

**RESOLUTION NO. 2025-003**

**RESOLUTION OF THE PFLUGERVILLE COMMUNITY DEVELOPMENT CORPORATION AUTHORIZING THE ISSUANCE OF PFLUGERVILLE COMMUNITY DEVELOPMENT CORPORATION SALES TAX REVENUE BONDS, TAXABLE SERIES 2025; APPROVING A PAYING AGENT/REGISTRAR AGREEMENT, A BOND PURCHASE AGREEMENT AND AN OFFICIAL STATEMENT; AND APPROVING OTHER MATTERS RELATED THERETO**

**THE STATE OF TEXAS** §  
**PFLUGERVILLE COMMUNITY DEVELOPMENT CORPORATION** §

**WHEREAS**, pursuant to Section 4B of the Development Corporation Act of 1979, Article 5190.6, V.A.T.C.S., as amended, now codified as Local Government Code, Title 12, Subtitle C1 particularly Chapters 501 and 505 of the Local Government Code (collectively, the "Act") at the election held on August 11, 2001 (the "Election"), a majority of the citizens of the City of Pflugerville, Texas (the "City") voting at the Election authorized the City to levy a sales and use tax on the receipts at retail of taxable items within the City at a rate of one-half of one percent for the benefit of a development corporation operating on behalf of the City to be used to undertake projects as permitted by the Act;

**WHEREAS**, pursuant to the provisions of the Act, the City created the Pflugerville Community Development Corporation (the "Issuer"), a nonstock, nonprofit development corporation created to act on behalf of the City to satisfy the public purposes set forth in the Act as authorized at the Election;

**WHEREAS**, as more fully described herein, the Issuer has determined to issue the bonds authorized herein (the "Bonds") to provide funds for the costs of the acquisition of land for (i) primary job training facilities for use by institutions of higher education, (ii) regional or national corporate headquarters facilities and (iii) entertainment, tourist, and public park purposes, including related store, restaurant, concession and parking facilities and related improvements that enhance such purposes; including Costs (as defined herein) necessary or incident to the undertaking of the foregoing (collectively, the "Project");

**WHEREAS**, the Board of Directors of the Issuer (the "Board") hereby finds that the Project promotes or develops new or expanded business enterprises and that the Project constitutes a qualified "project" pursuant to Sections 501.101(1), 501.101(2)(K), 501.101(2)(L), and 505.152 of the Act;

**WHEREAS**, in accordance with Sections 501.101(1) and 501.101(2)(K), of the Local Government Code, the Board hereby finds that the Project is for the creation or retention of primary jobs and is suitable for the development, retention, or expansion of primary job training facilities for use by institutions of higher education, with such "primary jobs" being jobs that are included in the North American Industry Classification System Sections # 51, Information (excluding motion picture theaters and drive-in motion picture theaters) and #5413, 5415, 5416, 5417, and

5419, Architectural, Engineering, and Related Services; Computer System Design and Related Services; Management, Scientific, and Technical Consulting Services; Scientific Research and Development Services, as described in Section 501.002(12) of the Act;

**WHEREAS**, in accordance with Sections 501.101(1) and 501.101(2)(L), of the Local Government Code, Board hereby finds that the Project is for the creation or retention of primary jobs and is suitable for the development, retention, or expansion of regional or national corporate headquarters facilities, with such “primary jobs” being jobs that are included in the North American Industry Classification System Section 551, Management of Companies and Enterprises, as described in Section 501.002(12) of the Act;

**WHEREAS**, in accordance with Section 505.152 of the Local Government Code, Board hereby finds that the Project is suitable for use for entertainment, tourist, and public park purposes, including related store, restaurant, concession and parking facilities and related improvements that enhance such purposes;

**WHEREAS**, there was published in newspapers of general circulation in the City (as described in Sections 2051.044 and 2051.048, Texas Government Code) on October 17, 2024, and on October 23, 2024, notices that a public hearing would be held by the Issuer on November 20, 2024 on the Project and giving notice that the Issuer proposed to undertake the Project;

**WHEREAS**, the public hearing was held by the Issuer and no petition has been submitted to the Issuer or the City Council calling for a referendum with respect to the Project;

**WHEREAS**, the Act authorizes the Issuer to issue the Bonds for the aforesaid purposes and the Board of Directors of the Issuer finds it necessary and advisable to authorize the issuance of the hereinafter described Bonds for the purposes hereinabove and hereinafter described;

**WHEREAS**, the Bonds are authorized to be issued as Parity Obligations on parity with the outstanding Previously Issued Parity Obligations; however, the 2025 Reserve Fund (as defined herein) established by this Resolution secures only the Bonds; and

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

**THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE PFLUGERVILLE COMMUNITY DEVELOPMENT CORPORATION THAT:**

**Section 1. RECITALS, AMOUNT AND PURPOSE OF THE BONDS; DEFINITIONS.** The recitals set forth in the preamble hereof are incorporated herein and shall have the same force and effect as if set forth in this Section. The Bonds are hereby authorized to be issued and delivered in the aggregate principal amount of \$\_\_\_\_\_,000 for the purpose of (i) providing funds for the Costs of the Project (ii) paying the costs of issuing the Bonds. For all purposes of this Resolution, except as otherwise expressly provided or unless the context otherwise

requires, the capitalized terms used in this Resolution have the meanings assigned to them in Exhibit "A".

**Section 2. DESIGNATION, DATE, DENOMINATIONS, NUMBERS, AND MATURITIES OF BONDS.** Each Bond issued pursuant to this Resolution shall be designated: "PFLUGERVILLE COMMUNITY DEVELOPMENT CORPORATION SALES TAX REVENUE BOND, TAXABLE SERIES 2025", and initially there shall be issued, sold, and delivered hereunder fully registered certificates, without interest coupons, dated January 15, 2025, in the respective denominations and principal amounts hereinafter stated, numbered consecutively from R-1 upward (except the Initial Bond submitted to the Attorney General of the State of Texas which shall be numbered T-1), payable to the respective initial registered owners thereof (as designated in Section 25 hereof), or to the registered assignee or assignees of the Bonds or any portion or portions thereof (in each case, the "Registered Owner"), and the Bonds shall mature and be payable serially on October 15 in each of the years and in the principal amounts, respectively, as set forth in the following schedule:

<u>YEAR</u>	<u>AMOUNT</u>	<u>YEAR</u>	<u>AMOUNT</u>
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**Section 3. INTEREST.** The Bonds scheduled to mature during the years, respectively, set forth below shall bear interest from the dates specified in the FORM OF BOND set forth in Exhibit "B" of this Resolution to their respective dates of maturity or redemption prior to maturity at the following rates per annum:

<u>YEAR</u>	<u>RATE</u>	<u>YEAR</u>	<u>RATE</u>
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Interest shall be payable in the manner provided and on the dates stated in the FORM OF BOND set forth in Exhibit "B" of this Resolution.

**Section 4. CHARACTERISTICS OF THE BONDS.** (a) Registration, Transfer, Conversion and Exchange; Authentication. The Issuer shall keep or cause to be kept at U.S. Bank Trust Company, National Association, Dallas, Texas (the "Paying Agent/Registrar") books or records for the registration of the transfer, conversion and exchange of the Bonds (the "Registration Books"), and the Issuer hereby appoints the Paying Agent/Registrar as its registrar and transfer agent to keep such books or records and make such registrations of transfers, conversions and exchanges under such reasonable regulations as the Issuer and Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such registrations, transfers, conversions and exchanges as herein provided. The Paying Agent/Registrar shall obtain and record in the Registration Books the address of the Registered Owner of each Bond to which payments with respect to the Bonds shall be mailed, as herein provided; but it shall be the duty of each Registered Owner to notify the Paying Agent/Registrar in writing of the address to which payments shall be mailed, and such interest payments shall not be mailed unless such notice has been given. The Issuer shall have the right to inspect the Registration Books during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Registration Books confidential and, unless otherwise required by law, shall not permit their inspection by any other entity. The Paying Agent/Registrar shall make a copy of the Registration Books available within the State of Texas. The Issuer shall pay the Paying Agent/Registrar's standard or customary fees and charges for making such registration, transfer, conversion, exchange and delivery of a substitute Bond or Bonds. Registration of assignments, transfers, conversions and exchanges of Bonds shall be made in the manner provided and with the effect stated in the FORM OF BOND set forth in Exhibit "B" of this Resolution. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond.

Except as provided in Section 4(c) of this Resolution, an authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, date and manually sign the Bond, and no such Bond shall be deemed to be issued or outstanding unless such Bond is so executed. The Paying Agent/Registrar promptly shall cancel all paid Bonds and Bonds surrendered for conversion and exchange. No additional ordinances, orders or resolutions need be passed or adopted by the governing body of the Issuer or any other body or person so as to accomplish the foregoing conversion and exchange of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution, and delivery of the substitute Bonds in the manner prescribed herein, and the Bonds shall be printed or typed on paper of customary weight and strength. Pursuant to Chapter 1201, Texas Government Code, as amended, and particularly Subchapter D thereof, the duty of conversion and exchange of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the Bond, the converted and exchanged Bond shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Bonds which initially were issued and delivered pursuant to this Resolution, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(b) Payment of Bonds and Interest. The Issuer hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds, all as provided in this Resolution. The Paying Agent/Registrar shall keep proper records of all payments made by the Issuer and the Paying Agent/Registrar with respect to the Bonds, and of all conversions and exchanges of Bonds, and all replacements of Bonds, as provided in this Resolution. However, 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 Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each Registered Owner appearing on the Registration Books at the close of business on the last business day immediately preceding the date of mailing of such notice.

(c) In General. The Bonds (i) shall be issued in fully registered form, without interest coupons, with the principal of and interest on such Bonds to be payable only to the Registered Owners thereof, (ii) may be redeemed prior to their scheduled maturities (notice of which shall be given to the Paying Agent/Registrar by the Issuer at least 45 days prior to any such redemption date), (iii) may be converted and exchanged for other Bonds, (iv) may be transferred and assigned, (v) shall have the characteristics, (vi) shall be signed, sealed, executed and authenticated, (vii) the principal of and interest on the Bonds shall be payable, and (viii) shall be administered and the Paying Agent/Registrar and the Issuer shall have certain duties and responsibilities with respect to the Bonds, all as provided, and in the manner and to the effect as required or indicated, in the FORM OF BOND set forth in Exhibit "B" of this Resolution. The Initial Bond initially issued and delivered pursuant to this Resolution is not required to be, and shall not be, authenticated by the Paying Agent/Registrar, but on each substitute Bond issued in conversion of and exchange for any Bond or Bonds issued under this Resolution the Paying Agent/Registrar shall execute the PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE, in the form set forth in the FORM OF BOND.

(d) Substitute Paying Agent/Registrar. The Issuer covenants with the Registered Owners of the Bonds that at all times while the Bonds are outstanding the Issuer will provide a competent and legally qualified bank, trust company, financial institution, or other agency to act as and perform the services of Paying Agent/Registrar for the Bonds under this Resolution, and that the Paying Agent/Registrar will be one entity. The Issuer reserves the right to, and may, at its option, change the Paying Agent/Registrar upon not less than 30 days written notice to the Paying Agent/Registrar, to be effective at such time which will not disrupt or delay payment on the next principal or interest payment date after such notice. In the event that the entity at any time acting as Paying Agent/Registrar (or its successor by merger, acquisition, or other method) should resign or otherwise cease to act as such, the Issuer covenants that promptly it will appoint a competent and legally qualified bank, trust company, financial institution, or other agency to act as Paying Agent/Registrar under this Resolution. Upon any change in the Paying Agent/Registrar, the previous Paying Agent/Registrar promptly shall transfer and deliver the Registration Books (or a copy thereof), along with all other pertinent books and records relating to the Bonds, to the new Paying Agent/Registrar designated and appointed by the Issuer. Upon any change in the Paying

Agent/Registrar, the Issuer promptly will cause a written notice thereof to be sent by the new Paying Agent/Registrar to each Registered Owner of the Bonds, by United States mail, first-class postage prepaid, which notice also shall give the address of the new Paying Agent/Registrar. By accepting the position and performing as such, each Paying Agent/Registrar shall be deemed to have agreed to the provisions of this Resolution, and a certified copy of this Resolution shall be delivered to each Paying Agent/Registrar.

(e) Book-Entry-Only System. The Bonds issued in exchange for the Initial Bond initially issued as provided in Section 4(i) shall be issued in the form of a separate single fully registered Bond for each of the maturities thereof registered in the name of Cede & Co., as nominee of The Depository Trust Company of New York ("DTC") and except as provided in subsection (f) hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the Issuer and the Paying Agent/Registrar shall have no responsibility or obligation to any securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations on whose behalf DTC was created to hold securities to facilitate the clearance and settlement of securities transactions among DTC participants (the "DTC Participant") or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the Issuer 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 a Registered Owner, as shown on the Registration Books, of any notice with respect to the Bonds, including any notice of redemption or (iii) the payment to any DTC Participant or any person, other than a Registered Owner, as shown on the Registration Books of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Resolution to the contrary, but to the extent permitted by law, the Issuer and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Registration Books as the absolute owner of such Bond for the purpose of payment of principal of, premium, if any, and interest, with respect to such Bond, for the purposes of registering transfers with respect to such Bond, and for all other purposes of registering transfers with respect to such Bonds, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Registered Owners, as shown in the Registration Books as provided in this Resolution, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the Issuer's obligations with respect to payment of principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Registration Books, shall receive a Bond evidencing the obligation of the Issuer to make payments of principal, premium, if any, and interest pursuant to this Resolution. 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 Resolution 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 Resolution shall refer to such new nominee of DTC.

(f) Successor Securities Depository; Transfer Outside Book-Entry-Only System. In the event that the Issuer determines to discontinue the book-entry system through DTC or a successor or DTC determines to discontinue providing its services with respect to the Bond, the Issuer shall either (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 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 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 Registration Books 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 the Registered Owner transferring or exchanging Bond shall designate, in accordance with the provisions of this Resolution.

(g) Payments to Cede & Co. Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the manner provided in the Letter of Representations of the Issuer to DTC.

(h) DTC Blanket Letter of Representations. The Issuer confirms execution of a Blanket Issuer Letter of Representations with DTC establishing the Book-Entry-Only System which will be utilized with respect to the Bonds and authorizes the execution of such additional letters of representation as may be required by DTC to utilize the Book-Entry-Only System for the Bonds.

(i) Cancellation of Initial Bond. On the closing date, one Initial Bond representing the entire principal amount of the Bonds, payable in stated installments to the order of the designated representative of the Underwriters or its designee set forth in Section 25 of this Resolution, executed by manual or facsimile signature of the President and Secretary of the Board of Directors of the Issuer, approved by the Attorney General of Texas, and registered and manually signed by the Comptroller of Public Accounts of the State of Texas, will be delivered to such Underwriters set forth in Section 25 of this Resolution or its designee. Upon payment for the Initial Bond, the Paying Agent/Registrar shall cancel the Initial Bond and deliver to DTC on behalf of such Underwriters one separate single fully registered Bond for each of the maturities thereof registered in the name of Cede & Co., as nominee of DTC and except as provided in Section 4(f), all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

**Section 5. FORM OF BOND.** The form of the Bond, including the form of Paying Agent/Registrar's Authentication Certificate, the form of Assignment, the form of Initial Bond and the form of Registration Certificate of the Comptroller of Public Accounts of the State of Texas to be attached to the Initial Bond initially issued and delivered pursuant to this Resolution, shall be, respectively, substantially as set forth in Exhibit "B" attached hereto, with such appropriate variations, omissions, or insertions as are permitted or required by this Resolution, including any reproduction of an opinion of counsel and information regarding the issuance of any bond insurance policy.

**Section 6. PLEDGE.** (a) The Bonds and any interest payable thereon, together with the Previously Issued Parity Obligations and any Additional Parity Obligations which may be issued in accordance herewith and any interest payable thereon, are and shall be secured by and payable from a first lien on and pledge of the Pledged Revenues, which lien on and pledge is prior in right and claim to the lien and pledge on the Pledged Revenues securing the payment of any Junior Lien Obligations; and the Pledged Revenues are further pledged to the establishment and maintenance of the Debt Service Fund and the 2025 Reserve Fund for the Bonds as hereinafter provided. The Bonds are and will be secured by and payable only from the Pledged Revenues and amounts on deposit in the Debt Service Fund and the 2025 Reserve Fund created in this Resolution, and not from amounts on deposit in any other Funds or accounts of the Issuer, and are not secured by or payable from a mortgage or deed of trust on any real, personal or mixed properties, including the Project.

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

**Section 7. SPECIAL FUNDS.** (a) The below listed currently existing special Funds are hereby confirmed and shall be maintained on the books of the Issuer, so long as any of the Bonds are outstanding and unpaid:

(i) “*Pflugerville Community Development Corporation Revenue Fund*,” hereinafter called the “Revenue Fund.”

(ii) “*Pflugerville Community Development Corporation Debt Service Fund*,” hereinafter called the “Debt Service Fund.”

(iii) “*Pflugerville Community Development Corporation Operating Fund*,” hereinafter called the “Operating Fund.”

(b) A special Fund entitled the “*Pflugerville Community Development Corporation Sales Tax Revenue Bonds, Taxable Series 2025 Reserve Fund*” and hereinafter called the “2025 Reserve Fund” is hereby created and shall be established and maintained on the books of the Issuer pursuant to Section 11 hereof, so long as any of the Bonds remain outstanding, hereinafter called the “2025 Reserve Fund.”

(c) A special Fund entitled the “*Pflugerville Community Development Corporation Sales Tax Revenue Bonds, Taxable Series 2025 Project Fund*” and hereinafter called the “2025 Project Fund” is hereby created and shall be established and maintained on the books of the Issuer



pursuant to Section 27 hereof, so long as any proceeds of the Bonds remain on deposit therein, hereinafter called the "2025 Project Fund."

(e) Though all of such funds may be subaccounts of the Issuer's funds held by the Depository, and, as such, not held in separate bank accounts, such treatment shall not constitute a commingling of the monies in such Funds or of such Funds and the Issuer shall keep full and complete records indicating the monies and investments credited to each of such Funds.

**Section 8. REVENUE FUND.** All Pledged Revenues shall be credited to the Revenue Fund immediately upon receipt as provided in the Transfer Agreement.

**Section 9. FLOW OF FUNDS.** All Pledged Revenues deposited and credited to the Revenue Fund shall be pledged and appropriated to the extent required for the following uses and in the order of priority shown:

**FIRST:** To the payment of the amounts required to be deposited in the Debt Service Fund for the payment of debt service on the Parity Obligations as the same becomes due and payable;

**SECOND:** On a pro rata basis, to (i) the 2025 Reserve Fund and any debt service reserve fund created by the resolutions authorizing the Previously Issued Parity Obligations and by any Additional Parity Obligations Resolution, which contains less than the amount to be accumulated and/or maintained therein as provided in the applicable resolution establishing such debt service reserve fund and (ii) make any Reserve Fund Obligation Payment;

**THIRD:** To the payment of the amounts required to be deposited in a debt service fund for the payment of debt service on the Junior Lien Obligations as the same becomes due and payable;

**FOURTH:** On a pro rata basis, to any debt service reserve fund created by a resolution authorizing the issuance of Junior Lien Obligations which contains less than the amount to be accumulated and/or maintained therein as provided in the resolution authorizing the issuance of such Junior Lien Obligations;

**FIFTH:** To the payment of amounts required to be deposited in any other fund or account required by any Additional Parity Obligations Resolution;

**SIXTH:** To any fund or account held at any place or places, or to any payee, required by any other resolution of the Board which authorizes the issuance of Junior Lien Obligations; and

**SEVENTH:** To the payment of the amounts required for any lawful purpose.

Any Pledged Revenues remaining in the Revenue Fund after satisfying the foregoing payments, or making adequate and sufficient provision for the payment thereof, shall be transferred

to the Operating Fund and may be appropriated and used for any other lawful purpose now or hereafter permitted by law.

**Section 10. DEBT SERVICE FUND.** The Debt Service Fund is for the sole purpose of paying the principal of and interest on the Parity Obligations Outstanding at any time, as the same come due (including principal coming due as a result of any mandatory redemption of the Parity Obligations). The Issuer covenants that there shall be deposited into the Debt Service Fund prior to each principal and interest payment date from the Pledged Revenues an amount equal to one hundred per cent (100%) of the interest on and the principal of the Parity Obligations then falling due and payable, and such deposits to pay principal and accrued interest on the Parity Obligations shall be made in substantially equal monthly installments on or before the 10th day of each month, beginning on or before the 10th day of the month next following the delivery of the Parity Obligations to the initial purchasers thereof; provided, however, that in any Fiscal Year the Issuer may elect to fund the Debt Service Fund on an accelerated basis and at any time when amounts on deposit in the Debt Service Fund are sufficient to make payment of all principal and interest coming due on the Outstanding Parity Obligations within the next twelve months, such deposits of Pledged Revenues to the Debt Service Fund may be discontinued, until there is once again an amount less than the principal and interest coming due on the Outstanding Parity Obligations within the next twelve months, at which time such deposits shall be resumed. For the avoidance of doubt, nothing herein shall permit the Issuer to fund the Debt Service Fund later or in a lesser amount than as required in connection with any then Outstanding Previously Issued Parity Obligations.

The required deposits to the Debt Service Fund for the payment of principal of and interest on the Parity Obligations shall continue to be made as hereinabove provided until (i) the total amount on deposit in the Debt Service Fund (taking into account any applicable debt service reserve fund (excluding any Reserve Fund Obligation) for such Parity Obligations) is equal to the amount required to fully pay and discharge all such Parity Obligations (principal and interest) then Outstanding or (ii) the Parity Obligations are no longer Outstanding.

Accrued interest and capitalized interest, if any, received from the initial purchaser of any Parity Obligation shall be taken into consideration and reduce the amount of the semi-annual deposits and credits hereinabove required into the Debt Service Fund.

**Section 11. 2025 Reserve Fund.** (a) The Issuer hereby covenants and agrees with the Owners of the Bonds that it will provide for the accumulation of, and when accumulated, will thereafter continuously maintain in the 2025 Reserve Fund an amount equal to not less than the Average Annual Debt Service Requirements of the Bonds (calculated on a Fiscal Year basis) (the “Required Reserve Amount”). The 2025 Reserve Fund only secures the Bonds. Immediately following the delivery date of the Bonds and at each subsequent time that the requirement to maintain and accumulate the 2025 Reserve Fund is reinstated by this Section (each a “Calculation Date”), the appropriate Issuer officials shall calculate and determine the Average Annual Debt Service Requirements for the Bonds. After deducting the amount then on deposit in the 2025 Reserve Fund, if any, from such calculation, the amount of the difference, if any, shall be deposited in the 2025 Reserve Fund in sixty (60) substantially equal monthly payments on or before the 10th day of each month; the initial monthly deposit to be made on or before the 10th day of the month

next following the Calculation Date. After the total amount required to be on deposit in the 2025 Reserve Fund has been accumulated, monthly payments to said fund may be terminated; provided, however, should the amount on deposit therein be reduced below the Required Reserve Amount after the same has been accumulated, payments to said fund in an amount equal to the deficiency shall be resumed and continued to be made on or before the 10th day of each month until the total amount then required to be on deposit in the 2025 Reserve Fund has been fully restored. In the event money in the 2025 Reserve Fund is used for an authorized purpose while monthly payments are being made to said fund, the amount required to restore the sum then required to be on deposit therein shall be added to the payments then being made in the following month or months until the total amount then required to be on deposit in said fund has been fully restored. Any cash or investments purchased with such cash in the 2025 Reserve Fund shall be drawn upon prior to any drawing upon any Reserve Fund Obligation.

(b) Notwithstanding the requirements of subsection (a) above, the Issuer may provide a Reserve Fund Obligation issued in amounts equal to all or part of the Required Reserve Amount in lieu of depositing cash into the 2025 Reserve Fund; provided, however, that after the issuance of the Bonds no such Reserve Fund Obligation may be substituted for cash unless (i) the substitution of the Reserve Fund Obligation will not cause any ratings then assigned to the Bonds to be lowered and (ii) the resolution authorizing the substitution of the Reserve Fund Obligation for all or part of the Average Annual Debt Service Requirements of the Bonds contains (A) a finding that such substitution is cost effective and (B) a provision that the interest due on any repayment obligation of the Issuer by reason of payments made under such policy does not exceed the highest lawful rate on interest which may be paid by the Issuer at the time of the delivery of the Reserve Fund Obligation. The Issuer reserves the right to apply the amounts in the Revenue Fund to the payment of the subrogation obligation incurred by the Issuer (including interest) to the issuer of the Reserve Fund Obligation, the payment of which will result in the reinstatement of such Reserve Fund Obligation, prior to making payments required to be made to the 2025 Reserve Fund pursuant to the provisions of this Section to restore the balance in such fund to the Required Reserve Amount. Any Reserve Fund Obligation on deposit in, or held for the benefit of, the 2025 Reserve Fund shall be drawn upon by the Paying Agent/Registrar and exhausted prior to making demand for payment under any bond insurance policy for the Bonds.

(c) In the event a Reserve Fund Obligation issued to satisfy all or part of the Issuer's obligation with respect to the 2025 Reserve Fund causes the amount then on deposit in the 2025 Reserve Fund to exceed the Required Reserve Amount, the Issuer, may transfer such excess amount to any fund or funds established for the payment of or security for the Bonds (including any escrow established for the final payment of any of the Bonds pursuant to Chapter 1207, Texas Government Code) or use such excess amount for any lawful purpose now or hereafter provided by law.

(d) Notwithstanding anything to the contrary contained herein, the requirement set forth in subsection (a) above to maintain and accumulate the Required Reserve Amount in the 2025 Reserve Fund shall be suspended for such time as the Pledged Revenues for each Fiscal Year (including Fiscal Years prior to the delivery date of the Bonds) are equal to at least 1.75 times the Maximum Annual Debt Service Requirements of all then Outstanding Parity Obligations. In the event that the Pledged Revenues for any Fiscal Year are less than 1.75 times the Maximum Annual

Debt Service Requirements of all then Outstanding Parity Obligations, the Issuer will be required to commence maintaining or accumulating the Required Reserve Amount in the 2025 Reserve Fund as provided in this Section, and to continue maintaining or accumulating the Required Reserve Amount in the 2025 Reserve Fund until the earlier of (i) such time as the 2025 Reserve Fund is fully funded to the Required Reserve Amount or (ii) the Pledged Revenues in each of two consecutive years have been equal to not less than 1.75 times the Maximum Annual Debt Service Requirements of all then Outstanding Parity Obligations. Notwithstanding the provisions of subsection (a) above, if the Issuer commences deposits in the 2025 Reserve Fund and later is authorized to suspend payments into the fund under this Section any funds so accumulated in the 2025 Reserve Fund may, at the discretion of the Issuer: (i) remain in the 2025 Reserve Fund or (ii) be used for any lawful purpose including additional projects or to pay debt service on the Bonds.

**Section 12. OPERATING FUND.** Surplus amounts on deposit in the Operating Fund may be (i) applied to pay or redeem any Parity Obligations at the option of the Issuer or (ii) applied for any other lawful purpose of the Issuer, including to complete and maintain the Project.

**Section 13. TRANSFER.** (a) The Transfer Agreement, the form attached hereto as Exhibit "E" hereto, is hereby approved and the President or Vice President of the Board of Directors of the Issuer is hereby authorized and directed to execute and deliver the Transfer Agreement, and the Secretary of the Board of Directors of the Issuer is hereby authorized and directed to attest such agreement. Pursuant to the provisions of the Transfer Agreement, the City has agreed to do any and all things necessary to accomplish the transfer of the Sales Tax collected for the benefit of the Issuer to the Revenue Fund on a monthly basis. The Transfer Agreement shall govern matters with respect to the collection of the Sales Taxes from the Comptroller, credits and refunds due and owing to the Comptroller, and other matters with respect to the collection and transfer of the Sales Tax.

(b) The President (or other officer of the Issuer then having the primary responsibility for the financial affairs of the Issuer) and the Secretary of the Board are hereby ordered to do any and all things necessary to accomplish the transfer of money to the Funds established hereby in ample time to pay the principal of and interest on the Bonds.

**Section 14. INVESTMENTS.** Money in any Fund established by this Resolution may, at the option of the Board, be invested in Permitted Investments; provided that all such investments shall be made in such manner that the money required to be expended from any Fund will be available at the proper time or times. Investment earnings realized on investments attributable to the Debt Service Fund shall be retained therein and shall constitute a credit against the amount of money that is required to be on deposit therein for each payment of principal or interest. Investment earnings realized on investments attributable to the 2025 Reserve Fund shall be retained therein at all times when there is less than the Required Reserve Amount on deposit therein; at all other times such earnings shall be deposited to the Debt Service Fund. Investment earnings realized on investments attributable to the Operating Fund shall be retained therein. Money in the 2025 Reserve Fund shall not be invested in securities maturing later than 18 months from the date of acquisition of such securities by the Issuer. Such investments shall be valued in terms of current market value as of the last day of each Fiscal Year. Such investments shall be sold promptly when necessary to prevent any default in connection with the Parity Obligations.

**Section 15. FUNDS SECURED.** Money in all Funds created by this Resolution, to the extent not invested, shall be secured in the manner prescribed by law for securing funds of the City.

**Section 16. PAYMENT.** While any of the Parity Obligations are outstanding, the Issuer shall transfer to the respective paying agent/registrars therefor, from funds on deposit in and credited to the Debt Service Fund, and, if necessary, in any applicable debt service reserve funds for such Parity Obligations, including the 2025 Reserve Fund for the Bonds, amounts sufficient to fully pay and discharge promptly the interest on and principal of the Parity Obligations as shall become due on each interest or principal payment date, or date of redemption of the Parity Obligations; such transfer of funds must be made in such manner as will cause immediately available funds to be deposited with each respective paying agent/registrars for the Parity Obligations not later than the business day next preceding the date such payment is due on the Parity Obligations. The Paying Agent/Registrar shall destroy all paid Parity Obligations and furnish the Issuer with an appropriate certificate of cancellation or destruction.

**Section 17. DEFICIENCIES - EXCESS PLEDGED REVENUES.** (a) If on any occasion there shall not be sufficient Pledged Revenues (after making all payments pertaining to all Parity Obligations) to make the required deposits and credits to the Debt Service Fund and any applicable debt service reserve funds for Parity Obligations, including the 2025 Reserve Fund for the Bonds, then such deficiency shall be cured as soon as possible from the next available unallocated Pledged Revenues, or from any other sources available for such purpose, and such deposits and credits shall be in addition to the amounts otherwise required to be deposited and credited to these Funds.

(b) Subject to making the deposits and credits required by this Resolution, the resolutions authorizing the issuance of the Previously Issued Parity Obligations and any Additional Parity Obligations Resolution, or the payments and credits required by the provisions of the resolutions authorizing the issuance of Junior Lien Obligations hereafter issued by the Issuer, the excess Pledged Revenues may be used for any lawful purpose.

**Section 18. ADDITIONAL PARITY OBLIGATIONS.** The Issuer shall have the right and power at any time and from time to time and in one or more series or issues, to authorize, issue and deliver Additional Parity Obligations, in accordance with law, in any amounts, for any lawful purpose including the refunding of any Parity Obligations, Junior Lien Obligations, or other obligations of the Issuer. Such Additional Parity Obligations, if and when authorized, issued and delivered in accordance with this Resolution, shall be secured by and made payable equally and ratably on a parity with all other Outstanding Parity Obligations, from the lien on and pledge of the Pledged Revenues herein granted. No installment, series or issue of Additional Parity Obligations shall be issued or delivered unless:

(a) The Designated Financial Officer shall have executed a certificate stating that, to the best of his or her knowledge and belief, the Issuer is not then in default as to any covenant, obligation or agreement contained in this Resolution, any resolution

authorizing the issuance of Previously Issued Parity Obligations or any Additional Parity Obligations Resolution.

(b) The Designated Financial Officer or a certified public accountant shall have executed a certificate to the effect that, according to the books and records of the Issuer, for either (i) the last completed Fiscal Year next preceding the adoption of the Additional Parity Obligations Resolution or (ii) any twelve (12) consecutive months out of the previous eighteen (18) months next preceding the adoption of the Additional Parity Obligations Resolution, Pledged Revenues and interest earnings thereon were at least equal to (x) 1.50 times the Maximum Annual Debt Service Requirements for all Parity Obligations then Outstanding after giving effect to the issuance of the Additional Parity Obligations then being issued and (y) 1.0 times the average annual debt service requirements (computed in the same manner as for Parity Obligations) of any Reserve Fund Obligation Payment and Junior Lien Obligations to be outstanding after the issuance of the then proposed Additional Parity Obligations.

(c) In addition to the 2025 Reserve Fund for the Bonds and any debt service reserve funds for Previously Issued Parity Obligations and Additional Parity Obligations, the Issuer may create and establish a debt service reserve fund pursuant to the provisions of any Additional Parity Obligations Resolution for the purpose of securing that particular issue or series of Parity Obligations or any specific group of issues or series of Parity Obligations and the amounts once deposited or credited to said debt service reserve funds shall no longer constitute Pledged Revenues and shall be held solely for the benefit of the owners of the particular Parity Obligations for which such debt service reserve fund was established. Each such debt service reserve fund shall be designated in such manner as is necessary to identify the Parity Obligations it secures and to distinguish such debt service reserve fund from the 2025 Reserve Fund and the debt service reserve funds created for the benefit of other Parity Obligations.

(d) No Additional Parity Obligations may be issued without prior written consent of any applicable Bond Insurer if any Reserve Fund Obligation Payment is past due and owing to any Bond Insurer and such Bond Insurer is not in default under the payment provisions of the Reserve Fund Obligation.

(e) For so long as the Previously Issued Obligations are outstanding, all Additional Parity Obligations must also be issued in accordance with the terms and conditions set forth in the applicable proceedings for the Previously Issued Obligations.

**Section 19. JUNIOR LIEN OBLIGATIONS.** Except as may be limited by resolution or the terms of any then Outstanding Parity Obligations, the Issuer shall have the right to issue or create Junior Lien Obligations payable from or secured by a lien on all or any part of the Pledged Revenues for any lawful purpose without complying with the provisions of Section 18 hereof, provided the pledge and the lien securing such debt is subordinate to the pledge and lien established, made and created in Section 6 of this Resolution with respect to the Pledged Revenues to the payment and security of the Parity Obligations.

**Section 20. GENERAL COVENANTS.** The Issuer further covenants and agrees that in accordance with and to the extent required or permitted by law:

(a) It will faithfully perform at all times any and all covenants, undertakings, stipulations, and provisions contained in this Resolution and in every Bond; it will promptly pay or cause to be paid the principal of and interest on every Bond on the dates and in the places and manner prescribed in this Resolution and the Bonds; and it will, at the times and in the manner prescribed, deposit or cause to be deposited the amounts required to be deposited into the Funds created hereby; and any Registered Owner of the Bonds may require the Issuer, its officials and employees to carry out, respect or enforce the covenants and obligations of this Resolution, by all legal and equitable means, including specifically, but without limitation, the use and filing of mandamus proceedings, in any court of competent jurisdiction, against the Issuer, its officials and employees, or by the appointment of a receiver in equity.

(b) It is a duly created and existing development corporation, and is duly authorized under the laws of the State of Texas, including the Act, to issue the Bonds; all action on its part for the issuance of the Bonds has been duly and effectively taken, and that the Bonds in the hands of the Registered Owners thereof are and will be valid and legally binding special obligations of the Issuer in accordance with their terms except as the enforceability thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, liquidation and other similar laws now or hereafter enacted relating to creditors' rights generally or by general principles of equity which permit the exercise of judicial discretion.

(c) (i) The Issuer hereby confirms the earlier levy by the City of the Sales Tax at the rate voted at the Election, and the Issuer hereby warrants and represents that the City has duly and lawfully ordered the imposition and collection of the Sales Tax upon all sales, uses and transactions as are permitted by and described in the Act throughout the boundaries of the City as such boundaries existed on the date of said Election and as they may be expanded from time to time.

(ii) For so long as any Bonds are Outstanding, the Issuer covenants, agrees and warrants to take and pursue all action permissible under applicable law to cause the Sales Tax, at said rate or at a higher rate if permitted by applicable law, to be levied and collected continuously, in the manner and to the maximum extent permitted by applicable law, and to cause no reduction, abatement or exemption in the Sales Tax or rate of tax below the rate stated, confirmed and ordered in subsection (c)(i) of this Section to be ordered or permitted so long as any Bonds shall remain Outstanding.

(iii) If the City shall be authorized hereafter by applicable law to apply, impose and levy the Sales Tax on any taxable items or transactions that are not subject to the Sales Tax on the date of the adoption hereof, the Issuer, to the extent it legally may do so, hereby covenants and agrees to use its best efforts to cause the City to take such action as may be required by applicable law to subject such taxable items or transactions to the Sales Tax.

(iv) The Issuer agrees to take and pursue all action permissible under applicable law to cause the Sales Tax to be collected and remitted and deposited as herein required and as required by the Act, at the earliest and most frequent times permitted by applicable law.

(v) The Issuer agrees and covenants at all times to use its best efforts to cause the City to comply with the Transfer Agreement.

(d) It will keep proper books of record and account in which full, true and correct entries will be made of all dealings, activities and transactions relating to the Project, the Pledged Revenues and the Funds created pursuant to this Resolution, and all books, documents and vouchers relating thereto shall at all reasonable times be made available for inspection upon request of any Registered Owner of the Bonds.

(e) It will maintain its corporate existence during the time that any Bonds are Outstanding hereunder.

**Section 21. DEFEASANCE OF BONDS.** (a) Any Bond and the interest thereon shall be deemed to be paid, retired and no longer outstanding (a "Defeased Bond") within the meaning of this Resolution, except to the extent provided in subsections (c) and (e) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date or dates (whether such due date or dates be by reason of maturity, upon redemption, or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof (including the giving of any required notice of redemption or the establishment of irrevocable provisions for the giving of such notice) or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar or an eligible trust company or commercial bank for such payment (1) lawful money of the United States of America sufficient to make such payment, (2) Defeasance Securities, certified by a nationally recognized independent financial analyst or firm of certified public accountants to mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment and when proper arrangements have been made by the Issuer with the Paying Agent/Registrar or an eligible trust company or commercial bank for the payment of its services until all Defeased Bonds shall have become due and payable or (3) any combination of (1) and (2). At such time as a Bond shall be deemed to be a Defeased Bond hereunder, as aforesaid, such Bond and the interest thereon shall no longer be secured by, payable from, or entitled to the benefits of, the Pledged Revenues herein pledged as provided in this Resolution, and such principal and interest shall be payable solely from such money or Defeasance Securities, and thereafter the Issuer will have no further responsibility with respect to amounts available to such Paying Agent/Registrar (or other financial institution permitted by applicable law) for the payment of such Defeased Bond, including any insufficiency therein caused by the failure of the Paying Agent/Registrar (or other financial institution permitted by law) to receive payment when due on the Defeasance Securities.

(b) The deposit under clause (ii) of subsection (a) shall be deemed a payment of a Bond as aforesaid when proper notice of redemption of such Bonds shall have been given or upon the



establishment of irrevocable provisions for the giving of such notice, in accordance with this Resolution. Any money so deposited with the Paying Agent/Registrar or an eligible trust company or commercial bank as provided in this Section may at the discretion of the Issuer's Board of Directors also be invested in Defeasance Securities, maturing in the amounts and at the times as hereinbefore set forth, and all income from all Defeasance Securities in possession of the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section which is not required for the payment of such Bond and premium, if any, and interest thereon with respect to which such money has been so deposited, shall be remitted to the Issuer.

(c) Notwithstanding any provision of any other Section of this Resolution which may be contrary to the provisions of this Section, all money or Defeasance Securities set aside and held in trust pursuant to the provisions of this Section for the payment of principal of the Bonds and premium, if any, and interest thereon, shall be applied to and used solely for the payment of the particular Bonds and premium, if any, and interest thereon, with respect to which such money or Defeasance Securities have been so set aside in trust. Until all Defeased Bonds shall have become due and payable, the Paying Agent/Registrar shall perform the services of Paying Agent/Registrar for such Defeased Bonds the same as if they had not been defeased, and the Issuer shall make proper arrangements to provide and pay for such services as required by this Resolution.

(d) Notwithstanding anything elsewhere in this Resolution, if money or Defeasance Securities have been deposited or set aside with the Paying Agent/Registrar or an eligible trust company or commercial bank pursuant to this Section for the payment of Bonds and such Bonds shall not have in fact been actually paid in full, no amendment of the provisions of this Section shall be made without the consent of the Registered Owner of each Bond affected thereby.

(e) Notwithstanding the provisions of subsection (a) immediately above, to the extent that, upon the defeasance of any Defeased Bond to be paid at its maturity, the Issuer retains the right under Texas law to later call that Defeased Bond for redemption in accordance with the provisions of this Resolution, the Issuer may call such Defeased Bond for redemption upon complying with the provisions of Texas law and upon the satisfaction of the provisions of subsection (a) immediately above with respect to such Defeased Bond as though it was being defeased at the time of the exercise of the option to redeem the Defeased Bond and the effect of the redemption is taken into account in determining the sufficiency of the provisions made for the payment of the Defeased Bond.

**Section 22. DAMAGED, MUTILATED, LOST, STOLEN, OR DESTROYED BONDS.** (a) Replacement Bonds. In the event any Outstanding Bond is damaged, mutilated, lost, stolen, or destroyed, the Paying Agent/Registrar shall cause to be printed, executed, and delivered, a new Bond of the same principal amount, maturity, and interest rate, as the damaged, mutilated, lost, stolen, or destroyed Bond, in replacement for such Bond in the manner hereinafter provided.

(b) Application for Replacement Bonds. Application for replacement of damaged, mutilated, lost, stolen, or destroyed Bonds shall be made by the Registered Owner thereof to the Paying Agent/Registrar. In every case of loss, theft, or destruction of a Bond, the Registered Owner applying for a replacement bond shall furnish to the Issuer and to the Paying

Agent/Registrar such security or indemnity as may be required by them to save each of them harmless from any loss or damage with respect thereto. Also, in every case of loss, theft, or destruction of a Bond, the Registered Owner shall furnish to the Issuer and to the Paying Agent/Registrar evidence to their satisfaction of the loss, theft, or destruction of such Bond, as the case may be. In every case of damage or mutilation of a Bond, the Registered Owner shall surrender to the Paying Agent/Registrar for cancellation the Bond so damaged or mutilated.

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

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

(e) Authority for Issuing Replacement Bonds. In accordance with Subchapter B of Chapter 1206, Texas Government Code, as amended, this Section shall constitute authority for the issuance of any such replacement Bond without necessity of further action by the governing body of the Issuer or any other body or person, and the duty of the replacement of such Bonds is hereby authorized and imposed upon the Paying Agent/Registrar, and the Paying Agent/Registrar shall authenticate and deliver such Bonds in the form and manner and with the effect, as provided in Section 4(a) of this Resolution for Bonds issued in conversion and exchange for other Bonds.

**Section 23. CUSTODY, APPROVAL, AND REGISTRATION OF BONDS; BOND COUNSEL'S OPINION; CUSIP NUMBERS AND BOND INSURANCE, IF OBTAINED.** The President of the Issuer's Board of Directors is hereby authorized to have control of the Initial Bond issued and delivered hereunder and all necessary records and proceedings pertaining to the Bonds pending their delivery and their investigation, examination, and approval by the Attorney General of the State of Texas, and their registration by the Comptroller of Public Accounts of the State of Texas. Upon registration of the Bonds the Comptroller of Public Accounts (or a deputy designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate attached to the Initial Bond, and the seal of the Comptroller shall be impressed, or placed in facsimile, on such certificate. The approving legal opinion of the Issuer's Bond Counsel and the assigned CUSIP numbers may, at the option of the Issuer, be printed on the Bonds issued and delivered under this Resolution, but neither shall have any legal effect, and shall be solely for the convenience and information of the Registered Owners of the Bonds. In addition, if bond insurance or other credit enhancement is obtained, the Bonds may bear an appropriate legend as provided by the insurer.

**Section 24. RESERVED.**

**Section 25. SALE OF BONDS.** The Bonds are hereby sold and shall be delivered to Siebert Williams Shank & Co., LLC, as representative of the underwriters of the Bonds (collectively, the "Underwriters"), at the price of \$\_\_\_\_\_ (which amount is equal to the principal amount of the Bonds of \$\_\_\_\_\_,000.00 less an underwriting discount of \$\_\_\_\_\_), all pursuant to the terms and provisions of a Purchase Agreement in substantially the form attached hereto as Exhibit "D" which the President or Vice President of the Board of Directors of the Issuer is hereby authorized and directed to execute and deliver, and which the Secretary of the Board of Directors of the Issuer is hereby authorized and directed to attest. The Issuer will initially deliver to the Underwriters one certificate for each maturity of the Bonds authorized under this Resolution. The Bonds shall initially be registered in the name of Siebert Williams Shank & Co., LLC.

In consultation with, and reliance upon the advice of the financial advisor for the Issuer, the Issuer's Board of Directors hereby finds the terms and sale of the Bonds are the most advantageous reasonably available on the date and time of the pricing of the Bonds given the then existing market conditions and the stated terms of sale on such date and time and accordingly that such terms are in the best interest of the Issuer.

**Section 26. APPROVAL OF OFFICIAL STATEMENT.** The Board of the Issuer hereby approves the form and content of the Official Statement relating to the Bonds and any addenda, supplement or amendment thereto, and approves the distribution of such Official Statement in the reoffering of the Bonds by the Underwriters in final form, with such changes therein or additions thereto as the officer executing the same may deem advisable, such determination to be conclusively evidenced by his execution thereof. The distribution and use of the Preliminary Official Statement dated January \_\_, 2025 prior to the date hereof is confirmed, approved and ratified. The Board of the Issuer hereby finds and determines that the Preliminary Official Statement and final Official Statement were "deemed final" (as that term is defined in 17 CFR Section 240.15c (2)-12) as of their respective dates.

**Section 27. USE OF BOND PROCEEDS; 2025 PROJECT FUND.** The proceeds from the sale of the Bonds shall be deposited into the 2025 Project Fund of the Issuer and used to pay Costs of the Project, including the costs of issuing the Bonds.

Notwithstanding the provisions of Section 9 hereof, interest earnings on amounts on deposit in the 2025 Project Fund shall be used to pay Costs of the Project or, at the option of the Issuer, transferred to the Debt Service Fund and used to pay amounts coming due with respect to the Bonds.

**Section 28. EXECUTION OF DOCUMENTS.** The President, Vice President and Secretary of the Board of the Issuer are each hereby authorized to execute, deliver, attest and affix the seal of the Issuer to all documents and instruments necessary and appropriate in connection with the issuance, sale and delivery of the Bonds, including, without limitation, the Purchase Agreement, the Transfer Agreement, the Paying Agent/Registrar Agreement and the DTC Blanket Issuer Letter of Representations.

## **Section 29. CONTINUING DISCLOSURE UNDERTAKING.**

(a) Annual Reports. The Issuer shall provide annually to the MSRB, (1) within six months after the end of each fiscal year of the Issuer ending in or after 2025, financial information and operating data with respect to the Issuer of the general type included in the final Official Statement authorized by Section 26 of this Resolution, being information of the type described in Exhibit “C” hereto, including financial statements of the Issuer if an audit is conducted separate and independent of the audit of the City, but if the audit of the City includes an audit of the Issuer, then those portions of the City's audit relating to the Issuer if such audited financial statements are then available, and (2) if not provided as part of such financial information and operating data, audited financial statements of the Issuer or the City, as applicable, when and if available. Any financial statements to be provided shall be (i) prepared in accordance with the accounting principles described in Exhibit “C” hereto, or such other accounting principles as the Issuer may be required to employ from time to time pursuant to state law or regulation, and in substantially the form included in the Official Statement, and (ii) audited, if the Issuer or the City, as applicable, commissions an audit of such financial 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 Issuer 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 statements becomes available.

If the Issuer changes its fiscal year, it will file notice of the change (and of the date of the new fiscal year end) with the MSRB prior to the next date by which the Issuer otherwise would be required to provide financial information and operating data pursuant to this Section.

(b) Event Notices. The Issuer shall file notice of any of the following events with respect to the Bonds with the MSRB in a timely manner and not more than 10 business days after the occurrence of the event:

- (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 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 Issuer;
- (13) The consummation of a merger, consolidation, or acquisition involving the Issuer or the sale of all or substantially all of the assets of the Issuer, 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; and
- (14) Appointment of a successor or additional trustee or the change of name of a trustee, if material; and
- (15) Incurrence of a Financial Obligation of the Issuer, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer, any of which affect 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 Issuer, any of which reflect financial difficulties.

For these purposes, (a) any event described in the immediately preceding paragraph (12) is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Issuer in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers of the Issuer 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 Issuer and (b) the Issuer intends the words used in the immediately preceding paragraphs (15) and (16) and the definition of Financial Obligation in this Section to have the same meanings as when they are used in the Rule, as evidenced by SEC Release No. 34-83885, dated August 20, 2018.

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

(c) Limitations, Disclaimers, and Amendments. The Issuer shall be obligated to observe and perform the covenants specified in this Section for so long as, but only for so long as,

the Issuer remains an "obligated person" with respect to the Bonds within the meaning of the Rule, except that the Issuer in any event will give notice of any deposit that causes the Bonds to be no longer Outstanding in accordance with Section 21 of this Resolution.

The provisions of this Section are for the sole benefit of the holders and beneficial owners of the Bonds, and nothing in this Section, express or implied, shall give any benefit or any legal or equitable right, remedy, or claim hereunder to any other person. The Issuer undertakes to provide only the financial information, operating data, financial statements, and notices which it has expressly agreed to provide pursuant to this Section and does not hereby undertake to provide any other information that may be relevant or material to a complete presentation of the Issuer's financial results, condition, or prospects or hereby undertake to update any information provided in accordance with this Section or otherwise, except as expressly provided herein. The Issuer makes no 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 ISSUER BE LIABLE TO THE HOLDER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE ISSUER, WHETHER NEGLIGENT OR WITH OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS SECTION, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR MANDAMUS OR SPECIFIC PERFORMANCE.

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

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

The provisions of this Section may be amended by the Issuer from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the Issuer, but only if (1) the provisions of this Section, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment as well as such changed circumstances, and (2) either (a) the holders of a majority in aggregate principal amount of the Outstanding Bonds consent to such amendment or (b) a person that is unaffiliated with the Issuer (such as nationally recognized bond counsel) determines that such amendment will not materially impair the interests of the holders and beneficial owners of the Bonds. The Issuer 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 Issuer 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 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 Issuer so amends the provisions of this Section, the Issuer shall include with any amended financial information or operating data next provided in accordance with this subsection (a) of this Section an explanation, in narrative form, of the reasons for the amendment and of the impact of any change in the type of financial information or operating data so provided.

(d) Format, Identifying Information, and Incorporation by Reference. All financial information, operating data, financial statements, and notices required by this Section to be provided to the MSRB shall be provided in an electronic format and be accompanied by identifying information prescribed by the MSRB.

Financial information and operating data to be provided pursuant to subsection (a) of 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) available to the public on the MSRB's Internet Web site or filed with the SEC.

### **Section 30. RESERVED.**

**Section 31. REMEDIES IN THE EVENT OF DEFAULT.** In addition to all of the rights and remedies provided by the laws of the State of Texas, it is specifically covenanted and agreed particularly that in the event the Issuer (i) defaults in the payments to be made to the Debt Service Fund, as required by this Resolution, (ii) defaults in the observance or performance of any other of the covenants, conditions, or obligations set forth in this Resolution, the Registered Owner or Registered Owners of any Parity Obligations shall be entitled to appointment of a receiver in equity or a writ of mandamus issued by a court of proper jurisdiction, compelling and requiring the Issuer, its officers, the Board of Directors, and/or all of them in their respective official capacities, to observe and perform any covenants, conditions, or obligations prescribed in this Resolution.

No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

The specific remedies herein provided shall be cumulative of all other existing remedies and the specifications of such remedies shall not be deemed to be exclusive. In determining whether a payment default has occurred or whether payment of the Bonds has been made under this Resolution, no effect shall be given to payments under any bond insurance policy.

**Section 32. NO RECOURSE AGAINST OFFICIALS.** No recourse shall be had for the payment of principal of or interest on any Parity Obligations or for any claim based thereon or on this Resolution against any official of the Issuer or the City or any person executing any Parity Obligations.

**Section 33. FURTHER ACTIONS.** The officers and employees of the Issuer and the City 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 Issuer all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution, the Bonds, the initial sale and delivery of the Bonds, the Paying Agent/Registrar Agreement, any insurance commitment letter or insurance policy and the Official Statement. In addition, prior to the initial delivery of the Bonds, the President or Vice President of the Board, the City Attorney and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Resolution or to any of the instruments authorized and approved by this Resolution necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Resolution and as described in the Official Statement, (ii) obtain a rating from any of the national bond rating agencies or satisfy requirements of any Bond Insurer, (iii) obtain a Reserve Fund Obligation covering all or a portion of the Required Reserve Amount or (iv) obtain the approval of the Bonds by the Texas Attorney General's office.

In case any officer of the Issuer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, 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 34. AMENDMENT OF RESOLUTION.** (a) Any Bond Insurer and the Registered Owners of the Bonds aggregating a majority in principal amount of the aggregate principal amount of then Outstanding Bonds shall have the right from time to time to approve any amendment to this Resolution which may be deemed necessary or desirable by the Issuer, provided, however, that without the consent of any Bond Insurer and the Registered Owners of all of the effected Bonds at the time outstanding, nothing herein contained shall permit or be construed to permit the amendment of the terms and conditions in this Resolution or in the Bonds so as to:

- (i) Make any change in the maturity of the Outstanding Bonds;
- (ii) Reduce the rate of interest borne by any of the outstanding Bonds;
- (iii) Reduce the amount of the principal payable on the outstanding Bonds;
- (iv) Modify the terms of payment of principal of or interest on the outstanding Bonds or impose any conditions with respect to such payment;
- (v) Affect the rights of the Registered Owners of less than all of the Bonds then outstanding;
- (vi) Change the minimum percentage of the principal amount of Bonds necessary for consent to such amendment.

(b) If at any time the Issuer shall desire to amend this Resolution under this Section, the Issuer shall cause notice of the proposed amendment to be delivered to any Bond Insurer and published in a financial newspaper or journal of general circulation in the city of New York, New York, once during each calendar week for at least two successive calendar weeks. Such notice



shall briefly set forth the nature of the proposed amendment and shall state that a copy thereof is on file for inspection by all Registered Owners of Bonds at the designated trust office of the registrar for the Bonds. Such publication is not required, however, if notice in writing is given to each Registered Owner of the Bonds.

(c) Whenever at any time not less than thirty days, and within one year, from the date of the first publication of said notice or other service of written notice the Issuer shall receive an instrument or instruments executed by the Registered Owners of at least a majority in aggregate principal amount of all Bonds then outstanding, which instrument or instruments shall refer to the proposed amendment described in said notice and which specifically consent to and approve such amendment in substantially the form of the copy thereof on file with the Paying Agent/Registrar, the Issuer Board of Directors may pass the amendatory resolution in substantially the same form.

(d) Upon the passage of any amendatory resolution pursuant to the provisions of this Section, this Resolution shall be deemed to be amended in accordance with such amendatory resolution, and the respective rights, duties and obligations under this Resolution of the Issuer and all the Bonds of then outstanding Parity Obligations shall thereafter be determined, exercised and enforced hereunder, subject in all respects to such amendments.

(e) Any consent given by the Registered Owner of a Bond pursuant to the provisions of this Section shall be irrevocable for a period of six months from the date of the first publication of the notice provided for in this Section and shall be conclusive and binding upon all future Registered Owners of the same Bond during such period. Such consent may be revoked at any time after six months from the date of the first publication of such notice by the Registered Owners who gave such consent, or by a successor in title, by filing notice thereof with the Paying Agent and the Issuer, but such revocation shall not be effective if the Registered Owners of at least a majority in aggregate principal amount of the then outstanding Bonds as in this Section defined have, prior to the attempted revocation, consented to and approve the amendment.

(f) For the purpose of this Section, the fact of the holding of Bonds issued in registered form without coupons and the amounts and numbers of such Bonds and the date of their holding same shall be proved by the Registration Books of the Paying Agent/Registrar. For purposes of this Section, the Registered Owner of a Bond in such registered form shall be the owner thereof as shown on such Registration Books. The Issuer may conclusively assume that such ownership continues until written notice to the contrary is served upon the Issuer.

(g) The foregoing provisions of this Section notwithstanding, the Issuer by action of the Board may amend this Resolution for any one or more of the following purposes:

(1) To add to the covenants and agreements of the Issuer in this Resolution contained, other covenants and agreements thereafter to be observed, grant additional rights or remedies to bondholders or to surrender, restrict or limit any right or power herein reserved to or conferred upon the Issuer;

(2) To make such provisions for the purpose of curing any ambiguity, or curing, correcting or supplementing any defective provision contained in this Resolution, or in

regard to clarifying matters or questions arising under this Resolution, as are necessary or desirable and not contrary to or inconsistent with this Resolution and which shall not adversely affect the interests of the Registered Owners of the Bonds;

(3) To make any changes or amendments requested by any Rating Agency, as a condition to the issuance or maintenance of a rating, which changes or amendments do not, in the judgment of the Issuer, materially adversely affect the interests of the owners of the outstanding Bonds;

(4) To make such changes, modifications or amendments as may be necessary or desirable, which shall not adversely affect the interests of the owners of the outstanding Bonds, in order, to the extent permitted by law, to facilitate the economic and practical utilization of credit agreements with respect to the Parity Obligations including, without limitation, supplementing the definition of "Annual Debt Service Requirements" to address the amortization of payments due and owing under a credit agreement;

(5) To modify any of the provisions of this Resolution in any other respect whatever, provided that (i) such modification shall be, and be expressed to be, effective only after all Bonds outstanding at the date of the adoption of such modification shall cease to be outstanding, and (ii) such modification shall be specifically referred to in the text of all Additional Parity Obligations issued after the date of the adoption of such modification.

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

**Section 35. PAYMENT OF ATTORNEY GENERAL FEE.** The Issuer hereby authorizes the disbursement of a fee equal to the lesser of (i) one-tenth of one percent of the principal amount of the Bonds or (ii) \$9,500, provided that such fee shall not be less than \$750, to the Attorney General of Texas Public Finance Division for payment of the examination fee charged by the State of Texas for the Attorney General's review and approval of public securities and credit agreements, as required by Section 1202.004 of the Texas Government Code. The appropriate member of the Issuer's staff is hereby instructed to take the necessary measures to make this payment. The Issuer is also authorized to reimburse the appropriate funds for such payment from proceeds of the Bonds.

**Section 36. INTERPRETATIONS.** All terms defined herein and all pronouns used in this Resolution shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Resolution and the Table of Contents of this Resolution 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. This Resolution and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the lien on and pledge of the Pledged Revenues to secure the payment of the Bonds.

**Section 37. INCONSISTENT PROVISIONS.** All ordinances, orders or resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict and the provisions of this Resolution shall be and remain controlling as to the matters contained herein.

**Section 38. INTERESTED PARTIES.** Nothing in this Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Issuer and the Registered Owners of the Bonds, any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Resolution contained by and on behalf of the Issuer shall be for the sole and exclusive benefit of the Issuer and the Registered Owners of the Bonds.

**Section 39. SEVERABILITY.** If any provision of this Resolution or the application thereof to any circumstance shall be held to be invalid, the remainder of this Resolution and the application thereof to other circumstances shall nevertheless be valid, and this governing body hereby declares that this Resolution would have been enacted without such invalid provision.

**Section 40. EFFECTIVE DATE.** This Resolution shall become effective upon adoption by the Issuer’s Board and approval by the City Council.

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**RESOLVED** on this the 22nd day of January, 2025.

**PFLUGERVILLE COMMUNITY  
DEVELOPMENT CORPORATION**

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

ATTEST:

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

[Sig Pg]

## EXHIBIT A

### DEFINITIONS

As used in this Resolution, the following terms and expressions shall have the meanings set forth below, unless the text of this Resolution specifically indicates otherwise.

*"2025 Project Fund"* means the special fund created, established and maintained by the provisions of Sections 7 and 27 of this Resolution.

*"2025 Reserve Fund"* means the special fund created, established and maintained by the provisions of Sections 7 and 11 of this Resolution.

*"Act"* means the Development Corporation Act, V.T.C.A. Local Government Code, Title 12, Subtitle C1, as amended, (formerly known as the Tex. Rev. Civ. Stat. Ann. Article 5190.6, Section 4B), particularly Chapters 501 and 505 of the Local Government Code.

*"Additional Parity Obligations"* means bonds, notes, warrants, certificates of obligation or other debt obligations which the Issuer reserves the right to issue or enter into, as the case may be, in the future in accordance with the terms and conditions provided in Section 18 of this Resolution and which, together with the Bonds, are equally and ratably secured by a first lien on and pledge of the Pledged Revenues on a parity with the Bonds under the terms of this Resolution and an Additional Parity Obligations Resolution.

*"Additional Parity Obligations Resolution"* means any resolution of the Board authorizing and providing the terms and provisions of the Additional Parity Obligations.

*"Amortization Installment"* means, with respect to any Term Bonds of any series of Parity Obligations, the amount of money which is required to be deposited into a mandatory redemption account for retirement of such Term Bonds (whether at maturity or by mandatory redemption and including redemption premium, if any) provided that the total Amortization Installments for such Term Bonds shall be sufficient to provide for retirement of the aggregate principal amount of such Term Bonds.

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

- (a) If the principal (including the accretion of interest resulting from original issue discount or compounding of interest) of any series or issue of Funded Debt due (or payable in respect of any required purchase of such Funded Debt by the Issuer) in any Fiscal Year either is equal to at least 25% of the total principal (including the accretion of interest resulting from original issue discount or compounding of interest) of such Funded Debt or

exceeds by more than 50% the greatest amount of principal of such series or issue of Funded Debt due in any preceding or succeeding Fiscal Year (such principal due in such Fiscal Year for such series or issue of Funded Debt being referred to herein and throughout this Resolution as "Balloon Debt"), the amount of principal of such Balloon Debt taken into account during any Fiscal Year shall be equal to the debt service calculated using the original principal amount of such Balloon Debt amortized over the Term of Issue on a level debt service basis at an assumed interest rate equal to the rate borne by such Balloon Debt on the date of calculation;

(b) In the case of Balloon Debt, if a Designated Financial Officer shall deliver to the Issuer a certificate providing for the retirement of (and the instrument creating such Balloon Debt shall permit the retirement of), or for the accumulation of a sinking fund for (and the instrument creating such Balloon Debt shall permit the accumulation of a sinking fund for), such Balloon Debt according to a fixed schedule stated in such certificate ending on or before the Fiscal Year in which such principal (and premium, if any) is due, then the principal of (and, in the case of retirement, or to the extent provided for by the sinking fund accumulation, the premium, if any, and interest and other debt service charges on) such Balloon Debt shall be computed as if the same were due in accordance with such schedule, provided that this clause (2) shall apply only to Balloon Debt for which the installments previously scheduled have been paid or deposited to the sinking fund established with respect to such Debt on or before the times required by such schedule; and provided further that this clause (2) shall not apply where the Issuer has elected to apply the rule set forth in clause (1) above;

(c) Principal of and interest on Parity Obligations, or portions thereof, shall not be included in the computation of the Annual Debt Service Requirements for any Fiscal Year for which such principal or interest are payable from funds on deposit or set aside in trust for the payment thereof at the time of such calculations (including without limitation capitalized interest and accrued interest so deposited or set aside in trust) with a financial institution acting as fiduciary with respect to the payment of such Debt; and

(d) As to any Parity Obligations that bear interest at a variable interest rate which cannot be ascertained at the time of calculation of the Annual Debt Service Requirement then, at the option of the Issuer, either (A) an interest rate equal to the average rate borne by such Parity Obligations (or by comparable debt in the event that such Parity Obligations has not been outstanding during the preceding 24 months) for any 24 month period ending within 30 days prior to the date of calculation, or (B) an interest rate equal to the 30-year Revenue Bond Index (as most recently published in The Bond Buyer), shall be presumed to apply for all future dates, unless such index is no longer published in The Bond Buyer, in which case an index of revenue bonds with maturities of at least 20 years which is published in a financial newspaper or journal with national circulation may be used for this purpose (if two Series of Parity Obligations which bear interest at variable interest rate, or one or more maturities within a Series, of equal par amounts, are issued simultaneously with inverse floating interest rates providing a composite fixed interest rate for such Parity Obligations taken as a whole, such composite fixed rate shall be used in determining the Annual Debt Service Requirement with respect to such Parity Obligations);

With respect to any calculation of historic data, only those payments actually made in the subject period shall be taken into account in making such calculation and, with respect to prospective calculations, only those payments reasonably expected to be made in the subject period shall be taken into account in making the calculation.

*"Average Annual Debt Service Requirements"* means that average amount which, at the time of computation, will be required to pay the Annual Debt Service Requirements when due (either at Stated Maturity or mandatory redemption) and derived by dividing the total of such Annual Debt Service Requirements by the number of Fiscal Years then remaining before Stated Maturity of such Parity Obligations. For the purposes of this definition, a fractional period of a Fiscal Year shall be treated as an entire Fiscal Year. Capitalized interest payments provided from bond proceeds, accrued interest on any Debt, and interest earnings thereon shall be excluded in making such computation.

*"Board"* or *"Board of Directors"* means the Board of Directors of the Issuer.

*"Bond"* or *"Bonds"* means the Pflugerville Community Development Corporation Sales Tax Revenue Bonds, Taxable Series 2025, authorized to be issued by this Resolution. In addition, the term *"Bonds"* as used in this Resolution means and includes collectively the bonds initially issued and delivered pursuant to this Resolution and all substitute bonds exchanged therefor, as well as all other substitute bonds and replacement bonds issued pursuant hereto.

*"Bond Insurer"* means (i) any entity that guarantees the payment of principal and interest on any Parity Obligations or (ii) the provider of a Reserve Fund Obligation.

*"Book-Entry-Only System"* means the book-entry system of bond registration provided in Section 4, or any successor system of book-entry registration.

*"Cede & Co."* means the designated nominee and its successors and assigns of The Depository Trust Company, New York.

*"City"* means the City of Pflugerville, Texas.

*"Comptroller"* means the Comptroller of Public Accounts of the State of Texas, and any successor official or officer thereto.

*"Cost"* means with respect to the Project, the cost the acquisition, cleanup, construction, reconstruction, improvement, or expansion of the Project as provided in the Act, including, without limitation, the cost of acquiring all land, rights-of-way, property rights, easements, and interests, the cost of all machinery and equipment, financing charges, the cost of inventory, raw materials, and other supplies, interest accruing before and during construction and until the first anniversary of the date the construction is completed, regardless of whether capitalized, necessary reserve funds, premiums for reserve fund surety policies and municipal bond insurance policies, costs of ratings for the Bonds, the cost of estimates, including estimates of cost and revenue, the cost of engineering, accountant, financial advisor or legal services, the cost of plans, specifications, or

surveys, other expenses necessary or incident to determining the feasibility and practicability of acquiring, cleaning, constructing, reconstructing, improving, and expanding the Project, administrative expense, and such other expense as may be necessary or incident to acquiring, cleaning, constructing, reconstructing, improving, and expanding the Project, placing the project in operation and financing or refinancing the Project, including refunding any outstanding obligations, mortgages, or advances issued, made, or given by a person for a cost described herein.

*"Debt"* and *"Debt of the Issuer payable from Pledged Revenues"* mean:

(a) all indebtedness payable from Pledged Revenues incurred or assumed by the Issuer for borrowed money and all other financing obligations payable from Pledged Revenues that, in accordance with generally accepted accounting principles, are shown on the liability side of a balance sheet; and

(b) all other indebtedness payable from Pledged Revenues (other than indebtedness otherwise treated as Debt hereunder) for borrowed money or for the acquisition, construction or improvement of property or capitalized lease obligations that is guaranteed, directly or indirectly, in any manner by the Issuer, or that is in effect guaranteed, directly or indirectly, by the Issuer through an agreement, contingent or otherwise, to purchase any such indebtedness or to advance or supply funds for the payment or purchase of any such indebtedness or to purchase property or services primarily for the purpose of enabling the debtor or seller to make payment of such indebtedness, or to assure the owner of the indebtedness against loss, or to supply funds to or in any other manner invest in the debtor (including any agreement to pay for property or services irrespective of whether or not such property is delivered or such services are rendered), or otherwise.

For the purpose of determining Debt, there shall be excluded any particular Debt if, upon or prior to the Maturity thereof, there shall have been deposited with the proper depository (a) in trust the necessary funds (or investments that will provide sufficient funds, if permitted by the instrument creating such Debt) for the payment, redemption, or satisfaction of such Debt or (b) evidence of such Debt deposited for cancellation; and thereafter it shall not be considered Debt. No item shall be considered Debt unless such item constitutes indebtedness under generally accepted accounting principles applied on a basis consistent with the financial statements of the Issuer in prior Fiscal Years.

*"Defeasance Securities"* means (i) Federal Securities and (ii) noncallable obligations of an agency or instrumentality of the United States of America, including obligations that are unconditionally guaranteed or insured by the agency or instrumentality and that, on the date the Issuer adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Bonds 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 that, on the date the Issuer adopts or approves proceedings authorizing the issuance of refunding bonds or otherwise provide for the funding of an escrow to effect the defeasance of the Bonds, are rated as to investment quality by a nationally recognized investment rating firm no less than "AAA" or its equivalent and (iv) any



other than authorized securities or obligations under applicable State law that may be used to defease obligations such as the Bonds.

*"Designated Financial Officer"* means the President of the Board or the chief financial officer of the Issuer, if such an office has been created, or such other financial or accounting official of the Issuer so designated by the Board.

*"Depository"* means one or more official depository banks of the Issuer.

*"DTC"* means The Depository Trust Company, New York, New York and its successors and assigns.

*"DTC Participant"* means securities 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.

*"Election"* means the sales and use tax elections held by the City on August 11, 2001, pursuant to the provisions of the Act.

*"Federal Securities"* means direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America.

*"Financial Obligation"* means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a debt obligation or any such derivative instrument; provided that "financial obligation" shall not include municipal securities (as defined in the Securities Exchange Act of 1934, as amended) 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 the twelve-month accounting period used by the Issuer, currently ending on September 30 of each year, which may be any twelve consecutive month period established by the Issuer, but in no event may the Fiscal Year be changed more than one time in any three calendar year period.

*"Funded Debt"* means all Parity Obligations created or assumed by the Issuer that mature by their terms (in the absence of the exercise of any earlier right of demand), or that are renewable at the option of the Issuer to a date, more than one year after the original creation or assumption of such Debt by the Issuer.

*"Funds"* means any fund created by this Resolution, the resolutions authorizing the Previously Issued Parity Obligations or any Additional Parity Obligations Resolution, as applicable.

*"Investment Act"* means the Public Funds Investment Act, Chapter 2256, Texas Government Code, as amended.

"*Issuer*" means the Pflugerville Community Development Corporation.

"*Junior Lien Obligations*" means (i) any bonds, notes, warrants, certificates of obligation, contractual obligations or other Debt issued by the Issuer that are payable, in whole or in part, from and equally and ratably secured by a lien on and pledge of the Pledged Revenues, such pledge being subordinate and inferior to the lien on and pledge of the Pledged Revenues that are or will be pledged to the payment of any Parity Obligations issued by the Issuer, and (ii) obligations hereafter issued to refund any of the foregoing if issued in a manner that provides that the refunding bonds are payable from and equally and ratably secured, in whole or in part, by a lien on and pledge of the Pledged Revenues on a parity with the Junior Lien Obligations. As of the date of this Resolution, the Issuer has no outstanding Junior Lien Obligations.

"*MSRB*" means the Municipal Securities Rulemaking Board.

"*Maturity*" means, when used with respect to any Debt, the date on which the principal of such Debt or any installment thereof becomes due and payable as therein provided, whether at the Stated Maturity thereof or by declaration of acceleration, call for redemption, or otherwise.

"*Maximum Annual Debt Service Requirements*" means the greatest requirements of Annual Debt Service Requirements (taking into account all mandatory principal redemption requirements) scheduled to occur in any future Fiscal Year or in the then current Fiscal Year for the particular obligations for which such calculation is made. Capitalized interest payments provided from Debt proceeds, accrued interest on any Debt, and interest earnings thereon shall be excluded in making such computation.

"*Outstanding*" – means, when used in this Resolution with respect to Parity Obligations, as of the date of determination, the Bonds and other Parity Obligations theretofore sold, issued and delivered by the Issuer, except:

(a) those Parity Obligations canceled or delivered to the transfer agent or registrar for cancellation in connection with the exchange or transfer of such obligations;

(b) those Parity Obligations paid or deemed to be paid in accordance with the provisions of Section 21 hereof or similar provisions of any resolution authorizing such Parity Obligations; or

(c) those Parity Obligations that have been mutilated, destroyed, lost, or stolen and replacement obligations have been registered and delivered in lieu thereof.

"*Parity Obligations*" means, collectively, the Bonds, the Previously Issued Parity Obligations and any Additional Parity Obligations.

"*Paying Agent/Registrar*" means the financial institution so designated in accordance with the provisions of Section 4 of this Resolution and any successor thereto.

*"Permitted Investments"* means, these investments authorized by the Investment Act and the Issuer's investment policy.

*"Pledged Revenues"* means all of the Issuer's rights, title and interest in the Sales Tax without deduction, offset or credit for any administrative charges or expenses incurred by the City or the Issuer in connection with the levy and collection of such sales tax, other than any amounts due and owing to the Comptroller for collection costs and other charges.

*"Previously Issued Parity Obligations"* means the Issuer's obligations payable from Pledged Revenues under the Issuer's Promissory Note, Series 2017 and the related Loan and Security Agreement effective as of March 15, 2017 between the Issuer and Whitney Bank, Gulfport, Mississippi.

*"Project"* shall have the meaning set forth in the recitals to this Resolution.

*"Record Date"* means Record Date as defined in the FORM OF BOND in Exhibit "B" to this Resolution.

*"Registered Owner"* means the registered owner, whose name appears in the security register for any Parity Obligation, including the Registration Books for the Bonds.

*"Registration Books"* means the books or records for the registration of the transfer and exchange of the Bonds.

*"Required Reserve Amount"* means the amount required pursuant to the provisions of Section 11 of this Resolution to be maintained on deposit, held as securities and/or held as a Reserve Fund Obligation for the benefit of the 2025 Reserve Fund.

*"Reserve Fund Obligation"* means, to the extent permitted by law, as evidenced by an opinion of nationally recognized bond counsel, a surety bond or insurance policy deposited in any debt service reserve fund for a series of Parity Obligations, including the 2025 Reserve Fund for the Bonds, whereby the issuer of such obligation is obligated to provide funds up to and including the maximum amount and under the conditions specified in such agreement or instrument.

*"Reserve Fund Obligation Payment"* means any subrogation payment the Issuer is obligated to make from Pledged Revenues under a Reserve Fund Obligation held in any debt service reserve fund for a series of Parity Obligations, including the 2025 Reserve Fund for the Bonds.

*"Rule"* means SEC Rule 15c2-12, as amended from time to time.

*"Sales Tax"* means the one-half of one percent sales and use tax levied by the City within the boundaries of the City as they now or hereafter exist, together with any increases in the aforesaid rate if provided and authorized by the laws of the State of Texas, including specifically the Act, and collected for the benefit of the Issuer, all in accordance with the Act.

"SEC" means the United States Securities and Exchange Commission.

"*Stated Maturity*" means the annual principal payments of the Parity Obligations payable on the respective dates set forth in the resolutions which authorized the issuance of such Parity Obligations.

"*Term Bonds*" means those Parity Obligations so designated in the resolutions authorizing such bonds which shall be subject to retirement by operation of a mandatory redemption account.

"*Term of Issue*" means with respect to any Balloon Debt, a period of time equal to the greater of (i) the period of time commencing on the date of issuance of such Balloon Debt and ending on the final maturity date of such Balloon Debt or (ii) twenty-five years.

"*Transfer Agreement*" means the Sales Tax Remittance Agreement between the City and the Issuer entered into in connection with the issuance of the Bonds.

**EXHIBIT B**

**FORM OF BOND**

**UNITED STATES OF AMERICA  
STATE OF TEXAS  
PFLUGERVILLE COMMUNITY DEVELOPMENT CORPORATION  
SALES TAX REVENUE BOND,  
TAXABLE SERIES 2025**

NO. R-\_\_

**PRINCIPAL  
AMOUNT**  
\$

<u>Interest Rate</u>	<u>Date of Delivery</u>	<u>Maturity Date</u>	<u>CUSIP No.</u>
	January 30, 2025		

**REGISTERED OWNER:**

**PRINCIPAL AMOUNT:**

**DOLLARS**

**ON THE MATURITY DATE** specified above, the Pflugerville Community Development Corporation (the "Issuer"), being a nonstock, nonprofit development corporation organized and existing under the laws of the State of Texas, pursuant to Section 4B of the Development Corporation Act of 1979, Article 5190.6, V.A.T.C.S., as amended, now codified as Local Government Code, Title 12, Subtitle C1 particularly Chapters 501 and 505 of the Local Government Code (the "Act"), and acting on behalf of the City of Pflugerville, Texas (the "City"), hereby promises to pay to the Registered Owner set forth above or to the assignee or assignees thereof (either being hereinafter called the "Registered Owner"), the Principal Amount specified above. The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Date of Delivery specified above at the Interest Rate per annum specified above. Interest is payable on October 15, 2025 and semiannually on each April 15 and October 15 thereafter to the Maturity Date specified above, or the date of redemption prior to maturity; except that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date immediately preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the next following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for which this Bond is being exchanged or converted from is due but has not been paid, then this Bond shall bear interest from the date to which such interest has been paid in full. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, any payment to the securities depository, or its nominee or registered assigns, shall be made in accordance with existing arrangements between the Issuer and the securities depository.

**THE PRINCIPAL OF AND INTEREST ON** this Bond are payable in lawful money of the United States of America, without exchange or collection charges. The principal of this Bond shall be paid to the Registered Owner hereof upon presentation and surrender of this Bond at maturity or upon the date fixed for its redemption prior to maturity, at U.S. Bank Trust Company, National Association (the "Paying Agent/Registrar") at its designated office for payment currently in Dallas, Texas (the "Designated Payment/Transfer Office"). The payment of interest on this Bond shall be made by the Paying Agent/Registrar to the Registered Owner hereof on each interest payment date by check or draft, dated as of such interest payment date, drawn by the Paying Agent/Registrar on, and payable solely from, funds of the Issuer required by the resolution authorizing the issuance of this Bond (the "Bond Resolution") to be on deposit with the Paying Agent/Registrar for such purpose as hereinafter provided; and such check or draft shall be sent by the Paying Agent/Registrar by United States mail, first-class postage prepaid, on each such interest payment date, to the Registered Owner hereof, at its address as it appeared on the close of business on the last day of the month immediately preceding each such date (the "Record Date") on the registration books kept by the Paying Agent/Registrar (the "Registration Books"). In addition, interest may be paid by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. In the event of a non-payment of interest on a scheduled payment date, and for 30 days thereafter, a new record date for such interest payment (a "Special Record Date") will be established by the Paying Agent/Registrar, if and when funds for the payment of such interest have been received from the Issuer. Notice of the Special Record Date and of the scheduled payment date of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five business days prior to the Special Record Date by United States mail, first-class postage prepaid, to the address of each owner of a Bond appearing on the Registration Books at the close of business on the last business day immediately preceding the date of mailing of such notice. Notwithstanding the foregoing, during any period in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, payments made to the securities depository, or its nominee, shall be made in accordance with arrangements between the Issuer and the securities depository. Capitalized terms used herein and not otherwise defined shall have the meanings given to such terms in the Bond Resolution.

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

**IF THE DATE** for the payment of the principal of or interest on this Bond shall be a Saturday, Sunday, a legal holiday, or a day on which banking institutions in the city where the principal corporate trust office of the Paying Agent/Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not such a Saturday, Sunday, legal holiday, or day on which banking institutions are authorized to close; and payment on such date shall have the same force and effect as if made on the original date payment was due.

**THIS BOND** is one of a series of Bonds dated January 15, 2025, authorized in accordance with the Constitution and laws of the State of Texas, including particularly the Act, in the original principal amount of \$\_\_\_\_\_,000 to provide funds for the costs of the acquisition of land as set forth in the Bond Resolution and paying the costs of issuing the Bonds.

**ON OCTOBER 15, 20\_\_**, or on any date thereafter, the Bonds maturing on and after October 15, 20\_\_ may be redeemed prior to their scheduled maturities, at the option of the Issuer, with funds derived from any available and lawful source, as a whole, or in part, and, if in part, the particular Bonds, or portions thereof, to be redeemed shall be selected and designated by the Issuer (provided that a portion of a Bond may be redeemed only in an integral multiple of \$5,000), at a redemption price equal to the principal amount to be redeemed plus accrued interest to the date fixed for redemption.

**THE BONDS OF THIS SERIES** maturing on October 15, 20\_\_ are subject to mandatory redemption prior to maturity in part at random, by lot or other customary method selected by the Paying Agent/Registrar, at par plus accrued interest to the redemption date, in amounts sufficient to redeem said Bonds on October 15, in the years and principal amounts shown on the following schedule. Such Bonds shall be redeemed with funds from the "Debt Service Fund" created by the Bond Resolution and shall be redeemed by the Paying Agent/Registrar in part prior to maturity with funds from the Debt Service Fund, for the principal amount thereof and accrued interest to the date of redemption, and without premium, on each of the aforesaid dates, in the principal amounts, respectively, as set forth in the following schedule:

<b><u>Bonds Maturing October 15, 20</u></b>	
<b><u>Redemption</u></b>	<b><u>Principal</u></b>
<b><u>Date</u></b>	<b><u>Amount</u></b>
October 15, 20__	
October 15, 20__	
October 15, 20__	
October 15, 20__	
October 15, 20__*	

\* Final maturity.

The principal amount of the Bonds required to be redeemed pursuant to the operation of such mandatory sinking fund shall be reduced by the principal amount of any Bonds which, at least 45 days prior to the mandatory sinking fund redemption date shall have been (1) purchased by the Issuer and delivered to the Paying Agent/Registrar for redemption or (2) redeemed pursuant to the optional redemption provision described below and delivered to the Paying Agent/Registrar for cancellation.

**AT LEAST 30** days prior to the date fixed for any optional redemption of Bonds or portions thereof prior to maturity, the Issuer shall cause written notice of such redemption to be sent by United States mail, first class, postage prepaid, to each Registered Owner of a Bond to be redeemed, in whole or in part, at the address of the Registered Owner appearing on the registration books of the Paying Agent/Registrar at the close of business on the business day next preceding

the date of mailing of such notice. Any notice of redemption so mailed shall be conclusively presumed to have been duly given irrespective of whether received by the Registered Owner. By the date fixed for any such redemption, due provision shall be made with the Paying Agent/Registrar for the payment of the required redemption price for the Bonds or portions thereof which are to be so redeemed. If such written notice of redemption is mailed and if due provision for such payment is made, all as provided above, the Bonds or portions thereof which are to be so redeemed thereby automatically shall be treated as redeemed prior to their scheduled maturities, and they shall not bear interest after the date fixed for redemption, and they shall not be regarded as being Outstanding except for the right of the Registered Owner to receive the redemption price from the Paying Agent/Registrar out of the funds provided for such payment. If a portion of any Bond shall be redeemed a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in any denomination or denominations in any integral multiple of \$5,000, at the written request of the Registered Owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Registered Owner upon the surrender thereof for cancellation, at the expense of the Issuer, all as provided in the Bond Resolution. Any notice of redemption shall either (i) explicitly state that the proposed redemption is conditioned on there being on deposit in the Debt Service Fund sufficient money to pay the full redemption price of the Bonds to be redeemed or (ii) be sent only if sufficient money to pay the full redemption price of the Bonds to be redeemed is on deposit in the Debt Service Fund.

**DURING ANY PERIOD** in which ownership of the Bonds is determined only by a book entry at a securities depository for the Bonds, if fewer than all of the Bonds of the same maturity and bearing the same interest rate are to be redeemed, the particular Bonds of such maturity and bearing such interest rate shall be selected in accordance with the arrangements between the Issuer and the securities depository.

**ALL BONDS OF THIS SERIES** are issuable solely as fully registered Bonds, without interest coupons, in the denomination of any integral multiple of \$5,000. As provided in the Bond Resolution, this Bond, or any unredeemed portion hereof, may, at the request of the Registered Owner or the assignee or assignees hereof, be assigned, transferred, converted into and exchanged for a like aggregate principal amount of fully registered Bonds, without interest coupons, payable to the appropriate Registered Owner, assignee or assignees, as the case may be, having the same denomination or denominations in any integral multiple of \$5,000 as requested in writing by the appropriate Registered Owner, assignee or assignees, as the case may be, upon surrender of this Bond to the Paying Agent/Registrar for cancellation, all in accordance with the form and procedures set forth in the Bond Resolution. Among other requirements for such assignment and transfer, this Bond must be presented and surrendered to the Paying Agent/Registrar, together with proper instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of this Bond or any portion or portions hereof in any integral multiple of \$5,000 to the assignee or assignees in whose name or names this Bond or any such portion or portions hereof is or are to be registered. The form of Assignment printed or endorsed on this Bond may be executed by the Registered Owner to evidence the assignment hereof, but such method is not exclusive, and other instruments of assignment satisfactory to the Paying Agent/Registrar may be used to evidence the assignment of this Bond or any portion or portions hereof from time to time by the Registered Owner. The Paying Agent/Registrar's reasonable standard or customary fees and charges for assigning, transferring, converting and



exchanging any Bond or portion thereof will be paid by the Issuer. In any circumstance, any taxes or governmental charges required to be paid with respect thereto shall be paid by the one requesting such assignment, transfer, conversion or exchange, as a condition precedent to the exercise of such privilege. The Paying Agent/Registrar shall not be required to make any such transfer, conversion, or exchange (i) during the period commencing with the close of business on any Record Date and ending with the opening of business on the next following principal or interest payment date, or (ii) with respect to any Bond or any portion thereof called for redemption prior to maturity, within 45 days prior to its redemption date; provided, however, such limitation of transfer shall not be applicable to an exchange by the Registered Owner of the unredeemed balance of the Bond.

**WHENEVER** the beneficial ownership of this Bond is determined by a book entry at a securities depository for the Bonds, the foregoing requirements of holding, delivering or transferring this Bond shall be modified to require the appropriate person or entity to meet the requirements of the securities depository as to registering or transferring the book entry to produce the same effect.

**IN THE EVENT** any Paying Agent/Registrar for the Bonds is changed by the Issuer, resigns, or otherwise ceases to act as such, the Issuer has covenanted in the Bond Resolution that it promptly will appoint a competent and legally qualified substitute therefor, and cause written notice thereof to be mailed to the Registered Owners of the Bonds.

**IT IS HEREBY** certified, recited, and covenanted that this Bond has been duly and validly authorized, issued, sold, and delivered; that all acts, conditions, and things required or proper to be performed, exist, and be done precedent to or in the authorization, issuance, and delivery of this Bond have been performed, existed, and been done in accordance with law; that this Bond is a special obligation of the Issuer; that neither the State of Texas, the City, nor any political corporation, subdivision, or agency of the State of Texas, nor any member of the Board of Directors of the Issuer, either individually or collectively, shall be obligated to pay the principal of or the interest on this Bond and neither the faith and credit nor the taxing power (except as described below) of the State of Texas, the City, or any other political corporation, subdivision, or agency thereof is pledged to the payment of the principal of or the interest on this Bond; that the principal of and interest on this Bond, together with the Previously Issued Parity Obligations and any Additional Parity Obligations hereafter issued, are secured by and payable from a first lien on and pledge of certain funds created under the Bond Resolution and the revenues defined in the Bond Resolution as the "Pledged Revenues," which include the proceeds of a one-half of one percent sales and use tax levied for the benefit of the Issuer by the City (the "Sales Tax") pursuant to Section 4B of the Act which lien on and pledge is prior in right and claim to the lien and pledge on the Pledged Revenues securing the payment of any outstanding Junior Lien Obligations; and that the Registered Owner hereof shall not have the right to demand payment of the principal of or interest on this Bond from any tax proceeds other than the Sales Tax proceeds levied for the benefit of the Issuer by the City pursuant to Section 4B of the Act, or from any other source.

**THE ISSUER HAS RESERVED** the right in the Bond Resolution, subject to certain conditions set forth therein, to issue obligations or incur indebtedness from time to time in the future on a parity with the Bonds with respect to the pledge of and lien on the Pledged Revenues which secures the Bonds. The Issuer may also issue obligations or incur indebtedness which is

secured on a junior and subordinate lien with respect to the Pledged Revenues. The Bond Resolution further provides that the Issuer may create a debt service reserve fund and fund it or provide for it to be funded in connection with the issuance of any obligations or the incurrence of any indebtedness which possesses a lien on and pledge of the Pledged Revenues on a parity with the Bonds, and that such reserve shall secure only the obligations or indebtedness for which it was funded or is to be funded. The Issuer has created a debt service reserve fund for the benefit of the Bonds, but is only obligated to fund such debt service reserve fund upon falling below certain coverage levels as set forth in the Bond Resolution.

**THE ISSUER ALSO HAS RESERVED THE RIGHT** to amend the Bond Resolution as provided therein, and under some (but not all) circumstances amendments thereto must be approved by the Registered Owners of a majority in aggregate principal amount of the Outstanding Bonds.

**BY BECOMING** the Registered Owner of this Bond, the Registered Owner thereby acknowledges all of the terms and provisions of the Bond Resolution, agrees to be bound by such terms and provisions, acknowledges that the Bond Resolution is duly recorded and available for inspection in the official minutes and records of the governing body of the Issuer, and agrees that the terms and provisions of this Bond and the Bond Resolution constitute a contract between each Registered Owner hereof and the Issuer.

**THIS BOND** is not an obligation described in Section 103(a) of the Internal Revenue Code of 1986.

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

(facsimile signature)  
Secretary, Board of Directors

(facsimile signature)  
President, Board of Directors

(SEAL)

**FORM OF PAYING AGENT/REGISTRAR'S  
AUTHENTICATION CERTIFICATE**

**PAYING AGENT/REGISTRAR'S AUTHENTICATION CERTIFICATE**

(To be executed if this Bond is not accompanied by an  
executed Registration Certificate of the Comptroller  
of Public Accounts of the State of Texas)

It is hereby certified that this Bond has been issued under the provisions of the Bond Resolution described in the text of this Bond; and that this Bond has been issued in conversion or replacement of, or in exchange for, a Bond, Bonds, or a portion of a Bond or Bonds of a series

which originally was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas.

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

U.S. Bank Trust Company, National Association  
Dallas, Texas  
Paying Agent/Registrar

By: \_\_\_\_\_  
Authorized Representative

**FORM OF ASSIGNMENT**

**ASSIGNMENT**

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

\_\_\_\_\_.

Please insert Social Security or Taxpayer Identification Number of Transferee

\_\_\_\_\_

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

\_\_\_\_\_

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

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

Signature Guaranteed:

\_\_\_\_\_

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

\_\_\_\_\_

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

**FORM OF REGISTRATION CERTIFICATE**  
**OF THE COMPTROLLER OF PUBLIC ACCOUNTS**

**COMPTROLLER'S REGISTRATION CERTIFICATE: REGISTER NO.**

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

Witness my signature and seal this \_\_\_\_\_.

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

(COMPTROLLER'S SEAL)

**INSERTIONS FOR THE INITIAL BOND**

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

A. immediately under the name of the Bond, the headings "**Interest Rate**" and "**Maturity Date**" shall both be completed with the words "As shown below" and "**CUSIP No.**" shall be deleted.

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

**"ON THE MATURITY DATE SPECIFIED BELOW,** the Pflugerville Community Development Corporation (the "Issuer"), being a nonstock, nonprofit development corporation organized and existing under the laws of the State of Texas, pursuant to Section 4B of the Development Corporation Act of 1979, Article 5190.6, V.A.T.C.S., as amended, now codified as Local Government Code, Title 12, Subtitle C1 particularly Chapters 501 and 505 of the Local Government Code (the "Act"), and acting on behalf of the City of Pflugerville, Texas (the "City"), hereby promises to pay to the registered owner set forth above or to the assignee or assignees thereof (either being hereinafter called the "Registered Owner") on October 15 in each of the years, in the principal installments and bearing interest at the per annum rates set forth in the following schedule:

<u>Years</u>	<u>Principal Amounts</u>	<u>Rates</u>
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(Information from Sections 2 and 3 to be inserted)

The Issuer promises to pay interest on the unpaid principal amount hereof (calculated on the basis of a 360-day year of twelve 30-day months) from the Date of Delivery specified above at the respective Interest Rate per annum specified above. Interest is payable on October 15, 2025 and semiannually on each April 15 and October 15 thereafter to the date of payment of the principal installment specified above, or the date of redemption prior to maturity; except, that if this Bond is required to be authenticated and the date of its authentication is later than the first Record Date (hereinafter defined), such principal amount shall bear interest from the interest payment date immediately preceding the date of authentication, unless such date of authentication is after any Record Date but on or before the immediately following interest payment date, in which case such principal amount shall bear interest from such next following interest payment date; provided, however, that if on the date of authentication hereof the interest on the Bond or Bonds, if any, for

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

C. The Initial Bond shall be numbered "T-1."

## EXHIBIT C

### DESCRIPTION OF ANNUAL FINANCIAL INFORMATION

The following information is referred to in Section 29(a) of this Resolution:

#### **Annual Financial Statements and Operating Data**

The financial information and operating data with respect to the Issuer to be provided annually in accordance with such Section are as specified (and included under the headings of the Official Statement referred to) below:

- (1) Appendix A – Table 1 - Debt Service Requirements;
- (2) Appendix A – Table 2 - Historical Corporation Receipts of ½ of 1% Sales Tax;
- (3) Appendix A – Table 3 – Condensed Statement of Operations
- (4) Appendix A – Table – Current Investments;
- (5) Appendix D – City of Pflugerville, Texas Annual Financial Report.\*

\* As noted therein, the Issuer’s financial statements and operating results are included as a component unit in the City’s annual audited financial statement. Issuer does not commission a separate audit of its financial statements. Unless a separate audit of the Issuer’s financial statements is performed, the City’s complete audited general purpose financial report including notes will be provided on behalf of the Issuer for continuing disclosure purposes.

#### **Accounting Principles**

The accounting principles referred to in such Section are the accounting principles described in the notes to the financial statements referred to in Appendix D above.

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**EXHIBIT D**  
**PURCHASE AGREEMENT**

**PFLUGERVILLE COMMUNITY DEVELOPMENT CORPORATION**  
(Travis and Williamson Counties, Texas)

\$ \_\_\_\_\_  
**Sales Tax Revenue Bonds,**  
**Taxable Series 2025**

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**BOND PURCHASE AGREEMENT**

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January 22, 2025

President and Members of Board of Directors  
Pflugerville Community Development Corporation  
3801 Helios Way, Suite 130  
Pflugerville, Texas 78660

Ladies and Gentlemen:

The undersigned, Siebert Williams Shank & Co., LLC (the “*Representative*”), acting on its own behalf and on behalf of the other underwriters listed on Schedule I hereto (collectively, the “*Underwriters*”), and not acting as a fiduciary or agent for the Pflugerville Community Development Corporation (the “*Issuer*”), offers to enter into the following agreement (the “*Agreement*”) with the Issuer which, upon the Issuer’s written acceptance of this offer, will be binding upon the Issuer and upon the Underwriters. This offer is made subject to the Issuer’s written acceptance hereof on or before 10:00 p.m., Central Time, on January 22, 2025, and, if not so accepted, will be subject to withdrawal by the Underwriters upon written notice delivered by the Representative to the Issuer at any time prior to the acceptance hereof by the Issuer. Terms not otherwise defined in this Agreement shall have the same meanings set forth in the Bond Resolution (as defined herein) or in the Official Statement (as defined herein).

**1. Purchase and Sale of the Bonds.** Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters hereby agree, jointly and severally, to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriters, all, but not less than all, of the Issuer’s \$ \_\_\_\_\_ Sales Tax Revenue Bonds, Taxable Series 2025 (the “*Bonds*”). The Issuer acknowledges and agrees that (i) the purchase and sale of the Bonds pursuant to this Agreement is an arm’s-length commercial transaction between the Issuer and the Underwriters, (ii) in connection therewith and with the discussions, undertakings, and procedures leading up to the consummation of this transaction, the Underwriters are and have been acting solely as principals and are not acting as the agents or fiduciaries of the Issuer, (iii) the Underwriters have not assumed an advisory or fiduciary responsibility in favor of the Issuer with respect to the offering described



herein or the discussions, undertakings, and procedures leading thereto (regardless of whether the Underwriters have provided other services or are currently providing other services to the Issuer on other matters) and the Underwriters have no obligation to the Issuer with respect to the offering described herein except the obligations expressly set forth in this Agreement, (iv) the Issuer has consulted its own legal, financial, and other advisors to the extent it has deemed appropriate, (v) the Underwriters have financial and other interests that differ from those of the Issuer, and (vi) the Underwriters have provided to the Issuer prior disclosures under Rule G-17 of the Municipal Securities Rulemaking Board (the “MSRB”), which have been received by the Issuer. The Representative has been duly authorized to execute this Agreement and to act hereunder.

The principal amount of the Bonds to be issued, the maturities, redemption provisions, interest rates per annum and initial yields are set forth in Schedule II hereto. The Bonds shall be as described in and shall be issued and secured under and pursuant to, the provisions of the resolution adopted by the Issuer on January 22, 2025 and approved by the City Council of the Pflugerville, Texas (the “City”) on January 28, 2025 (the “Bond Resolution”).

The purchase price for the Bonds shall be \$\_\_\_\_\_ (representing the par amount of the Bonds less an underwriting discount of \$\_\_\_\_\_), and no accrued interest.

The Representative has delivered to the Issuer the Representative’s good faith deposit in the amount of \$187,500 (the “Good Faith Deposit”) in the form of (i) a corporate check payable to the order of the Issuer or (ii) a wire transfer of immediately available funds to an account specified by the Issuer. In the event the Issuer accepts this offer, the Good Faith Deposit shall be held by the Issuer until the time of Closing (as defined herein), at which time the Good Faith Deposit shall be returned to the Representative or applied as a credit against the purchase price of the Bonds, as the Issuer and the Representative shall mutually agree. In the event that the Issuer does not accept this Agreement, the Good Faith Deposit shall be immediately returned to the Representative. In the event of the failure by the Issuer to deliver the Bonds at the Closing, or if the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriters contained in this Agreement, or if the obligations of the Underwriters shall be terminated for any reason permitted by this Agreement, the Good Faith Deposit shall be returned promptly to the Representative. In the event that the Underwriters fail (other than for a reason permitted hereunder) to purchase and accept delivery of the Bonds as herein provided, the Good Faith Deposit shall be retained by the Issuer as and for full liquidated damages for such failure on the part of the Underwriters and such proceeds shall constitute a full release and discharge of all claims and damages for such failure. The Underwriters and the Issuer understand that in such event the Issuer’s actual damages may be greater or may be less than such amount. Accordingly, the Underwriters hereby waive any right to claim that the Issuer’s actual damages are less than such amount, and the Issuer’s acceptance of this offer shall constitute a waiver of any right the Issuer may have to additional damages from the Underwriters for their failure to purchase, accept delivery of and pay for the Bonds. In

the event the Good Faith Deposit is provided in the form of a check, the Representative hereby agrees not to stop or cause payment on such check to be stopped unless the Issuer has breached the terms of this Agreement and the Underwriters have exercised their right to terminate this Agreement under Section 7 hereof.

BOK Financial Securities, Inc. and UMB Bank, NA each hereby represents and warrants that it is exempt from the disclosure form and the certification filing requirements of Section 2252.908 of the Texas Government Code, as amended, pursuant to subsection (c)(4) thereof. Prior to the execution of this Agreement by the Issuer and the Representative, the Representative has delivered a Certificate of Interested Parties Form 1295, signed by an authorized agent (a “*Form 1295*”). The Underwriters and the Issuer understand that neither the Issuer nor its consultants have the ability to verify the information included in any Form 1295, and neither the Issuer nor its consultants have an obligation, nor have undertaken any responsibility, for advising the Underwriters with respect to the proper completion of a Form 1295 other than, with respect to the Issuer, providing the identification numbers required for the completion of the Form 1295.

**2. [RESERVED].**

**3. The Official Statement.**

(a) The Issuer previously has delivered, or caused to be delivered, to the Underwriters the Preliminary Official Statement dated January \_\_, 2025 (the “*Preliminary Official Statement*”) in a “designated electronic format,” as defined in MSRB Rule G-32 (“*Rule G-32*”). The Issuer will prepare, or cause to be prepared, a final Official Statement relating to the Bonds, which will be (i) dated the date of this Agreement, (ii) complete within the meaning of the United States Securities and Exchange Commission’s Rule 15c2-12, as amended (the “*Rule*”), (iii) in a “designated electronic format” and (iv) substantially in the form of the most recent version of the Preliminary Official Statement provided to the Underwriters before the execution hereof. Such final Official Statement, including the cover page thereto, all exhibits, schedules, appendices, maps, charts, pictures, diagrams, reports, and statements included or incorporated therein or attached thereto, and all amendments and supplements thereto that may be authorized for use with respect to the Bonds, is herein referred to as the “*Official Statement.*” Until the Official Statement has been prepared and is available for distribution, the Issuer shall provide to the Underwriters sufficient quantities (which may be in electronic format) of the Preliminary Official Statement as the Representative deems reasonably necessary to satisfy the obligation of the Underwriters under the Rule with respect to distribution to each potential customer, upon request, of a copy of the Preliminary Official Statement.

(b) The Preliminary Official Statement has been prepared for use by the Underwriters in connection with the public offering, sale and distribution of the Bonds. The Issuer hereby represents and warrants that the Preliminary Official Statement has been deemed “final” by the Issuer as of its date, except for the

omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of the Rule.

(c) The Issuer hereby authorizes the Official Statement and the information therein contained to be used by the Underwriters in connection with the public offering and the sale of the Bonds. The Issuer consents to the use by the Underwriters prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Bonds. The Issuer shall provide, or cause to be provided, to the Underwriters as soon as practicable after the date of the Issuer's acceptance of this Agreement (but, in any event, not later than within seven (7) business days after the Issuer's acceptance of this Agreement and in sufficient time to accompany any confirmation that requests payment from any customer) the Official Statement which is complete as of the date of its delivery to the Underwriters. The Issuer shall provide the Official Statement, or cause the Official Statement to be provided, (i) in a "designated electronic format" consistent with the requirements of Rule G-32 and (ii) in a printed format in such quantity as the Representative shall reasonably request in order for the Underwriters to comply with Section (b)(4) of the Rule and the rules of the MSRB.

(d) If, after the date of this Agreement to and including the date the Underwriters are no longer required to provide an Official Statement to potential customers who request the same pursuant to the Rule (the earlier of (i) ninety (90) days from the "end of the underwriting period" (as defined in the Rule) and (ii) the time when the Official Statement is available to any person from the MSRB, but in no case less than twenty-five (25) days after the "end of the underwriting period" for the Bonds), the Issuer becomes aware of any fact or event which might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact required to be stated therein or necessary to make the statements therein in light of the circumstances under which they were made, not misleading, or if it is necessary to amend or supplement the Official Statement to comply with law, the Issuer will notify the Representative (and for the purposes of this clause provide the Underwriters with such information as the Representative may from time to time reasonably request), and if, in the reasonable opinion of the Representative, such fact or event requires preparation and publication of a supplement or amendment to the Official Statement, the Issuer will forthwith prepare and furnish, at the Issuer's own expense (in a form and manner approved by the Representative), either an amendment or a supplement to the Official Statement so that the statements in the Official Statement as so amended and supplemented will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading or so that the Official Statement will comply with law; provided, however, that for all purposes of this Agreement and any certificate delivered by the Issuer in accordance herewith, the Issuer makes no representations with

respect to the descriptions in the Preliminary Official Statement or the Official Statement of The Depository Trust Company, New York, New York (“DTC”), or its book-entry-only system, or the information provided by \_\_\_\_\_ (the “Bond Insurer”) under the caption “BOND INSURANCE” to the Official Statement. If such notification shall be subsequent to the Closing, the Issuer shall furnish such legal opinions, certificates, instruments and other documents as the Representative may reasonably deem necessary to evidence the truth and accuracy of such supplement or amendment to the Official Statement. The Issuer shall provide any such amendment or supplement, or cause any such amendment or supplement to be provided, in a “designated electronic format” consistent with the requirements of Rule G-32.

(e) The Representative hereby agrees to file the Official Statement with the MSRB through its Electronic Municipal Market Access (“EMMA”) system on or before the date of the Closing. Unless otherwise notified in writing by the Representative, the Issuer can assume that the “end of the underwriting period” for purposes of the Rule is the date of the Closing.

**4. Representations, Warranties, and Covenants of the Issuer.** The Issuer hereby represents and warrants to and covenants with the Underwriters that:

(a) The Issuer is a duly organized industrial development corporation organized, operating and existing under the laws of the State of Texas (the “State”), including particularly, Chapters 501 and 505, Texas Local Government Code, as amended (collectively, the “Act”), created by the City, and has full legal right, power and authority under the Act, and at the date of the Closing will have full legal right, power and authority (i) to enter into, execute and deliver this Agreement, to adopt the Bond Resolution including the Continuing Disclosure Undertaking (as defined in Section 6(j)(3) hereof) and all documents required hereunder and thereunder to be executed and delivered by the Issuer (this Agreement, the Bond Resolution, and the Continuing Disclosure Undertaking are hereinafter referred to as the “Issuer Documents”), (ii) sell, issue and deliver the Bonds to the Underwriters, as provided herein, and (iii) carry out and consummate the transactions described in the Issuer Documents and the Official Statement, and the Issuer has complied, and will at the Closing be in compliance, in all material respects with the terms of the Act and the Issuer Documents, as they pertain to such transactions;

(b) By all necessary official action of the Issuer prior to or concurrently with the acceptance hereof, the Issuer has duly authorized all necessary action to be taken by it for (i) the adoption of the Bond Resolution and the issuance and sale of the Bonds, (ii) the approval, execution and delivery of, and the performance by the Issuer of the obligations on its part, contained in the Bonds and the Issuer Documents and (iii) the consummation by it of all other transactions described in the Official Statement and the Issuer Documents and any and all such other agreements and documents as may be required to be executed, delivered and/or received by the Issuer in order to carry out, give effect

to, and consummate the transactions described herein and in the Official Statement;

(c) The Issuer Documents constitute legal, valid and binding obligations of the Issuer subject to governmental immunity, bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights or by general principles of equity which permit the exercise of judicial discretion; the Bonds, when issued, delivered and paid for, in accordance with the Bond Resolution and this Agreement, will constitute legal, valid and binding obligations of the Issuer, entitled to the benefits of the Bond Resolution and enforceable in accordance with their terms by mandamus or other relief permitted by law, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights, and subject to general principles of equity which permit the exercise of judicial discretion; and upon the issuance, authentication and delivery of the Bonds as aforesaid, the Bonds will be payable from, and secured by, a pledge of the Pledged Revenues received by the Issuer, including the Sales Tax revenues, as set forth in the Bond Resolution and as described in the Official Statement;

(d) On the date hereof and on the date of the Closing, the Issuer is not in material breach of or default in any material respect under any applicable constitutional provision, law or administrative regulation of the State or the United States or any applicable judgment or decree that would have a material adverse effect upon the operations or financial condition of the Issuer or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer is otherwise subject, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the Issuer under any of the foregoing; and the execution and delivery of the Bonds and/or the Issuer Documents and the adoption of the Bond Resolution and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a material breach of or default in any material respect under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer is or to which any of its property or assets are otherwise subject nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the Pledged Revenues to be pledged to secure the Bonds, or under the terms of any such law, regulation or instrument, except as provided by the Bonds and the Bond Resolution;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which are required for the due authorization of, which would constitute a condition precedent to, or the absence

of which would materially adversely affect the due performance by the Issuer of its obligations under the Issuer Documents and the Bonds have been duly obtained or will be obtained prior to Closing, except for the approval of the Bonds by the Texas Attorney General, registration of the Bonds by the Comptroller of Public Accounts, and such approvals, consents and orders as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Bonds;

(f) The Bonds and the Bond Resolution conform to the descriptions thereof contained in the Official Statement under the caption "THE BONDS"; the proceeds of the sale of the Bonds will be applied generally as described in the Official Statement under the subcaption "THE BONDS – Sources and Uses of Proceeds"; and the Continuing Disclosure Undertaking conforms to the description thereof contained in the Official Statement under the caption "CONTINUING DISCLOSURE OF INFORMATION";

(g) Except as may otherwise be described in the Official Statement, during the last five (5) years the Issuer has complied in all material respects with its previous Continuing Disclosure Undertakings made by it in accordance with the Rule;

(h) Except as may otherwise be described in the Official Statement, there is no litigation, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to the knowledge of the Issuer, threatened against the Issuer, affecting the existence of the Issuer or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the collection or remittance of Sales Tax revenues pledged to the payment of principal of and interest on the Bonds pursuant to the Resolution or in any way contesting or affecting the validity or enforceability of the Bonds or the Issuer Documents, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto, or contesting the powers of the Issuer or any authority for the issuance of the Bonds, the adoption of the Bond Resolution or the execution and delivery of the Issuer Documents, nor, to the knowledge of the Issuer, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the Issuer Documents; provided that for the purpose of this Agreement and any certificate delivered by the Issuer in accordance with this Agreement, the Issuer makes no representations with respect to the descriptions in the Preliminary Official Statement or the Official Statement of DTC or its book-entry-only system;

(i) As of the date thereof, the Preliminary Official Statement did not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(j) At the time of the Issuer's acceptance hereof and (unless the Official Statement is amended or supplemented pursuant to paragraph (d) of Section 3 of this Agreement) at all times subsequent thereto during the period up to and including the twenty-fifth (25th) day subsequent to the "end of the underwriting period," the Official Statement does not and will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(k) If the Official Statement is supplemented or amended pursuant to paragraph (d) of Section 3 of this Agreement, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto during the period up to and including the twenty-fifth (25th) day subsequent to the "end of the underwriting period", the Official Statement, as so supplemented or amended will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(l) The Issuer will apply, or cause to be applied, the proceeds from the sale of the Bonds as provided in and subject to all of the terms and provisions of the Bond Resolution;

(m) The Issuer will furnish such information and execute such instruments and take such action in cooperation with the Underwriters, at the sole expense of the Underwriters, as the Representative may reasonably request (1) to (i) qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and other jurisdictions in the United States as the Underwriters may designate and (ii) determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and (2) to continue such qualifications in effect so long as required for the distribution of the Bonds (provided, however, that the Issuer will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Representative immediately of receipt by the Issuer of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose;

(n) The financial statements of the City and other financial information regarding the Issuer in the Official Statement fairly present the financial position, results of operations and condition of the Issuer as of the dates and for the periods therein set forth; and there has been no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise of the Issuer, since the dates of such statements and information;

(o) The Issuer is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the Issuer,

would have a materially adverse effect on the financial condition or operations of the Issuer;

(p) Prior to the Closing, the Issuer will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by the same revenue sources which will secure the Bonds, except as may be incurred in the ordinary course of business, without the prior approval of the Representative (such approval not to be unreasonably withheld);

(q) The Issuer, to the extent heretofore requested by the Representative in writing, has delivered to the Representative true, correct, complete, and legible copies of all information, applications, reports, or other documents of any nature whatsoever submitted to any rating agency for the purpose of obtaining a rating for the Bonds or to any municipal bond insurance company to obtain a municipal bond insurance policy on the Bonds and, in each instance, true, correct, complete, and legible copies of all written correspondence or other written communications relating thereto;

(r) Any certificate, signed by any official of the Issuer authorized to do so in connection with the transactions described in this Agreement, shall be deemed a representation and warranty by the Issuer to the Underwriters as to the statements made therein; and

(s) The Issuer covenants that between the date hereof and the date of the Closing it will take no action which will cause the representations and warranties made in this Section to be materially untrue as of the date of the Closing.

By delivering the Official Statement to the Underwriters, the Issuer shall be deemed to have reaffirmed, with respect to such Official Statement, the representations, warranties and covenants set forth above with respect to the Preliminary Official Statement.

## **5. Closing.**

(a) At 10:00 a.m. Central Time, on January 30, 2025, or at such other time and date as shall have been mutually agreed upon by the Issuer and the Representative (the "*Closing*"), the Issuer will, subject to the terms and conditions hereof, deliver the Bonds to the Representative duly executed and authenticated, together with the other documents hereinafter mentioned, and the Underwriters will, subject to the terms and conditions hereof, accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 of this Agreement in immediately available funds by wire transfer to the account of the Issuer as indicated by U.S. Bank Trust Company, National Association, Dallas, Texas (the "*Paying Agent/Registrar*"). Payment for the Bonds as aforesaid shall be made at



the offices of the Paying Agent/Registrar or such other place as shall have been mutually agreed upon by the Issuer and the Representative.

(b) Delivery of the Bonds shall be made to the Paying Agent/Registrar on behalf of DTC pursuant to DTC's FAST system. The Bonds shall be delivered in definitive fully registered form, bearing CUSIP numbers without coupons, with one certificate for each stated maturity of the Bonds registered in the name of Cede & Co., all as provided in the Bond Resolution and shall be made available to the Representative at least one business day before Closing for purposes of inspection.

**6. Closing Conditions.** The Underwriters have entered into this Agreement in reliance upon the representations, warranties and agreements of the Issuer contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the Issuer of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters' obligations under this Agreement to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the Issuer of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions, including the delivery by the Issuer of such documents as are enumerated herein, in form and substance reasonably satisfactory to the Representative:

(a) The representations and warranties of the Issuer contained herein shall be true, complete and correct in all material respects on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;

(b) The Issuer shall have performed and complied with all agreements and conditions required by this Agreement to be performed or complied with by it prior to or at the Closing;

(c) At the time of the Closing, (i) the Issuer Documents and the Bonds shall be in full force and effect and shall not have been amended, modified or supplemented, except as may be required by the Attorney General of Texas, and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Representative; (ii) the net proceeds of the sale of the Bonds and any funds to be provided by the Issuer shall be deposited and applied as described in the Official Statement and in the Bond Resolution; and (iii) all actions of the Issuer required to be taken by the Issuer shall be performed in order for Bond Counsel and counsel to the Underwriters to deliver their respective opinions referred to hereafter;

(d) At the time of the Closing, all official action of the Issuer relating to the Bonds and the Issuer Documents shall be in full force and effect and shall not have been amended, modified or supplemented;

(e) At or prior to the Closing, the Bond Resolution shall have been duly adopted by the governing body of the Issuer; and the Issuer shall have duly executed and delivered and the Paying Agent/Registrar shall have duly authenticated the definitive Bonds;

(f) At or prior to the Closing, the municipal bond insurance policy (the "*Municipal Bond Insurance Policy*") issued by the Bond Insurer shall have been duly executed, issued and delivered by the Bond Insurer;

(g) At the time of the Closing, there shall not have occurred any change or any development involving a prospective change in the condition, financial or otherwise, or in the revenues or operations of the Issuer, from that set forth in the Official Statement that, in the reasonable judgment of the Representative, is material and adverse and that makes it, in the reasonable judgment of the Representative, impracticable to market the Bonds on the terms and in the manner described in the Official Statement;

(h) The Issuer shall not currently be in default with respect to the payment of principal or interest when due on any of its outstanding obligations for borrowed money;

(i) All steps to be taken and all instruments and other documents to be executed, and all other legal matters in connection with the transactions described in this Agreement shall be reasonably satisfactory in legal form and effect to the Representative;

(j) At or prior to the Closing, the Representative or counsel to the Underwriters shall have received a copy of each of the following documents:

(1) the Official Statement, and each supplement or amendment thereto, if any, as may have been agreed to by the Representative;

(2) a copy of the Bond Resolution, certified as having been duly adopted and in full force and effect, with such supplements or amendments as may have been agreed to by the Representative or counsel to the Underwriters;

(3) the undertaking of the Issuer in the Bond Resolution which satisfies the requirements of section (b)(5)(i) of the Rule (the "*Continuing Disclosure Undertaking*");

(4) the approving opinion of Bond Counsel with respect to the Bonds, in substantially the form attached to the Official Statement;

(5) a supplemental opinion of Bond Counsel addressed to the Issuer and the Underwriters, substantially to the effect that:

(i) the Bond Resolution has been duly adopted by the Issuer and is in full force and effect;

(ii) the Bonds are exempted securities within the meaning of Section 3(a)(2) of the Securities Act of 1933, as amended (the “1933 Act”), and the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”), and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the 1933 Act or to qualify the Bond Resolution under the Trust Indenture Act; and

(iii) Bond Counsel has reviewed the information describing the Bonds under the captions “THE BONDS” (except the subcaptions “Sources and Uses of Proceeds” and “Payment Record”), “REGISTRATION, TRANSFER AND EXCHANGE,” “TAX MATTERS,” “REGISTRATION AND QUALIFICATION OF BONDS FOR SALE,” “LEGAL INVESTMENTS AND ELIGIBILITY TO SECURE PUBLIC FUNDS IN TEXAS,” “LEGAL MATTERS,” “CONTINUING DISCLOSURE OF INFORMATION” (except the subcaption “Compliance with Prior Undertakings”), and “APPENDIX C – Selected Provisions of the Resolution” and such firm is of the opinion that the information relating to the Bonds and legal issues contained under such captions and subcaptions is a fair and accurate description of the laws and legal issues addressed therein, and, with respect to the Bonds, such information conforms to the Resolution;

(6) an opinion, dated the date of the Closing and addressed to the Underwriters, of counsel to the Underwriters, to the effect that:

(i) the Bonds are exempted securities under the 1933 Act and the Trust Indenture Act and it is not necessary, in connection with the offering and sale of the Bonds, to register the Bonds under the 1933 Act and the Bond Resolution need not be qualified under the Trust Indenture Act; and

(ii) based upon their participation in the preparation of the Preliminary Official Statement and the Official Statement as counsel for the Underwriters and their participation at conferences at which the Preliminary Official Statement and the Official Statement were discussed, but without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the Preliminary Official Statement and the Official Statement, such counsel has no reason to believe that the Preliminary Official Statement as of its date and the Official Statement as of its date and the closing date contained or contains any untrue statement of a material fact or omits to state a material

fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (except for any financial, forecast, technical and statistical statements and data included in the Official Statement and the information regarding DTC and its book-entry system, and the information regarding the Municipal Bond Insurance Policy, if any, in each case as to which no view need be expressed);

(7) a certificate, dated the date of Closing, of an appropriate official of the Issuer to the effect that (i) the representations and warranties of the Issuer contained herein are true and correct in all material respects on and as of the date of Closing as if made on the date of Closing; (ii) except as may otherwise be disclosed in the Official Statement, no litigation or proceeding against the Issuer is pending or, to his or her knowledge, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the directors, officers or officials of the Issuer to hold and exercise their respective positions, (b) contest the due organization and valid existence of the Issuer, (c) contest the validity, due authorization and execution of the Bonds or the Issuer Documents or (d) attempt to limit, enjoin or otherwise restrict or prevent the Issuer from functioning and collecting the Sales Tax revenues, including payments on the Bonds, pursuant to the Bond Resolution, and other income or the levy or collection of the Sales Tax revenues pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof; (iii) all official action of the Issuer relating to the Official Statement, the Bonds and the Issuer Documents have been duly taken by the Issuer, are in full force and effect and have not been modified, amended, supplemented or repealed; (iv) to his or her knowledge, no event affecting the Issuer has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading in any material respect as of the time of Closing, and the information contained in the Official Statement is correct in all material respects and, as of the date of the Official Statement did not, and as of the date of Closing, does not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; and (v) there has not been any material adverse change in the financial condition or operations of the Issuer since September 30, 2023, the latest date as of which audited financial information is available;

(8) A copy of the resolution of the City approving the Bond Resolution;

(9) the approving opinion of the Attorney General of the State of Texas and the registration certificate of the Comptroller of Public Accounts of the State of Texas in respect of the Bonds;

(10) any other certificates and opinions required by the Bond Resolution for the issuance thereunder of the Bonds;

(11) Evidence of a rating assigned to the Bonds of “\_\_\_”/“\_\_\_” (enhanced/unenhanced) by S&P Global Ratings, a division of S&P Global Ratings Inc. (the enhanced rating in reliance upon the issuance of the Municipal Bond Insurance Policy by the Bond Insurer) and that such ratings are in effect as of the date of the Closing;

(12) A copy of the Municipal Bond Insurance Policy issued by the Bond Insurer together with an opinion of counsel to the Bond Insurer in form and substance satisfactory to the Underwriter;

(13) A certificate of the Bond Insurer with respect to the accuracy of statements contained in the Official Statement regarding the Municipal Bond Insurance Policy and the Bond Insurer and the due authorization, execution, issuance and delivery of the Municipal Bond Insurance Policy; and

(14) such additional legal opinions, certificates, instruments and other documents as the Representative, the Bond Counsel, or counsel to the Underwriters may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the Issuer’s representations and warranties contained herein and of the statements and information contained in the Official Statement and the due performance or satisfaction by the Issuer on or prior to the date of the Closing of all the respective agreements then to be performed and conditions then to be satisfied by the Issuer.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance reasonably satisfactory to the Representative.

If the Issuer shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Agreement, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Underwriters nor the Issuer shall be under any further obligation hereunder, except that the respective obligations of the Issuer and the Underwriters set forth in Sections 1 (with respect to the Good Faith Deposit), 4 and 8 hereof shall continue in full force and effect.

7. **Termination.** The Representative shall have the right to cancel the Underwriters' obligation to purchase the Bonds if (as evidenced by a written notice to the Issuer terminating the obligation of the Underwriters to accept delivery of and pay for the Bonds), between the date of this Agreement and the Closing, the market price or marketability of the Bonds shall be materially adversely affected or the ability of the Underwriters to enforce contracts for the sale of the Bonds, shall be materially adversely affected, or both, in the reasonable judgment of the Representative, by the occurrence of any of the following events:

(a) [RESERVED];

(b) legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the 1933 Act or the Securities Exchange Act of 1934, as amended and then in effect, or that the Bond Resolution is not exempt from qualification under or other requirements of the Trust Indenture Act, or that the issuance, offering, or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as described herein or in the Official Statement or otherwise, is or would be in violation of any provision of the federal securities laws as amended and then in effect;

(c) any state blue sky or securities commission or other governmental agency or body in any state in which more than 15% of the Bonds have been sold shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto;

(d) a general suspension of trading in securities on the New York Stock Exchange, the establishment of minimum prices on such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally by any governmental authority or any United States national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so or a material disruption in commercial banking or securities settlement or clearances services shall have occurred;

(e) the New York Stock Exchange or other United States national securities exchange or any governmental authority shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements

of, the Underwriters, which change shall occur subsequent to the date of this Agreement and shall not be due to the malfeasance, misfeasance or nonfeasance of the Underwriters;

(f) any amendment to the federal or State Constitution or action by any federal or State court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the Issuer, its property, income, securities (or interest thereon), or the validity or enforceability of the levy or collection of the sales taxes pledged to pay principal of and interest on the Bonds;

(g) any event occurring, or information becoming known which, in the reasonable judgment of the Representative, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(h) there shall have occurred since the date of this Agreement any materially adverse change in the affairs or financial condition of the Issuer, except for changes which the Official Statement discloses are expected to occur;

(i) there shall have occurred (whether or not foreseeable) any (i) new material outbreak of hostilities involving the United States (including, without limitation, an act of terrorism) or (ii) new material national or international calamity or crisis including, but not limited to, an escalation in the scope or magnitude of any pandemic or natural disaster, or (iii) material financial crisis or adverse change in the financial or economic conditions affecting the United States government or the securities markets in the United States;

(j) any fact or event shall exist or have existed that, in the Representative's reasonable judgment, requires or has required an amendment of or supplement to the Official Statement;

(k) there shall have occurred or any published notice shall have been given of any intended review for possible downgrade, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the Issuer's obligations that are secured in a like manner as the Bonds (including the ratings to be accorded to the Bonds) or any rating on the Bond Insurer; and

(l) the purchase of and payment for the Bonds by the Underwriters, or the resale of the Bonds by the Underwriters, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission; provided, however, that such prohibition occurs

after the date of this Agreement and is not caused by the intentional action, or failure to act, of the Underwriters.

With respect to the conditions described in subparagraphs (e) and (l) above, the Underwriters are not aware of any current law, pending or proposed law or government inquiry or investigation as of the date of execution of this Agreement which would permit the Representative to invoke the Underwriters' termination rights hereunder.

## **8. Expenses.**

(a) The Underwriters shall be under no obligation to pay, and the Issuer shall pay, any expenses incident to the performance of the Issuer's obligations hereunder, including, but not limited to (i) the cost of preparation and printing of the Bonds, (ii) the fees and disbursements of Bond Counsel; (iii) the fees and disbursements of the Financial Advisor to the Issuer; (iv) the fees and disbursements of any other engineers, accountants, and other experts, consultants or advisers retained by the Issuer; (v) the fees for bond ratings and municipal bond insurance, if any; (vi) the costs of preparing, printing and mailing the Preliminary Official Statement and the Official Statement; (vii) the fees and expenses of the Paying Agent/Registrar; (viii) advertising expenses (except any advertising expenses of the Underwriters as set forth below); (ix) the out-of-pocket, miscellaneous and closing expenses, including the cost of travel, of the officers and directors of the Issuer; and (x) any other expenses mutually agreed to by the Issuer and the Representative to be reasonably considered expenses of the Issuer which are incident to the transactions described herein.

(b) The Underwriters shall pay (i) the cost of preparation and printing of this Agreement, the Blue Sky Survey and Legal Investment Memorandum, if any; advertising expenses in connection with the public offering of the Bonds; and (ii) all other expenses incurred by them in connection with the public offering of the Bonds, including the fees and disbursements of counsel retained by the Underwriters.

(c) The Issuer acknowledges that it has had an opportunity, in consultation with such advisors as it may deem appropriate, if any, to evaluate and consider the fees and expenses being incurred as part of the issuance of the Bonds.

(d) The Issuer acknowledges that the Underwriters will pay from their expense allocation of the underwriting discount the applicable per bond assessment charged by the Municipal Advisory Council of Texas (the "MAC"), a non-profit corporation whose purpose is to collect, maintain and distribute information relating to issuing entities of municipal securities. Employees of certain of the Underwriters currently serve on the governing body of the MAC.

**9. Notices.** Any notice or other communication to be given to the Issuer under this Agreement may be given by delivering the same in writing at the address for



the Issuer set forth above; and any notice or other communication to be given to the Underwriters under this Agreement may be given by delivering the same in writing to Siebert Williams Shank & Co., LLC, 1250 S Capital of Texas Highway, Austin, Texas 78746, Attention: Keith Richard.

**10. Parties in Interest.** This Agreement as heretofore specified shall constitute the entire agreement between the Issuer and the Underwriters and is made solely for the benefit of the Issuer and the Underwriters (including successors or assigns of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof. This Agreement may not be assigned by the Issuer. All of the Issuer's representations and warranties contained in this Agreement shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of any of the Underwriters; (ii) delivery of and payment for the Bonds pursuant to this Agreement; and (iii) any termination of this Agreement.

**11. Effectiveness.** This Agreement shall become effective upon the acceptance hereof by the Issuer and shall be valid and enforceable at the time of such acceptance and shall terminate upon "the end of the underwriting period", except for surviving representations, warranties, and indemnities of the parties.

**12. Choice of Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

**13. Severability.** If any provision of this Agreement shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provision or provisions of any Constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Agreement invalid, inoperative or unenforceable to any extent whatsoever.

**14. Business Day.** For purposes of this Agreement, "business day" means any day on which the New York Stock Exchange is open for trading.

**15. Section Headings.** Section headings have been inserted in this Agreement as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Agreement and will not be used in the interpretation of any provisions of this Agreement.

**16. Counterparts.** This Agreement may be executed in several counterparts each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document.

**17. No Personal Liability.** None of the members of the Board of Directors of the Issuer or the City Council of the City, nor any officer, agent, or employee of the Issuer or the City, shall be charged personally by the Underwriters with any liability, or

be held liable to the Underwriters under any term or provision of this Agreement, or because of execution or attempted execution, or because of any breach or attempted or alleged breach, of this Agreement.

**18. Entire Agreement.** This Agreement represents the entire agreement between the Issuer and the Underwriters with respect to the preparation of the Preliminary Official Statement and the Official Statement, the conduct of the offering, and the purchase and sale of the Bonds.

*[Signature Page Follows.]*

If you agree with the foregoing, please sign the enclosed counterpart of this Agreement and return it to the Representative. This Agreement shall become a binding agreement between the Issuer and the Underwriters when at least the counterpart of this Agreement shall have been signed by or on behalf of each of the parties hereto.

Respectfully submitted,

SIEBERT WILLIAMS SHANK & CO., LLC, as  
Representative of the Underwriters

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

ACCEPTED at \_\_\_\_\_ [a.m./p.m.] central time this \_\_\_\_\_ day of \_\_\_\_\_,  
2025.

PFLUGERVILLE COMMUNITY DEVELOPMENT CORPORATION

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Schedule I - List of Underwriters  
Schedule II - Schedule of Terms

Signature Page  
Pflugerville Community Development Corporation Sales Tax Revenue Bonds, Taxable  
Series 2025

**SCHEDULE I**  
**LIST OF UNDERWRITERS**

Siebert Williams Shank & Co., LLC

BOK Financial Securities, Inc.

UMB Bank, NA

**SCHEDULE II**

\$ \_\_\_\_\_

**Pflugerville Community Development Corporation  
Sales Tax Revenue Bonds, Taxable Series 2025**

Interest Accrues From: \_\_\_\_\_ Date of Initial Delivery \_\_\_\_\_

**\$ \_\_\_\_\_ Serial Bonds**

<u>Maturity (Oct. 15)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Initial Yield<sup>(a)</sup></u>	<u>Maturity (Oct. 15)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Initial Yield<sup>(a)</sup></u>
2025	\$	%	%	2033	\$	%	%
2026				2034			
2027				2035 <sup>(b)</sup>			
2028				2036 <sup>(b)</sup>			
2029				2037 <sup>(b)</sup>			
2030				2038 <sup>(b)</sup>			
2031				2039 <sup>(b)</sup>			
2032							

**\$ \_\_\_\_\_ % Term Bonds due October 15, 20\_\_, Priced to Yield \_\_\_\_\_%<sup>(a)(b)(c)</sup>**

- (a) The initial reoffering prices or yields of the Bonds are furnished by the Underwriters and represent the initial offering prices or yields to the public, which may be changed by the Underwriters at any time; subject, however, to the provisions of the Agreement to which this Schedule is attached.
- (b) The Bonds stated to mature on and after October 15, 20\_\_, are subject to optional redemption, in whole or in part, prior to maturity on October 15, 20\_\_, or any date thereafter at the par value thereof plus accrued interest to the date fixed for redemption.
- (c) The Term Bonds scheduled to mature on October 15, 20\_\_, are also subject to mandatory sinking fund redemption on the dates and in the amounts set forth in the following schedule:

<u>Mandatory Redemption</u>	<u>Principal Amount</u>
October 15, 20__	\$
October 15, 20__	
October 15, 20__	
October 15, 20__*	

\*Stated Maturity.

**EXHIBIT E**  
**TRANSFER AGREEMENT**

## SALES TAX REMITTANCE AGREEMENT

**THIS SALES TAX REMITTANCE AGREEMENT**, dated as of January 30, 2025, executed by and between the City of Pflugerville, Texas (the "City") and the Pflugerville Community Development Corporation (the "Corporation")

### W I T N E S S E T H:

**WHEREAS**, the Corporation was created by the City pursuant Section 4B of the Development Corporation Act of 1979, Article 5190.6, V.A.T.C.S., as amended, now codified as Local Government Code, Title 12, Subtitle C1 particularly Chapters 501 and 505 of the Local Government Code (collectively, the "Act"), specifically with the Corporation to possess the powers granted by Section 4B of the Act; and

**WHEREAS**, on August 11, 2001, the citizens of the City voting at an election on said date approved the levy of a one-half of one percent sales and use tax upon the receipts at retail of taxable items, pursuant to Section 4B of the Act (the "Sales Tax"); and

**WHEREAS**, under the Act and the provisions of the Texas Tax Code, disbursements of sales and use taxes are made to cities, such as the City, by the Comptroller of Public Accounts of Texas (the "Comptroller"); and

**WHEREAS**, under authority of the Act, it is the intent of the Corporation to issue or incur debt obligations for the purpose of financing and/or refinancing eligible projects under the Act, particularly Section 4B thereof, and to secure said obligations with the Sales Tax collected by the City under authority of Section 4B of the Act; and

**WHEREAS**, the parties hereto find it necessary and advisable to enter into this Agreement to evidence the duties and responsibilities of the respective parties with respect to the collection, remittance and transfer of such sales and use tax revenues.

**NOW THEREFORE**, in consideration of the covenants and agreements herein made, and subject to the conditions herein set forth, the City and the Corporation contract and agree as follows:

### ARTICLE I SALES TAX FUND

**Section 1.1. Confirmation of Fund.** The City confirms establishment on the books of the City and held at an official depository bank of the City (the "Depository") a Sales Tax Fund which may be a subaccount of the City's General Fund held by the City's depository and as such, not held in a separate bank account. Such treatment shall not constitute a commingling of the

monies in such funds or of such funds and the City shall keep full and complete records indicating the monies and investments credited to the Sales Tax Fund.

**Section 1.2. Deposits to Fund.** The revenues received by the City from the Comptroller from the charge and levy of the Sales Tax shall be deposited as received, or transmitted by the Comptroller directly, to the credit of the Sales Tax Fund, for the benefit of the Corporation, and shall be made available to the Corporation from time to time as hereinafter provided in this Agreement.

**Section 1.3. Security for Fund.** The City hereby agrees that moneys on deposit in the Sales Tax Fund shall at all times be collateralized in the manner and with the collateral required by the City for its own funds.

**Section 1.4. Change in Depository.** The City reserves the right from time to time to change its official depository bank, and hereby agrees to give the Corporation thirty (30) days prior written notice of any such change in its official depository bank.

## ARTICLE II TRANSFER OF FUNDS

**Section 2.1. Collection of Sales Tax.** (a) Until the Comptroller is able to determine and report the amount of the Sales Tax levied for the benefit of the Corporation and any rebate, charge-back or adjustment thereof on a point of collection basis, the City will allocate a portion of the undivided sales and use tax receipts to the Corporation on the basis of the total sales and use taxes collected, multiplied by the pro rata portion of the Sales Tax. In addition, the City will allocate the costs of any rebate or charge-back applicable to the undivided sales and use tax receipts between the City and the Corporation on a pro rata basis.

(b) The President of the Board of Directors of the Corporation and the City Manager of the City shall take such actions as are required to cause the Sales Tax to be delivered and transferred by the Comptroller to the City for use by the Corporation by the fastest and most economically feasible means available.

**Section 2.2. Revenue Fund.** The Corporation established a fund designated as the "Revenue Fund," such fund to be held by the depository bank of the Corporation.

**Section 2.3. Transfers to Revenue Fund.** On or before the 25th day of each month, the City shall direct the Depository to transfer funds on deposit in the Sales Tax Fund to the credit of the Revenue Fund, on behalf of the Corporation. The City shall cause the Depository to make such transfers within twenty-four (24) hours of receipt of such direction to the extent that there are moneys on deposit in the Sales Tax Fund to effect such transfer.

**Section 2.4. Use of Moneys by Corporation.** The Corporation agrees to use the moneys on deposit in the Revenue Fund in a manner consistent with the terms and conditions of the resolutions authorizing its debt obligations.



**Section 2.5. Covenant of the City.** Recognizing that the Sales Tax shall provide the security for the Corporation's debt obligations, so long as such obligations are outstanding, the City covenants and agrees that it will take and pursue all possible action permitted by the Act and other applicable State law to cause the Sales Tax to be levied and collected continuously at the rate of one half of one percent or, to the extent permitted by law and necessary or desirable, at a higher rate, and the City will not cause a reduction, abatement or exemption in the Sales Tax or in the rate at which it is authorized to be collected.

**Section 2.6. No Impairment of Outstanding Obligations.** For the avoidance of doubt, nothing herein shall be construed to impair or otherwise modify, amend or contravene any of the obligations of the Corporation under any of its Previously Issued Parity Obligations (as defined in Corporation's most recent resolution authorizing its debt obligations) which shall remain in effect for all purposes until fulfilled in accordance with their terms.

### **ARTICLE III MISCELLANEOUS**

**Section 3.1. Depository Responsibilities.** The President of the Board of Directors of the Corporation and the City Manager of the City shall develop procedures to ensure that the official depository bank of the City, as it may exist from time to time, shall be obligated to perform the duties detailed in this Agreement, and to that end the City agrees to incorporate into its agreement with its official depository bank a covenant by the official depository bank that it will perform all duties and obligations as a depository as set forth in this Agreement and in the resolutions authorizing its Corporation's debt obligations.

**Section 3.2. Fees of Depository.** In connection with the establishment and maintenance of the Sales Tax Fund, the Corporation agrees to pay the reasonable costs and expenses of the Depository associated with the administration of the Sales Tax Fund and such costs and expenses, if any, shall never constitute a cost, liability, or obligation of the City.

**Section 3.3. Severability.** If any clause, provision, or section of this Agreement should be held illegal or invalid by any court of competent jurisdiction, the invalidity of such clause, provision, or section shall not affect any of the remaining clauses, provisions, or sections hereof and this Agreement shall be construed and enforced as if such illegal or invalid clause, provision, or section had not been contained herein. In case any agreement or obligation contained in this Agreement should be held to be in violation of law, then such agreement or obligation shall be deemed to be the agreement or obligation of the City and the Corporation, as the case may be, to the full extent permitted by law.

**IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be signed in multiple counterparts, each of which shall be considered an original for all purposes, as of the day and year first set out above.

**CITY OF PFLUGERVILLE, TEXAS**

By \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Secretary

(SEAL)

[City Sig Pg]

**PFLUGERVILLE COMMUNITY  
DEVELOPMENT CORPORATION**

By \_\_\_\_\_  
President, Board of Directors

ATTEST:

\_\_\_\_\_  
Secretary, Board of Directors

(SEAL)

[PCDC Sig Pg]