissioner; and

(c) the District will notify the Division of State Funding in writing within ten (10) calendar days of the defeasance of any guaranteed Bonds.

**ARTICLE XVI**

**SUBSCRIPTION FOR SECURITIES; APPROVAL OF  
ESCROW AGREEMENT; PAYMENT OF REFUNDED OBLIGATIONS**

Section 16.01. Subscription for Securities. The Pricing Officer is authorized to make necessary arrangements for and to execute such documents and agreements in connection with the purchase of the Escrow Securities, if any, required by and referenced in the Escrow Agreement, if any, as may be necessary for the Escrow Fund and the application for the acquisition of the Escrow Securities is hereby approved.

Section 16.02. Appointment of Escrow Agent; Approval of Escrow Agreement; Deposit with Paying Agent for Refunded Obligations. The Pricing Officer is hereby authorized to execute and deliver, or cause the execution and delivery by the President or Vice President and Secretary of the Board, an Escrow Agreement, having such terms and provisions as are approved by the Pricing Officer as evidenced by his execution thereof or the execution thereof by other appropriate District officials. Alternatively, the Pricing Officer may elect to deposit directly with the issuing and paying agent for the Refunded Obligations the proceeds of the Bonds, together with other available funds, in an amount sufficient to provide for the payment or redemption of the Refunded

Obligations and is hereby authorized to execute and deliver a deposit agreement in connection with such deposits.

Section 16.03. Payment of Refunded Obligations; Redemption of Refunded Obligations. Following the deposit to the Escrow Fund as herein specified, the Refunded Obligations shall be payable solely from and secured by the cash and securities, if any, on deposit in the Escrow Fund and shall cease to be payable from ad valorem taxes. The Refunded Obligations are hereby called for redemption prior to maturity on the dates and at the redemption prices set forth in the Officer's Pricing Certificate. The Secretary of the Board is hereby authorized and directed to cause to be delivered to the paying agent/registrars for the Refunded Obligations a certified copy of this Order calling the Refunded Obligations for redemption and a copy of the Officer's Pricing Certificate. The delivery of this Order and the Officer's Pricing Certificate to such paying agent/registrars shall constitute the giving of notice of redemption to the respective paying agent/registrars for the Refunded Obligations and such paying agent/registrars is hereby authorized and directed to give notice of redemption to the owners of the Refunded Obligations in accordance with the requirements of the order authorizing the issuance thereof.

## ARTICLE XVII MISCELLANEOUS

Section 17.01. Notice. Any notice, demand, direction, request or other instrument authorized or required by this Order to be given to or filed with the District, the Tender Agent or the Paying Agent/Registrar shall be deemed to have been given only upon receipt in written or electronic form. 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: Fort Bend Independent School District  
16431 Lexington Boulevard  
Sugar Land, Texas 77479  
Attention: Chief Financial Officer

PAYING AGENT/  
REGISTRAR - As designated in the Officer's Pricing Certificate  
TENDER AGENT:

Section 17.02. Notice to Rating Agencies. At any time during which the Bonds are rated by the Rating Agency, the Paying Agent/Registrar shall, upon the direction of the District, notify the Rating Agency, promptly of (i) any change in the Paying Agent/Registrar, Tender Agent, Remarketing Agent or the Bank, if any, (ii) the expiration, termination, extension or any other material change to this Order or the Remarketing Agreement, and (iii) the redemption, defeasance or payment of all of the Bonds or conversion of the Bonds to a Fixed Rate. Any such notice shall be sent by first class mail, postage prepaid, to: Moody's Investors Service, Inc., 7 World Trade Center, 250 Greenwich Street, New York, New York 10007, Attention: Public Finance Group—Texas Local Ratings; Standard & Poor's, 55 Water Street, 38th Floor, New York, New York 10004, Attention: Municipal Structured Finance, email: pubfin\_structuredstandardandpoors.com;

and Fitch Ratings, One State Street Plaza, New York, New York, 10004, Attention: Municipal Structured Finance.

Section 17.03. Benefits of Order. Nothing in this Order, expressed or implied, is intended or shall be construed to confer upon any person other than the District, the Paying Agent/Registrar, Bond Counsel, financial advisors to the District, the Underwriter, and the Owners, any right, remedy, or claim, legal or equitable, under or by reason of this Order or any provision hereof, this Order and all its provisions being intended to be and being for the sole and exclusive benefit of the District, the Paying Agent/Registrar, Bond Counsel, financial advisors to the District, the Underwriter, and the Owners.

Section 17.04. Inconsistent Provisions. All orders, or parts thereof, which are in conflict or inconsistent with any provision of this Order are hereby repealed to the extent of such conflict, and the provisions of this Order shall be and remain controlling as to the matters herein provided.

Section 17.05. Governing Law. This Order shall be construed and enforced in accordance with the laws of the State and the United States of America.

Section 17.06. Severability. If any provision of this Order or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Order and the application thereof to other persons or circumstances shall nevertheless be valid, and the Board hereby declares that this Order would have been enacted without such invalid provision.

Section 17.07. Public Meeting. It is officially found, determined, and declared that the meeting at which this Order is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Order, was given, all as required by Chapter 551 of the Texas Government Code, as amended.

Section 17.08. Incorporation of Preamble Recitals. The recitals contained in the preamble to this Order are hereby found to be true, and such recitals are hereby made a part of this Order for all purposes and are adopted as a part of the judgment and findings of the Board.

Section 17.09. No Recourse Against District Officials. No recourse shall be had for the payment of principal of, premium, if any, or interest on any Bond or for any claim based thereon or on this Order against any official of the District or any person executing any Bond.

Section 17.10. Further Procedures. The officers and employees of the District are hereby authorized, empowered and directed from time to time and at any time to do and perform all such acts and things and to execute, acknowledge and deliver in the name and under the corporate seal and on behalf of the District all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Order, the initial sale and delivery of the Bonds, the refunding of the Refunded Obligations, the conversion and remarketing of the Bonds as herein authorized, the Paying Agent/Registrar Agreement, the Purchase Contract, the Remarketing Agreement, the Tender Agent Agreement, and the Offering Memorandum. In addition, prior to the initial delivery of the Bonds, any Pricing Officer and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Order or to any of the instruments authorized and approved by this Order necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions

contemplated and approved by this Order and as described in the Offering Memorandum, (ii) obtain a rating from any of the national bond rating agencies, or (iii) obtain the approval of the Bonds by the Texas Attorney General's office. In case any officer of the District whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery.

Section 17.11. Effective Date. This Order shall be in full force and effect from and upon its adoption.

*[Remainder of Page Intentionally Left Blank]*

PASSED, APPROVED AND EFFECTIVE on January 24, 2022.

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Secretary, Board of Trustees  
Fort Bend Independent School District

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President, Board of Trustees  
Fort Bend Independent School District

[SEAL]

## **SCHEDULE I**

### **SCHEDULE OF REFUNDED OBLIGATION CANDIDATES**

The Pricing Officer may select the specific maturities of unlimited tax bonds constituting the Refunded Bonds from the following series of the District's outstanding unlimited tax bonds:

Variable Rate Unlimited Tax Refunding Bonds, Series 2019A

Unlimited Tax Refunding Bonds, Series 2012

The Pricing Officer may select the specific maturities and series of unlimited tax commercial paper notes constituting the Refunded Notes from the following series of the District's outstanding commercial paper notes:

Unlimited Tax Commercial Paper Program, Series A

Unlimited Tax Commercial Paper Program, Series B

**EXHIBIT A**

**FORM OF OFFICER’S PRICING CERTIFICATE**

Re: Fort Bend Independent School District Variable Rate Unlimited Tax School Building and Refunding Bonds, Series \_\_\_\_ (the “Bonds”)

I, the undersigned Chief Financial Officer of the Fort Bend Independent School District (the “District”), do hereby make and execute this Officer’s Pricing Certificate pursuant to an order adopted by the Board of Trustees of the District on January \_\_, 2022 (the “Order”) authorizing the issuance of the referenced Bonds.

As authorized by Section 2.01 and Section 8.01 of the Order, I have acted on behalf of the District in selling the Bonds to the Underwriters (as designated below) pursuant to the terms of the Purchase Contract dated as of the date hereof. The Bonds shall have the terms set forth in this Officer’s Pricing Certificate. Capitalized terms used in this Officer’s Pricing Certificate shall have the meanings given such terms in the Order.

A. Underwriters. The Bonds are being sold to a syndicate of underwriters consisting of \_\_\_\_\_, as provided in the Purchase Contract. The undersigned hereby finds, determines and declares that the terms of sale of the Bonds are in the District’s best interests, and therefore, the sale of the Bonds to the Underwriters at a price of \$ \_\_\_\_\_ in accordance with the terms of the Purchase Contract dated as of the \_\_\_\_\_, 2022 is hereby approved.

B. Designation and Date. The Bonds shall be designated the “Fort Bend Independent School District Variable Rate Unlimited Tax School Building and Refunding Bonds, Series \_\_\_\_\_.” The Dated Date of the Bonds shall be [\_\_\_\_\_]. The Issuance Date is scheduled for [\_\_\_\_\_].

C. Principal Amount, Initial Rate, Initial Rate Period and Maturity. The Bonds shall be issued in the aggregate principal amount of \$ \_\_\_\_\_ for the purposes specified in Section 2.01 in the Order.

The Bonds shall mature on the date and in the amount, and shall bear interest at the Initial Rate from the Issuance Date to and including the last day of the Initial Rate Period, as set out in the following schedule:

<u>Stated Maturity (August 1)</u>	<u>Principal Amount</u>	<u>Last Day of the Initial Rate Period</u>	<u>Mandatory Tender Date</u>	<u>Initial Rate</u>
	\$ _____			

The Bonds shall be subject to mandatory tender on the Mandatory Tender Date set forth above. Interest during the Initial Rate Period shall accrue from the Issuance Date to and including the last day thereof.

The Stepped Rate shall be \_\_\_ % per annum. The Maximum Rate shall be \_\_\_ % per annum.

Notwithstanding Section 2.02(b) of the Order, interest on any Bonds bearing interest at the Stepped Rate will be calculated on the basis of a 360-day year of twelve 30-day months.

D. Refunded Notes. The Refunded Note to be refunded and/or defeased with a portion of the proceeds of the Bonds (the “Refunded Notes”) are set forth in Schedule I-1 attached hereto. The Refunded Notes are scheduled to mature on the date set forth in Schedule I-1 hereto. The Refunded Notes shall be paid at maturity at a price equal to the principal amount thereof plus interest accrued thereon to their maturity date.

As provided in the Order, the refunding and defeasance of the Refunded Notes will benefit the District by providing long-term financing of the Refunded Obligations and reducing market risks to the District, and that such benefits constitute a valid public purpose and are sufficient consideration for the refunding contemplated herein.

E. Refunded Bonds. The Refunded Bonds to be refunded and/or defeased with a portion of the proceeds of the Bonds (the “Refunded Bonds”) are set forth in Schedule I-2 attached hereto. The Refunded Bonds are hereby called for redemption on the dates set forth in Schedule I-2 hereto. The Refunded Bonds shall be redeemed at a redemption price equal to the principal amount thereof plus interest accrued thereon to the redemption date therefor.

As provided in the Order, the refunding and defeasance of the variable rate Refunded Bonds will benefit the District by providing long-term financing of the Refunded Bonds, additional market efficiencies versus the remarketing of the variable rate Refunded Bonds, allow the District to maintain its desired balance of fixed rate and variable rate interest rate exposure, and reduced market risks to the District, and that such benefits constitute a valid public purpose and are sufficient consideration for the refunding contemplated herein

F. Form of Bond. The Bonds shall be substantially in the form set forth in Exhibit A attached hereto with such insertions, changes and modifications as are required to conform the bond form to the terms of this Officer’s Pricing Certificate.

G. Redemption. The Bonds are subject to redemption at the option of the District during the Initial Rate Period as follows: \_\_\_\_\_. The Bonds are otherwise subject to optional and mandatory redemption as described in the Form of Bond attached as Exhibit A hereto.

H. Voted Authority. The following schedule shows the amount of voted authorization outstanding after the issuance of the Bonds:

Election	Amount Voted	Amount Previously Issued	Amount Charged Against Voted Authorization	Outstanding Commercial Paper being Refunded <sup>(3)</sup>	Authorized but Unissued Balance
2014 Election (Proposition No. 1)	\$484,000,000	\$452,000,000	\$ _____ <sup>(1)</sup>	\$ _____	\$ _____

2018 Election (Proposition A)	\$992,600,000	\$570,620,000	\$ _____ <sup>(2)</sup>	\$ _____	\$ _____
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<sup>(1)</sup> Includes \$ \_\_\_\_\_ in premium counted against voted authorization.

<sup>(2)</sup> Includes \$ \_\_\_\_\_ in premium counted against voted authorization.

<sup>(3)</sup> Includes the full \$ \_\_\_\_\_ in principal amount of the District's Unlimited Tax Commercial Paper Program, Series [A/B] being refunded or defeased with the proceeds of the Bonds.

I. Following the issuance of the Bonds under this Order, \$ \_\_\_\_\_ in new money bond authority remains under Section 2.01(a)(x) of this Order and Section 3.01(a) of the Fixed Rate Order; \$ \_\_\_\_\_ in refunding bond authority remains under Section 2.01(a)(y) of this Order and Section 3.01(b) of the Fixed Rate Order; and \$ \_\_\_\_\_ in refunding bond authority remains under Section 2.01(a)(2) of this Order and Section 3.01(c) of the Fixed Rate Order.

J. Terms of Sale. The undersigned does hereby find, certify and represent that the sale of the Bonds on the terms described herein satisfy the requirements and parameters contained in Section 2.01 of the Order.

K. Application of Bond Proceeds. The proceeds of the Bonds shall be applied as follows (the sale of the Bonds generated premium in the amount of \$ \_\_\_\_\_, of which \$ \_\_\_\_\_ is allocated to the new money portion of the Bonds and \$ \_\_\_\_\_ is allocated to the refunding portion of the Bonds):

(i) The amount of \$ \_\_\_\_\_, consisting of \$ \_\_\_\_\_ principal amount of the Bonds, plus premium received from the sale of the Bonds in the amount of \$ \_\_\_\_\_ [and available funds from the District in the amount of \$ \_\_\_\_\_], shall be used for the refunding of \$ \_\_\_\_\_ in principal amount of the Refunded Obligations;

(ii) The amount of \$ \_\_\_\_\_, consisting of \$ \_\_\_\_\_ principal amount of Bonds plus premium received from the sale of the Bonds in the amount of \$ \_\_\_\_\_, shall be used for the construction, acquisition and equipment of school buildings in the District, including safety and security and technology infrastructure, for the purchase of necessary sites for school buildings and for the purchase of new school buses;

(iii) Premium received from the sale of the Bonds in the amount of \$ \_\_\_\_\_ principal amount of Bonds plus premium received from the sale of the Bonds in the (of which \$ \_\_\_\_\_ is allocated to the new money portion of the Bonds and \$ \_\_\_\_\_ is allocated to the refunding portion of the Bonds) shall be used to pay the costs of issuing the Bonds, including the underwriter's discount;

(iv) Any amounts remaining following payment of the costs of issuing the Bonds shall be deposited to the interest and sinking fund designated for the Bonds.

L. \_\_\_\_\_ is hereby designated as the Paying Agent/Registrar for the Bonds.

M. \_\_\_\_\_ is hereby designated as the Tender Agent for the Bonds.

N. \_\_\_\_\_ is hereby designated as the Escrow Agent for the Refunded Obligations.

O. Continuing Disclosure Undertaking. The financial information and operating data to be provided annually by the District pursuant to Section 13.01(a) of the Order shall include all quantitative financial information and operating data with respect to the District of the general type included in Tables \_\_\_\_\_ in the Offering Memorandum.

*[Signature Page Follows]*

WITNESS MY HAND this \_\_\_\_\_, 2022.

\_\_\_\_\_  
Pricing Officer

*Signature Page to Officer's Pricing Certificate  
Fort Bend Independent School District Variable Rate Unlimited Tax School Building and Refunding Bonds, Series \_\_\_\_\_*

**EXHIBIT A TO FORM OF OFFICER'S PRICING CERTIFICATE**

FORM OF BOND

REGISTERED  
NO. \_\_\_\_\_<sup>1</sup>

REGISTERED AMOUNT  
\$ \_\_\_\_\_

United States of America  
State of Texas  
County of Fort Bend

FORT BEND INDEPENDENT SCHOOL DISTRICT  
VARIABLE RATE UNLIMITED TAX SCHOOL BUILDING AND REFUNDING BOND  
SERIES \_\_\_\_\_<sup>2</sup>

Dated Date:      Issuance Date:      Interest Rate:      Maturity Date:      CUSIP No.<sup>3</sup>  
\_\_\_\_\_

REGISTERED OWNER: \_\_\_\_\_

PRINCIPAL AMOUNT: \_\_\_\_\_

Fort Bend Independent School District (the "District"), in the County of Fort Bend, State of Texas, for value received, hereby promises to pay to the Registered Owner named above, or registered assigns thereof, on the Maturity Date specified above, the Principal Amount stated above, unless the payment of the principal hereof shall have been paid or provided for, and to pay interest on the unpaid principal amount hereof from the later of the Issuance Date shown above or the most recent Interest Payment Date to which interest has been paid or provided for. Interest shall accrue from the Issuance Date.

Interest on this Bond is payable to the registered owner hereof (i) with respect to the period during which interest accrues at a Flexible Rate, Weekly Rate, Monthly Rate or Quarterly Rate, by federal funds wire transfer within the continental United States upon written instruction from the Owner to the Paying Agent/Registrar, otherwise by first class mail by check dated the Interest Payment Date, and (ii) with respect to any period during which interest accrues at the Initial Rate, a Term Rate, Semiannual Rate or Fixed Rate, by check, dated as of the Interest Payment Date, and sent by first class mail, postage prepaid, by the Paying Agent/Registrar to each Owner at the address shown on the Register or by such other customary banking arrangement acceptable to the

<sup>1</sup> Initial Bond to be numbered I-1.  
<sup>2</sup> Insert from Officer's Pricing Certificate.  
<sup>3</sup> Omit from Initial Bond.

Paying Agent/Registrar requested by, and at the risk and expense of the Owner. The principal hereof is payable upon presentation and surrender of this Bond at the designated office of \_\_\_\_\_<sup>4</sup>, as Paying Agent/Registrar, or any successor Paying Agent/Registrar.

This Bond is one of a series of fully registered bonds specified in the title hereof, issued in the aggregate principal amount of \$\_\_\_\_\_<sup>5</sup> (herein referred to as the “Bonds”), issued pursuant to a certain order (the “Bond Order”) adopted by the Board of Trustees of the District and a pricing certificate executed pursuant to the Bond Order and relating to the Bonds (the “Pricing Certificate”) to provide funds for (i) the construction, acquisition and equipment of school buildings in the District, including safety and security and technology infrastructure for the District, the purchase of the necessary sites for school buildings, and the purchase of new school buses, (ii) the refunding of certain outstanding obligations of the District, and (iii) to pay the costs of issuing the Bonds. As used herein, the “Order” shall mean the Bond Order, as the same may be amended or supplemented from time to time in accordance with the terms thereof, together with the Pricing Certificate and any other Officer’s Pricing Certificate (as defined in the Order) executed and delivered in connection with the remarketing or conversion of or other change to this Bond in accordance with the provisions of the Bond Order. Capitalized terms used herein and not otherwise defined shall have the meanings assigned thereto in the Order. To the extent of any conflict between the terms and provisions of the Order and this Bond, the terms and provisions of the Order shall govern and control.

For the purpose of the payment of interest on this Bond, the registered owner shall be the person in whose name this Bond is registered on the Record Date, as set forth in the Order. As used herein, “Interest Payment Date” shall have the meaning assigned to such term in the Order.

Any payments required to be made hereunder on any day which is not a Business Day (as defined in the Order) shall be made instead on the next succeeding Business Day and no interest shall accrue on such payments in the interim. In addition, unless otherwise provided in the Order, in the event that the day on which any act or function is to be performed or done is not a Business Day, such act or function shall be performed or done on the next succeeding Business Day.

This Bond shall not be valid or obligatory for any purpose unless it is registered by the Comptroller of Public Accounts of Texas by certificate affixed or attached hereto or authenticated by the Paying Agent/Registrar by due execution of the Authentication Certificate provided herein.

The Bonds are not benefited by a Liquidity Facility during the Initial Rate Period and any Term Rate Period for which the District has elected not to provide a Liquidity Facility.

### **INTEREST PROVISIONS**

This Bond bears interest at a Variable Rate, a Flexible Rate or a Fixed Rate, as further set forth in the Order.

This Bond initially shall bear interest at the Initial Rate provided in the Pricing Certificate from the Issuance Date stated above to and including \_\_\_\_\_, 20\_\_ (the “Initial Rate Period”).

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<sup>4</sup> Insert from Officer’s Pricing Certificate.

<sup>5</sup> Insert from Officer’s Pricing Certificate.

This Bond shall be subject to mandatory tender, without right of retention by the owners thereof, on \_\_\_\_\_, 20\_\_ and shall be tendered to the Tender Agent against payment therefor. Thereafter, this Bond shall bear interest at a Weekly Rate, Monthly Rate, Quarterly Rate, Semiannual Rate, Term Rate or Flexible Rate until converted to another Rate Period, or at a Fixed Rate.

The rate of interest applicable to any Rate Period shall be determined in accordance with the applicable provisions of the Order and pursuant to the terms of the Remarketing Agreement between the District and the Remarketing Agent.

### **OPTIONAL TENDERS**

During such time that the Bonds are benefitted by a Liquidity Facility, the registered owner hereof has the right to tender this Bond for purchase at the principal amount hereof plus accrued interest in accordance with and subject to the terms of the Order.

AFTER THE BONDS HAVE BEEN CONVERTED TO BEAR INTEREST AT A FIXED RATE THEY SHALL NOT BE SUBJECT TO TENDER FOR PURCHASE.

### **MANDATORY TENDER**

This Bond is subject to mandatory tender for purchase in accordance with the terms of the Order.

### **FAILED REMARKETING WITH NO LIQUIDITY FACILITY**

Initial Rate Period. In the event that this Bond bears interest at an Initial Rate and it is not converted into a different Rate Period and remarketed to new purchasers on the scheduled date of mandatory tender, the District shall have no obligation to purchase this Bond tendered on such date, the failed conversion and remarketing shall not constitute an Event of Default under the Order or this Bond, the mandatory tender will be deemed to have been rescinded for that date with respect to this Bond, and this Bond (i) will continue to be Outstanding, (ii) will be purchased upon the availability of funds to be received from the subsequent remarketing of this Bond, (iii) will bear interest at the Stepped Rate during the Stepped Rate Period, (iv) will be subject to redemption and mandatory tender at the purchase price on any date during the Stepped Rate Period upon which a conversion occurs (which shall occur at the District's discretion upon delivery of at least one day's notice to the Owner hereof), and (v) will be deemed to continue in an Initial Rate Period for all other purposes of the Order (including the identification of Interest Payment Dates until the Bonds are remarketed or redeemed), though bearing interest during such time at the Stepped Rate until remarketed or redeemed in accordance with the terms of the Order. In the event of a failed conversion and remarketing as described above, the District will use its best efforts to cause this Bond to be converted and remarketed on the earliest reasonably practical date on which it can be remarketed at not less than par plus accrued interest, in such Rate Period or Rate Periods as the District directs, at a rate not exceeding the Maximum Rate.

Term Rate Periods. If this Bond is subject to mandatory tender on the Conversion Date in connection with a conversion from a Term Rate Period to a different Rate Period (including from a Term Rate Period to a new Term Rate Period of the same or a different duration as the then-

expiring Term Rate Period), and there then exists no Liquidity Facility relating to this Bond (and there was no Liquidity Facility upon the commencement of the then-expiring Term Rate Period), and this Bond is not converted into a different Rate Period and remarketed to new purchasers on the Conversion Date, then the District shall have no obligation to purchase this Bond tendered on such date, the failed conversion and remarketing shall not constitute an Event of Default under the Order or this Bond, the mandatory tender will be deemed to have been rescinded for that date with respect to this Bond, and this Bond (i) will continue to be Outstanding, (ii) will be purchased upon the availability of funds to be received from the subsequent remarketing of this Bond, (iii) will bear interest at the Stepped Rate during the Stepped Rate Period, (iv) will be subject to redemption and mandatory tender for purchase at the purchase price on any date during the Stepped Rate Period upon which a conversion occurs (which shall occur at the District's discretion upon delivery of at least one day's notice to the Owner hereof), and (v) will be deemed to continue in a Term Rate Period for all other purposes of the Order (including the identification of the Interest Payment Dates until the Bonds are remarketed or redeemed), though bearing interest during such time at the Stepped Rate until remarketed or redeemed in accordance with the terms of the Order. In the event of a failed conversion and remarketing as described above, the District will use its best efforts to cause this Bond to be converted and remarketed on the earliest reasonably practical date on which it can be remarketed at not less than par plus accrued interest, in such Rate Period or Rate Periods as the District directs, at a rate not exceeding the Maximum Rate.

**REDEMPTION PROVISIONS**

Optional Redemption. The Bonds are subject to redemption at the option of the District in accordance with the terms of the Order.

Scheduled Mandatory Redemption. The Bonds are subject to scheduled mandatory redemption, at a price equal to the principal amount thereof plus interest accrued thereon, on each of the following dates and in the following principal amounts:

<u>Mandatory Redemption Date</u>	<u>Amount</u>	<u>Mandatory Redemption Date</u>	<u>Amount</u>
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Prior to each scheduled mandatory redemption date, the Paying Agent/Registrar shall select for redemption by lot, or by any other customary method that results in a random selection, a principal amount of such Bonds equal to the aggregate principal amount of such Bonds to be redeemed, shall call such Bonds for redemption on such scheduled mandatory redemption date, and shall give notice of such redemption, as provided in the Order.

The principal amount of the Bonds required to be redeemed on any redemption date set forth above shall be reduced, at the option of the District, by the principal amount of any Bonds which, at least 45 days prior to the mandatory sinking fund redemption date (i) shall have been acquired by the District at a price not exceeding the principal amount of such Bonds plus accrued interest to the date of purchase thereof, and delivered to the Paying Agent/Registrar for cancellation, or (ii) shall have been redeemed pursuant to the optional redemption provisions set forth in the Order and not previously credited to a mandatory sinking fund redemption.

In lieu of mandatorily redeeming the Bonds, the District reserves the right to purchase for cancellation Bonds of the same maturity at a price no greater than the applicable redemption price of such Bonds.

Additional Mandatory Redemption. The Bonds are also subject to Additional Mandatory Redemption prior to stated maturity at the times and in the amounts as set forth in the Order.

Special Mandatory Redemption. Purchased Bonds shall be subject to special mandatory redemption, if at all, in accordance with the terms of the applicable Liquidity Facility.

Notice of Redemption. Notice of optional and mandatory redemption shall be given as provided in the Order.

### **GENERAL PROVISIONS**

As provided in the Order, and subject to certain limitations therein set forth, this Bond is transferable upon surrender of this Bond for transfer at the designated trust office of the Paying Agent/Registrar with such endorsement or other evidence of transfer as is acceptable to the Paying Agent/Registrar; thereupon, one or more new fully registered Bonds of the same stated maturity, of authorized denominations, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Following the Fixed Rate Conversion Date neither the District nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption where such redemption is scheduled to occur within 30 calendar days after the transfer or exchange date; provided, however, such limitation shall not be applicable to an exchange by the registered owner of the uncalled principal balance of a Bond.

The District, the Paying Agent/Registrar, and any other person may treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided (except interest shall be paid to the person in whose name this Bond is registered on the Record Date) and for all other purposes, whether or not this Bond be overdue, and neither the District nor the Paying Agent/Registrar shall be affected by notice to the contrary.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law and has been authorized by a vote of the properly qualified electors of the District; that all acts, conditions, and things required to be done precedent to and in the issuance of the Bonds have been properly done and performed and have happened in regular and due time, form, and manner, as required by law; that sufficient and proper provision for the levy and collection of taxes has been made, without limit as to rate or amount, which when collected shall be appropriated exclusively to the timely payment of the principal of, and interest on the Bonds; and that the total indebtedness of the District, including the Bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF; the District has caused this Bond to be duly executed under its official seal in accordance with law.

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Secretary, Board of Trustees  
Fort Bend Independent School District

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President, Board of Trustees  
Fort Bend Independent School District

[SEAL]

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Form of Comptroller's Registration to Appear on Initial Bonds only

REGISTRATION CERTIFICATE OF  
COMPTROLLER OF PUBLIC ACCOUNTS

OFFICE OF THE COMPTROLLER           §  
OF PUBLIC ACCOUNTS                   §           REGISTER NO. \_\_\_\_\_  
THE STATE OF TEXAS                   §

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 OF OFFICE this \_\_\_\_\_

[SEAL]

\_\_\_\_\_  
Comptroller of Public Accounts  
of the State of Texas

\*\*\*\*

Form of Authentication Certificate to Appear on Definitive Bonds only

CERTIFICATE OF PAYING AGENT/REGISTRAR

This is one of the Bonds referred to in the within mentioned Order. The series of Bonds of which this Bond is a part was originally issued as one Initial Bond which was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

6  
as Paying Agent/Registrar

Date: \_\_\_\_\_

By: \_\_\_\_\_

\*\*\*\*

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers unto (print or typewrite name, address and zip code of transferee):

\_\_\_\_\_

(Social Security or other identifying number: \_\_\_\_\_) the within Bond and all rights hereunder and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney to transfer the within Bond on the books kept for registration hereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed By:

\_\_\_\_\_  
Authorized Signatory

NOTICE: The signature on this Assignment must correspond with the name of the registered owner as it appears on the face of the within Bond in every particular and must be guaranteed in a manner acceptable to the Paying Agent/Registrar.

\*\*\*\*

<sup>6</sup> Insert from Officer's Pricing Certificate.

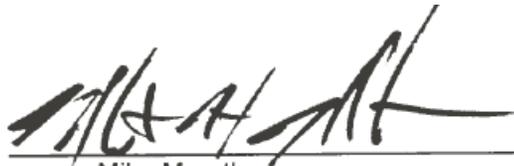
[FORM OF PERMANENT SCHOOL FUND CERTIFICATE]

PSF CERTIFICATE

Under the authority granted by Article 7, Section 5 of the Texas Constitution and Subchapter C of Chapter 45 of the Texas Education Code, the payment, when due, of the principal of and interest on the issuance by the Fort Bend Independent School District of its Variable Rate Unlimited Tax School Building and Refunding Bonds, Series       7       dated       8      , in the principal amount of \$       9       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.



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Mike Morath  
Commissioner of Education

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<sup>7</sup> Insert from Officer's Pricing Certificate  
<sup>8</sup> Insert from Officer's Pricing Certificate.  
<sup>9</sup> Insert from Officer's Pricing Certificate.

CERTIFICATE FOR ORDER

THE STATE OF TEXAS            §  
COUNTY OF FORT BEND       §

I, the undersigned officer of the Board of Trustees of Fort Bend Independent School District, hereby certify as follows:

1. The Board of Trustees of Fort Bend Independent School District convened in regular meeting on the 10th day of January, 2022, in the Board Room of the Fort Bend Independent School District Administration Building, 16431 Lexington Blvd., Sugar Land, Texas, 77479, within said District, and the roll was called of the duly constituted officers and members of said Board, to wit:

Dave Rosenthal	President, Trustee Position 7
Jim Rice	Vice President, Trustee, Position 3
Shirley Rose-Gilliam	Secretary, Trustee, Position 4
Angie Hanan	Trustee, Position 1
Judy Dae	Trustee, Position 2
Denetta R. Williams	Trustee, Position 5
Kristen Davidson Malone	Trustee, Position 6

and all of said persons were present, except the following absentee(s): \_\_\_\_\_, thus constituting a quorum. Whereupon, among other business, the following was transacted at said meeting: a written

AN ORDER AUTHORIZING THE ISSUANCE OF FORT BEND INDEPENDENT SCHOOL DISTRICT VARIABLE RATE UNLIMITED TAX SCHOOL BUILDING AND REFUNDING BONDS, WHICH MAY BE ISSUED IN ONE OR MORE SERIES IN ACCORDANCE WITH SPECIFIED PARAMETERS; AND ENACTING OTHER PROVISIONS RELATING THERETO

was duly introduced for the consideration of said Board. It was then duly moved and seconded that said order be adopted; and, after due discussion, said motion, carrying with it the adoption of said order, prevailed and carried by the following vote:

\_\_\_\_\_ Member(s) shown present above voted "Aye".

\_\_\_\_\_ Member(s) shown present above voted "No".

\_\_\_\_\_ Member(s) shown present abstained from voting.

2. A true, full and correct copy of the aforesaid order adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that said order has

been duly recorded in said Board's minutes of said meeting; that the above and foregoing paragraph is a true, full and correct excerpt from said Board's minutes of said meeting pertaining to the adoption of said order; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of said Board as indicated therein; that each of the officers and members of said Board was duly and sufficiently notified officially and personally, in advance, of the date, hour, place and purpose of the aforesaid meeting, and that said order would be introduced and considered for adoption at said meeting, and each of said officers and members consented, in advance, to the holding of said meeting for such purpose; that said meeting was open to the public as required by law; and that public notice of the date, hour, place and subject of said meeting was given as required by the Chapter 551, Texas Government Code.

SIGNED AND SEALED this 24<sup>th</sup> day of January, 2022.

[SEAL]

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Secretary, Board of Trustees  
Fort Bend Independent School District

<b>BOT Meeting:</b>	<b>January 24, 2022</b>																																	
<b>Solicitation No.:</b>	<b>RFO 21-022TA</b>																																	
<b>References:</b>	<b>District Goal Scalable Systems</b>																																	
<b>Description:</b>	<p><b>Cell Tower Lease Buyout</b></p> <p><b><u>Recommendation</u></b></p> <p>The Administration is seeking Board approval to accept an offer for the buyout of one (1) Fort Bend ISD cell tower site lease from Sooner Towers in the amount of \$175,000, and authorization for the Superintendent to negotiate and execute the agreement for a 30-year term, through 2051.</p> <p><b><u>Summary</u></b></p> <p>On March 29, 2021, the Board approved RFO 21-022TA to contract with Towerpoint for the buyout of seven (7) Fort Bend ISD cell tower site leases in the amount of \$2,650,000. The offer from Towerpoint included a 30-year term through 2051 that covers the buyout of seven (7) Fort Bend ISD cell tower site leases located on property owned by the District, as well as easement access to the premises. The seven (7) towers identified in the offer made by Towerpoint are those located at Progressive High School (1), Frankie Field (3), Clements High School (1), Elkins High School (1), and Baines Middle School (1).</p> <p>Since approval, staff and legal counsel have worked diligently to execute agreements and close on most of the purchases. The table below indicates the status of each tower's transaction. There is one pending sale with Sooner Towers for the AT&amp;T tower located at Frankie Field.</p> <table border="1"> <thead> <tr> <th><b>Location</b></th> <th><b>Amount</b></th> <th><b>Status</b></th> </tr> </thead> <tbody> <tr> <td>Frankie Field</td> <td>146,487.08</td> <td>Closed 8/31/21</td> </tr> <tr> <td>Frankie Field</td> <td>219,349.92</td> <td>Closed 8/31/21</td> </tr> <tr> <td>Progressive High School</td> <td>645,484.76</td> <td>Closed 8/31/21</td> </tr> <tr> <td>Clements High School</td> <td>601,242.24</td> <td>Closed 8/31/21</td> </tr> <tr> <td>Elkins High School</td> <td>335,635.00</td> <td>Closed 8/31/21</td> </tr> <tr> <td>Baines Middle School</td> <td>556,801.00</td> <td>Closed 11/22/21</td> </tr> <tr> <td><b>Closed to Date:</b></td> <td><b>2,505,000.00</b></td> <td></td> </tr> <tr> <td>Frankie Field</td> <td>175,000.00</td> <td>Ready to Close – New Offeror</td> </tr> <tr> <td><i>Pending to Date:</i></td> <td><i>175,000.00</i></td> <td></td> </tr> <tr> <td><b>Total Revenue</b></td> <td><b>2,680,000.00</b></td> <td></td> </tr> </tbody> </table>	<b>Location</b>	<b>Amount</b>	<b>Status</b>	Frankie Field	146,487.08	Closed 8/31/21	Frankie Field	219,349.92	Closed 8/31/21	Progressive High School	645,484.76	Closed 8/31/21	Clements High School	601,242.24	Closed 8/31/21	Elkins High School	335,635.00	Closed 8/31/21	Baines Middle School	556,801.00	Closed 11/22/21	<b>Closed to Date:</b>	<b>2,505,000.00</b>		Frankie Field	175,000.00	Ready to Close – New Offeror	<i>Pending to Date:</i>	<i>175,000.00</i>		<b>Total Revenue</b>	<b>2,680,000.00</b>	
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	<p>As staff and Legal counsel worked through finalizing the agreements, a counteroffer was received from Sooner Towers for the tower located at Frankie Field. Fort Bend ISD staff, Legal Counsel, and Towerpoint are agreeable to the offer from Sooner Towers as it comes from the current tenant, contains the same terms as those of the Towerpoint agreements, and matches the monetary offer from Towerpoint. Further, the District is not forfeiting any statutory compliance by accepting the counteroffer. Chapter 44 of the Texas Education Code does not require the District to conduct a formal procurement process for the cell tower buyout. Staff worked with Legal Counsel, however, to conduct a Request for Offers to ensure the District obtained the best possible return. With concurrence from the Board, staff will proceed to close with Sooner Towers in the amount of \$175,000 for the tower located at Frankie Field.</p> <p><b><u>Background</u></b></p> <p>As a result of the lump sum buyout transactions, staff has been able to secure \$2,505,000 to date in revenue for the Enterprise Fund. Once the final tower closes, total revenue will amount to \$2,680,000, which aligns with the estimate presented by the Chief Financial Officer in May 2021.</p>
Requested By:	Bryan Guinn, Chief Financial Officer Brenda Essenburg, Executive Director, Business Services
Vendors:	Sooner Towers
Budget Sources:	There is no cost to the District. This is a revenue generating transaction.
Amount:	\$175,000
<b>Other Supporting Information</b>	
Sole Source:	No
Number of vendors contacted by Purchasing:	N/A
Number of vendors contacted by FBISD Notification System:	N/A
Number of vendors downloaded the solicitation:	N/A
Number of responses received:	N/A
Number of "no bid" responses received:	N/A
Length of commitment:	Through 2051
Last solicitation date:	N/A
Supporting documents:	N/A
Disclosure under Board Policy CH, CV, or DBD (Local):	None

<b>BOT Meeting:</b>	<b>January 24, 2022</b>
<b>Solicitation No.:</b>	<b>RFP 22-020KB</b>
<b>References:</b>	<b>District Goal Scalable Systems</b>
<b>Description:</b>	<p><b>Musical Instrument Repair and Related Services</b></p> <p><b><u>Recommendation</u></b></p> <p>The Administration is seeking Board approval for the purchase of musical instrument repair and related services from multiple vendors in an amount not to exceed \$1,190,000, and authorization for the Superintendent to negotiate and execute the agreements through January 2027.</p> <p><b><u>Summary</u></b></p> <p>On October 5, 2021, Fort Bend ISD issued RFP 22-020KB Musical Instrument Repair and Related Services. This proposal requested repair pricing, as well as a discount off services, for a variety of musical instruments. Common repair services include, but are not limited to, dent removal, chemical cleaning, string bow repair, etc. The proposals submitted were evaluated by District band and orchestra teachers and Fine Arts staff.</p> <p>The District provides some school-owned instruments for students to use. These instruments must be serviced yearly and repaired as needed to function properly. Vendor representatives pick up, transport, service, and deliver school-owned instruments from all secondary campuses throughout the District.</p> <p><b><u>Background</u></b></p> <p>Expenditures for FY 2020-21 were \$228,178. Expenditures are not expected to exceed \$1,190,000 through January 2027. Funding is included in the budget.</p>
<b>Requested By:</b>	Brett Lemley, Assistant Superintendent for Secondary Education Bryan Guinn, Chief Financial Officer
<b>Vendors:</b>	Collins Music Center*** Fishburn Violin Shop*** Fleming Instrument Repair*** Fort Bend Music Center*** Harp Doctor, LLC Katy Violin Shop Lisle Violin Shop*** Music & Arts*** Universal Melody Services***
<b>Budget Sources:</b>	General Fund Activity Funds
<b>Amount:</b>	Not to exceed \$1,190,000 through January 2027

Other Supporting Information	
Sole Source:	No
Number of vendors contacted by Purchasing:	9
Number of vendors contacted by FBISD Notification System:	32
Number of vendors downloaded the solicitation:	22
Number of responses received:	9
Number of "no bid" responses received:	0
Length of commitment:	Through January 2027
Last solicitation date:	January 17, 2017
Supporting documents:	Evaluation Summary and Criteria
Disclosure under Board Policy CH, CV, or DBD (Local):	None

\*\*\* Previously awarded a contract of the same scope with the District.

Tabulation Summary  
RFP 22-020KB Musical Instrument Repair and Related Services

Vendor	Purchase Price (20 pts. Max)	Reputation of Vendor and Vendor's Goods and Services (5 pts. Max)	Quality of Vendors Goods and Services (25 pts. Max)	Extent to which the Goods and Services Meet the Needs of the District (25 pts. Max)	Vendors Past Relationship with the District (5 pts. Max)	Long Term Cost to the District (10 pts. Max)	Insurance Requirements (Pass/Fail)	Agreement to Fort Bend ISD Terms and Conditions (10 pts. Max)	Proposer's Total Score (100 pts. Max)	Proposer's Ranking
Lisle Violin Shop***	9.00	4.00	25.00	25.00	5.00	10.00	Pass	10.00	88.00	1
Fort Bend Music Center***	12.00	4.00	23.00	23.00	5.00	10.00	Pass	10.00	87.00	2
Fleming Instrument Repair***	9.00	3.00	25.00	25.00	5.00	10.00	Pass	10.00	87.00	2
Harp Doctor, LLC	5.00	3.00	25.00	25.00	5.00	10.00	Pass	10.00	83.00	3
Fishburn Violin Shop***	5.00	3.00	25.00	25.00	5.00	10.00	Pass	10.00	83.00	3
Katy Violin Shop	9.00	4.00	22.60	23.00	4.80	8.00	Pass	10.00	81.40	4
Collins Music Center***	5.00	5.00	22.40	22.40	3.80	10.00	Pass	10.00	78.60	5
Music & Arts***	5.00	3.00	22.80	22.80	4.60	10.00	Pass	10.00	78.20	5
Universal Melody Services***	5.00	2.00	22.60	23.60	4.80	10.00	Pass	10.00	78.00	6

\*\*\* Previously awarded a contract of the same scope with the District.

**RFP 22-020KB**  
**Musical Instrument Repair and Related Services**

	<b>Evaluation Criteria</b>	<b>Point System</b>
1	<b>Purchase Price</b> Offer a fair reasonable price for items to be procured by Fort Bend ISD.	20 points
2	<b>Reputation of the Vendor and of the Vendor's Goods or Services</b> Vendor should have a solid reputation with other ISD's, Government or Collegiate entities that show a high level of customer service, a high level of quality of good or services. (References will be contacted via e-mail with a deadline. If no response is received by the deadline, there will be points deducted in this section.)	5 points
3	<b>Quality of the Vendor's Goods or Services</b> Items should be new and be of the highest quality with an option to substitute.	25 points
4	<b>Extent to Which the Goods or Services Meet the District's Needs</b> Vendor provides various band and orchestra instrument repair services, per the Scope of Work.	25 points
5	<b>Vendor's Past Relationship with the District or District of Similar Size</b> Vendor may list any past projects or contracts the vendor has had with the District.	5 points
6	<b>Long-Term Cost to the District to Acquire the Vendor's Goods or Services</b> Warranty, setup fee, shipping, maintenance or other fees.	10 points
7	<b>Insurance Requirements</b> A copy of the <b>Certificate of Liability Insurance and Waiver of Subrogation</b> should be in your proposal.	Pass/Fail
8	<b>Extent to which the vendor agrees to our Standard Form of Agreement.</b> <b>By Signing the Agreement</b> , you assent to the Terms and Conditions of Fort Bend ISD.	10 points
	<b>TOTAL</b>	<b>100 points</b>

<b>BOT Meeting:</b>	<b>January 24, 2022</b>
<b>Solicitation No.:</b>	<b>RFP 22-006LJ</b>
<b>References:</b>	<b>District Goal Scalable Systems</b>
<b>Description:</b>	<p><b>LAN Network Equipment Related Items and Services</b></p> <p><b><u>Recommendation</u></b></p> <p>The Administration is seeking Board approval for the Local Area Network (LAN) equipment related items and services from Netsync Network Solutions in an amount not to exceed \$3,400,000 and authorization for the Superintendent to negotiate and execute the agreements through January 2024.</p> <p><b><u>Summary</u></b></p> <p>On September 2, 2021, Fort Bend ISD issued RFP 22-006LJ Local Area Network (LAN) equipment related items and services. The request sought proposals for Local Area Network (LAN) infrastructure equipment and related services, which includes technical architecture/design and deployment services for software and hardware.</p> <p>Fort Bend ISD is eligible for the Federal Communications Commission's E-Rate Program, officially known as Universal Service Schools and Libraries Discount. E-Rate is a federally funded rebate program for school districts that helps to offset the costs of communications infrastructure required to connect instructional facilities to the internet.</p> <p>The program helps to ensure schools and libraries have the ability to obtain telecommunications and Internet access at affordable rates. Each year, as required by the E-Rate program, Fort Bend ISD selects service providers through a fair and open bidding process, requests funding commitments from the E-Rate program, purchases eligible services and equipment, and receives rebates for approved purchases.</p> <p>Fort Bend ISD's E-Rate discount rate for 2022-23 will be 60 percent, which is determined by calculating the percentage of students in the District that qualify for the National School Lunch Program (NSLP). It is the District's desire to seek a rebate for as many of these purchases as possible in order to take advantage of the savings from the E-Rate programs. The Information Technology Services Department will execute LAN infrastructure purchases to meet E-Rate requirements in order to maximize the reimbursement available using E-Rate Category 2 budget for each campus. Since the E-Rate program provides a rebate, the District will purchase eligible equipment and services based on District needs and will seek reimbursement for 60 percent of the funds spent. Equipment will be purchased and implemented at new campuses and new constructions. Additionally, this bid will also facilitate on-going needs for network technology to include operational needs as well as small projects and initiatives.</p>

	<p>Netsync Network Solutions offered the best value to the District in supplying software, hardware, and deployment services. The hardware and software will support wireless and wired networks, telephones, computers, building automation systems, and other devices requiring network connectivity for functionality. The equipment and services are needed to keep data and voice services operational across the District.</p> <p>An evaluation team comprised of Fort Bend ISD staff members from the Information Technology Services Department evaluated the proposals and found Netsync Network Solutions met the specifications and requirements of the solicitation.</p> <p><b><u>Background</u></b></p> <p>Expenditures for FY 2020-21 were \$1,302,654. Expenditures year-to-date in 2021-22 are \$1,051,831. Expenditures are not expected to exceed \$3,400,000 through January 2024, which includes an amount for the replacement of failed equipment and other routine replacements that are needed. Funding is included in the budget.</p>
Requested By:	Long Pham, Chief Information Officer Bryan Guinn, Chief Financial Officer
Vendors:	Netsync Network Solutions***
Budget Sources:	Bond Funds Federal Funds General Fund
Amount:	Not to Exceed - \$3,400,000 through January 2024
Other Supporting Information	
Sole Source:	No
Number of vendors contacted by Purchasing:	2
Number of vendors contacted by FBISD Notification System:	2016
Number of vendors downloaded the solicitation:	48
Number of responses received:	1
Number of "no bid" responses received:	0
Length of commitment:	Through January 2024
Last solicitation date:	February 22, 2021
Supporting documents:	Evaluation Summary and Criteria
Disclosure under Board Policy CH, CV, or DBD (Local):	None

\*\*\* Previously awarded a contract of the same scope with the district.

**Evaluation Summary**  
**RFP 22-006LJ LAN Network Equipment Related Items and Services**

<b>Vendor</b>	<b>Purchase Price</b> (25 pts max)	<b>Reputation of the Vendor and the Vendor's Goods and Services</b> (10 pts max)	<b>Quality of the Vendor's Goods or Services</b> (20 pts max)	<b>Extent to Which the Goods or Services Meet the District's Needs</b> (20 pts max)	<b>Vendor's Past Relationship with the District or Similar Sized District</b> (10 pts max)	<b>Long-Term Cost to the District to Acquire the Vendor's Goods or Services</b> (5 pts max)	<b>Agreement to Fort Bend ISD Terms and Conditions</b> (10 pts max)	<b>Insurance Requirements</b> (Pass/Fail)	<b>Total Score</b> (100 pts. Max)	<b>Proposer's Ranking</b>
Netsync Network Solutions***	25.00	9.70	20.00	20.00	10.00	5.00	5.00	Pass	94.70	1

\*\*\* Previously awarded vendor

**RFP 22-006LJ**  
**LAN Network Equipment Related Items and Services**

	<b>Evaluation Criteria</b>	<b>Point System</b>
1	<p><b>Purchase Price</b></p> <p>Offer a fair reasonable price for items or services to be procured by Fort Bend ISD. Pricing will be calculated using the Price Delivery Sheet in this document.</p>	25 points
2	<p><b>Reputation of the Vendor and of the Vendor's Goods or Services</b></p> <p>Vendor should have a solid reputation with other ISD's, Government or Collegiate entities that show a high level of customer service, a high level of quality of good or services. (References will be contacted via email with a deadline. If no response is received by the deadline, there will be points deducted in this section.)</p>	10 points
3	<p><b>Quality of the Vendor's Goods or Services</b></p> <ul style="list-style-type: none"> <li>• Project management experience and certifications</li> <li>• Experience with structured cabling infrastructure (Vendors with BICSI or RCDD certified installers on staff will be given priority)</li> <li>• Experience working in Networking wiring centers (MDF/IDF)</li> <li>• Experience working with and deploying UPS and PDU</li> <li>• Staff certifications (CCIE, CCNP, CCNA, CISSP, CWNA, BICSI, RCDD)</li> <li>• Experience with LAN wireless systems (802.11). Vendors with CWNA or CWNP certified staff will be given priority.</li> <li>• Cisco Certified Partner Level- Global Gold, Gold, Premier, Select</li> <li>• Demonstrated quality of equipment installation</li> </ul>	20 points
4	<p><b>Extent to Which the Goods or Services Meet the District's Needs</b></p> <ul style="list-style-type: none"> <li>• Ability to architect and deploy turnkey solutions</li> <li>• Ability to meet customer critical timelines for deployment</li> <li>• Authorized CISCO Product Reseller</li> <li>• Current E-Rate Service Provider Identification Number (SPIN)</li> <li>• Current E-Rate Service Provider Annual Certificate (SPAC)</li> </ul>	20 points
5	<p><b>Vendor's Past Relationship with the District</b></p> <ul style="list-style-type: none"> <li>• Past projects or contracts similar service vendor has had with the district.</li> <li>• Past projects or contracts similar service vendor has had with any K-12</li> <li>• Districts similar size or larger</li> <li>• Past projects or contracts similar service vendor has had with any business</li> <li>• or universities the size of our district.</li> </ul>	10 points

6	<p><b>Long-Term Cost to the District to Acquire the Vendor's Goods or Services</b></p> <ul style="list-style-type: none"> <li>• Deployment Services</li> <li>• Engineer and Analyst costs per hour</li> </ul>	5 points
7	<p><b>Extent to which the vendor agrees to our Standard Form of Agreement. By Signing the Agreement, you assent to the Terms and Conditions of Fort Bend ISD.</b></p>	10 points
8	<p><b>Insurance Requirements</b></p> <p>Vendor meets insurance requirements and included a copy of the Certificate of Insurance in their proposal.</p>	Pass/Fail
	<b>TOTAL</b>	<b>100 points</b>

<b>BOT Meeting:</b>	<b>January 24, 2022</b>
<b>Solicitation No.:</b>	<b>22-032ZB Choice Partners Cooperative</b>
<b>References:</b>	<b>District Goal Scalable Systems</b>
<b>Description:</b>	<p><b>Moving Service and Supplies</b></p> <p><b><u>Recommendation</u></b></p> <p>The Administration is seeking Board approval for the continued purchase of moving services from multiple vendors with Choice Partners Cooperative in an amount not-to-exceed \$1,039,500, and authorization for the Superintendent to negotiate and execute the agreements through June 2025.</p> <p><b><u>Summary</u></b></p> <p>On April 19, 2021, the Board approved moving services through a Choice Partners Purchasing Cooperative Contract. This contract expires on February 27, 2022.</p> <p>The District utilizes moving companies to assist with construction projects, T-building moves, and additional moves throughout the District to include moving offices, departments, and/or campuses to and from buildings. Awarded vendors will provide moving services, moving supplies, and assembly/disassembly of furniture.</p> <p>The Choice Partners Cooperative Purchasing Contract will allow the District to fulfill moving services needs efficiently and effectively through June 2025 and complies with school district bidding requirements. Prior to acquiring any moving services, the District will solicit quotes from the Choice Partners vendors to ensure Fort Bend ISD receives the best value on each order.</p> <p>Renewal options are available through June 2025. Should the contract not renew for the full term, staff will return to the Board to request authorization to utilize an alternate cooperative contract, or an alternate procurement method.</p> <p><b><u>Background</u></b></p> <p>Expenditures in 2020-21 were \$315,000 for these services and supplies. Expenditures will not exceed \$1,039,500 through June 15, 2025 and includes a growth factor for future moves due to new school openings and teaching staff rebalancing that occurs each year.</p>
<b>Requested By:</b>	Oscar Perez, Chief Operations Officer Bryan Guinn, Chief Financial Officer
<b>Vendor:</b>	All Points of Texas A-Rocket Moving and Storage*** Pioneer Contract Services**

	Roadrunner Moving and Storage***
Budget Sources:	General Fund Bond Funds
Amount:	Not to Exceed - \$1,039,500 through June 15, 2025
Other Supporting Information	
Sole Source:	No
Number of vendors contacted by Purchasing:	N/A
Number of vendors contacted by FBISD Notification System:	N/A
Number of vendors downloaded the solicitation:	N/A
Number of responses received:	N/A
Number of "no bid" responses received:	N/A
Length of commitment:	Through June 2025
Last solicitation date:	N/A
Supporting documents:	N/A
Disclosure under Board Policy CH, CV, or DBD (Local):	None

\*\*\* Previously awarded a contract of the same scope with the district.

<b>BOT Meeting:</b>	<b>January 24, 2022</b>
<b>Solicitation No.:</b>	<b>22-047AR The Interlocal Purchasing System (TIPS)</b>
<b>References:</b>	<b>District Goal Scalable Systems</b>
<b>Description:</b>	<p><b>Disinfection Air Purifiers</b></p> <p><b><u>Recommendation</u></b></p> <p>The Administration is seeking Board approval for the purchase of up to 135 portable ultraviolet light disinfection units (R-Zero Arc), from GovConnection, under a cooperative contract with The Interlocal Purchasing System (TIPS) in an amount not-to-exceed \$2,714,475 and authorization for the Superintendent to negotiate and execute the agreement through May 31, 2023.</p> <p><b><u>Summary</u></b></p> <p>The Department of State Health Services (DSHS) received an \$800 million grant from the federal government to support school-based COVID-19 screening testing activities intended to support open, in-person K-12 instruction. DSHS has partnered with the Texas Education Agency (TEA) to provide these resources to Texas K-12 school systems through the School Health Support Grant to support items or activities aimed at implementation of prevention and mitigation strategies necessary to curtail the spread of the COVID-19 virus.</p> <p>Staff has identified portable ultraviolet light disinfection units that qualify for the School Health Support Grant expenditure. The intent is to provide units at all FBISD campuses (3 per high school, 2 per middle school, and 1 per elementary school). UV light disinfection has been proven by the World Health Organization (WHO) and the Center for Disease Control (CDC) as an effective and chemical-free way to kill COVID and other pathogens, thus improving the air quality within the space. Use of the portable ultraviolet light disinfection units (R-Zero Arc) will contribute to providing cleaner air and surfaces in the buildings.</p> <p>Renewal options are available through May 31, 2023. Should the contract not renew for the full term, staff will return to the Board to request authorization to utilize an alternate cooperative contract, or an alternate procurement method at that time.</p> <p><b><u>Background</u></b></p> <p>FBISD's cleaning protocols are based on the COVID-19 Response Plan. Disinfectants used by the custodial staff are on the Environmental Protection Agency's list of Disinfectants for Use against COVID-19 and the standard procedures for routine cleaning and disinfecting are followed. This includes the frequent cleaning and disinfecting of surfaces and objects that are touched often throughout the school day.</p>

	<p>FBISD follows CDC and ASHRAE guidelines, striving to maintain proper air temperature and humidity while maintaining occupant comfort. The end goal is to reduce the potential for spread of airborne pathogens, and limit possible mold growth in buildings and on finishes. FBISD has upgraded filters from MERV 8 to MERV 13, and HVAC systems are being started earlier, and running longer at the end of the day to bring in additional exchanges of fresh outside air into the building.</p> <p>Expenditures are not expected to exceed \$2,714,475.</p>
<b>Requested By:</b>	Oscar Perez, Chief Operations Officer Bryan Guinn, Chief Financial Officer
<b>Vendor:</b>	GovConnection
<b>Budget Sources:</b>	Special Revenue Funds
<b>Amount:</b>	Not to Exceed - \$2,714,475 through May 31, 2023
<b>Other Supporting Information</b>	
<b>Sole Source:</b>	No
<b>Number of vendors contacted by Purchasing:</b>	N/A
<b>Number of vendors contacted by FBISD Notification System:</b>	N/A
<b>Number of vendors downloaded the solicitation:</b>	N/A
<b>Number of responses received:</b>	N/A
<b>Number of “no bid” responses received:</b>	N/A
<b>Length of commitment:</b>	Through May 31, 2023
<b>Last solicitation date:</b>	N/A
<b>Supporting documents:</b>	N/A
<b>Disclosure under Board Policy CH, CV, or DBD (Local):</b>	None