

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 19

NOTICE OF SPECIAL PUBLIC MEETING

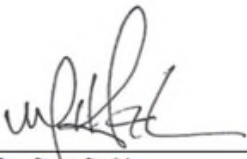
Notice is hereby given to all interested parties that the Board of Directors of the captioned District will hold a public meeting by telephone conference call. Members of the public may access the meeting by following the instructions listed at the bottom of this notice.

The meeting will be held at **6:00 p.m. on Tuesday, July 21, 2020.**

The subject of the meeting is to consider and act on the following:

1. Series 2020 Bonds, including:
 - a. Open Bids and Award Sale of Series 2020 Bonds
 - b. Bond Order for Series 2020 Bonds
 - c. Official Statement for Series 2020 Bonds
 - d. Paying Agent/Registrar Agreement for Series 2020 Bonds
 - e. Approve Certificates, Resolutions, Orders and all Documents Necessary to Complete Approval, Registration and Delivery of Series 2020 Bonds and Authorize President, Secretary, and Consultants to Take All Actions Necessary to Complete Approval, Registration, and Delivery of Series 2020 Bonds
 - f. Developer Reimbursement Audit





 Wm. Scott Smith
 Attorney for the District

Instructions for accessing telephone conference call:

On March 16, 2020, in accordance with section 418.016 of the Texas Government Code, Governor Abbott has suspended various provisions of the Texas Open Meetings Act that require government officials and members of the public to be physically present at a specified meeting location (the "Proclamation"). In accordance with the Proclamation, the District has implemented procedures to allow members of the public to participate and address the Board of Directors during the telephone conference meeting. To participate in the telephone conference meeting:

1. Please call **1-866-773-8424** and use access Code **821069#** to access the meeting and announce your name to the meeting host.
2. The agenda packet will be available at the following web site:

<https://2618compliance.wordpress.com/board-meeting-packets/>
3. The audio of the meeting will be recorded.

| | | | | |
|--------------------|-------------------|----------|---------|---------|
| 10:00:16 a.m. CDST | Upcoming Calendar | Overview | Compare | Summary |
|--------------------|-------------------|----------|---------|---------|

Bid Results

**Fort Bend Co MUD #19
\$3,665,000 Unlimited Tax Bonds Series 2020**

The following bids were submitted using **PARITY**[®] and displayed ranked by lowest NIC. Click on the name of each bidder to see the respective bids.

| Bid Award* | Bidder Name | NIC |
|--------------------------|---------------------------------------|----------|
| <input type="checkbox"/> | SAMCO Capital Markets | 3.047542 |
| <input type="checkbox"/> | RBC Capital Markets | 3.061968 |
| <input type="checkbox"/> | FMSbonds, Inc. | 3.128449 |
| <input type="checkbox"/> | HilltopSecurities | 3.293321 |

*Awarding the Bonds to a specific bidder will provide you with the Reoffering Prices and Yields.

[Faint, illegible handwritten notes and signatures are visible in the background of the page.]

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 19

Bond Order

At a special meeting of the board of directors (“Board”) of Fort Bend County Municipal Utility District No. 19 (“District”) held on July 21, 2020, at which a quorum of said Board was present, as follows:

Terry Roy, President
 Billy Revis, Vice President
 John Randall Gemmer, Secretary
 Carolyn Fields, Treasurer
 Alisa M. Williams, Director

and the following absent:

None

the following business was transacted:

The order set out below (the “Bond Order”) was introduced for consideration of the Board. It was then moved and seconded that said order be adopted; and, after due discussion, said motion carried by the following vote:

Ayes: All directors present

Noes: None

The order thus adopted is as follows:

ORDER AUTHORIZING ISSUANCE OF \$3,665,000, FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 19 UNLIMITED TAX BONDS, SERIES 2020; PRESCRIBING THE TERMS, PROVISIONS, AND FORM THEREOF; PROVIDING FOR THE PAYMENT THEREOF AND INTEREST THEREON; AWARDING THE SALE OF THE BONDS; APPOINTING PAYING AGENT/REGISTRAR; AND MAKING OTHER PROVISIONS REGARDING SUCH BONDS AND MATTERS INCIDENT THERETO.

BE IT ORDERED BY THE BOARD OF DIRECTORS OF FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 19:

ARTICLE I

FINDINGS AND DETERMINATIONS

Section 1.1: Findings and Determinations. It is hereby officially found and determined that:

(a) Fort Bend County Municipal Utility District No. 19 (the “District”), acting by and through its Board of Directors (“Board”), is authorized pursuant to and in accordance with the provisions of Article XVI, Section 59 of the Texas Constitution and the laws of the State of Texas, and Chapters 49 and 54 of the Texas Water Code, as amended, and as authorized at an election held for that purpose on May 6, 2017, to issue its \$3,665,000 Unlimited Tax Bonds, Series 2020, being the first series out of the \$33,380,000 authorized at the May 6, 2017 election, for the purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving and extending a water and sanitary sewer system, a surface water system and sewage disposal facilities for the District and a drainage system for the drainage of lands within the District, and for paying fees or charges to any regional water authority, groundwater conservation district or similar entity for charges or contributions lawfully levied on the District, and to pay all of the related engineering, legal and financial advisory fees in connection therewith, and to pay costs of issuance of the Bonds, and to provide for the payment of principal of and interest on such bonds by the levy and collection of a sufficient ad valorem tax upon all taxable property within the District as authorized by the Constitution and laws of the State of Texas.

(b) The Board has determined that it is in the best interests of the District to issue the Bonds for the purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving and extending a water and sanitary sewer system, a surface water system and sewage disposal facilities for the District and a drainage system for the drainage of lands within the District, and for paying fees or charges to any regional water authority, groundwater conservation district or similar entity for charges or contributions lawfully levied on the District, and to pay all of the related engineering, legal and financial advisory fees in connection therewith, and to pay costs of issuance of the Bonds, and to provide for the payment of principal of and interest on such bonds by the levy and collection of a sufficient ad valorem tax upon all taxable property within the District as authorized by the Constitution and laws of the State of Texas.

(c) There are presently outstanding and unpaid the following bonds of the District (the “Outstanding Bonds”):

\$940,000 of the District’s \$1,615,000 Waterworks and Sewer System Combination Unlimited Tax and Revenue Bonds, Series 2004 (\$675,000 of such bonds having heretofore matured and been paid).

ARTICLE II

DEFINITIONS AND INTERPRETATIONS

Section 2.1: Definitions. As used herein, the following terms shall have the meanings specified, unless the context clearly requires otherwise:

“Attorney General” shall mean the Attorney General of the State of Texas.

“Blanket Issuer Letter of Representations” shall mean the Blanket Issuer Letter of Representations between the District, the Paying Agent/Registrar and DTC.

“Board” shall mean the board of directors of the District.

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

“Bond” or “Bonds” shall mean any or all of the Fort Bend County Municipal Utility District No. 19 Unlimited Tax Bonds, Series 2020, authorized and issued pursuant to this Bond Order, including the Initial Bond and the Definitive Bonds, in the aggregate principal amount of \$3,665,000 unless the context clearly indicates otherwise.

“Capital Projects Fund” shall mean the fund so designated in Section 8.3 of this Bond Order.

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

“Commission” shall mean the Texas Commission on Environmental Quality, and any successor agency.

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

“Dated Date” shall mean August 1, 2020.

“Debt Service Fund” shall mean the fund so designated in Section 8.2 of this Bond Order.

“Definitive Bonds” shall mean the Bonds, other than the Initial Bond, in the form of Exhibit A-1.

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

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

“Fiscal Year” shall mean the District’s fiscal year, which currently is the twelve-month period beginning on June 1 and ending on May 31 of a calendar year, and each such period may be designated with the number of the calendar year in which such period ends.

“General Fund” shall mean the fund so designated in Section 8.1 of this Bond Order.

“Holder” or “Holders” or “Registered Holder” or “Registered Holders” or “Owner” or “Registered Owner” when used with respect to any Bond or the Bonds means the person in whose name such Bond is registered in the Bond Register.

“Initial Bond” shall mean the initially issued bond representing the entire principal amount of the Bonds in the form of Exhibit A and used in accordance with the provisions of this Bond Order.

“Insurer” or “BAM” shall mean Build America Mutual Assurance Company, a New York-domiciled insurance company.

“Interest Payment Date” when used in connection with any Bond, shall mean June 1 and December 1 of each year, commencing December 1, 2020, until the earlier of maturity or redemption.

“Issue Date” or “Date of Delivery” shall mean the date on which the Bonds are delivered to and paid for by the Purchaser.

“Issuer” or “District” when referred to herein, shall mean Fort Bend County Municipal Utility District No. 19.

“Municipal Bond Insurance Policy” shall mean the municipal bond insurance policy issued by BAM insuring the payment when due of the principal of and interest on the Bonds as provided therein.

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

“Outstanding Bonds” shall mean the District’s bonds described in Section 1.1(c) above.

“Paying Agent/Registrar” shall mean The Bank of New York Mellon Trust Company, N.A., a national banking association, a bank organized and existing under the laws of the United States of America, and its successors in that capacity.

“Person” shall mean any individual, corporation, partnership, joint venture, association, trust, joint stock company, unincorporated organization, government or governmental agency or other legal entity.

“Policy” shall mean the municipal bond insurance policy provided by the Insurer relating to the Bonds.

“Purchaser” shall mean the initial purchaser of the Bonds as identified in Section 3.1 hereof.

“Record Date” shall mean the close of business on the fifteenth (15th) day of the calendar month immediately preceding the applicable Interest Payment Date.

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

“Registered Owner” or “Registered Holder” shall mean the Person or entity in whose name any Bond is registered in the Register.

“Serial Bonds” shall mean any one or more, as the case may be, of the Bonds maturing serially on December 1 in each of the years 2023 through 2047, inclusive.

“System” shall mean the District’s waterworks and sanitary sewer systems owned and operated by the District, together with any additions and extensions thereto and improvements and replacements thereof when ever so constructed or acquired.

“Term Bond or Term Bonds” shall mean any one or more, as the case may be, of the Bonds maturing on December 1, 20___ and December 1, 20___.

Section 2.2: Interpretations. All terms defined herein and all pronouns used in this Bond Order shall be deemed to apply equally to singular and plural and to all genders. The titles and headings of the articles and sections of this Bond 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. This Bond Order and all the terms and provisions hereof shall be liberally construed to effectuate the purposes set forth herein and to sustain the validity of the Bonds and the validity of the levy of ad valorem taxes to pay the principal of and interest on the Bonds.

ARTICLE III

SALE OF BONDS

Section 3.1: Sale of Bonds. The sale of the Bonds is hereby awarded to _____ under the terms contained in the official bid for purchase of the Bonds which bid produced the lowest net effective interest rate to the District and acceptance of which has been determined to be in the Issuer’s best interest.

Section 3.2: Offering Documents. The Board hereby ratifies, authorizes, and approves, in connection with the sale of the Bonds, the preparation and distribution of the final Official Statement, dated July 21, 2020.

Section 3.3: Approval, Registration, and Delivery. The President or Vice President and the Secretary or Assistant Secretary are hereby authorized to have control and custody of the Bonds and all necessary records and proceedings pertaining thereto pending their

delivery, and the President, Vice President, Secretary, Assistant Secretary, and other officers and employees of the District are hereby authorized and directed to make such certifications, to manually affix the District's seal, and to execute such instruments as may be necessary to accomplish the delivery of the Bonds and the District's obligations under this Order; and to assure the investigation, examination, and approval thereof by the Attorney General and the registration of the Initial Bond by the Comptroller. Upon registration of the Initial Bond, the Comptroller (or a deputy in the office of the Comptroller lawfully designated in writing to act for the Comptroller) shall manually sign the Comptroller's Registration Certificate prescribed herein to be attached or affixed to the Initial Bond and the seal of the Comptroller shall be impressed or printed or lithographed thereon.

ARTICLE IV

TERMS OF THE BONDS

Section 4.1: Amount, Purpose, and Authorization. The Bonds shall be issued in fully registered form, in the total aggregate principal amount of Three Million Six Hundred and Sixty-Five Thousand Dollars (\$3,665,000), for the purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving and extending a water and sanitary sewer system, a surface water system and sewage disposal facilities for the District and a drainage system for the drainage of lands within the District, and for paying fees or charges to any regional water authority, groundwater conservation district or similar entity for charges or contributions lawfully levied on the District, and to pay all of the related engineering, legal and financial advisory fees in connection therewith, and to pay costs of issuance of the Bonds, and to provide for the payment of principal of and interest on such bonds by the levy and collection of a sufficient ad valorem tax upon all taxable property within the District as authorized by the Constitution and laws of the State of Texas.

Section 4.2: Designation, Date, and Interest Payment Dates. Each of the Bonds shall be designated "Fort Bend County Municipal Utility District No. 19 Unlimited Tax Bonds, Series 2020". The Bonds shall be numbered serially from R-1 upward, except that the Initial Bond shall be numbered IB-1, and the Initial Bond shall be submitted to the Attorney General for approval and to the Comptroller for registration until cancellation by the Paying Agent/Registrar in accordance with the provisions of this Order. The Bonds shall be dated August 1, 2020, and shall bear interest at the rates set forth in Section 4.3 below, from the later of the Dated Date (as defined herein) or the most recent Interest Payment Date to which interest has been paid or duly provided for, calculated on the basis of a 360-day year of twelve (12) thirty (30) day months, payable on June 1 and December 1 of each year, commencing December 1, 2020, until the earlier of maturity or redemption.

Section 4.3: Maturities, Principal Amounts and Interest Rates. The Bonds shall be issued in the principal amounts and bear interest at the rates set forth in the following schedule, and may be transferred and exchanged as set out in this Order. The Bonds shall mature on December 1 in each of the years and in the amounts set out in such schedule. Bonds delivered in transfer of or in exchange for other Bonds shall be numbered in order of their authentication by the Paying Agent/Registrar, shall be in the denomination of \$5,000 or integral multiples thereof, and shall mature on the same date and bear interest at the same rate as the Bond or

Bonds in lieu of which they are delivered. The Bonds are subject to redemption prior to maturity as further described in Article V herein.

Series 2020 Bonds

| <u>Maturity Date</u> | <u>Serial Bonds</u> <u>Principal Amount</u> | <u>Interest Rate</u> |
|----------------------|--|----------------------|
| December 1, 2023 | \$25,000 | % |
| December 1, 2024 | \$25,000 | % |
| December 1, 2025 | \$25,000 | % |
| December 1, 2026 | \$50,000 | % |
| December 1, 2027 | \$50,000 | % |
| December 1, 2028 | \$50,000 | % |
| December 1, 2029 | \$75,000 | % |
| December 1, 2030 | \$75,000 | % |
| December 1, 2031 | \$75,000 | % |
| December 1, 2032 | \$100,000 | % |
| December 1, 2033 | \$125,000 | % |
| December 1, 2034 | \$150,000 | % |
| December 1, 2035 | \$175,000 | % |
| December 1, 2036 | \$175,000 | % |
| December 1, 2037 | \$200,000 | % |
| December 1, 2038 | \$200,000 | % |
| December 1, 2039 | \$200,000 | % |
| December 1, 2040 | \$225,000 | % |
| December 1, 2041 | \$225,000 | % |
| December 1, 2042 | \$225,000 | % |
| December 1, 2043 | \$225,000 | % |
| December 1, 2044 | \$225,000 | % |
| December 1, 2045 | \$250,000 | % |
| December 1, 2046 | \$255,000 | % |
| December 1, 2047 | \$260,000 | % |

| <u>Maturity Date</u> | <u>Term Bond(s)</u> <u>Principal Amount</u> | <u>Interest Rate</u> |
|----------------------|--|----------------------|
| December 1, 20__ | \$ _____ | _____ % |
| December 1, 20__ | \$ _____ | _____ % |

Section 4.4: Manner of Payment. Form of Initial Bond and Definitive Bonds, Execution, and Authentication. Principal of the Bonds at maturity or on a redemption date shall be payable in lawful money of the United States of America without deduction for paying agent services at the principal payment office of the Paying Agent/Registrar, currently in Dallas, Texas. The Bonds shall be dated August 1, 2020 and shall bear interest from such Dated Date (as defined herein), and such interest shall be payable semiannually on June 1 and December 1 of each year, commencing December 1, 2020, until the principal sum shall have been paid. The Bonds (other than the Initial Bond in the form of Exhibit A) shall be substantially in the form set forth in Exhibit A-1 to this Order, with such appropriate variations, omissions and insertions as are customary or as are permitted or required by this Order and such letters, numbers or other

marks of identification as may be consistent herewith and determined by those officials of the Board executing the Bonds, as evidenced by their signing of the Initial Bond. Any portion of the text of the Bonds may be printed on the back of such Bond with an appropriate reference placed on the front of the Bond. There may be printed on the Bonds any approving legal opinion and any CUSIP or other identifying number.

Notwithstanding anything to the contrary contained in this Order, the Initial Bond shall be dated August 1, 2020, shall be registered to the Purchaser of the Bonds described in Section 3.1 of this Order, or such other name, entity or person as the Purchaser designates, and the Initial Bond shall be in typed or printed form signed manually by the President and Secretary of the District, submitted to the Attorney General for approval and thereafter registered by the Comptroller by manual signature on the Comptroller's Registration Certificate. The Initial Bond may be exchanged for registered Definitive Bonds as described herein and in accordance with the Public Security Procedures Act, Tex. Gov't. Code Ann. Chapter 1201.

In the event the Purchaser instructs the Paying Agent/Registrar in writing five (5) business days prior to the Issue Date to exchange, authenticate, deliver and register Definitive Bonds to those persons named by the Purchaser, including their addresses, the maturities, interest rates and denominations, then the Initial Bond will be cancelled, and Definitive Bonds will be issued, registered and delivered in accordance with the instructions of the Purchaser on the Issue Date. The Paying Agent/Registrar need not accept instructions regarding exchange of the Initial Bond less than five (5) business days before the Issue Date. If such instructions are not timely received, then cancellation of the Initial Bond and delivery of Definitive Bonds may be delayed until the fifth (5th) business day following receipt by the Paying Agent/Registrar of such instructions.

No Bond shall be entitled to any right or benefit under this Bond Order, or be valid or obligatory for any purpose, unless there appears on such Bond (1) with respect to the Initial Bond only, a certificate of registration substantially in the form of Exhibit A executed by the Comptroller of Public Accounts of the State of Texas or duly authorized deputy by manual signature, and (2) with respect to the Definitive Bonds, a certificate of authentication substantially in the form thereof set forth in Exhibit A-1, executed by the manual signature of the Paying Agent/Registrar. Such certificate of registration and/or authentication, as the case may be, upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly certified and/or authenticated, registered and delivered.

Section 4.5: Ownership. The District, the Paying Agent/Registrar, and any other Person may treat the Registered Owner 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 interest thereon and for all other purposes, whether or not such Bond is overdue, and neither the District nor the Paying Agent/Registrar shall be bound by any notice or knowledge to the contrary. All payments made to the Person deemed to be the Registered Owner of any Bond in accordance with this Section shall be valid and effective and shall discharge the liability of the District and the Paying Agent/Registrar upon such Bond to the extent of the sums paid.

Section 4.6: Registration, Transfer, and Exchange. So long as any Bond remains Outstanding, the Paying Agent/Registrar shall keep the Register at the corporate trust office/ payment office of the Paying Agent/Registrar, currently in Dallas, Texas and, subject to

such reasonable regulations as it may prescribe, the Paying Agent/Registrar shall provide for the registration and transfer of the Bonds in accordance with the terms of this Order.

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

All Bonds shall be exchangeable upon the presentation and surrender thereof at the corporate trust office of the Paying Agent/Registrar, currently in Dallas, Texas, for a Bond or Bonds of the same maturity and interest rate and in any authorized denomination, in an aggregate principal amount equal to the unpaid principal amount of the Bond or Bonds presented for exchange. The Paying Agent/Registrar shall be and is hereby authorized to authenticate and deliver exchange Bonds in accordance with the provisions of this Section 4.6. Each Bond delivered by the Paying Agent/Registrar in accordance with this Section 4.6 shall be entitled to the benefits and security of this Order to the same extent as the Bond or Bonds in lieu of which such Bond is delivered.

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

Neither the District nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Bond during a period beginning at the opening of business on a Record Date and ending at the close of business on the next succeeding Interest Payment Date.

Neither the District nor the Paying Agent/Registrar shall be required to (1) issue, transfer or exchange any Bond selected for redemption during a period beginning at the opening of business fifteen (15) calendar days before the date of the first mailing of a notice of redemption of Bonds hereunder and ending at the close of business on the day of such mailing, or (2) thereafter to transfer or exchange any Bond so selected for redemption in whole or in part where such redemption is scheduled to occur within thirty (30) calendar days.

Section 4.7: Payment of Principal and Interest. The principal or redemption price of the Bonds shall be deposited in trust by the District with the Paying Agent/Registrar who shall pay out of same the principal due to the Registered Owners of the Bonds at the maturity thereof, upon surrender of such Bonds to the Paying Agent/Registrar for cancellation.

Interest on the Bonds shall be timely deposited in trust with the Paying Agent/Registrar by the District, and such interest shall be paid by check, dated as of the Interest Payment Date, and mailed on the Interest Payment Date, first class, postage prepaid, or paid by other customary means of transfer of funds, including wire transfer, at the risk and expense of the

Registered Owners, to the Registered Owners of the Bonds shown on the records of the Paying Agent/Registrar on the Record Date.

Section 4.8: Replacement Bonds. Upon the presentation and surrender to the Paying Agent/Registrar of a damaged or mutilated Bond, the Paying Agent/Registrar shall authenticate and deliver in exchange therefor a replacement Bond of like maturity, interest rate, and principal amount, bearing a number not contemporaneously outstanding. The District or the Paying Agent/Registrar may require the Registered Owner of such Bond to pay a sum sufficient to cover any tax or other governmental charge that may be imposed in connection therewith and any other expenses connected therewith, including the fees and expenses of the Paying Agent/Registrar and the District.

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

- (a) furnished to the District and the Paying Agent/Registrar satisfactory evidence of the ownership of and the circumstances of the loss, destruction or theft of such Bond;
- (b) furnished such security or indemnity as may be required by the Paying Agent/Registrar and the District to save and hold them harmless;
- (c) paid all expenses and charges in connection therewith, including, but not limited to, printing costs, legal fees, fees of the Paying Agent/Registrar, and any tax or other governmental charge that may be imposed; and
- (d) met any other reasonable requirements of the District and the Paying Agent/Registrar.

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

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

Each replacement Bond delivered in accordance with this Section 4.8 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 4.9: Cancellation. All Bonds paid or redeemed in accordance with this Order, and all Bonds in lieu of which exchange Bonds or replacement Bonds are authenticated and delivered in accordance herewith, shall be canceled and destroyed upon the making of proper records regarding such payment or redemption. The Paying Agent/Registrar shall periodically furnish the District with certificates of destruction of such Bonds.

ARTICLE V

REDEMPTION OF BONDS BEFORE MATURITY

Section 5.1: Optional Redemption. The District reserves the right, at its option, to redeem Bonds maturing on or after December 1, 2026, in whole or in part, on December 1, 2025, or on any date thereafter, at a price equal to the principal amount of the Bonds called for redemption plus accrued interest from the later of the Dated Date or the most recent Interest Payment Date on which interest has been paid or duly provided for to the date fixed for redemption.

The exercise by the District of its option to redeem any Bonds shall be entered in the minutes of the Board of Directors of the District. The District shall, at least forty-five (45) calendar days prior to the redemption date (unless a shorter notice shall be satisfactory to the Paying Agent/Registrar), notify the Paying Agent/Registrar of such redemption date and of the principal amount of Bonds of each stated maturity to be redeemed, in multiples of \$5,000.

Section 5.2: Mandatory Redemption. The Term Bonds which mature December 1, 20__ and December 1, 20__ are subject to mandatory redemption (“Mandatory Redemption”) at a price equal to 100% of the principal amount thereof plus accrued interest to the redemption dates from amounts which are required to be deposited in the District’s Debt Service Fund as defined in this Order in amounts sufficient to redeem the Bond on December 1 in the years and principal amounts shown on the following schedule:

| <u>Series 2020 Term Bonds</u> | |
|----------------------------------|-------------------------|
| <u>Redemption Date</u> | <u>Principal Amount</u> |
| December 1, 20__ | \$ |
| December 1, 20__ (maturity date) | \$ |
| December 1, 20__ | \$ |
| December 1, 20__ (maturity date) | \$ |

While the Bonds are in book-entry only form pursuant to Article XII herein, the Term Bonds will be selected for Mandatory Redemption by the DTC in accordance with its procedures. If the book-entry only system is discontinued, the Term Bonds will be selected for Mandatory Redemption by lot or other customary random method. The principal amount of the Term Bonds of a given maturity required to be redeemed pursuant to the operation of such Mandatory Redemption provisions shall be reduced, at the option of the District, by the principal amount of the Term Bonds of such maturity which, at least fifty (50) days prior to the date of such Mandatory Redemption, (1) shall have been acquired by the District at a price not exceeding the principal amount of such Term Bond plus accrued interest to the date of purchase thereof, and

delivered to the Registrar for cancellation, (2) shall have been purchased and canceled by the Registrar at the request of the District at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase, or (3) shall have been redeemed pursuant to the optional redemption provisions and not thereto credited against a Mandatory Redemption requirement.

Section 5.3: Selection of Bonds for Optional Redemption. While the Bonds are in book-entry form pursuant to Article XII herein, if less than all the Bonds of a particular maturity are to be redeemed, the Bonds will be selected for redemption by the DTC in accordance with its procedures. If less than all of the entire outstanding principal amount of the Term Bond(s), if any, is to be redeemed, the District will notify the Paying Agent/ Registrar of the reductions in the remaining mandatory redemption amounts to result from the optional redemption. If the book entry only system is discontinued, and if less than all the Bonds of a particular maturity are to be redeemed, the Paying Agent/Registrar, on behalf of the District, shall select for redemption, by lot or other customary random method, any portion of the principal amount of the Bonds within any given maturity whose principal amount is greater than \$5,000 and whose proration would be necessitated by the nature of the redemption call by the District.

For purposes of this Order, unless the context otherwise requires, all provisions relating to the redemption of Bonds shall relate, in the case of any Bond redeemed or to be redeemed only in part, to the portion of the principal of such Bond which has been or is to be redeemed.

Section 5.4: Notice. Notice of redemption shall be sent by United States mail, first class, postage prepaid, by the Paying Agent/Registrar in the name of and at the expense of the District, not less than thirty (30) calendar days prior to the redemption date for the Bonds, to each Registered Owner of the Bonds to be redeemed. Such notice shall be sent to each Registered Owner of a Bond to be redeemed at the address appearing on the Register of the Paying Agent/Registrar at the close of business on the business day next preceding the date of mailing such notice.

All notices of redemption shall include a statement (1) as to the redemption date, (2) as to the redemption price, (3) as to the principal amount of the Bonds to be redeemed and, if less than all Bonds then Outstanding are to be redeemed, an identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed, (4) to the effect that, on the redemption date, the redemption price of each of the Bonds to be redeemed will become due and payable and that interest thereon shall cease to accrue from and after such date, and (5) to the effect that such Bonds are to be surrendered for payment of the redemption price at the office of the Paying Agent/Registrar, and the address of such office.

Section 5.5: Payment. Notice of redemption having been given as aforesaid, the Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price, and from and after such date (unless the District shall default in the payment of the redemption price) such Bonds shall cease to bear interest. Upon the surrender of such Bonds for redemption in accordance with such notice, such Bonds shall be paid by the Paying Agent/Registrar at the redemption price out of money supplied by the District.

If any Bond called for redemption shall not be so paid on the date set for redemption by reason of the failure of the District to provide collected funds, the same shall continue to bear interest from the redemption date at the rate borne by such Bonds until same is paid by the District.

Section 5.6: Partial Redemption. Any Bond which is to be redeemed only in part shall be surrendered at the office of the Paying Agent/Registrar (if payment is to be made to other than the Registered Owner with due endorsement by, or a written instrument of transfer in form satisfactory to the Paying Agent/Registrar duly executed by the Registered Owner or the Registered Owner's attorney duly authorized in writing), and the District shall execute and the Paying Agent/Registrar shall register and deliver to the Registered Owner of such Bond, without service charge to the Registered Owner, a new Bond or Bonds of the same stated maturity and of any authorized denomination or denominations as requested by such Registered Owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered.

ARTICLE VI

SECURITY FOR THE BONDS: TAX LEVY

Section 6.1: Tax Levy and Pledge. During each year while any of the Bonds or interest thereon are outstanding, the District shall compute and ascertain a rate and amount of ad valorem taxes which will be sufficient to raise and produce the moneys required to provide for the payment of the interest on the Bonds as such interest comes due and to provide and maintain a sinking fund adequate to pay the principal of the Bonds as such principal matures, and such tax shall be based on the certified tax rolls of the District at the time of the levy, with full allowance being made for tax delinquencies and the cost of tax collection. For the current year there shall hereby be levied, and for each year thereafter while the Bonds or any part of the principal of and interest thereon are outstanding and unpaid, there shall be levied, assessed and collected in due time, form and manner, an unlimited continuing, direct annual ad valorem tax upon all taxable property in the District in the rate and amount as aforesaid, and the proceeds of such tax shall be appropriated and applied to the payment of principal of and interest on the Bonds.

Section 6.2: Additional Bonds. The District expressly reserves and shall hereafter have the right to issue in one or more installments, for the purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving and extending a water and sanitary sewer system, a surface water system and sewage disposal facilities for the District and a drainage system for the drainage of lands within the District, and for paying fees or charges to any regional water authority, groundwater conservation district or similar entity for charges or contributions lawfully levied on the District, the unissued \$29,715,000 principal amount of unlimited tax bonds which remain authorized out of the District's bond election held May 6, 2017, the \$2,400,000 of unlimited tax and revenue bonds that remain authorized but unissued pursuant to the District's bond election held for that purpose on July 18, 1981, and any unlimited tax bonds or unlimited tax and revenue bonds as may hereafter be authorized at subsequent elections. Furthermore, the District expressly reserves and shall hereafter have the right to issue in one or more installments the following:

(a) Revenue Bonds. The District expressly reserves the right to issue bonds payable solely from net revenues of the System for the purpose of completing, repairing, improving, extending, enlarging or replacing the System, and such bonds may be payable from and equally secured by a lien on and pledge of said net revenues on a parity with the pledge on the Bonds and any previously issued bonds secured by net revenues to the extent net revenues are used to pay the principal of and interest on such bonds.

(b) Combination Unlimited Tax and Revenue Bonds. The District also reserves the right to issue combination unlimited tax and revenue bonds payable from both an unlimited pledge of ad valorem taxes and net revenues of the System for the purposes of completing, repairing, improving, extending, enlarging or replacing the System.

(c) Inferior Lien Bonds. The District also reserves the right to issue inferior lien bonds and to pledge the net revenues of the System to the payment thereof, such pledge to be subordinate in all respects to the lien of the Bonds and any previously issued or subsequently issued bonds which are on a parity with the Outstanding Bonds and the Bonds.

(d) Special Project Bonds. The District further reserves the right to issue special project bonds for the purchase, construction, improvement, extension, replacement, enlargement or repair of water, sewer and/or drainage facilities necessary under a contract or contracts with persons, corporations, municipal corporations, political subdivisions or other entities, such special project bonds to be payable from and secured by the proceeds of such contract or contracts.

(e) Refunding Bonds. The District further reserves the right to issue refunding bonds as authorized by law to refund any of the Bonds or the Outstanding Bonds or any additional unlimited tax bonds, combination unlimited tax and revenue bonds, revenue bonds, inferior lien bonds, special project bonds, or other evidences of indebtedness, or any bonds the holders of which have consented to have refunded. The refunding bonds so issued shall enjoy complete equality of lien with the remaining bonds not refunded, if any such bonds remain, and the refunding bonds so issued shall enjoy the priority of lien enjoyed by the bonds being refunded.

ARTICLE VII

THE PAYING AGENT/REGISTRAR

Section 7.1: Paying Agent/Registrar Agreement. At all times while any of the Bonds are outstanding, the District shall maintain and provide for a Paying Agent/Registrar. The Bank of New York Mellon Trust Company, N.A., a national banking association with its corporate trust office and payment office in Dallas, Texas, is hereby appointed, and the District has entered into an agreement with The Bank of New York Mellon Trust Company, N.A. for the services of Paying Agent/Registrar for the Bonds. The Paying Agent/Registrar shall be completely responsible for the payment of the principal of and interest on the Bonds upon receipt by the Paying Agent/Registrar of sufficient moneys to pay the principal of and interest on the Bonds from the District, and for the replacement, transfer and exchange of the Bonds under the terms and conditions set forth herein. The Paying Agent/Registrar and any successor Paying Agent/Registrar, by undertaking the performance of the duties of the Paying Agent/Registrar hereunder, and in consideration of the payment of any fees pursuant to the terms of any contract

between the Paying Agent/Registrar and the District and/or the deposits of money pursuant to this Order, shall be deemed to accept and agree to abide by the terms of this Order.

Section 7.2: Trust Funds. All moneys transferred to the Paying Agent/Registrar in its capacity as Paying Agent/Registrar for the Bonds under this Order (except any sums representing Paying Agent/Registrar's fees) shall be held in trust for the benefit of the District, shall be the property of the District, and shall be disbursed in accordance with this Order.

Section 7.3: Bonds Presented. Subject to the provisions of Section 7.4 of this Order, all matured Bonds presented to the Paying Agent/Registrar for payment shall be paid without the necessity of further instructions from the District. Such Bonds shall be canceled as provided herein.

Section 7.4: Unclaimed Funds Held by the Paying Agent/Registrar. Funds held by the Paying Agent/Registrar that represent principal of or interest on the Bonds remaining unclaimed by the Registered Owner after the expiration of three (3) years from the date such funds have become due and payable (a) shall be reported and disposed of by the Paying Agent/Registrar in accordance with the provisions of Title 6 of the Texas Property Code, as amended, to the extent such provisions are applicable to such funds, or (b) to the extent such provisions do not apply to the funds, such funds shall be paid by the Paying Agent/Registrar to the District upon receipt by the Paying Agent/Registrar of a written request therefor from the District.

The Paying Agent/Registrar shall have no liability to the Registered Owners of the Bonds by virtue of actions taken in compliance with this Section 7.4.

Section 7.5: Paying Agent/Registrar May Own Bonds. The Paying Agent/Registrar in its corporate or any other capacity, may become the Registered Owner or pledgee of Bonds with the same rights it would have if it were not the Paying Agent/Registrar.

Section 7.6: Successor Paying Agent/Registrars. The District retains the right to replace the Paying Agent/Registrar. Further, if the Paying Agent/Registrar or its successor becomes unable for any reason to act as Paying Agent/Registrar hereunder, the District covenants that it will appoint a qualified bank to perform the duties of Paying Agent/Registrar hereunder. Any successor Paying Agent/Registrar shall be either a national or state banking institution and a corporation organized and doing business under the laws of the United States of America or any state thereof, which is authorized under such laws to exercise trust powers, and is subject to supervision or examination by federal or state authority. Upon any change in Paying Agent/Registrar, the District agrees to cause written notice of such change to be sent to each Registered Owner by United States mail, first class, postage prepaid, which notice shall give the address of the successor Paying Agent/Registrar.

ARTICLE VIII

FUNDS AND ACCOUNTS, APPLICATION OF PROCEEDS

Section 8.1: General Fund. The District hereby confirms the prior establishment of the District's General Fund. The District shall deposit as collected all revenues

derived from the operation of the System, if any, into the District's General Fund, which fund shall be kept separate and apart from all other funds and accounts of the District.

Section 8.2: Debt Service Fund. The District hereby confirms the prior establishment of the District's Debt Service Fund. From the levy of District taxes pursuant to Section 6.1 hereof there shall be deposited to the Debt Service Fund all tax revenue pledged for repayment of the Bonds after allowance for delinquencies and cost of collection. Moneys in the Debt Service Fund shall be transferred to the Paying Agent/Registrar prior to any interest and/or principal payment date in an amount sufficient to pay the interest on and principal of the Bonds and Paying Agent/Registrar fees, if due.

Section 8.3: Capital Projects Fund. There is hereby confirmed the prior establishment of the District's Capital Projects Fund. All proceeds of the Bonds not deposited to the Debt Service Fund shall be deposited to the Capital Projects Fund for the purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving and extending a water and sanitary sewer system and sewage disposal facilities for the District, and a drainage system for the drainage of lands within the District, and for paying fees or charges to any regional water authority or similar entity for charges or contributions lawfully levied on the District as approved by the Commission, and paying the costs of issuance of the Bonds. Any Bond proceeds remaining after completing projects and paying related costs as approved by the Commission shall be considered surplus bond proceeds and shall be expended only in accordance with the rules of the Commission.

ARTICLE IX

TAX EXEMPTION

Section 9.1: Tax Exemption. The District covenants that it will make such use of the proceeds of the Bonds, regulate investments of proceeds thereof, and take such other and further actions as may be required by Sections 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and all applicable temporary, proposed, and final regulations and procedures promulgated thereunder, to the extent applicable to the Code (the "Regulations"), necessary to assure that the interest on the Bonds is excludable from gross income for federal income tax purposes. Without limiting the generality of the foregoing covenant, the District hereby covenants as follows:

(a) to take any action to insure that no more than 10 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited to a reserve fund, if any) are used for any "private business use," as defined in section 141(b)(6) of the Code or, if more than 10 percent of the proceeds or the projects financed therewith are so used, such amounts, whether or not received by the Issuer, with respect to such private business use, do not, under the terms of this Order or any underlying arrangement, directly or indirectly, secure or provide for the payment of more than 10 percent of the debt service on the Bonds, in contravention of section 141(b)(2) of the Code;

(b) to take any action to assure that in the event that the "private business use" described in subsection (a) hereof exceeds 5 percent of the proceeds of the Bonds or the projects financed therewith (less amounts deposited into a reserve fund, if any) then the amount in excess

of 5 percent is used for a “private business use” which is “related” and not “disproportionate,” within the meaning of section 141(b)(3) of the Code, to the governmental use;

(c) to take any action to assure that no amount which is greater than the lesser of \$5,000,000, or 5 percent of the proceeds of the Bonds (less amounts deposited into a reserve fund, if any) is directly or indirectly used to finance loans to persons, other than state or local governmental units, in contravention of section 141(c) of the Code;

(d) to refrain from taking any action which would otherwise result in the Bonds being treated as “private activity bonds” within the meaning of section 141(b) of the Code;

(e) to otherwise restrict the use of the proceeds of the Bonds so that the Bonds do not contravene the requirements of Section 148 of the Code relating to arbitrage;

(f) to refrain from taking any action that would result in the Bonds being “federally guaranteed” obligations for purposes of Section 149(b) of the Code;

(g) to take all necessary steps to comply with the requirement that excess arbitrage profits earned on the investment of the “gross proceeds” of the Bonds (within the meaning of Section 148(f)(6)(B) of the Code), if any, be rebated to the federal government, and to maintain such records as will enable the District to fulfill its responsibilities under this section and Section 148 of the Code;

(h) to timely file with the Secretary of the Treasury of the United States the information required by Section 149(e) of the Code with respect to the Bonds on such form and in such place as such Secretary may prescribe;

(i) to refrain from using any portion of the proceeds of the Bonds, directly or indirectly, to acquire or to replace funds which were used, directly or indirectly, to acquire investment property (as defined in section 148(b)(2) of the Code) which produces a materially higher yield over the term of the Bonds, other than investment property acquired with:

(1) proceeds of the Bonds invested for a reasonable temporary period of 3 years or less or, in the case of a refunding bond, for a period of 30 days or less until such proceeds are needed for the purpose for which the Bonds are issued,

(2) amounts invested in a bona fide debt service fund, within the meaning of section 1.148-1(b) of the Treasury Regulations, and

(3) amounts deposited in any reasonably required reserve or replacement fund to the extent such amounts do not exceed 10 percent of the stated principal amount (or, in the case of a discount, the issue price) of the Bonds;

(j) to otherwise restrict the use of the proceeds of the Bonds or amounts treated as proceeds of the Bonds, as may be necessary, so that the Bonds do not otherwise contravene the requirements of section 148 of the Code (relating to arbitrage), section 149(g) of the Code (relating to hedge bonds), and, to the extent applicable, section 149(d) of the Code (relating to advance refundings).

All officers, employees, and agents of the District are authorized and directed to provide certifications of facts and estimates that are material to the reasonable expectations of the District regarding the foregoing as of the date the Bonds are delivered. In complying with the foregoing covenants, the District may rely from time to time upon an opinion issued by nationally recognized bond counsel to the effect that any action by the District in reliance upon any interpretation of the Code or Regulations contained in such opinion will not cause interest on the Bonds to be includable in gross income for federal income tax purposes under existing law.

Section 9.2. Qualified Tax Exempt Obligations. The District hereby designates the Bonds as "qualified tax-exempt obligations" as defined in section 265(b)(3) of the Internal Revenue Code of 1986 (the "Code"). In connection therewith, the District represents (i) that the aggregate amount of tax-exempt obligations during calendar year 2020, including the Bonds, which have been designated "qualified tax-exempt obligations" under Section 265(b)(3) of the Code does not exceed \$10,000,000 and (ii) that the reasonably anticipated amount of tax-exempt obligations which will be issued by the District during calendar year 2020, including the Bonds, will not exceed \$10,000,000.

Section 9.3: Allocation of, and Limitation on, Expenditures for the Project. The District covenants to account for the expenditure of sale proceeds and investment earnings to be used for the purposes described in Section 4.1 of this Order (the "Project") on its books and records by allocating proceeds to expenditures within eighteen (18) months of the later of the date that (1) the expenditure is made, or (2) the Project is completed. The foregoing notwithstanding, the District shall not expend sale proceeds or investment earnings thereon more than sixty (60) days after the earlier of (1) the fifth (5th) anniversary of the delivery of the Bonds, or (2) the date the Bonds are retired, unless the District obtains an opinion of nationally-recognized bond counsel that such expenditure will not adversely affect the tax-exempt status of the Bonds. For purposes hereof, the District shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 9.4: Disposition of Project. The District covenants that the property constituting the Project will not be sold or otherwise disposed in a transaction resulting in the receipt by the District of cash or other compensation, unless the District obtains an opinion of nationally-recognized bond counsel that such sale or other disposition will not adversely affect the tax-exempt status of the Bonds. For purposes of the foregoing, the portion of the property comprising personal property and disposed in the ordinary course shall not be treated as a transaction resulting in the receipt of cash or other compensation. For purposes hereof, the District shall not be obligated to comply with this covenant if it obtains an opinion that such failure to comply will not adversely affect the excludability for federal income tax purposes from gross income of the interest.

Section 9.5: Reimbursement. This Order is intended to satisfy the official intent requirements set forth in section 1.150-2 of the Treasury Regulations.

Section 9.6: Continuing Compliance. It is the understanding of the District that the covenants contained herein are intended to assure compliance with the Code and any regulations or rulings promulgated by the U.S. Department of the Treasury pursuant thereto. In the event that regulations or rulings are hereafter promulgated which modify, or expand

provisions of the Code, as applicable to the Bonds, the District will not be required to comply with any covenant contained herein to the extent that such failure to comply, in the opinion of nationally recognized bond counsel, will not adversely affect the exemption from federal income taxation of interest on the Bonds under Section 103 of the Code. In the event that regulations or rulings are hereafter promulgated which impose additional requirements which are applicable to the Bonds, the District agrees to comply with the additional requirements to the extent necessary, in the opinion of nationally recognized bond counsel, to preserve the exemption from federal income taxation of interest on the Bonds under Section 103 of the Code. In furtherance of such intention, the District hereby authorizes and directs the President of the Board of Directors of the District to execute any documents, certificates or reports required by the Code and to execute any documents, certificates or reports required by the Code and to make such elections, on behalf of the District, which may be permitted by the Code as are consistent with the purpose for the issuance of the Bonds.

Section 9.7: Written Procedures. Unless superseded by another action of the District, to ensure compliance with the covenants contained herein regarding private business use, remedial actions, arbitrage and rebate, the District hereby adopts and establishes the instructions attached hereto and incorporated by reference herein as Exhibit "B" as the District's written procedures.

ARTICLE X

INSURANCE, AUDITS AND REPORTING

Section 10.1: Maintenance and Insurance. The District covenants and agrees that while the Bonds remain Outstanding, it will maintain and operate the System and maintain casualty loss and other insurance on the System of a kind and in such amounts customarily carried on similar systems by municipal utility districts in the State of Texas; that it will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State of Texas.

The District specifically covenants that the System shall be maintained in good condition and operated in an efficient manner at a reasonable cost. So long as any of the Bonds are Outstanding, the District covenants to maintain insurance on such parts of the System as are usually insured by municipal utility districts and political subdivisions in Texas operating like properties in similar locations under the same circumstances with a responsible insurance company or companies against risks, accidents, or casualties against which and to the extent insurance is usually carried by such municipal corporations and political subdivisions; provided, however, that at any time while any contractor engaged in construction work shall be fully responsible therefor, the District shall not be required to carry such insurance.

In the event of any loss or damage, the District covenants that it will reconstruct or repair the destroyed or damaged portion of the System and will apply the proceeds of the insurance policies covering such loss or damage solely for that purpose. The District covenants that it will begin such reconstruction or repair promptly after such loss or damage shall have occurred and will continue and properly complete the same as expeditiously as possible and will pay, or cause to be paid, all costs and expenses in connection therewith out of the insurance proceeds so that the same shall be completed and the property be free and clear of all mechanics' and other liens or claims.

Section 10.2: Books, Records, Audits, and Reporting. The District further covenants and agrees that so long as any of the Bonds or any interest thereon remains Outstanding and unpaid, it will keep and maintain separate and complete records and accounts pertaining to the operations of the System in which complete and correct entries shall be made of all transactions relating thereto, as provided by applicable law. The District further agrees that following the close of each Fiscal Year, it will cause an audit of such books and accounts to be made by an independent firm of Certified Public Accountants, as required by law.

ARTICLE XI

CONTINUING DISCLOSURE UNDERTAKING

Section 11.1: Definitions. As used in this Article, the following terms have the meanings ascribed below:

“EMMA” means the Electronic Municipal Market Access system of the Municipal Securities Rule Making Board.

“MSRB” means the Municipal Securities Rulemaking Board.

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

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

Section 11.2: Annual Reports. The District shall provide at least annually to the MSRB through EMMA or such other method approved by the SEC, within six months after the end of each fiscal year ending in or after 2020, financial information and operating data with respect to the District of the general type included in the final Official Statement authorized by this Bond Order, being the information described in this Article XI. Any financial statements so to be provided shall be (1) prepared in accordance with the accounting principles described in this Article XI and (2) audited, if the District commissions an audit of such statements and the audit is complete within the period during which they must be provided. If audited financial statements are not so provided, then the District shall provide audited financial statements for the applicable fiscal year to the MSRB, when and if audited financial statements become available.

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

The financial information and operating data to be provided pursuant to this Section may be set forth in full in one or more documents or may be included by specific reference to any publicly available document available on the MSRB website or filed with the SEC as permitted by SEC Rule 15c2-12. Any filing made hereunder may be made solely by transmitting such filing to the MSRB in electronic format as prescribed by MSRB, currently, to www.emma.msrb.org, and shall be accompanied by identifying information as prescribed by the MSRB.

Section 11.3: Event Notices. The District shall notify the MSRB, within 10 business days of occurrence of the event, of any of the following events with respect to the Bonds:

1. Principal and interest payment delinquencies;
2. Unscheduled draws on debt service reserves reflecting financial difficulties;
3. Unscheduled draws on credit enhancements reflecting financial difficulties;
4. Substitution of credit or liquidity providers, or their failure to perform;
5. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
6. Defeasances;
7. Rating changes;
8. Tender offers;
9. Bankruptcy, insolvency, receivership or similar proceeding of the District;
10. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the District, any of which reflect financial difficulties.

Section 11.4: Material Event Notices. The District shall notify the MSRB, within ten (10) business days of occurrence of the event, of any of the following events with respect to the Bonds, if such event is material within the meaning of federal securities laws:

1. Non-payment related defaults;
2. Modification to rights of holders of the Bonds;
3. Bond calls;
4. Release, substitution or sale of property securing repayment of the Bonds;
5. The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms;
6. Appointment of a successor or additional trustee or the change of the name of a trustee;
7. Incurrence of a financial obligation of the District or agreement to

covenants, events of default, remedies, priority rights, or other similar terms of financial obligation of the District, any of which affect security holders.

The District shall notify the MSRB, in a timely manner, of any failure by the District to provide financial information or operating data in accordance with this Article by the time required by such Section. Any filing under this Section/Article may be made solely by transmitting such filing to the MSRB in electronic format as prescribed by MSRB, currently, to www.emma.msrb.org, and shall be accompanied by identifying information as prescribed by the MSRB.

Section 11.5: Limitations, Disclaimers and Amendments. The District shall be obligated to observe and perform the covenants specified in this Article for so long as, but only for so long as, the District remains an “obligated person” with respect to the Bonds within the meaning of the Rule, except that the District in any event will give the notice required by this Article of any Bond calls and defeasances that cause the District to be no longer such an “obligated person.”

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

UNDER NO CIRCUMSTANCES SHALL THE DISTRICT BE LIABLE TO THE REGISTERED OWNER OR BENEFICIAL OWNER OF ANY BOND OR ANY OTHER PERSON, IN CONTRACT OR TORT, FOR DAMAGES RESULTING IN WHOLE OR IN PART FROM ANY BREACH BY THE DISTRICT, WHETHER NEGLIGENT OR WITHOUT FAULT ON ITS PART, OF ANY COVENANT SPECIFIED IN THIS 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 District in observing or performing its obligations under this Article shall constitute a breach of or default under the Bond Order for purposes of any other provision of this Bond Order.

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

The provisions of this Article may be amended by the District from time to time to adapt to changed circumstances that arise from a change in legal requirements, a change in

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

Section 11.6: Description of Annual Financial Information. The following information is referred to in Section 11.2 of this Article:

(a) Annual Financial Statements and Operating Data. The financial information and operating data with respect to the District to be provided annually in accordance with such Section 11.2 are as specified below:

“TAX DATA” and APPENDIX A to the Official Statement – Audited Financial Statements.

(b) Accounting Principles. The accounting principles referred to herein are generally accepted accounting principles for governmental units as prescribed by the Governmental Accounting Standards Board from time to time, as such principles may be changed from time to time to comply with state law or regulation, or as otherwise stated in the financial statements.

ARTICLE XII

BOOK ENTRY PROCEDURES

Section 12.1: Registration of Nominee of DTC. Notwithstanding the procedures set forth in this Order relating to registration and exchange of the Bonds, the Initial Bond shall be delivered against payment to the Purchaser. The Purchaser shall be required to promptly surrender the Initial Bond to the Paying Agent/Registrar for exchange. Bonds issued in exchange shall be registered in the name of CEDE & CO., as nominee of the Depository Trust Company, New York, New York (“DTC”), as Registered Owner of the Bonds, and held in the custody of DTC. Unless otherwise requested by DTC, a single certificate will be issued and delivered to DTC for each maturity of the Bonds. Beneficial owners of Bonds will not receive physical delivery of Bond certificates except as provided hereinafter. For so long as DTC shall continue to serve as securities depository for the Bonds as provided herein, all transfers of beneficial ownership interests will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Bonds is to receive, hold or deliver any Bond certificate.

Section 12.2: Obligation of Paying Agent/Registrar and District to DTC Participants. With respect to Bonds registered in the name of CEDE & CO., as nominee of DTC, the District and the Paying Agent/Registrar shall have no responsibility or obligation to any DTC Participant or to any Person on whose behalf a DTC Participant holds an interest in the Bonds except as provided in this Order. Without limiting the immediately preceding sentence, the District and the Paying Agent/Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, CEDE & CO., or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other Person, other than a Registered Owner of the Bonds, as shown on the Register, of any notice with respect to the Bonds, including any notice of redemption, and (iii) the payment to any DTC Participant or any other Person, other than a Registered Owner of the Bonds, as shown in the Register, of any amount with respect to principal of or premium, if any, or interest on the Bonds. Notwithstanding any other provision of this Order to the contrary, the District and the Paying Agent/Registrar shall be entitled to treat and consider the person in whose name each Bond is registered in the Register as the absolute Registered Owner of such Bond for the purpose of payment of principal of 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 Registered Owners, as shown in the Register as provided in this Order, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payments of principal, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than a Registered Owner, as shown in the Register, shall receive a Bond certificate evidencing the obligation of the District to make payments of amounts due pursuant to this Order. Upon delivery by DTC to the Paying Agent/Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of CEDE & CO., and subject to the provisions of this Order with respect to interest checks being mailed to the Registered Owner of record as of the Record Date, the phrase "CEDE & CO." in this Order shall refer to such new nominee of DTC.

Section 12.3: Blanket Issuer Letter of Representations. The execution and delivery of the Blanket Issuer Letter of Representations from the District to DTC, which sets forth their mutual understanding with respect to all issues, including the Bonds, which the District shall request be made eligible for deposit by the DTC, is hereby approved with such changes as may be approved by the President or Vice President of the Board, and the President or Vice President of the Board is hereby authorized and directed to execute such Blanket Issuer Letter of Representations.

Section 12.4: Replacement of DTC or Issuance of Replacement Bonds. Replacement Bonds may be issued directly to beneficial owners of Bonds other than DTC, or its nominee, but only in the event that (i) DTC determines not to continue to act as securities depository for the Bonds (which determination shall become effective no less than ninety (90) days after delivery of written notice to such effect to the District and the Paying Agent/Registrar); or (ii) the District has advised DTC of its determination (which determination is conclusive as to DTC and the beneficial owners of the Bonds) that the interests of the beneficial owners of the Bonds might be adversely affected if such book-entry only system of transfer is continued. Upon occurrence of any of the foregoing events, the District shall use its

best efforts to attempt to locate another qualified securities depository. If the District fails to locate another qualified securities depository to replace DTC, the District shall cause to be authenticated and delivered replacement Bonds, in certificate form, to the beneficial owners of the Bonds. In the event that the District makes the determination noted in (ii) above (provided that the District undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the District to make any such determination), and has made provisions to notify the beneficial owners of Bonds of such determination by mailing an appropriate notice to DTC, it shall cause to be issued replacement Bonds in certificate form to beneficial owners of the Bonds as shown on the records of DTC provided to the District.

Section 12.5: DTC Requirements to be met. Whenever, during the term of the Bonds, the beneficial ownership thereof is determined by a book entry at DTC, the requirements in this Order of holding, delivering or transferring Bonds shall be deemed modified to require the appropriate Person or entity to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

Section 12.6: 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 Blanket Issuer Letter of Representations.

Section 12.7: Cessation of DTC as Securities Depository. If at any time, DTC ceases to hold the Bonds as securities depository, all references herein to DTC shall be of no further force or effect.

ARTICLE XIII

BOND INSURANCE

Section 13.1: The following Statement of Insurance shall be printed on the Initial Bond and Definitive Bonds:

Statement of Insurance

Build America Mutual Assurance Company (“BAM”), New York, New York, has delivered its municipal bond insurance policy (the “Policy”) with respect to the scheduled payments due of principal of and interest on this Bond to The Bank of New York Mellon Trust Company, N. A., Dallas, Texas, or its successor, as paying agent for the Bonds (the “Paying Agent”). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from BAM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Bonds, the owner acknowledges and consents (i) to the subrogation and all other rights of BAM as more fully set forth in the Policy and (ii) that upon the occurrence and continuance of a default or an event of default under the Bond Order or this Bond, BAM shall be deemed to be the sole owner of the Bonds for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the owners of the Bonds or the paying agent, registrar or similar agent for the benefit of such owners under the Bond Order, at law or in equity.

ARTICLE XIV

MISCELLANEOUS

Section 14.1: Defeasance. The District may defease the Bonds and discharge its obligation to the Registered Owners of any or all of the Bonds to pay the principal of and interest thereon in any manner permitted by law. Upon such deposit, the Bonds shall no longer be Outstanding or unpaid. Any surplus amounts not required to accomplish such defeasance shall be returned to the District.

Section 14.2: Remedies Upon Default. In addition to all of the rights and remedies provided by the laws of the State of Texas, the District further covenants and agrees that in the event of default in the payment of the principal of or any interest on any of the Bonds when due, or, in the event it fails to make the payments required to be made into the Debt Service Fund or defaults in the observance or performance of any other covenants, conditions or obligations set forth in this Bond Order, the following remedies shall be available:

(a) The Registered Owners of the Bonds shall be entitled to a writ of mandamus issued by a court of competent jurisdiction compelling and requiring the District and the officials thereof to observe and perform the covenants, obligations or conditions prescribed in this Bond Order.

(b) Any delay or omission to exercise any right or power accruing upon any default shall not impair any such right or power and shall not be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 14.3: Annexation. The District is located wholly within the extraterritorial jurisdiction of the City of Richmond, Texas (the "City"). If the District is annexed by the City, the City must assume all the debts, liabilities and obligations of the District, including the Bonds, and must perform all the functions of the District, including the provision of services. If the District is annexed and the obligations thereof payable in whole or in part from ad valorem taxes become obligations of the City, the City is thereafter required to levy and collect taxes on all taxable property in the City sufficient to pay the principal of and interest on the Bonds, warrants or other obligations of the District as they become due and payable.

Section 14.4: Consolidation. The laws of the State of Texas permit the District to be consolidated with one or more other municipal utility districts. In that event, the District reserves the right to consolidate the System with a similar system of one or more such districts with which the District is consolidating. The District further reserves the right to:

(a) assume such other district's bonds, notes or other obligations and voted but unissued bonds payable in whole or in part from taxation, and to provide for the joint levy of taxes to pay for the bonds so assumed;

(b) apply the net revenues from the operation of such consolidated system to the payment of principal, interest, redemption price and bond charges on the revenue bonds or combination unlimited tax and revenue bonds of the District and/or of the district or districts

with which the District is consolidating, if any, without preference to any series of bonds with the same parity provided that subordinate lien revenue bonds shall continue to be subordinate to first lien revenue bonds of the consolidating districts; and

(c) pledge the net revenues of the consolidated system to the payment of principal, interest, redemption price and bond charges on revenue bonds which may be issued by the consolidating districts on a parity with the outstanding first lien revenue bonds of the consolidating districts.

Section 14.5: Amendment of Bond Order. The District may, without the consent of or notice to any Registered Owners of the Bonds, amend, change or modify this Bond Order as may be required (1) by the provisions hereof, (2) in connection with the issuance of any additional bonds, (3) for the purpose of curing any ambiguity, inconsistency, error or formal defect or omission herein, or (4) in connection with any other change which is not to the prejudice of any Registered Owner of the Bonds. Except for such amendments, changes and modifications, the District shall not amend, change or modify this Bond Order in any manner without the written consent of each Registered Owner of the Bonds, including particularly any amendment, change or modification which would (1) extend the time or times of payment of the principal of and interest (or accrual of interest) on the Bonds, or reduce the principal amount thereof or the rate of interest thereon or in any other way modify the terms of payment of the principal of or interest on the Bonds, (2) create any lien ranking prior to or on a parity with the lien of the Bonds except for additional bonds as set forth in Section 6.2 hereof, (3) give preference of any Bond over any other bond, or (4) extend any waiver of default to subsequent defaults.

Section 14.6: Legal Holidays. If any date on which interest is payable on the Bonds or principal of the Bonds matures shall be a legal holiday for the Paying Agent/Registrar or a day on which the Paying Agent/Registrar is authorized by law to close, then payment of interest or principal need not be made on such date but may be made on the next succeeding day which is not a legal holiday for the Paying Agent/Registrar or a day on which the Paying Agent/Registrar is authorized by law to close, and such payment on such succeeding day shall be treated with the same force and effect as if made on the Interest Payment Date or the date of maturity and no interest shall accrue for the period from the Interest Payment Date or maturity date to the date of actual payment.

Section 14.7: No Recourse Against District Officials. No recourse shall be had for the payment of principal of or interest on any of the Bonds or for any claim based thereon or on this Order against any official of the District or any person executing any Bonds.

Section 14.8: Further Proceedings. The President, Vice President, the Secretary, and Assistant Secretary and other appropriate officials of the District are hereby authorized and directed to do any and all things necessary and/or convenient to carry out the terms or effectuate the intent of this Order.

Section 14.9: Severability. If any section, paragraph, clause or provision of this Order shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Order.

Section 14.10: Open Meeting. It is hereby found, determined, and declared that a sufficient written notice of the date, hour, place, and subject of the meeting of the Board of Directors at which this Order was adopted was posted at a place convenient and readily accessible at all times to the general public for the time required by law preceding this meeting, as required by the Open Meetings Act, Tex. Gov't. Code Ann. §551.001 et seq. (Vernon 2008), and that this meeting has been open to the public as required by law at all times during which this Order and the subject matter thereof has been discussed, considered, and formally acted upon. The Board of Directors further ratifies, approves, and confirms such written notice and the contents and posting thereof.

Section 14.11: Repealer. All orders, resolutions, and ordinances, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

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PASSED AND APPROVED THIS July 21, 2020.

TERRY ROY

President

ATTEST:

JOHN RANDALL GEMMER

Secretary

[SEAL]

Exhibits:

Form of Initial Bond - A

Form of Definitive Bond - A-1

Written Procedures Relating to Continuing Compliance with Federal Tax Covenants - B

EXHIBIT A
FORM OF INITIAL BOND

Statement of Insurance

Build America Mutual Assurance Company (“BAM”), New York, New York, has delivered its municipal bond insurance policy (the “Policy”) with respect to the scheduled payments due of principal of and interest on this Bond to The Bank of New York Mellon Trust Company, N. A., Dallas, Texas, or its successor, as paying agent for the Bonds (the “Paying Agent”). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from BAM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Bonds, the owner acknowledges and consents (i) to the subrogation and all other rights of BAM as more fully set forth in the Policy and (ii) that upon the occurrence and continuance of a default or an event of default under the Bond Order or this Bond, BAM shall be deemed to be the sole owner of the Bonds for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the owners of the Bonds or the paying agent, registrar or similar agent for the benefit of such owners under the Bond Order, at law or in equity.

UNITED STATES OF AMERICA
STATE OF TEXAS
FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 19
UNLIMITED TAX BONDS
SERIES 2020

No. IB-1

Registered \$3,665,000
Dated: August 1, 2020

Series 2020 Bonds

| <u>Maturity Date</u> | <u>Serial Bonds</u> <u>Principal Amount</u> | <u>Interest Rate</u> |
|----------------------|--|----------------------|
| December 1, 2023 | \$25,000 | % |
| December 1, 2024 | \$25,000 | % |
| December 1, 2025 | \$25,000 | % |
| December 1, 2026 | \$50,000 | % |
| December 1, 2027 | \$50,000 | % |
| December 1, 2028 | \$50,000 | % |
| December 1, 2029 | \$75,000 | % |
| December 1, 2030 | \$75,000 | % |
| December 1, 2031 | \$75,000 | % |
| December 1, 2032 | \$100,000 | % |
| December 1, 2033 | \$125,000 | % |
| December 1, 2034 | \$150,000 | % |
| December 1, 2035 | \$175,000 | % |
| December 1, 2036 | \$175,000 | % |
| December 1, 2037 | \$200,000 | % |
| December 1, 2038 | \$200,000 | % |
| December 1, 2039 | \$200,000 | % |
| December 1, 2040 | \$225,000 | % |
| December 1, 2041 | \$225,000 | % |
| December 1, 2042 | \$225,000 | % |
| December 1, 2043 | \$225,000 | % |
| December 1, 2044 | \$225,000 | % |
| December 1, 2045 | \$250,000 | % |
| December 1, 2046 | \$255,000 | % |
| December 1, 2047 | \$260,000 | % |

| <u>Maturity Date</u> | <u>Term Bond(s)</u> <u>Principal Amount</u> | <u>Interest Rate</u> |
|----------------------|--|----------------------|
| December 1, 20__ | \$ _____ | _____ % |
| December 1, 20__ | \$ _____ | _____ % |

REGISTERED HOLDER: CEDE & CO., as registered owner and nominee of the Depository Trust Company, New York, New York (“DTC”).

Fort Bend County Municipal Utility District No. 19 (the “District”), a body politic and corporate, and a political subdivision and governmental agency of the State of Texas, for value received, hereby promises to pay to the registered owner named above, or registered assigns, but solely from the source and in the manner hereinafter provided, on the Maturity Date specified above, unless this Bond shall have been duly called for prior redemption and payment of the redemption price shall have been made or provided for in accordance with the Bond Order (as hereinafter defined), upon presentation and surrender of this Bond, the principal amount identified above and to pay interest on such sum from the Dated Date hereof (as defined in the Bond Order) or the most recent Interest Payment Date at the per annum rate set forth above calculated on the basis of a 360-day year, semiannually on June 1 and December 1 of each year, commencing December 1, 2020, until the payment of such sum shall have been made or provided for. Principal of this Bond is payable on presentation and surrender of this Bond in lawful money of the United States of America, without deduction for paying agent services, to the Paying Agent/Registrar, currently The Bank of New York Mellon Trust Company, N.A., a New York banking organization having its principal payment office in Dallas, Texas (the “Paying Agent/Registrar”). All interest on this Bond payable prior to the maturity hereof shall be paid by check mailed to the registered owner hereof at its address as it appears on the registration books of the Paying Agent/Registrar. The registered owner of this Bond shall be determined in each case as of the close of business on the fifteenth (15th) day of the calendar month next preceding the Interest Payment Date.

This Bond is the duly authorized Initial Bond representing the entire principal amount of the District’s Unlimited Tax Bonds, Series 2020 (the “Bonds”), aggregating in principal amount \$3,665,000, authorized by a Bond Order (the “Bond Order”) adopted by the Board of Directors of the District on July 21, 2020, pursuant to and in full conformity with the Constitution and the laws of the State of Texas. The Bonds, which pay interest semiannually until maturity or earlier redemption, are issued for the purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving and extending a water and sanitary sewer system, a surface water system and sewage disposal facilities for the District and a drainage system for the drainage of lands within the District, and for paying fees or charges to any regional water authority, groundwater conservation district or similar entity for charges or contributions lawfully levied on the District, and payment of the costs of issuance of the Bonds, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Chapters 49 and 54, Texas Water Code, as amended, and the Public Security Procedures Act, Tex. Gov’t. Code Ann. Chapter 1201.

This Bond and the other Bonds of the series of which it is a part are payable from the proceeds of a direct annual ad valorem tax levied upon all taxable property subject to taxation within the District, without limitation as to rate or amount in the manner provided by Section 54.503(1), Texas Water Code.

Bonds of this issue scheduled to mature on December 1, 2026, and thereafter, shall be callable for redemption prior to maturity, at the option of the District, in whole or in part, on December 1, 2025, or on any date thereafter, for the purpose of retirement or refunding, or both, at par in addition to unpaid accrued interest to the date of redemption. If less than all of the Bonds of a particular maturity are to be redeemed at any time, the particular Bonds to be redeemed shall be selected by the Paying Agent/Registrar in accordance with the aforesaid Bond Order.

The Term Bonds which mature December 1, 20__ and December 1, 20__ are subject to mandatory redemption (“Mandatory Redemption”) at a price equal to 100% of the principal amount thereof plus accrued interest to the redemption dates from amounts which are required to be deposited in the District’s Debt Service Fund as defined in this Order in amounts sufficient to redeem the Bond on December 1 in the years and principal amounts shown on the following schedule:

| Series 2020 Term Bonds | |
|----------------------------------|-------------------------|
| Redemption Date | Principal Amount |
| December 1, 20__ | \$ |
| December 1, 20__ (maturity date) | \$ |
| December 1, 20__ | \$ |
| December 1, 20__ (maturity date) | \$ |

While the Bonds are in book-entry only form pursuant to Article XII of the Bond Order, Term Bonds will be

selected for Mandatory Redemption by DTC in accordance with its procedures. If the book-entry only system is discontinued, Term Bonds will be selected for Mandatory Redemption by lot or other customary random method. The principal amount of the Term Bonds of a given maturity required to be redeemed pursuant to the operation of such Mandatory Redemption provisions shall be reduced, at the option of the District, by the principal amount of Term Bonds of such maturity which, at least fifty (50) days prior to the date of such Mandatory Redemption, (1) shall have been acquired by the District at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Registrar for cancellation, (2) shall have been purchased and cancelled by the Registrar at the request of the District at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase, or (3) shall have been redeemed pursuant to the optional redemption provisions and not thereto credited against a Mandatory Redemption requirement.

This Bond and the other Bonds of the series of which it is a part are designated Qualified Tax Exempt Obligation for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

As provided in the Bond Order and subject to certain limitations therein set forth, this Bond is transferable on the Bond Register of the District, upon surrender of this Bond for transfer at the corporate trust office of the Paying Agent/Registrar, currently The Bank of New York Mellon Trust Company, N.A., 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 the registered owner's attorney duly authorized in writing, 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 District nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Bond during a period beginning at the opening of business on the fifteenth (15th) calendar day of the month next preceding an interest payment date and ending at the close of business on the next succeeding interest payment date. Neither the District nor the Paying Agent/Registrar shall be required to (1) issue, transfer or exchange any Bond selected for redemption during a period beginning at the opening of business on a record date and ending at the close of business on the next succeeding interest payment date, or (2) transfer or exchange any Bond so selected for redemption in whole or in part where such redemption is scheduled to occur within thirty (30) calendar days.

The District, the Paying Agent/Registrar, and any agent of either of them shall treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Bond be overdue, and neither the District, the Paying Agent/Registrar, nor any agent shall be affected by notice to the contrary.

The District reserves the right to issue additional bonds and other evidences of indebtedness in the manner provided by Chapters 49 and 54, Texas Water Code, as amended, including without limitation, inferior lien bonds, refunding bonds, revenue bonds and special project bonds. Reference is made to the Bond Order for a complete description of the right to issue such additional bonds.

The District is located within the extraterritorial jurisdiction of the City of Richmond, Texas (the "City"). The laws of the State of Texas contain provisions which require a municipality of the State of Texas, including a home rule city, that dissolves a municipal utility district to take over all property and other assets of the district and assume all debts, liabilities and obligations of such district, and perform all the functions of the district, including the provision of services. When a district is dissolved, and the obligations thereof payable in whole or in part from ad valorem taxes become obligations of the dissolving municipality, the governing body of such municipality is thereafter required to levy and collect taxes on all taxable property within the municipality sufficient to pay the principal of and interest on the bonds, warrants or other obligations of the district as they become due and payable. There are also provisions which permit the consolidation of a district with one or more other districts and in connection therewith to consolidate its system with the water and sewer systems of the district or districts with which it is consolidating. Reference is hereby made to the Bond Order for a more complete description of the terms, conditions and circumstances under and by virtue of which the District may be annexed or consolidated and to the provisions of which the registered holder of this Bond by acceptance hereof expressly consents.

No Bond shall be valid or obligatory for any purpose or be entitled to any benefit under the Bond Order until the certificate of registration hereon shall have been signed by the Comptroller of Public Accounts of the State of Texas.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that the issuance of this Bond and the Bonds is duly authorized by law; that all acts, conditions and things required to exist and necessary to be done or performed precedent to and in the issuance of this Bond and the Bonds to render the same lawful, valid and binding have been properly done and performed and have happened in regular and due time, form and manner as required by law; that all acts, conditions and things necessary to be done or performed by the District or to have happened precedent to and in the execution and delivery of the Bond Order have been done and performed and have happened in regular and due form as required by law; that due provision has been made in the Bond Order for the payment of the principal of and interest on this Bond and the Bonds by the levy of a direct annual ad valorem tax upon all taxable property in the District sufficient to pay the principal of and interest on this Bond in the manner provided by Section 54.503(1), Texas Water Code; as amended, that payment in full for the Bonds has been received; and that the issuance of the Bonds does not contravene or violate any constitutional or statutory limitation.

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EXHIBIT A-1

FORM OF DEFINITIVE BOND

Statement of Insurance

Build America Mutual Assurance Company ("BAM"), New York, New York, has delivered its municipal bond insurance policy (the "Policy") with respect to the scheduled payments due of principal of and interest on this Bond to The Bank of New York Mellon Trust Company, N. A., Dallas, Texas, or its successor, as paying agent for the Bonds (the "Paying Agent"). Said Policy is on file and available for inspection at the principal office of the Paying Agent and a copy thereof may be obtained from BAM or the Paying Agent. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. By its purchase of these Bonds, the owner acknowledges and consents (i) to the subrogation and all other rights of BAM as more fully set forth in the Policy and (ii) that upon the occurrence and continuance of a default or an event of default under the Bond Order or this Bond, BAM shall be deemed to be the sole owner of the Bonds for all purposes and shall be entitled to control and direct the enforcement of all rights and remedies granted to the owners of the Bonds or the paying agent, registrar or similar agent for the benefit of such owners under the Bond Order, at law or in equity.

UNITED STATES OF AMERICA
STATE OF TEXAS

NO. R-1

REGISTERED \$ _____

FORT BEND COUNTY MUNICIPAL UTILITY DISTRICT NO. 19
UNLIMITED TAX BONDS
SERIES 2020

INTEREST RATE
_____ %

CUSIP:

MATURITY DATE:
December 1, 20__

DATED DATE:
August 1, 2020

PRINCIPAL AMOUNT: _____ DOLLARS

REGISTERED OWNER: CEDE & CO, as nominee of the Depository Trust Company, New York, New York ("DTC")

Fort Bend County Municipal Utility District No. 19 (the "District"), a body politic and corporate, and a political subdivision and governmental agency of the State of Texas, for value received, hereby promises to pay to the registered owner named above, or registered assigns, but solely from the source and in the manner hereinafter provided, on the Maturity Date specified above, unless this Bond shall have been duly called for prior redemption and payment of the redemption price shall have been made or provided for in accordance with the Bond Order (as hereinafter defined), upon presentation and surrender of this Bond, the principal amount identified above and to pay interest on such sum from the Dated Date hereof (as defined in the Bond Order) or the most recent Interest Payment Date at the per annum rate set forth above calculated on the basis of a 360-day year, semiannually on June 1 and December 1 of each year, commencing December 1, 2020, until the payment of such principal sum shall have been made or provided for. Principal of this Bond is payable on presentation and surrender of this Bond in lawful money of the United States of America, without deduction for paying agent services, to the Paying Agent/Registrar, currently The Bank of New York Mellon Trust Company, N.A. (the "Paying Agent/Registrar"), a national banking association with a corporate trust office and a payment office in Dallas, Texas. All interest on this Bond payable prior to the maturity hereof shall be paid by check mailed to the registered owner hereof at its address as it appears on the registration books of the Paying Agent/Registrar. The registered owner of this Bond shall be determined in each case as of the close of business on the fifteenth (15th) day of the calendar month next preceding the Interest Payment Date.

This Bond is one of the duly authorized Bonds of the District's Unlimited Tax Bonds, Series 2020 (the "Bonds"), aggregating in principal amount \$3,665,000, authorized by a Bond Order (the "Bond Order") adopted by the Board of Directors of the District on July 21, 2020 pursuant to and in full conformity with the Constitution and the laws of the State of Texas. The Bonds, which pay interest semiannually until maturity or earlier redemption, are issued for the purposes of purchasing, constructing, acquiring, owning, operating, repairing, improving and extending a water and sanitary sewer system, a surface water system and sewage disposal facilities for the District and a drainage system for the drainage of lands within the District, and for paying fees or charges to any regional

water authority, groundwater conservation district or similar entity for charges or contributions lawfully levied on the District, and payment of the costs of issuance of the Bonds, under and in strict conformity with the Constitution and laws of the State of Texas, particularly Chapters 49 and 54, Texas Water Code, as amended and the Public Security Procedures Act, Tex. Gov't. Code Ann. Chapter 1201.

This Bond and the other Bonds of the series of which it is a part are payable from the proceeds of a direct annual ad valorem tax levied upon all taxable property subject to taxation within the District, without limitation as to rate or amount in the manner provided by Section 54.503(1), Texas Water Code, as amended.

Bonds of this issue scheduled to mature on December 1, 2026, and thereafter, shall be callable for redemption prior to maturity, at the option of the District, in whole or in part, on December 1, 2025, or on any date thereafter, for the purpose of retirement or refunding, or both, at par in addition to unpaid accrued interest to the date of redemption. If less than all of the Bonds of a particular maturity are to be redeemed at any time, the particular Bonds to be redeemed shall be selected by the Paying Agent/Registrar in accordance with the aforesaid Bond Order.

The Term Bonds which mature December 1, 20__ and December 1, 20__ are subject to mandatory redemption ("Mandatory Redemption") at a price equal to 100% of the principal amount thereof plus accrued interest to the redemption dates from amounts which are required to be deposited in the District's Debt Service Fund as defined in this Order in amounts sufficient to redeem the Bond on December 1 in the years and principal amounts shown on the following schedule:

| Series 2020 Term Bonds | |
|-------------------------------------|-------------------------|
| <u>Redemption Date</u> | <u>Principal Amount</u> |
| December 1, 20__ (maturity date) | \$ |
| December 1, 20__ (maturity date) | \$ |

While the Bonds are in book-entry only form pursuant to Article XII of the Bond Order, Term Bonds will be selected for Mandatory Redemption by DTC in accordance with its procedures. If the book-entry only system is discontinued, Term Bonds will be selected for Mandatory Redemption by lot or other customary random method. The principal amount of the Term Bonds of a given maturity required to be redeemed pursuant to the operation of such Mandatory Redemption provisions shall be reduced, at the option of the District, by the principal amount of Term Bonds of such maturity which, at least fifty (50) days prior to the date of such Mandatory Redemption, (1) shall have been acquired by the District at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase thereof, and delivered to the Registrar for cancellation, (2) shall have been purchased and cancelled by the Registrar at the request of the District at a price not exceeding the principal amount of such Term Bonds plus accrued interest to the date of purchase, or (3) shall have been redeemed pursuant to the optional redemption provisions and not thereto credited against a Mandatory Redemption requirement.

In the event all or any part of the Bonds then outstanding shall be called for redemption before maturity, notice thereof in writing shall be mailed, properly stamped and addressed, to each registered owner of the Bonds to be redeemed, at least thirty (30) days before the date fixed for redemption. Payment of interest shall cease upon the date set for redemption, and the Paying Agent/Registrar shall notify the registered owner hereof, in writing, of both the redemption date and the termination of payment or accrual of interest.

This Bond and the other Bonds of the series of which it is a part are designated Qualified Tax Exempt Obligation for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

As provided in the Bond Order and subject to certain limitations therein set forth, this Bond is transferable on the Bond Register of the District, upon surrender of this Bond for transfer at the corporate trust office of the Paying Agent/Registrar, currently The Bank of New York Mellon Trust Company, N.A., 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 the registered owner's attorney duly authorized in writing, and thereupon one or more new fully registered Bonds of the same stated maturity, of authorized denominations of \$5,000 or integral

multiples thereof, bearing the same rate of interest, and for the same aggregate principal amount will be issued to the designated transferee or transferees.

Neither the District nor the Paying Agent/Registrar shall be required to issue, transfer or exchange any Bond during a period beginning at the opening of business on the fifteenth (15th) calendar day of the month next preceding an interest payment date and ending at the close of business on the next succeeding interest payment date. Neither the District nor the Paying Agent/Registrar shall be required to (1) issue, transfer or exchange any Bond selected for redemption during a period beginning at the opening of business fifteen (15) calendar days before the date of the first mailing of a notice of redemption of Bonds hereunder and ending at the close of business on the day of such mailing, or (2) transfer or exchange any Bond so selected for redemption in whole or in part where such redemption is scheduled to occur within thirty (30) calendar days.

The District, the Paying Agent/Registrar, and any agent of either of them shall treat the person in whose name this Bond is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this Bond be overdue, and neither the District, the Paying Agent/Registrar, nor any agent shall be affected by notice to the contrary.

The District reserves the right to issue additional bonds and other evidences of indebtedness in the manner provided by Chapters 49 and 54, Texas Water Code, as amended, including without limitation, inferior lien bonds, refunding bonds, revenue bonds and special project bonds. Reference is made to the Bond Order for a complete description of the right to issue such additional bonds.

The District is located within the extraterritorial jurisdiction of the City of Richmond, Texas (the "City"). The laws of the State of Texas contain provisions which require a municipality of the State of Texas, including a home rule city, that dissolves a municipal utility district to take over all property and other assets of the district and assume all debts, liabilities and obligations of such district, and perform all the functions of the district, including the provision of services. When a district is dissolved, and the obligations thereof payable in whole or in part from ad valorem taxes become obligations of the dissolving municipality, the governing body of such municipality is thereafter required to levy and collect taxes on all taxable property within the municipality sufficient to pay the principal of and interest on the bonds, warrants or other obligations of the district as they become due and payable. There are also provisions which permit the consolidation of a district with one or more other districts and in connection therewith to consolidate its system with the water and sewer systems of the district or districts with which it is consolidating. Reference is hereby made to the Bond Order for a more complete description of the terms, conditions and circumstances under and by virtue of which the District may be annexed or consolidated and to the provisions of which the registered holder of this Bond by acceptance hereof expressly consents.

No Bond shall be valid or obligatory for any purpose or be entitled to any benefit under the Bond Order until the certificate of authentication hereon shall have been signed by the Paying Agent/Registrar.

IT IS HEREBY CERTIFIED, RECITED AND REPRESENTED that the issuance of this Bond and the Bonds is duly authorized by law; that all acts, conditions and things required to exist and necessary to be done or performed precedent to and in the issuance of this Bond and the Bonds to render the same lawful, valid and binding have been properly done and performed and have happened in regular and due time, form and manner as required by law; that all acts, conditions and things necessary to be done or performed by the District or to have happened precedent to and in the execution and delivery of the Bond Order have been done and performed and have happened in regular and due form as required by law; that due provision has been made in the Bond Order for the payment of the principal of and interest on this Bond and the Bonds by the levy of a direct annual ad valorem tax upon all taxable property in the District sufficient to pay the principal of and interest on this Bond in the manner provided by Section 54.503(1), Texas Water Code, as amended; that payment in full for the Bonds has been received; and that the issuance of the Bonds does not contravene or violate any constitutional or statutory limitation.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the District has caused this Bond to be executed in its name by the President of its Board of Directors and to be attested to by the Secretary of its Board of Directors both by their respective manual signatures, and the official seal of the District to be placed hereon.

FORT BEND COUNTY MUNICIPAL UTILITY
DISTRICT NO. 19

/S/ TERRY ROY

By _____
President, Board of Directors

ATTEST:

/S/ JOHN RANDALL GEMMER

Secretary, Board of Directors

(SEAL)

Certificate of Authentication

This is one of the Bonds referred to in the within-mentioned Bond Order. The undersigned Paying Agent/Registrar hereby certifies that on file in its office is an opinion of the Attorney General of the State of Texas approving the originally issued Bonds and the proceedings relating thereto and that such Bonds contain a Certificate of Registration by the Comptroller of Public Accounts of the State of Texas.

The Bank of New York Mellon Trust Company, N.A., as
Paying Agent/Registrar

By: _____
Authorized Signatory

DATED

Assignment

FOR VALUE RECEIVED the undersigned hereby sells, assigns, and transfers unto _____ (Transferee), (Social Security or other identifying number): _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

The signature of the registered owner appearing on this Assignment is hereby verified as true and genuine and is guaranteed by:

Registered Owner
NOTICE: The signature on this Assignment must correspond with the name of the Registered Owner as it appears on the face of the within Bond in every particular

(Bank, Trust Company, or Brokerage Firm)

(Authorized Representative)

The following abbreviations, when used in the inscription on the face of this Bond, shall be construed as though they were written out in full.

- TEN COM - as tenants in common
- TEN ENT - as tenants by the entirety
- JT TEN - as joint tenants with right of survivorship and not as tenants in common
- UNIF GIFT MIN ACT - _____ - Custodian for _____
(Cust) (Minor)
under Uniform Gifts to Minors Act _____
(State)

Additional abbreviations may also be used though not in list above.

EXHIBIT “B”

**WRITTEN PROCEDURES RELATING TO CONTINUING
COMPLIANCE WITH FEDERAL TAX COVENANTS**

A. Arbitrage. With respect to the investment and expenditure of the proceeds of the Fort Bend County Municipal Utility District No. 19 Unlimited Tax Bonds, Series 2020 (the “Bonds”) the District’s Board of Directors (the “Responsible Persons”) will:

- instruct the appropriate person or persons that the construction, renovation or acquisition of the facilities must proceed with due diligence and that binding contracts for the expenditure of at least 5% of the proceeds of the Bonds will be entered into within 6 months of the Issue Date;
- monitor that at least 85% of the proceeds of the Bonds to be used for the construction, renovation or acquisition of any facilities are expended within 3 years of the date of delivery of the Bonds (“Issue Date”);
- restrict the yield of the investments to the yield on the Bonds after 3 years of the Issue Date;
- monitor all amounts deposited into a sinking fund or funds, e.g., the Debt Service Fund, to assure that the maximum amount invested at a yield higher than the yield on the Bonds does not exceed an amount equal to the debt service on the Bonds in the succeeding 12 month period plus a carryover amount equal to one-twelfth of the principal and interest payable on the Bonds for the immediately preceding 12-month period;
- ensure that no more than 50% of the proceeds of the Bonds are invested in an investment with a guaranteed yield for 4 years or more;
- maintain any official action of the District (such as a reimbursement resolution) stating its intent to reimburse with the proceeds of the Bonds any amount expended prior to the Issue Date for the acquisition, renovation or construction of the facilities;
- ensure that the applicable information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS;
- assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government at such time and in such manner as directed by the IRS (i) at least every 5 years after the Issue Date and (ii) within 30 days after the date the Bonds are retired.

B. Private Business Use. With respect to the use of the facilities financed or refinanced with the proceeds of the Bonds the District's Board of Directors will:

- monitor the date on which the facilities are substantially complete and available to be used for the purpose intended;
- monitor whether, at any time the Bonds are outstanding, any person, other than the District, the employees of the District, the agents of the District or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
- monitor whether, at any time the Bonds are outstanding, any person, other than the District, the employees of the District, the agents of the District or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);
- monitor whether, at any time the Bonds are outstanding, any person, other than the District, the employees of the District, the agents of the District or members of the general public has a right to use the facilities to conduct or to direct the conduct of research;
- determine whether, at any time the Bonds are outstanding, any person, other than the District, has a naming right for the facilities or any other contractual right granting an intangible benefit;
- determine whether, at any time the Bonds are outstanding, the facilities are sold or otherwise disposed of; and
- take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in this Order related to the public use of the facilities.

C. Record Retention. The Responsible Persons will maintain or cause to be maintained all records relating to the investment and expenditure of the proceeds of the Bonds and the use of the facilities financed or refinanced thereby for a period ending three (3) years after the complete extinguishment of the Bonds. If any portion of the Bonds is refunded with the proceeds of another series of tax-exempt bonds or obligations, such records shall be maintained until the three (3) years after the refunding bonds or obligations are completely extinguished. Such records can be maintained in paper or electronic format.

D. Responsible Persons. Each Responsible Person shall receive appropriate training regarding the District's accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the facilities financed with the proceeds of the Bonds. The foregoing notwithstanding, the Responsible Persons are authorized and instructed to retain such experienced advisors and agents as may be necessary to carry out the purposes of these instructions.

I, the undersigned Secretary of the Board of Directors of Fort Bend County Municipal Utility District No. 19 hereby certify that the foregoing is a true and correct copy of the Bond Order and excerpts of minutes, which Bond Order was adopted by said Board of Directors at its special meeting on July 21, 2020, as same appear of record in the official minutes of said Board of Directors on file in said District's office.

I further certify that said meeting was open to the public, and that notice was given in compliance with the provisions of Tex. Gov't. Code Ann. § 551.001 et seq. as adopted, and as suspended in part by the Governor of Texas on March 16, 2020.

Witness my hand and the official seal of said District, this _____.

Secretary

