

## Scott, Rhonda

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**From:** Williams, Kathy  
**Sent:** Monday, February 6, 2023 7:13 PM  
**To:** Scott, Rhonda  
**Cc:** Diaz, Lindsey  
**Subject:** FW: February 13 Commissioners Court- Agenda Materials for Bond Sale.  
**Attachments:** Order Authorizing Issuance of Lubbock Co Road Bonds, Series 2023 1.docx; 11.21.22 Lubbock County - Road Bonds overview.pdf

**Importance:** High

*Rhonda,*

*Please put this on the agenda for February 13<sup>th</sup>.*

*Discuss, consider and/or take action concerning an order authorizing the issuance of Lubbock County, Texas Unlimited Tax Road Bonds, Series 2023A and provisions incident and related to the issuance of said bonds.*

*Thanks,  
Kathy*

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**From:** Diaz, Lindsey <LDiaz@lubbockcounty.gov>  
**Sent:** Monday, February 6, 2023 5:02 PM  
**To:** Williams, Kathy <KWilliams@lubbockcounty.gov>; Davidson, Jennifer <JDavidson@lubbockcounty.gov>  
**Cc:** Scott, Rhonda <RScott@lubbockcounty.gov>; Commissioner's Court Group <commissionerscourt@lubbockcounty.gov>  
**Subject:** FW: February 13 Commissioners Court- Agenda Materials for Bond Sale.  
**Importance:** High

Just forwarding this on for you all to add to the Agenda.

*Lindsey*

Lindsey Diaz, MPA  
Lubbock County  
[ldiaz@lubbockcounty.gov](mailto:ldiaz@lubbockcounty.gov)

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**From:** Gschwend, Angela <AGschwend@lubbockcounty.gov>  
**Sent:** Monday, February 6, 2023 3:16 PM  
**To:** Diaz, Lindsey <LDiaz@lubbockcounty.gov>  
**Subject:** FW: February 13 Commissioners Court- Agenda Materials for Bond Sale.  
**Importance:** High

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**From:** Gregory Miller <[GMiller@bickerstaff.com](mailto:GMiller@bickerstaff.com)>  
**Sent:** Monday, February 6, 2023 2:57 PM  
**To:** Parrish, Curtis <[CParrish@lubbockcounty.gov](mailto:CParrish@lubbockcounty.gov)>  
**Cc:** Jimenez, Julia <[JJimenez@lubbockcounty.gov](mailto:JJimenez@lubbockcounty.gov)>; Gschwend, Angela <[AGschwend@lubbockcounty.gov](mailto:AGschwend@lubbockcounty.gov)>; Denise Anderson <[danderson@bickerstaff.com](mailto:danderson@bickerstaff.com)>; Grace Tighe <[gtighe@bickerstaff.com](mailto:gtighe@bickerstaff.com)>; Vince Viaille <[vince@spfmuni.com](mailto:vince@spfmuni.com)>  
**Subject:** February 13 Commissioners Court- Agenda Materials for Bond Sale.

Good Afternoon Judge Parrish,

In preparation for the February 13, 2023 Commissioners Court meeting, please find attached a draft order authorizing the sale of the Lubbock County Unlimited Tax Road Bonds Series 2023A.

For consideration and approval of the order authorizing the sale of the bonds, we propose the following agenda posting language:

Discuss, consider and/or take action to authorize the issuance of “Lubbock County, Texas Unlimited Tax Road Bonds, Series 2023A”; authorizing the sale thereof; and enacting provisions incident and related to the issuance of said bonds.

I will bring to the meeting the transcript documents that will need to be executed once the Court authorizes the bonds. The documents will require signatures from yourself, the Clerk, and Treasurer. Also, we will need the Commissioner Court’s seal to affix to the documents as well as a notary public to witness one of the certificates. The attached draft order contains blanks for the pricing information. That information will be available on the morning of and just prior to the meeting and will be added to the finalized order.

Vince will have all the pricing and related financial information that will be of most interest to the Court. If there are any questions about the transcript documents or about any other legal aspects of the sale that I can address, please let me know.

Kind regards,

Gregory

Gregory Miller | Partner | Bickerstaff Heath Delgado Acosta LLP  
3711 S. Mo-Pac | Building One | Suite 300 | Austin, TX | 78746  
Office 512.472.8021 | Direct 512.404.7762 | Mobile 512.348.9154

[gmler@bickerstaff.com](mailto:gmler@bickerstaff.com) | [www.bickerstaff.com](http://www.bickerstaff.com)



**AN ORDER AUTHORIZING THE ISSUANCE OF \$ \_\_\_\_\_  
“LUBBOCK COUNTY, TEXAS UNLIMITED TAX ROAD BONDS, SERIES  
2023A”; LEVYING A CONTINUING DIRECT ANNUAL AD VALOREM  
TAX ON ALL TAXABLE PROPERTY WITHIN THE COUNTY TO PAY THE  
INTEREST ON SAID BONDS AND TO CREATE A SINKING FUND FOR  
THE REDEMPTION THEREOF AND THE ASSESSMENT AND  
COLLECTION OF SUCH TAXES; AUTHORIZING THE SALE THEREOF;  
AND ENACTING PROVISIONS INCIDENT AND RELATED TO THE  
ISSUANCE OF SAID BONDS**

WHEREAS, the Commissioners Court of Lubbock County, Texas has determined that bonds should be issued pursuant to the applicable provisions of the Texas Constitution and laws of the State of Texas, including Chapter 1471, Texas Government Code, as amended, and Article III, Section 52 of the Texas Constitution, as amended, for the purpose of providing funds for permanent public improvements, to-wit: construction, maintenance and operation of macadamized, graveled or paved roads and turnpikes, or in aid thereof, throughout the County; and

WHEREAS, the bonds hereinafter authorized were lawfully and favorably voted at an election held on May 4, 2019 (the “Election”) wherein the following proposition was approved:

**“THE ISSUANCE OF ROAD TAX BONDS IN AN AMOUNT NOT TO EXCEED \$99,650,000 FOR ROAD CONSTRUCTION AND IMPROVEMENTS WITHIN LUBBOCK COUNTY.”**

WHEREAS, on the 26th day of August, 2019, the Commissioners Court of Lubbock County, Texas, (the “Court”) passed an order authorizing the first installment of said bonds for the purpose of providing funds in the aggregate principal amount of \$5,015,000 which with the principal paid for the bonds and \$ 110,000 in premium, resulted in the use of \$5,125,000 of the voted authority, thereby leaving \$94,525,000 as the balance that remained unissued after the issuance of the first installment of the bonds; and

WHEREAS, on the 26th day of October, 2020, the Court passed an order authorizing the second installment of said bonds for the purpose of providing funds in the aggregate principal amount of \$38,325,000 which with the principal paid for the bonds and \$2,675,000 in premium, resulted in the use of \$41,000,000 the voted authority, thereby leaving \$53,525,000 as the balance of that remained unissued after the second installment of the bonds; and

WHEREAS, on the 13th day of February, 2023, the Court duly convened at 10:00 a.m. to consider an order authorizing the third installment of said bonds; at which this Court hereby finds and determines that it should now issue \$ \_\_\_ of the \$ \_\_\_ of said bonds approved at the Election and hereby finds that a par amount of \$ \_\_\_ unlimited tax road

bonds and \$\_\_\_ in premium, to be charged against the voted authority, should be issued at this time and sold for cash; and

WHEREAS, this will be the third installment of bonds issued pursuant to the Election; and after the issuance of this installment, \$\_\_\_ will remain unissued.

NOW THEREFORE, BE IT ORDERED, ADJUDGED AND DECREED BY THE COMMISSIONERS COURT OF LUBBOCK COUNTY, TEXAS:

## ARTICLE I

### DEFINITIONS AND OTHER PRELIMINARY MATTERS

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

“Authorized Officials” means the County Judge, County Clerk, County Treasurer and County Auditor.

“Bond” or “Bonds” means the \$\_\_\_\_\_ Lubbock County, Texas Unlimited Tax Road Bonds, Series 2023A, authorized in this Order.

“Business Day” shall mean any day which is not a Saturday, Sunday, or a day on which the Registrar is authorized by law or executive order to close, or a legal holiday.

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

“Code” means the Internal Revenue Code of 1986, as amended, including the regulations and published rulings thereunder.

“Construction Fund” means the construction fund established by Section 2.04 of this Order.

“County” means Lubbock County, Texas.

“Court” means the Commissioners Court of the County.

“Dated Date” means the dated date of the Bonds, February 1, 2023.

“Defeasance Securities” means (i) direct, noncallable obligations of the United States of America, including obligations that are unconditionally guaranteed by the United States of America, (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 governing body of the County adopts or approves the proceedings authorizing the purchase thereof 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 governing body of the County adopts or approves the proceedings authorizing the purchase thereof are rated as to investment quality by a nationally recognized investment rating firm not less than “AAA” or its equivalent, and (iv) any other then authorized securities or obligations under applicable laws of the State of Texas that may be used to defease obligations such as the Bonds.

“Delivery Date” means March 14, 2023, the date of delivery of the Bonds, to the Purchaser.

“Designated Payment/Transfer Office” shall mean the office of the Paying Agent which is designated for the presentment of the Bonds.

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

“DTC Participant” shall mean any broker, dealer, bank, trust company, clearing corporation or certain other organizations with bonds credited to an account maintained on its behalf by DTC.

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

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

“Initial Bond” means the initial bond described in Sections 3.04(d) and 6.02(e) of this Order.

“Interest and Sinking Fund” means the interest and sinking fund established by Section 2.03 of this Order.

“Interest Payment Date” when used in connection with any Bond means the date or dates upon which interest on each Bond is scheduled to be paid until their respective dates of maturity or prior redemption, such dates being February 15 and August 15 of each year, commencing February 15, 2024.

“Issuer” means Lubbock County, Texas.

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

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

“Paying Agent/Registrar” means initially UMB Bank, N.A. Dallas, Texas, or any successor thereto as provided in this Order.

“Purchaser” shall mean \_\_\_\_.

“Record Date” means the close of business on the last business day of the month next preceding the month in which an Interest Payment Date occurs.

“Register” means the register specified in Section 3.06(a) of this Order.

“Unclaimed Payments” means money deposited with the Paying Agent/Registrar for the payment of the principal of or interest on the Bonds as the same becomes due and payable and remaining unclaimed by the Owners for 90 days after the applicable payment or redemption date.

Section 1.02. Findings. The declarations, determinations and findings declared, made and found in the preamble to this Order are hereby adopted, restated and made a part of the operative provisions hereof.

Section 1.03. Titles and Headings. The titles and headings of the Articles and Sections of this Order have been inserted for convenience of reference only and are not to be considered a part hereof and shall not in any way modify or restrict any of the terms or provisions hereof and shall never be considered or given any effect in construing this Order or any provision hereof or in ascertaining intent, if any question of intent should arise.

Section 1.04. Interpretation.

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

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

## ARTICLE II

### SECURITY FOR THE BONDS CREATION OF FUNDS

Section 2.01. Tax Levy for Payment of Bonds. Pursuant to the authority granted by the Constitution and laws of the State of Texas, there shall be levied and there is hereby levied for the current year and each succeeding year thereafter while the Bonds

or any interest thereon is outstanding and unpaid, an ad valorem tax on each \$100 valuation of taxable property in the County, at a rate, without limit as to rate or amount, sufficient to pay the debt service requirements on the Bonds, being (i) the interest on the Bonds and (ii) a sinking fund for their payment at maturity or a sinking fund of two percent (2%) per annum (whichever amount is the greater), when due and payable, full allowance being made for delinquencies and costs of collection; said tax shall be assessed and collected each year and applied to the payment of the debt service requirements, and the same shall not be diverted to any other purpose. The taxes so levied and collected shall be paid into the Interest and Sinking Fund. This governing body hereby declares its purpose and intent to levy and pledge a tax legally and fully sufficient to pay the debt service requirements, it having been determined that the existing and available taxing authority of the County for such purpose is adequate to permit a legally sufficient tax in consideration of all other outstanding obligations.

The amount of taxes to be provided annually for the payment of principal of and interest on the Bonds shall be determined and accomplished in the following manner:

(a) The County's annual budget shall reflect the amount of Annual Debt Service Requirements to become due on the Bonds in the next succeeding Fiscal Year of the County.

(b) The amount required to be provided in the succeeding Fiscal Year of the County from ad valorem taxes shall be the amount of the Annual Debt Service Requirements to be paid on the Bonds in the next succeeding Fiscal Year of the County.

(c) Following the final approval of the annual budget of the County, the governing body of the County shall, by order, levy an ad valorem tax at a rate sufficient to produce taxes in the amount determined in paragraph (b) above, to be utilized for purposes of paying the principal of and interest on the Bonds in the next succeeding Fiscal Year of the County.

If the liens and provisions of this Order shall be released in a manner permitted by Article XII hereof, then the collection of such ad valorem tax may be suspended or appropriately reduced, as the facts may permit, and further deposits to the Interest and Sinking Fund may be suspended or appropriately reduced, as the facts may permit. In determining the aggregate principal amount of outstanding Bonds there shall be subtracted the amount of any Bonds that have been duly called for redemption and for which money has been deposited with the Paying Agent/Registrar for such redemption.

Section 2.02. Effect of Pledge. Chapter 1208, Government Code, applies to the issuance of the Bonds and the pledge of the taxes thereof granted by the County under Section 2.01 of this Order, and such pledge is therefore valid, effective, and perfected. If Texas law is amended at any time while the Bonds are outstanding and unpaid such that the pledge of the taxes granted by the County under Section 2.01 of this Order is to be subject to the filing requirements of Chapter 9, Business & Commerce Code, then in order to preserve to the Registered Owners of the Bonds the perfection of the security interest

in said pledge, the County 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 2.03. Interest and Sinking Fund.

(a) The County hereby establishes a special fund or account to be designated the "Lubbock County, Texas Unlimited Tax Road Bonds, Series 2023A Interest and Sinking Fund" (the "Interest and Sinking Fund") with said fund to be maintained at an official depository bank of the County separate and apart from all other funds and accounts of the County.

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

(c) At Closing, Bond proceeds from the premium in the amount of \$\_\_\_\_, the rounding amount, will be deposited in the Interest and Sinking Fund.

Section 2.04. Construction Fund.

(a) *Establishment of Construction Fund.* A special fund or account, to be designated the "Lubbock County, Texas Unlimited Tax Road Bonds, Series 2023A Construction Fund" (the "Construction Fund") is hereby created and shall be established and maintained by the County at the official County depository. The Construction Fund shall be kept separate and apart from all other funds and accounts of the County. The proceeds from the sale of the Bonds (other than proceeds representing accrued interest and any premium on the Bonds that is not used by the County to pay costs of issuance in accordance with the provisions of Section 1201.042(d), Texas Government Code, as amended, which shall be deposited in the Interest and Sinking Fund) shall be deposited in the Construction Fund and payments therefrom shall be made as provided below:

- (i) \$\_\_\_\_ representing a portion of the premium on the Bonds of \$\_\_\_\_ and the par amount of the Bonds of \$\_\_\_\_, shall be deposited into the Construction Fund for the purpose of providing funds for the permanent public improvements, to-wit: construction, maintenance, and operation of macadamized, graveled or paved roads and turnpikes, or in aid thereof, throughout the County;
- (ii) \$\_\_\_\_ from premium will be used to pay costs of issuance as follows:
  - a. \$\_\_\_\_ shall be applied to the underwriting discount; and
  - b. \$\_\_\_\_ will be used to pay costs of issuance.



(b) *Payments from Construction Fund.* Payments from the Construction Fund shall be used solely for the purpose of paying contractual obligations to be incurred for providing funds for permanent public improvements, to-wit: construction, maintenance, and operation of macadamized, graveled or paved roads and turnpikes, or in aid thereof, throughout the County; and

(c) *Surplus Construction Funds.* Any moneys remaining in the Construction Fund after completion of the entirety of the contractual obligations authorized hereby shall be deposited into the Interest and Sinking Fund.

Section 2.05. Security of Funds. All moneys on deposit in the Interest and Sinking Fund and the Construction Fund for which this Order makes provision (except any portion thereof as may be at any time properly invested) shall be secured in the manner and to the fullest extent required by the laws of the State of Texas for the security of County funds, and moneys on deposit in such funds shall be used only for the purposes permitted by this Order.

### ARTICLE III

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

Section 3.01. Authorization. The County's unlimited tax road bonds to be designated "LUBBOCK COUNTY, TEXAS UNLIMITED TAX ROAD BONDS, SERIES 2023A" (the "Bonds"), are hereby authorized to be issued and delivered in accordance with the Constitution and laws of the State of Texas. The Bonds shall be issued in the aggregate principal amount of \$\_\_\_ for the purpose of providing funds for permanent public improvements, to-wit: construction, maintenance, and operation of macadamized, graveled or paved roads and turnpikes, or in aid thereof, throughout the County, and the payment of professional services and costs of issuance.

Section 3.02. Fully Registered Interest Paying Obligations – Term. The Bonds shall be issued as fully registered obligations, without coupons, totaling \$\_\_\_ in principal amount.

The Bonds (other than the Initial Bond referenced in Section 3.04(d) hereof) shall be in denominations of \$5,000 or any integral multiple (within a Stated Maturity) thereof, shall be lettered "R" and numbered consecutively from One (1) upward, and principal shall become due and payable on February 15 in each of the years and in amounts (the "Stated Maturities") and bear interest at the rate(s) per annum in accordance with the following schedule:

<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Year of Maturity</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2024	\$	%	2033	\$	%
2025			2034		
2026			2035		
2027			2036		
2028			2037		
2029			2038		
2030			2039		
2031			2040		
2032					

The Bonds shall bear interest on the unpaid principal amounts from the later of the Delivery Date, or the most recent date to which interest has been paid or duly provided for, at the rate(s) per annum shown in the above schedule (calculated on the basis of a 360-day year of twelve 30-day months). Interest on the Bonds shall be payable on February 15 and August 15 in each year, commencing February 15, 2024.

Section 3.03. Medium, Method and Place of Payment.

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

(b) Interest on the Bonds shall be payable to the Owner whose name appears in the Register at the close of business on the last business day of the month next preceding such Interest Payment Date (the "Record Date"); provided, however, that in the event of nonpayment of interest on a scheduled Interest Payment Date, and for thirty (30) days thereafter, a new record date for such interest payment (the "Special Record Date") will be established by the Paying Agent/Registrar (hereinafter defined and designated) if and when funds for the payment of such interest have been received from the County. Notice of the Special Record Date and of the scheduled payment date of the past due interest (the "Special Payment Date," which shall be at least 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each Owner of a Bond appearing on the books of the Paying Agent/Registrar at the close of business on the last business day preceding the date of mailing of such notice.

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

(d) The principal of and premium, if any, on each Bond shall be paid to the Owner thereof on the Stated Maturity Date or the date of prior redemption thereof upon

presentation and surrender of such Bond at the Designated Payment/Transfer Office of the Paying Agent/Registrar.

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

#### Section 3.04. Control, Execution and Initial Registration.

(a) The Bonds shall be executed on behalf of the County by the County Judge, the County Clerk and the County Treasurer, by their manual or facsimile signatures, and the official seal of the Commissioners Court of the County shall be impressed or placed in facsimile thereon. Such facsimile signatures on the Bonds shall have the same effect as if each of the Bonds had been signed manually and in person by each of said officers, and such facsimile seal on the Bonds shall have the same effect as if the official seal of the Commissioners Court of the County had been manually impressed upon each of the Bonds.

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

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

(d) On the Closing Date, one Initial Bond representing the entire principal amount of all Bonds, payable in stated installments as provided in Section 7.01, or their designee, manually signed by the County Judge, County Clerk and County Treasurer, approved by the Attorney General, and registered and manually signed by the

Comptroller of Public Accounts, will be delivered to the Purchaser or its designee. Upon payment for the Initial Bond, the Paying Agent/Registrar shall cancel the Initial Bond and deliver registered definitive Bonds in accordance with instructions received from the Purchaser or its designee.

Section 3.05. Ownership.

(a) The County, the Paying Agent/Registrar and any other person may treat the person in whose name any Bond is registered as the absolute owner of such Bond for the purpose of making and receiving payment of the principal thereof and redemption premium (subject to the provisions herein that interest is to be paid to the person in whose name a Bond is registered on the Record Date), if any, thereon, for the further purpose of making and receiving payment of the interest thereon, and for all other purposes, whether or not such Bond is overdue, and neither the County nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary.

(b) All payments made to the Owner of a Bond shall be valid and effectual and shall discharge the liability of the County and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 3.06. Registration, Transfer and Exchange.

(a) So long as any Bonds remain outstanding, the County shall cause the Paying Agent/Registrar to keep at its Designated Payment/Transfer Office a register (the "Register") in which, subject to such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of Bonds in accordance with this Order.

(b) Registration of any Bond may be transferred in the Register only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar for transfer of registration and cancellation, together with proper written instruments of assignment, in form and with guarantee of signatures satisfactory to the Paying Agent/Registrar, evidencing assignment of the Bonds, or any portion thereof in Authorized Denominations, to the assignee or assignees thereof, and the right of such assignee or assignees thereof to have the Bond or any portion thereof registered in the name of such assignee or assignees. No transfer of any Bond shall be effective until entered in the Register. Upon assignment and transfer of any Bond or portion thereof, a new Bond or Bonds will be issued by the Paying Agent/Registrar in conversion of and exchange for such transferred and assigned Bond. To the extent possible, the Paying Agent/Registrar will issue such new Bond or Bonds in not more than three (3) business days after receipt of the Bond to be transferred in proper form and with proper instructions directing such transfer.

(c) Any Bond may be converted and exchanged only upon the presentation and surrender thereof at the Designated Payment/Transfer Office of the Paying Agent/Registrar, together with a written request therefore duly executed by the Owner or

assignee or assignees thereof, or its or their duly authorized attorneys or representatives, with guarantees of signatures satisfactory to the Paying Agent/Registrar, for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination and in an aggregate principal or maturity amount equal to the unpaid principal or maturity amount of the Bond presented for exchange. If a portion of any Bond is redeemed prior to its scheduled maturity as provided herein, a substitute Bond or Bonds having the same maturity date, bearing interest at the same rate, in Authorized Denominations at the request of the Owner, and in an aggregate principal amount equal to the unredeemed portion thereof, will be issued to the Owner upon surrender thereof for cancellation. To the extent possible, a new Bond or Bonds will be required to be delivered by the Paying Agent/Registrar to the Owner of the Bond or Bonds in not more than three (3) business days after receipt of the Bond to be exchanged in proper form and with proper instructions directing such exchange.

(d) Each Bond issued in exchange for any Bond or portion thereof assigned, transferred or converted shall have the same principal maturity date and bear interest at the same rate as the Bond for which it is being exchanged. Each substitute Bond shall bear a letter and/or number to distinguish it from each other Bond. The Paying Agent/Registrar shall convert and exchange the Bond as provided herein, and each substitute Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the County and shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such substitute Bond is delivered.

(e) The County will pay the Paying Agent/Registrar's reasonable and customary charge for the initial registration or any subsequent transfer, exchange or conversion of Bonds, but the Paying Agent/Registrar will require the Owner to pay a sum sufficient to cover any tax or other governmental charge that is authorized to be imposed in connection with the registration, transfer, exchange or conversion of a Bond. In addition, the County hereby covenants with the Owners of the Bonds that it will (i) pay the reasonable and standard or customary fees and charges of the Paying Agent/Registrar for its services with respect to the payment of the principal of and interest on the Bonds, when due, and (ii) pay the fees and charges of the Paying Agent/Registrar for services with respect to the transfer, registration, conversion and exchange of Bonds as provided herein.

(f) Neither the County nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole or in part, within forty-five (45) days of the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the Owner of the uncalled balance of a Bond.

#### Section 3.07. Cancellation.

(a) All Bonds paid or redeemed before scheduled maturity in accordance with this Order, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance with this Order, shall be canceled and

destroyed upon the making of proper records regarding such payment, redemption, exchange or replacement. The Paying Agent/Registrar shall periodically furnish the County with certificates of destruction of such Bonds.

(b) Each substitute Bond issued in conversion of and exchange for or replacement of (pursuant to the provisions of Sections 3.06, 3.08 and 3.09 hereof) any Bond or Bonds issued under this Order shall have printed thereon a Certificate of Paying Agent/Registrar, in the form hereinafter set forth. An authorized representative of the Paying Agent/Registrar shall, before the delivery of any such Bond, manually sign and date such Certificate of Paying Agent/Registrar, and no such Bonds shall be deemed to be issued or outstanding unless such Certificate of Paying Agent/Registrar is so executed. No additional ordinances, orders, or resolutions need be passed or adopted by the Commissioners Court or any other body or person so as to accomplish the foregoing conversion and exchange or replacement of any Bond or portion thereof, and the Paying Agent/Registrar shall provide for the printing, execution and delivery of the substitute Bonds in the manner prescribed herein, and said Bonds shall be of customary type and composition and be printed on paper with lithographed or steel engraved borders of customary weight and strength. Pursuant to Subchapter D of Chapter 1201, Texas Government Code, as amended, the duty of conversion and exchange or replacement of Bonds as aforesaid is hereby imposed upon the Paying Agent/Registrar, and, upon the execution of the above Certificate of Paying Agent/Registrar, the converted and exchanged or replaced Bonds shall be valid, incontestable, and enforceable in the same manner and with the same effect as the Initial Bond which was originally delivered pursuant to this Order, approved by the Attorney General, and registered by the Comptroller of Public Accounts.

(c) Bonds issued in conversion and exchange or replacement of any other Bond or portion thereof (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 Owners thereof, (ii) may be redeemed prior to their scheduled maturities to the extent permitted by this Order, (iii) may be transferred and assigned, (iv) may be converted and exchanged for other Bonds, (v) shall have the characteristics, (vi) shall be signed and sealed, and (vii) the principal of and interest on the Bonds shall be payable, all as provided, and in the manner required or indicated, in the Form of Bonds set forth in this Order.

#### Section 3.08. Temporary Bonds.

(a) Following the delivery and registration of the Initial Bond and pending the preparation of definitive Bonds, the County may execute and, upon the County's request, the Paying Agent/Registrar shall authenticate and deliver, one or more temporary Bonds that are printed, lithographed, typewritten, mimeographed or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are delivered, without coupons, and with such appropriate insertions, omissions, substitutions and other variations as the officers of the County executing such temporary Bonds may determine, as evidenced by their signing of such temporary Bonds.

(b) Until exchanged for Bonds in definitive form, such Bonds in temporary form shall be entitled to the benefit and security of this Order.

(c) The County, without unreasonable delay, shall prepare, execute and deliver to the Paying Agent/Registrar, and thereupon, upon the presentation and surrender of the Bond or Bonds in temporary form to the Paying Agent/Registrar, the Paying Agent/Registrar shall authenticate and deliver in exchange therefore a Bond or Bonds of the same maturity and series, in definitive form, in the authorized denomination, and in the same aggregate principal amount, as the Bond or Bonds in temporary form surrendered. Such exchange shall be made without the making of any charge therefore to any Owner.

Section 3.09. Replacement Bonds.

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

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

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

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

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

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

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

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

(e) Each replacement Bond delivered in accordance with this Section shall constitute an original additional contractual obligation of the County and shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such replacement Bond is delivered.

#### Section 3.10. Book-Entry-Only System.

(a) The definitive Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities thereof. Upon initial issuance, the ownership of each such Bond shall be registered in the name of Cede & Co., as nominee of DTC, and except as provided in Section 3.11 hereof, all of the outstanding Bonds shall be registered in the name of Cede & Co., as nominee of DTC.

(b) With respect to Bonds registered in the name of Cede & Co., as nominee of DTC, the County and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds, except as provided in this Order. Without limiting the immediately preceding sentence, the County and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co., or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than an Owner, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than an Owner, as shown in the Register of any amount with respect to principal of, premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Order to the contrary, the County and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute Owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on the Bonds, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfer with respect to such Bond, and for all other purposes whatsoever. The Paying Agent/Registrar shall pay all principal of, premium, if any, and interest on the Bonds only to or upon the order of the respective Owners, as shown in the Register as provided in this Order, or their respective attorneys



duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the County's obligations with respect to payment of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Register, shall receive a certificate evidencing the obligation of the County to make payments of amounts due pursuant to this Order. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in this Order with respect to interest checks or drafts being mailed to the Registered Owner at the close of business on the Record Date, the word "Cede & Co." in this Order shall refer to such new nominee of DTC.

Section 3.11. Successor Securities Depository; Transfer Outside Book-Entry-Only System. In the event that the County or the Paying Agent/Registrar determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter by and between the County, the Paying Agent/Registrar and DTC (the "Representation Letter"), and that it is in the best interest of the Owners of the Bonds that they be able to obtain certificated Bonds, or in the event DTC discontinues the services described herein, the County or the Paying Agent/Registrar shall (i) appoint a successor securities depository, qualified to act as such under Section 17(a) of the Securities and Exchange Act of 1934, as amended; notify DTC and DTC Participants, as identified by DTC, of the appointment of such successor securities depository and transfer one or more separate Bonds to such successor securities depository; or (ii) notify DTC and DTC Participants, as identified by DTC, of the availability through DTC of Bonds and transfer one or more separate Bonds to DTC Participants having Bonds credited to their DTC accounts, as identified by DTC. In such event, the Bonds shall no longer be restricted to being registered in the Register in the name of Cede & Co., as nominee of DTC, but may be registered in the name of the successor securities depository, or its nominee, or in whatever name or names Owners transferring or exchanging Bonds shall designate, in accordance with the provisions of this Order.

Section 3.12. Payments to Cede & Co. Notwithstanding any other provision of this Order to the contrary, so long as any Bonds are registered in the name of Cede & Co., as nominee of DTC, all payments with respect to principal of, premium, if any, and interest on such Bonds, and all notices with respect to such Bonds, shall be made and given, respectively, in the manner provided in the Representation Letter.

Section 3.13. Additional Obligations. The County reserves the right to issue any additional obligations authorized by law and such obligations may be payable from ad valorem taxes within the limits prescribed by law.

## ARTICLE IV

### REDEMPTION OF BONDS BEFORE MATURITY

Section 4.01. Limitation on Redemption. The Bonds shall be subject to redemption before scheduled maturity only as provided in this Article IV.

Section 4.02. Optional Redemption of Bonds Prior to Maturity. The County reserves the option to redeem Bonds maturing on and after February 15, 2033, in whole or in part, in principal amounts of \$5,000 or any integral multiple thereof, before their respective scheduled maturity dates, on February 15, 2032, or on any date thereafter (such redemption date or dates to be fixed by the County) at a price equal to the principal amount of the Bonds called for redemption plus accrued interest to the date fixed for redemption. The County, at least forty-five (45) days before the redemption date (unless a shorter period shall be satisfactory to the Paying Agent/Registrar), shall notify the Paying Agent/Registrar of such redemption date and the amounts thereof to be redeemed.

Section 4.03. Partial Redemption.

(a) If less than all of the Bonds are to be redeemed and if less than all of a maturity is to be redeemed, the Paying Agent/Registrar shall determine by lot or other random method the Bonds, or portions thereof, within such maturity to be redeemed.

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

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

(d) The Paying Agent/Registrar shall promptly notify the County in writing of the principal amount to be redeemed of any Bond as to which only a portion thereof is to be redeemed.

Section 4.04. Notice of Redemption to Owners.

(a) The Paying Agent/Registrar shall give notice of any redemption of the Bonds by sending notice by United States mail, first class postage prepaid, not less than thirty (30) days before the date fixed for redemption, to the Owner of the Bonds (or part thereof) to be redeemed, at the address shown on the Register.

(b) The notice shall state the redemption date, the redemption price, the place at which the Bonds are to be surrendered for payment, and, if applicable, an identification of the Bonds to be redeemed.

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

Section 4.05. Payment Upon Redemption.

(a) On or before each redemption date, the Paying Agent/Registrar shall make provision for payment of the Bonds to be redeemed on such date by setting aside and holding in trust an amount from the Interest and Sinking Fund or otherwise received by the Paying Agent/Registrar from the County sufficient to pay the principal of, premium, if any, and accrued interest on such Bonds.

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

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

Section 4.06. Effect of Redemption.

(a) Notice of redemption having been given as provided in Section 4.04 of this Order, the Bonds called for redemption shall become due and payable on the date fixed for redemption and, unless the County defaults in the payment of the principal thereof, premium, if any, or accrued interest thereon, such Bonds shall cease to bear interest from and after the date fixed for redemption, whether or not such Bonds are presented and surrendered for payment on such date.

(b) If any Bond called for redemption is not so paid upon presentation and surrender of such Bond for redemption, such Bond shall continue to bear interest at the rate stated on the bond until paid or until due provision is made for the payment of same.

## ARTICLE V

### PAYING AGENT/REGISTRAR

#### Section 5.01. Appointment of Initial Paying Agent/Registrar.

(a) The County hereby appoints UMB Bank, N.A., Dallas, Texas, as its registrar and transfer agent to keep such books or records and make such transfers and registrations under such reasonable regulations as the County and the Paying Agent/Registrar may prescribe; and the Paying Agent/Registrar shall make such transfers and registrations as herein provided. It shall be the duty of the Paying Agent/Registrar to obtain from the Owners and record in the Register the address of such Owner of each Bond to which payments with respect to the Bonds shall be mailed, as provided herein. The County or its designee shall have the right to inspect the Register during regular business hours of the Paying Agent/Registrar, but otherwise the Paying Agent/Registrar shall keep the Register and other registration books and records confidential and, unless otherwise required by law, shall not permit their inspection by any other entity.

(b) The County hereby further appoints the Paying Agent/Registrar to act as the paying agent for paying the principal of and interest on the Bonds. The Paying Agent/Registrar shall keep proper records of all payments made by the County and the Paying Agent/Registrar with respect to the Bonds and of all conversions, exchanges and replacements of such Bonds, as provided in the Order.

Section 5.02. Qualifications. Each Paying Agent/Registrar shall be (i) a banking corporation, a banking association or a financial institution organized and doing business under the laws of the United States or of any state thereof, (ii) authorized under such laws to exercise trust powers and (iii) subject to supervision or examination by a federal or state governmental authority.

#### Section 5.03. Maintaining Paying Agent/Registrar.

(a) At all times while any Bonds are outstanding, the County will maintain a Paying Agent/Registrar that is qualified under Section 5.02 of this Order. The County Judge is hereby authorized and directed to execute an agreement with the Paying Agent/Registrar specifying the duties and responsibilities of the County and the Paying Agent/Registrar. The signature of the County Judge shall be attested by the County Clerk.

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

Section 5.04. Termination. The County, upon not less than sixty (60) days' notice, reserves the right to terminate the appointment of any Paying Agent/Registrar by delivering to the entity whose appointment is to be terminated written notice of such termination.

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

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

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

## ARTICLE VI

### FORM OF THE BONDS

#### Section 6.01. Forms Generally.

(a) The Bonds, including the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the Certificate of Paying Agent/Registrar, and the Assignment form to appear on each of the Bonds, (i) shall be substantially in the form set forth in this Article, with such appropriate insertions, omissions, substitutions, and other variations as are permitted or required by this Order, and (ii) may have such letters, numbers, or other marks of identification (including identifying numbers and letters of the Committee on Uniform Securities Identification Procedures of the American Bankers Association) and such legends and endorsements (including any reproduction of an opinion of counsel) thereon as, consistently herewith, may be determined by the County or by the officers executing such Bonds as evidenced by their execution thereof.

(b) Any portion of the text of any Bonds may be set forth on the reverse side thereof, with an appropriate reference thereto on the face of the Bonds.

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

(d) The Initial Bond submitted to the Attorney General of the State of Texas may be typewritten and photocopied or otherwise reproduced.

Section 6.02. Form of the Bonds. The form of the Bonds, including the form of the Registration Certificate of the Comptroller of Public Accounts of the State of Texas, the form of Certificate of Paying Agent/Registrar and the form of Assignment appearing on the Bonds shall be substantially as follows:

(a) Form of Definitive Bonds.

REGISTERED  
NO. R-\_\_

REGISTERED PRINCIPAL  
AMOUNT \$\_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF TEXAS  
LUBBOCK COUNTY, TEXAS  
UNLIMITED TAX ROAD BOND  
SERIES 2023A

Dated Date:	Interest Rate:	Stated Maturity:	CUSIP No.:
February 1, 2023	_____%	February 15, 20__	549118____

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

Registered Owner: CEDE & CO.

Principal Amount: \_\_\_\_\_ DOLLARS

LUBBOCK COUNTY, TEXAS (hereinafter referred to as the "County"), for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner named above, or the registered assigns thereof, on the Stated Maturity date specified above the Principal Amount hereinabove stated, and to pay interest on the unpaid principal amount hereof from the Delivery Date or the most recent date to which interest has been paid or duly provided for, at the per annum rate of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing February 15, 2024. Principal of this Bond is payable at its Stated Maturity or redemption to the Registered Owner hereof, upon presentation and surrender, at the Designated Payment/Transfer Office of the Paying Agent/Registrar executing the registration certificate appearing hereon, or its successor. Interest is payable to the Registered Owner of this Bond whose name appears on the "Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the last business day of the month next preceding each Interest Payment Date, and interest shall be paid by the Paying Agent/Registrar by check sent by United States mail, first class postage prepaid, to the address of the Registered Owner recorded in the Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. All payments of principal of, premium, if any, and

interest on this Bond shall be without exchange or collection charges to the Registered Owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

THIS BOND is one of the series specified in its title issued in the aggregate principal amount of \$\_\_\_ (herein referred to as the "Bonds") for the purpose of providing funds for permanent public improvements, to-wit: construction, maintenance, and operation of macadamized, graveled or paved roads and turnpikes, or in aid thereof, throughout the County, and the payment of professional services and costs of issuance.

THE BONDS maturing on and after February 15, 2033, may be redeemed in whole or in part, before their respective scheduled maturity dates in principal amounts equal to \$5,000 or any integral multiple thereof, on February 15, 2032, or on any date thereafter at a price equal to the principal amount of the Bonds called for redemption plus accrued interest to the date fixed for redemption with at least thirty (30) days written notice to the Registered Owners.

IF THIS BOND (or any portion of the principal sum hereof) shall have been duly called for redemption and notice of such redemption duly given, then upon such redemption date this Bond (or the portion of the principal sum hereof to be redeemed) shall become due and payable, and interest thereon shall cease to accrue from and after the redemption date therefore, provided moneys for the payment of the redemption price and the interest on the principal amount to be redeemed to the date of redemption are held for the purpose of such payment by the Paying Agent/Registrar.

IN THE EVENT OF A PARTIAL REDEMPTION of the principal amount of this Bond, payment of the redemption price of such principal amount shall be made to the Registered Owner only upon presentation and surrender of this Bond to the Paying Agent/Registrar at its Designated Payment/Transfer Office, and there shall be issued to the Registered Owner hereof, without charge, a new Bond or Bonds of like maturity and interest rate in any authorized denominations provided by the Order for the then unredeemed balance of the principal sum hereof. If this Bond is selected for redemption, in whole or in part, the County and the Paying Agent/Registrar shall not be required to transfer this Bond to an assignee of the Registered Owner within 45 days of the redemption date therefore; provided, however, such limitation on transferability shall not be applicable to an exchange by the Registered Owner of the unredeemed balance hereof in the event of its redemption in part.

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

NEITHER THE COUNTY nor the Paying Agent/Registrar shall be required to transfer or exchange any Bond called for redemption, in whole, or in part, within 45 days of the date fixed for redemption; provided, however, such limitation shall not be applicable to an exchange by the holder of the uncalled balance of a Bond.

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

THE BONDS are payable from the proceeds of an ad valorem tax levied, without limit as to rate or amount, upon all taxable property in the County. Reference is hereby made to the Order, a copy of which is on file in the Designated Payment/Transfer Office of the Paying Agent/Registrar, and to all of the provisions of which the Registered Owner or Holder of this Bond by the acceptance hereof hereby assents, for definitions of terms; the description of and the nature and extent of the tax levied and pledged for the payment of the Bonds; the terms and conditions relating to the transfer or exchange of this Bond; the rights, duties, and obligations of the County and the Paying Agent/Registrar; the terms and provisions upon which this Bond may be discharged at or prior to its maturity, and deemed to be no longer outstanding thereunder; and for other terms and provisions contained therein. Capitalized terms used herein have the meanings assigned in the Order.

THIS BOND, subject to certain limitations contained in the Order, may be transferred on the Register only upon its presentation and surrender at the Designated Payment/Transfer Office of the Paying Agent/Registrar, with the Assignment hereon duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by, the Registered Owner hereof, or his duly authorized agent. When a transfer on the Register occurs, one or more new fully registered Bonds of the same Stated Maturity, of authorized denominations, bearing the same rate of interest, and of the same aggregate principal amount will be issued by the Paying Agent/Registrar to the designated transferee or transferees.

THE COUNTY AND THE PAYING AGENT/REGISTRAR, and any agent of either, shall treat the Registered Owner whose name appears on the Register (i) on the Record Date as the owner entitled to payment of interest hereon, (ii) on the date of surrender of this Bond as the owner entitled to payment of principal at the Stated Maturity, or its redemption, in whole or in part, and (iii) on any other date as the owner for all other purposes, and neither the County nor the Paying Agent/Registrar, or any agent of either, shall be affected by notice to the contrary. In the event of nonpayment of interest on a Bond 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 County. Notice of the Special Record Date and of the scheduled payment date



of the past due interest (which shall be 15 days after the Special Record Date) shall be sent at least five (5) business days prior to the Special Record Date by United States mail, first class postage prepaid, to the address of each owner of a Bond appearing on the Register at the close of business on the last business day next preceding the date of mailing of such notice.

IT IS HEREBY CERTIFIED AND RECITED that the issuance of this Bond and the series of which it is a part is duly authorized by law; that all acts, conditions and things to be done precedent to and in the issuance of this Bond and the series of which it is a part, have been properly done, have happened and have been performed in regular and due time, form and manner as required by law; that proper provisions have been made for the levy and collection annually of taxes upon all taxable property in said County sufficient, without limit or amount, to pay the interest on this Bond and the series of which it is a part as due and to provide for the payment of the principal as the same matures; and that the total indebtedness of the County, including the Bonds, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the County has caused this Bond to be executed by the manual or facsimile signature of the County Judge of the County and countersigned by the manual or facsimile signature of the County Clerk, registered by the manual or facsimile signature of the County Treasurer, and the official seal of the Commissioners Court of the County has been duly impressed or placed in facsimile on this Bond.

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County Judge  
Lubbock County, Texas

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County Clerk  
Lubbock County, Texas

[COMMISSIONERS COURT SEAL]

REGISTERED:

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County Treasurer  
Lubbock County, Texas

(b) Form of Comptroller's Registration Certificate. The following Comptroller's Registration Certificate may be deleted from the definitive Bonds if such certificate on the Initial Bond is fully executed.

OFFICE OF THE COMPTROLLER  
OF PUBLIC ACCOUNTS  
OF THE STATE OF TEXAS

§  
§  
§

REGISTER NO. \_\_\_\_\_

I hereby certify that there is on file and of record in my office an opinion of the Attorney General of the State of Texas to the effect that this Bond has been examined by him as required by law, that he finds that it has been issued in conformity with the Constitution and laws of the State of Texas, and that this Bond has this day been registered by me.

Witness my hand and seal of office at Austin, Texas, \_\_\_\_\_.

[COMPTROLLER'S SEAL]

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

(c) Form of Certificate of Paying Agent/Registrar. The following Certificate of Paying Agent/Registrar may be deleted from the Initial Bond if the Comptroller's Registration Certificate appears thereon.

CERTIFICATE OF PAYING AGENT/REGISTRAR

The records of the Paying Agent/Registrar show that the Initial Bond of this series of Bonds was approved by the Attorney General of the State of Texas and registered by the Comptroller of Public Accounts of the State of Texas, and that this is one of the Bonds referred to in the within-mentioned Order.

UMB BANK, N.A.  
Dallas, Texas  
as Paying Agent/Registrar

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

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

Authorized Signatory

(d) Form of Assignment.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns, and transfers unto

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

\_\_\_\_\_ the within Bond and

\_\_\_\_\_  
(Please insert Social Security or Taxpayer Identification Number)

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 as defined by SEC Rule 17Ad-15 (17 CFR 240-17Ad-15).

\_\_\_\_\_  
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.

(e) Form of Initial Bond. The Initial Bond shall be in the respective form set forth therefor in paragraph (a) of this Section, except as follows: Heading and paragraph one shall be amended to read as follows:

REGISTERED  
No. I-1

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

UNITED STATES OF AMERICA  
STATE OF TEXAS  
LUBBOCK COUNTY, TEXAS  
UNLIMITED TAX ROAD BOND  
SERIES 2023A

Dated Date: February 1, 2023

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

Registered Owner: \_\_\_\_\_

Principal Amount: \_\_\_\_\_ DOLLARS

LUBBOCK COUNTY, TEXAS (hereinafter referred to as the "County"), for value received, acknowledges itself indebted to and hereby promises to pay to the order of the Registered Owner named above, or the registered assigns thereof, the Principal Amount hereinabove stated on February 15 in the years and in principal installments in accordance with the following schedule:

(Information to be inserted from  
schedule in Section 3.02 hereof.)

and to pay interest on the unpaid principal installments hereof from the Delivery Date or the most recent date to which interest has been paid or duly provided for, at the per annum rates of interest specified above computed on the basis of a 360-day year of twelve 30-day months; such interest being payable on February 15 and August 15 in each year, commencing February 15, 2024. Principal installments of this Bond are payable in the year of maturity or on a prepayment date to the Registered Owner hereof by UMB Bank, N.A. (the "Paying Agent/Registrar"), upon presentation and surrender, at its Designated Payment/Transfer Office in Dallas, Texas. Interest is payable to the Registered Owner of this Bond whose name appears on the "Register" maintained by the Paying Agent/Registrar at the close of business on the "Record Date," which is the last business day of the month next preceding each Interest Payment Date, and interest shall be paid by the Paying Agent/Registrar by check sent by United States mail, first class postage prepaid, to the address of the Registered Owner recorded in the Register or by such other method, acceptable to the Paying Agent/Registrar, requested by, and at the risk and expense of, the Registered Owner. All payments of principal of, premium, if any, and interest on this Bond shall be without exchange or collection charges to the Registered Owner hereof and in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Section 6.03. CUSIP Registration. The County may secure identification numbers ("CUSIP Numbers") and may authorize the printing of such numbers on the face of the Bonds. It is expressly provided, however, that the presence or absence of CUSIP Numbers on the Bonds shall be of no significance or effect as regards the legality thereof and neither the County nor the attorneys approving said Bonds as to legality are to be held responsible for CUSIP Numbers incorrectly printed on the Bonds.

Section 6.04. Legal Opinion. The approving legal opinion of Bickerstaff Heath Delgado Acosta LLP, Bond Counsel, may be printed on the reverse side of each Bond or may be attached to each Bond.

Section 6.05. Statement of Insurance. A statement relating to a municipal bond insurance policy, if any, to be issued for the Bonds may be printed on each Bond.

## ARTICLE VII

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

Section 7.01. Sale. (a) The Bonds have been duly advertised for public sale; bids have been received pursuant thereto; and the Bonds are hereby sold and shall be delivered to \_\_\_ (the "Purchaser") at a price of \$\_\_\_ (representing the par amount of the Bonds plus a net reoffering premium in the amount of \$\_\_\_ and less an underwriting discount of \$\_\_\_). It is hereby determined that the bid from the Purchaser is the lowest true interest cost and the best bid submitted for the Bonds and such being in the best interest of the County. The Initial Bond shall be registered in the name of \_\_\_\_\_. Delivery of the Bonds shall be made to the Purchaser as soon as practicable after the

adoption of this Order and upon payment for the Bonds. The County Judge and other appropriate officials are hereby authorized and directed to execute the official bid form on behalf of the County, and the County Judge and all other officers, agents, and representatives of the County are hereby authorized to do any and all things necessary or desirable to satisfy the conditions set out therein and to provide for the issuance and delivery of the Bonds.

(b) Proceeds from the sale of the Bonds shall, promptly upon receipt thereof, be applied as follows:

- (i) \$\_\_\_ representing a portion of the premium on the Bonds of \$\_\_\_ and the par amount of the Bonds of \$\_\_\_, shall be deposited into the Construction Fund for the purpose of providing funds for the permanent public improvements, to-wit: construction, maintenance, and operation of macadamized, graveled or paved roads and turnpikes, or in aid thereof, throughout the County;
- (ii) \$\_\_\_ representing a portion of the premium on the Bond proceeds, shall be applied to the underwriting discount;
- (iii) \$\_\_\_ representing a portion of the premium on the Bond proceeds, will be used to pay costs of issuance; and
- (iv) \$\_\_\_ representing a portion of the premium on the Bond proceeds, the Rounding Amount, shall be deposited into the Interest and Sinking Fund.

(c) Any sale proceeds of the Bonds remaining after making all deposits and payments provided above shall be deposited into the Interest and Sinking Fund and applied to the payment of principal of and interest on the Bonds.

Section 7.02. Approval of Official Statement. The form and substance of the Official Statement for the Bonds and any addenda, supplement or amendment thereto (the "Official Statement") presented to and considered at this meeting are hereby in all respects approved and adopted. The County Judge and the County Clerk are hereby authorized and directed to execute the same and deliver appropriate numbers of executed copies thereof to the Purchaser. The use and distribution of the Preliminary Official Statement by the Purchaser is hereby ratified, approved and confirmed and is hereby deemed final as of its date (except for the omission of pricing and related information) within the meaning and for the purposes of paragraph (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended, by the Commissioners Court. The Purchaser is hereby authorized to use and distribute the Official Statement in the reoffering, sale, and delivery of the Bonds to the public. The County Clerk is hereby authorized and directed to include and maintain a copy of the Official Statement and any addenda, supplement or amendment thereto thus approved among the permanent records of this meeting.

Section 7.03. Control and Delivery of Bonds.

(a) The County Judge is hereby authorized to have control of the Initial Bond and all necessary records and proceedings pertaining thereto pending investigation, examination and approval of the Attorney General of the State of Texas, registration by the Comptroller of Public Accounts of the State and registration with, and initial exchange or transfer by, the Paying Agent/Registrar.

(b) After registration by the Comptroller of Public Accounts, delivery of the Bonds shall be made to the Purchaser under and subject to the general supervision and direction of the County Judge, against receipt by the County of all amounts due to the County under the terms of sale.

ARTICLE VIII

INVESTMENTS

Section 8.01. Investments.

(a) Money in the Interest and Sinking Fund and in the Construction Fund, at the option of the County, may be invested in such securities or obligations as permitted under applicable law.

(b) Any securities or obligations in which such money is so invested shall be kept and held in trust for the benefit of the Owners and shall be sold and the proceeds of sale shall be timely applied to the making of all payments required to be made from the fund from which the investment was made.

Section 8.02. Investment Income. Interest and income derived from investment of the Interest and Sinking Fund shall be credited to such Fund. Interest and income derived from the investment of the Construction Fund shall be credited to such Fund and used for the purposes set out in Section 3.01; provided, however, that such interest earnings may be deposited into the Interest and Sinking Fund at the option of the County.

ARTICLE IX

PARTICULAR REPRESENTATIONS AND COVENANTS

Section 9.01. Payment of the Bonds. On or before each Interest Payment Date of the Bonds and while any of the Bonds are outstanding and unpaid, there shall be made available to the Paying Agent/Registrar, out of the Interest and Sinking Fund, money sufficient to pay such interest on and principal of the Bonds as will accrue or mature on the applicable Interest Payment Date.

Section 9.02. Federal Tax Covenants.

(a) The County hereby represents that the proceeds of the Bonds are needed at this time for the purposes specified in Section 3.01 hereof; that based on current facts, estimates and circumstances, it is reasonably expected that final disbursement of the proceeds of the Bonds will occur within three years after the Closing Date, that substantial binding obligations to commence such acquisitions will be incurred within six months of the Closing Date and that the accomplishment of the projects for which the Bonds are hereby issued will proceed with due diligence to completion; that it is not reasonably expected that the proceeds of the Bonds or money deposited in the Interest and Sinking Fund will be used or invested in a manner that would cause the Bonds to be or become "arbitrage bonds," within the meaning of Section 148 of the Code; and that, except for the Interest and Sinking Fund, no other funds or accounts have been established or pledged to the payment of the Bonds.

(b) The County will not take any action or fail to take any action with respect to the investment of the proceeds of the Bonds or any other funds of the County, including amounts received from the investment of any of the foregoing, which act or omission based upon the facts, estimates, and circumstances known on the Closing Date, would result in constituting the Bonds "arbitrage bonds," within the meaning of Section 148 of the Code, and the County will not take any deliberate action motivated by arbitrage that would have such result.

(c) The County will comply with the provisions of Section 148(f) of the Code (relating to paying certain excess earnings of investment proceeds of the Bonds to the United States) and the regulations promulgated thereunder.

(d) The County will not take any action or fail to take any action which act or omission would result in the interest on the Bonds being includable in gross income for federal tax purposes.

(e) The County will not take any action or fail to take any action which act or omission would result in the Bonds being treated as "private activity bonds" within the meaning of Section 141(a) of the Code.

(f) The County will not take any action or fail to take any action which act or omission would result in the Bonds being treated as "federally guaranteed" within the meaning of Section 149(b) of the Code.

(g) Proper officers of the County charged with the responsibility of issuing the Bonds are hereby directed to make, execute and deliver certifications as to facts, estimates and circumstances in existence as of the Closing Date and stating whether there are any facts, estimates or circumstances that would materially change the County's current expectations.

(h) The covenants and representations made or required by this Section are for the benefit of the Owners and may be relied upon by the Owners and Bond Counsel for the County.

Section 9.03. Other Representations and Covenants.

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

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

ARTICLE X

CONTINUING DISCLOSURE UNDERTAKING

Section 10.01. Definitions.

As used in this Article X, the following terms have the meanings ascribed to such terms below:

“EMMA” means the Electronic Municipal Market Access System established by the MSRB.

“MSRB” means the Municipal Securities Rulemaking Board.

“Rule” means SEC Rule 15c2-12, as amended from time to time or officially interpreted by the SEC.

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

Section 10.02. Annual Reports.

The County shall provide annually to the MSRB, (1) within six months after the end of each fiscal year of the County ending in or after 2023, financial information and operating data with respect to the County of the general type included in the final Official Statement authorized by Section 7.02 of this Order, being information of the type described in the Official Statement described in Tables 1 through 7 and 9 through 14 (the



“Annual Financial Information”), including financial statements of the County if audited financial statements of the County are then available, and (2) if not provided as part such financial information and operating data, audited financial statements of the County, when and if available. Any financial statements to be provided shall be (i) prepared in accordance with generally accepted accounting principles for governmental units, or such other accounting principles as the County 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 described in Appendix B, and (ii) audited, if the County 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 County 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 County changes its fiscal year, it will notify the MSRB through EMMA of the change (and of the date of the new fiscal year end) prior to the next date by which the County otherwise would be required to provide financial information and operating data pursuant to this Section.

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any document (including an official statement or other offering document, if it is available from the MSRB) that theretofore has been provided to the MSRB through EMMA or filed with the SEC).

#### Section 10.03. Event Notices.

The County shall notify the MSRB through EMMA, in a timely manner not in excess of ten business days after the occurrence of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other material events affecting the tax-exempt 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;
13. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, 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 obligated person, any of which reflect financial difficulties.

For the purposes of the preceding Section 10.03(15) of this Order, the term, “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 paragraph (A) or (B). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with Rule 15c2-12 of the Securities Exchange Act of 1934.

The County shall notify the MSRB, in a timely manner, of any failure by the County to provide financial information or operating data in accordance with Section 10.02 by the time required by this Section.

#### Section 10.04. Limitations, Disclaimers, and Amendments.

The County shall be obligated to observe and perform the covenants specified in this Article with respect to the County and the Bonds while, but only while, the County remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the County in any event will give notice required by Section 10.03 of any bond calls and defeasance that cause the County to no longer be such an “obligated person.”

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

UNDER NO CIRCUMSTANCES SHALL THE COUNTY 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 COUNTY, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS ARTICLE, BUT EVERY RIGHT AND REMEDY OF ANY SUCH PERSON, IN CONTRACT OR TORT, FOR OR ON ACCOUNT OF ANY SUCH BREACH SHALL BE LIMITED TO AN ACTION FOR *MANDAMUS* OR SPECIFIC PERFORMANCE.

No default by the County in observing or performing its obligations under this Article shall comprise a breach of or default under the Order for purposes of any other provision of this Order.

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

The provisions of this Article may be amended by the County from time to time to adapt to changed circumstances resulting from a change in legal requirements, a change in law, or a change in the identity, nature, status, or type of operations of the County, but only if (1) the provisions of this Article, as so amended, would have permitted an underwriter to purchase or sell Bonds in the primary offering of the Bonds in compliance with the Rule, taking into account any amendments or interpretations of the Rule to the date of such amendment, as well as such changed circumstances, and (2) either (a) the Holders of a majority in aggregate principal amount (or any greater amount required by any other provision of this Order that authorizes such an amendment) of the Outstanding Bonds consent to such amendment or (b) a Person that is unaffiliated with the County

(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. If the County so amends the provisions of this Article, it shall include with any amended financial information or operating data next provided in accordance with Section 10.02 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.

## ARTICLE XI

### DEFAULT AND REMEDIES

Section 11.01. Events of Default. Each of the following occurrences or events for the purpose of this Order is hereby declared to be an “Event of Default,” to wit:

- (i) the failure to make payment of the principal of, redemption premium, if any, or interest on any of the Bonds when the same becomes due and payable; or
- (ii) default in the performance or observance of any other covenant, agreement or obligation of the County, the failure to perform which materially, adversely affects the rights of the Owners, including but not limited to, their prospect or ability to be repaid in accordance with this Order, and the continuation thereof for a period of 60 days after notice of such default is given by any Owner to the County.

Section 11.02. Remedies for Default.

(a) Upon the happening of any Event of Default, then and in every case any Owner or an authorized representative thereof, including but not limited to, a trustee or trustees therefore, may proceed against the County for the purpose of protecting and enforcing the rights of the Owners under this Order, by mandamus or other suit, action or special proceeding in equity or at law, in any court of competent jurisdiction, for any relief permitted by law, including the specific performance of any covenant or agreement contained herein, or thereby to enjoin any act or thing that may be unlawful or in violation of any right of the Owners hereunder or any combination of such remedies.

(b) It is provided that all such proceedings shall be instituted and maintained for the equal benefit of all Owners of Bonds then outstanding.

Section 11.03. Remedies Not Exclusive.

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

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

## ARTICLE XII

### DEFEASANCE OF THE BONDS

#### Section 12.01. Defeasance.

(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 Order, except to the extent provided in subsection (d) of this Section, when payment of the principal of such Bond, plus interest thereon to the due date (whether such due date be by reason of maturity or otherwise) either (i) shall have been made or caused to be made in accordance with the terms thereof, or (ii) shall have been provided for on or before such due date by irrevocably depositing with or making available to the Paying Agent/Registrar in accordance with an escrow agreement or other instrument (the "Future Escrow Agreement") for such payment (1) lawful money of the United States of America sufficient to make such payment or (2) Defeasance Securities that mature as to principal and interest in such amounts and at such times as will ensure the availability, without reinvestment, of sufficient money to provide for such payment, and when proper arrangements have been made by the County with the Paying Agent/Registrar for the payment of its services until all Defeased Bonds shall have become due and payable. 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 ad valorem taxes herein levied and pledged as provided in this Order, and such principal and interest shall be payable solely from such money or Defeasance Securities. Notwithstanding any other provision of this Order to the contrary, it is hereby provided that any determination not to redeem Defeased Bonds that is made in conjunction with the payment arrangements specified in subsection (a)(i) or (ii) of this Section shall not be irrevocable, provided that: (1) in the proceedings providing for such payment arrangements, the County expressly reserves the right to call the Defeased Bonds; (2) gives notice of the reservation of that right to the owners of the Defeased Bonds immediately following the making of the payment arrangements; and (3) directs that notice of the reservation be included in any redemption notices that it authorizes.

(b) Any moneys so deposited with the Paying Agent/Registrar may at the written direction of the County be invested in Defeasance Securities, maturing in the amounts and times as hereinbefore set forth, and all income from such Defeasance Securities received by the Paying Agent/Registrar that is not required for the payment of the Bonds and interest thereon, with respect to which such money has been so deposited, shall be turned over to the County, or deposited as directed in writing by the County. Any Future Escrow Agreement pursuant to which the money and/or Defeasance Securities are held for the payment of the Defeased Bond may contain provisions permitting the investment or reinvestment of such moneys in Defeasance Securities or the substitution

of other Defeasance Securities upon the satisfaction of the requirements specified in subsection (a)(i) or (ii) of this Section. All income from such Defeasance Securities received by the Paying Agent/Registrar which is not required for the payment of the Defeased Bond, with respect to which such money has been so deposited, shall be remitted to the County or deposited as directed in writing by the County.

(c) 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 Bond the same as if they had not been defeased, and the County shall make proper arrangements to provide and pay for such services as required by this Order.

(d) In the event that the County elects to defease less than all of the principal amount of the Bonds of a maturity, the Paying Agent/Registrar shall select, or cause to be selected, such amount of Bonds by such random method as it deems fair and appropriate.

## ARTICLE XIII

### LAPSE OF PAYMENT

#### Section 13.01. Lapse of Payment.

(a) Unclaimed Payments shall be segregated in a special escrow account and held in trust, uninvested, by the Paying Agent/Registrar for the account of the Owner of the Bonds to which the Unclaimed Payments pertain.

(b) Amounts held by the Paying Agent, which represent principal of and interest on the Bonds remaining unclaimed by the Owner after the expiration of three years from the date such amounts have become due and payable, shall be reported and disposed of by the Paying Agent in accordance with the applicable provisions of Texas law including, to the extent applicable, Title 6 of the Texas Property Code, as amended.

## ARTICLE XIV

### MISCELLANEOUS

Section 14.01. Further Procedures. The County Judge, County Clerk, and all other officers, employees, and agents of the County, and each of them, shall be and they are hereby expressly authorized, empowered, and directed from time to time and at any time to do and perform all such acts and things to execute, acknowledge and deliver in the name and under the official seal and on behalf of the County all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Order, the Bonds, the sale of the Bonds and the Paying Agent/Registrar Agreement. In addition, prior to the initial delivery of the Bonds, the County Judge, County Clerk, and Bond Counsel are hereby authorized and directed to approve any technical changes or corrections to this Order or to any of the instruments

authorized and approved by this Order necessary in order to (i) correct any ambiguity or mistake or properly or more completely document the transactions contemplated and approved by this Order, (ii) obtain a rating from any of the national bond rating agencies or satisfy any requirements of the provider of a municipal bond insurance policy, if any, or (iii) obtain the approval of the Bonds by the Attorney General's office. In case any officer 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 14.02. Public Meeting. It is officially found, determined, and declared that the meeting at which this Order has been adopted was open to the public and public notice of the time, place and subject matter of the public business to be considered and acted upon at said meeting, including this Order, was given, all as required by the applicable provisions of Chapter 551, Texas Government Code.

Section 14.03. Order a Contract; Amendments. The County may, without the consent of or notice to any holders, from time to time and at any time, amend the Order in any manner not detrimental to the interests of the holders, including the curing of any ambiguity, inconsistency, or formal defect of omission herein. In addition, the County may, with the consent of holders holding a majority in aggregate principal amount of the Bonds then outstanding affected thereby, amend, add to, or rescind any of the provisions of the Order; provided that, without the consent of all holders of outstanding Bonds, no such amendment, addition, or rescission shall (1) extend the time or times of payment of the principal of, premium, if any, and interest on the Bonds, reduce the principal amount thereof, the redemption price therefor, or the rate of interest thereon, or in any other way modify the terms of payment of the principal of, premium, if any, or interest on the Bonds, (2) give any preference to any Bond over any other Bond, or (3) reduce the aggregate principal amount of Bonds required to be held by holders for consent to any such amendment, addition, or rescission.

*[Remainder of this page intentionally left blank.]*

FINALLY PASSED, APPROVED AND EFFECTIVE this 13th day of February, 2023.

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County Judge  
Lubbock County, Texas

ATTEST:

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County Clerk  
Lubbock County, Texas

[COMMISSIONERS COURT SEAL]



*Overview of the Proposed 2023 Bonds*

# Lubbock County, Texas

*November 28, 2022*



**SPECIALIZED PUBLIC FINANCE INC.**  
FINANCIAL ADVISORY SERVICES

Vince Viaille | Managing Director  
Office 214.373.3911 | Cell 806.773.4546  
vince@spfmuni.com

Paul Jasin | Managing Director  
Office 214.373.3911 | Cell 214.288.7898  
paul@spfmuni.com

Patrick Smith | Director  
Office 214.373.3911 | Cell 214.499.0412  
patrick@spfmuni.com



# Overview of the Plan of Finance

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- On May 4, 2019, Lubbock County (the “County”) voters approved a bond referendum authorizing the issuance of \$99,650,000 based on the growth of the taxable assessed valuation of the County.
  - Over the initial two phases, the County has issued total bond proceeds of \$46,125,000.
  - The remaining Authorized but Unissued Balance is \$53,525,000.
  
- The remaining Authorized but Unissued Balance is anticipated to be issued without an increase on the County’s existing I&S Tax Rate of \$0.033298.
  
- The following model assumes remaining Authorized but Unissued Balance will be issued in two phases. The initial \$46.425 million would close in March 2023. The reminding issuance would occur after the 2023 tax rolls are certified to ensure the I&S Tax Rate requirements are met based on the actual growth.
  - The Bonds will be structured with an amortization of seventeen (17) years.
  - All proposed bond issuance phases under this voter referendum are projected to have a final maturity in 2040.
  
- Interest rates included in this analysis reflect the market as of November 21, 2022 plus a cushion for unanticipated market movements.



# Proforma Model of the Estimated Tax Rate Impact

Based the Current Assessed Value (~18% increase from prior year)

Fiscal Year Ending 30-Sep	Adjusted Net Taxable Value <sup>(1)</sup>	Projected Growth Rate	Existing Debt Service	Interest rate as of November 21, 2022 <sup>(2)</sup>			Aggregate Existing & Proposed Debt Service	Projected Tax Rate @ 98% <sup>(3)</sup>
				<b>Aggregate; Bond Series 2023</b>				
				Principal	Interest	Total		
2023	\$25,191,211,155	18.0%	8,363,737	-	-	-	8,363,737	<b>0.0333</b>
2024	26,198,859,601	4.0%	3,805,512	1,615,000	3,129,327	4,744,327	8,549,840	<b>0.0333</b>
2025	26,984,825,389	3.0%	3,797,587	2,945,000	2,067,338	5,012,338	8,809,925	<b>0.0333</b>
2026	27,794,370,151	3.0%	4,016,387	3,100,000	1,957,600	5,057,600	9,073,987	<b>0.0333</b>
2027	28,628,201,255	3.0%	3,101,437	2,515,000	1,856,213	4,371,213	7,472,650	<b>0.0266</b>
2028	29,487,047,293	3.0%	3,102,037	2,600,000	1,763,450	4,363,450	7,465,487	<b>0.0258</b>
2029	30,371,658,712	3.0%	3,099,037	2,705,000	1,667,213	4,372,213	7,471,250	<b>0.0251</b>
2030	31,282,808,473	3.0%	3,102,237	2,800,000	1,567,300	4,367,300	7,469,537	<b>0.0244</b>
2031	32,221,292,727	3.0%	3,100,587	2,905,000	1,463,738	4,368,738	7,469,325	<b>0.0237</b>
2032	33,187,931,509	3.0%	2,858,662	3,015,000	1,356,238	4,371,238	7,229,900	<b>0.0222</b>
2033	34,183,569,455	3.0%	2,859,256	3,130,000	1,237,838	4,367,838	7,227,094	<b>0.0216</b>
2034	35,209,076,538	3.0%	2,859,287	3,260,000	1,107,913	4,367,913	7,227,200	<b>0.0209</b>
2035	36,265,348,834	3.0%	2,858,159	3,400,000	965,125	4,365,125	7,223,284	<b>0.0203</b>
2036	37,353,309,299	3.0%	2,860,819	3,555,000	808,638	4,363,638	7,224,456	<b>0.0197</b>
2037	38,473,908,578	3.0%	2,862,206	3,725,000	644,213	4,369,213	7,231,419	<b>0.0192</b>
2038	39,628,125,836	3.0%	2,860,781	3,900,000	470,713	4,370,713	7,231,494	<b>0.0186</b>
2039	40,816,969,611	3.0%	2,856,491	4,080,000	288,475	4,368,475	7,224,966	<b>0.0181</b>
2040	42,041,478,699	3.0%	2,860,731	4,275,000	97,650	4,372,650	7,233,381	<b>0.0176</b>
			\$61,224,956	\$ 53,525,000	\$ 22,448,977	\$ 75,973,977	\$ 137,198,933	

<sup>(1)</sup> Assessed Value for FY2022 & FY2023 reflect actual values.

Projected AV growth rates provided by the County (historical 10-year growth avg. = 4.58%).

<sup>(2)</sup> Series 2023A +25 basis points and Series 2023B +25 basis points

<sup>(3)</sup> Assumes 98% Tax Rate collections.



# Overview of the Series 2023A Bonds & 2023B Bonds

Fiscal Year Ending 30-Sep	Series 2023A (February 2023) Current Rates +25bps			Series 2023B (Late Summer 2023) Current Rates +25bps			AGGREGATE NEW DEBT SERVICE		
	<b>TIC = 4.08% 17 Year Debt Service</b>			<b>TIC = 4.17% 17 Year Debt Service</b>			Principal	Interest	Total
	Principal	Interest	Total	Principal	Interest	Total			
2023	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2024	1,390,000	2,723,077	4,113,077	225,000	406,250	631,250	1,615,000	3,129,327	4,744,327
2025	2,460,000	1,759,325	4,219,325	485,000	308,013	793,013	2,945,000	2,067,338	5,012,338
2026	2,795,000	1,667,363	4,462,363	305,000	290,238	595,238	3,100,000	1,957,600	5,057,600
2027	2,195,000	1,580,038	3,775,038	320,000	276,175	596,175	2,515,000	1,856,213	4,371,213
2028	2,270,000	1,501,900	3,771,900	330,000	261,550	591,550	2,600,000	1,763,450	4,363,450
2029	2,355,000	1,420,963	3,775,963	350,000	246,250	596,250	2,705,000	1,667,213	4,372,213
2030	2,435,000	1,337,138	3,772,138	365,000	230,163	595,163	2,800,000	1,567,300	4,367,300
2031	2,525,000	1,250,338	3,775,338	380,000	213,400	593,400	2,905,000	1,463,738	4,368,738
2032	2,615,000	1,160,388	3,775,388	400,000	195,850	595,850	3,015,000	1,356,238	4,371,238
2033	2,715,000	1,060,325	3,775,325	415,000	177,513	592,513	3,130,000	1,237,838	4,367,838
2034	2,825,000	949,525	3,774,525	435,000	158,388	593,388	3,260,000	1,107,913	4,367,913
2035	2,945,000	826,763	3,771,763	455,000	138,363	593,363	3,400,000	965,125	4,365,125
2036	3,080,000	691,200	3,771,200	475,000	117,438	592,438	3,555,000	808,638	4,363,638
2037	3,225,000	549,338	3,774,338	500,000	94,875	594,875	3,725,000	644,213	4,369,213
2038	3,375,000	400,838	3,775,838	525,000	69,875	594,875	3,900,000	470,713	4,370,713
2039	3,530,000	245,475	3,775,475	550,000	43,000	593,000	4,080,000	288,475	4,368,475
2040	3,690,000	83,025	3,773,025	585,000	14,625	599,625	4,275,000	97,650	4,372,650
	<b>\$ 46,425,000</b>	<b>\$ 19,207,015</b>	<b>\$ 65,632,015</b>	<b>\$ 7,100,000</b>	<b>\$ 3,241,963</b>	<b>\$ 10,341,963</b>	<b>\$ 53,525,000</b>	<b>\$ 22,448,977</b>	<b>\$ 75,973,977</b>



# Proposed Financing Timeline

November							December							January							February							March						
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S
		1	2	3	4	5					1	2	3	1	2	4	4	5	6	7				1	2	3	4				1	2	3	4
6	7	8	9	10	11	12	4	5	6	7	8	9	10	8	9	10	11	12	13	14	5	6	7	8	9	10	11	5	6	7	8	9	10	11
13	14	15	16	17	18	19	11	12	13	14	15	16	17	15	16	17	18	19	20	21	12	13	14	15	16	17	18	12	13	14	15	16	17	18
20	21	22	23	24	25	26	18	19	20	21	22	23	24	22	23	24	25	26	27	28	19	20	21	22	23	24	25	19	20	21	22	23	24	25
27	28	29	30				25	26	27	28	29	30	31	29	30	31					26	27	28					26	27	28	29	30	31	

Date	Task
Monday, November 28, 2022	<u>Court Meeting</u> - Update from Specialized Public Finance Inc. (“SPFI”) on the financing plan for the Bonds. The Court will consider providing SPFI with authorization to pursue the issuance of the Bonds. (10:00 a.m.)
Week of: Monday, January 2, 2023	SPFI to distribute the Preliminary Official Statement (“POS”) for comment and requests the rating from S&P’s Global Ratings (“S&P”).
Week of: Monday, January 16, 2023	Rating conference call with S&P
Thursday, February 2, 2023	Rating is received from S&P. SPFI to post the POS for potential investors.
Monday, February 13, 2023	<u>Negotiated Sale</u> – Interest rates are negotiated between the Underwriter and SPFI. (9:00 a.m.)  <u>Court Meeting</u> – Final pricing results are presented by SPFI. The Court will award the Bonds to the winning bidder. (10:00 a.m.)
Tuesday, March 14, 2023	<u>Closing</u> - The Bonds close and the proceeds of the Bonds are deposited into the County’s construction fund.



# History of Municipal Interest Rates (MMD Rate)

History of Bond Buyer Tax-Exempt Interest Rates Since 1961

